



**PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
January 12, 2017**

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 12, 2017.

WORK SESSION

3:30 p.m. Special Event Advisory Committee Interview **PAGE 5**

CLOSED SESSION

3:45 p.m. To Discuss Property, Personnel and Litigation

STUDY SESSION

4:15 p.m. Western Summit County Project Overview **PAGE 12**

WORK SESSION

5:15 p.m. Council Questions and Comments

5:30 p.m. – Discuss City Park Community Center Request for Proposals Scope **PAGE 22**

REGULAR MEETING

6:00 p.m.

I. ROLL CALL

II. APPOINTMENTS

1. Recreation Advisory Board Appointment of Ed Parigian for a Term Which Will Expire July, 2017 **PAGE 48**
2. Historic Preservation Board Appointment of Randy Scott for a Term Which Will Expire May, 2018 **PAGE 50**

III. COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Staff Communications Report:

- Government Finance Officers Association (GFOA) Distinguished Budget Award **PAGE 54**

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

V. CONSENT AGENDA

1. Request to Approve the Following Convention Sales License (CSL) Applications for Operation During the 2017 Sundance Film Festival: **PAGE 56**

Applicant Name	Location Address
To Be Approved	
The Blackhorse Foundation	804 Main Street
HBO	804 Main Street
Time Warner	804 Main Street
NBC Universal	804 Main Street
Campaign for Black Male Achievement	804 Main Street
LA International Film Festival	427 Main Street
Luxe Marketing	268 Main Street
Salt Lake Brewing Co	250 Main Street
Luxe Marketing	352 Main Street
A-List Communications	306 Main Street
Proximo Spirits	306 Main Street
Kia Motors America	306 Main Street
Johndrow Vineyards	306 Main Street
Interex Corp	306 Main Street
Home Grown Industries of GA	427 Main Street
Chefdance	427 Main Street
General Snus	577 Main Street
FXBX	577 Main Street
Tone It Up	625 Main Street
New Breed	625 Main Street
ISI Group	136 Heber Avenue #304
Sundance Institute	1401 Kearns Blvd
Telefilm Canada	1401 Kearns Blvd
Uber Lounge	1351 Kearns Blvd #160
CTA	427 Main Street
Spotify USA, Inc.	427 Main Street
Heartland Food Products Group	427 Main Street
361USA	427 Main Street
Musically	427 Main Street
Artists Den Entertainment	427 Main Street
Whats Trending	427 Main Street

JP Morgan Chase	427 Main Street
Cool Effect	427 Main Street
Brand Technologies	427 Main Street
Fingerprint Communications	427 Main Street
Mirrored Media	427 Main Street
Awesomeness LLC	427 Main Street

2. Request to Approve the Following Special Event Temporary Alcoholic Beverage License Applications for Operation During the 2017 Sundance Film Festival: **PAGE 63**

Applicant Name	Location Address
To Be Approved - Late Applications (Up to 12) 8 Previously Approved	
Park City Municipal Corp	528 Main Street
Root'd	596 Main Street
A-List Communications	306 Main Street

*Staff recommends a condition of approval for a security plan for the highlighted address locations.

VI. NEW BUSINESS

1. Consideration of an Option Agreement with Redus, LLC for the purchase of approximately 1,400 acres in Bonanza Flats for open space for \$38,000,000 in a form approved by the City Attorney **PAGE 70**

(A) Public Hearing (B) Action

2. Consideration to Hold a Special Meeting to be Held Between January 19-21 for the Approval of Late Type 2 Convention Sales License (CSL) Applications **PAGE 137**

(A) Public Hearing (B) Action

3. Consideration to Authorize the City Manager to Execute a Contract with Proterra, in a Form Approved by the City Attorney, for the Purchase of Six (6) 40-Foot Battery-Electric LOW FLOOR BUSES, and Related Charging Equipment for a Total of \$4,926,075 with a Federal Transit Administration (FTA) 5339C "Low-No Emission" Grant in Partnership with the Utah Department of Transportation (UDOT) **PAGE 138**

(A) Public Hearing (B) Action

4. Consideration to Authorize the City Manager to Execute a Contract with Proterra, in a Form Approved by the City Attorney, for the Electric Bus Battery Leasing, for a Total of \$2,931,900 Over a 12 Year Agreement, as Necessary Power for the Procurement of Six (6) 40-Foot Battery-Electric LOW FLOOR BUSES, and Related Charging Equipment, through the Federal Transit Administration (FTA) 5339C "Low-No Emission" Grant Program and a Partnership with the Utah Department of Transportation (UDOT) **PAGE 169**

(A) Public Hearing (B) Action

5. Consideration to Enter into an Encroachment Agreement, in a Form Approved by the City Attorney, with Harry L. Bibb, Jr. and Joan C. Engram-Bibb for the Purpose of Reconstructing and Maintaining Retaining Walls and Surrounding Landscaping on Park City Property at the Park City Golf Club Near 2217 Three Kings Court **PAGE 203**

(A) Public Hearing (B) Action

6. Consideration to Approve the Women's March for American Park City Level Three First Amendment Event to be Held on Saturday, January 21 from 9:00 a.m. to 11:00 a.m. with Set Up from 7:00 a.m. to 9:00 a.m. and Breakdown to be Completed by Noon, Based on Findings of the Fact, Conditions of Approval and Conclusions of the Law in a Form Approved by the City Attorney's Office **PAGE 214**

(A) Public Hearing (B) Action

7. Consideration to Approve the Purchase of the Utah Department of Transportation (UDOT) Surplus Real Property Located at 3821 East Highway 248, in the Amount of \$255,000 **PAGE 231**

(A) Public Hearing (B) Action

8. Consideration to Continue an Ordinance Approving the Main Street Plaza Subdivision, Located at 220 & 250 Main Street Pursuant to Findings of Fact, Conclusions of Law, and Conditions of Approval in a Form Approved by the City Attorney **PAGE 243**

(A) Public Hearing (B) Continuation to February 16, 2017

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 is available in the Marsac Building on Wednesdays and Thursdays from 4:00 p.m. to 9:00 p.m.

Posted: See: www.parkcity.org



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

Staff requests for City Council to interview seven Special Event Advisory Committee applicants and select candidates to fulfill three (3) positions with two and a half (2.5) year terms expiring June of 2019. Staff will return to the January 26th City Council meeting for appointments.

Please advise if you would like hard copies of this packet.

Respectfully:

Michelle Kellogg, City Recorder



City Council Staff Report

Subject: Special Event Advisory Committee (SEAC) Interviews
Author: Jenny Diersen, Staff Liaison to SEAC – Special Event Coordinator
Department: Special Events
Date: Thursday, January 12, 2017

Summary Recommendation

Staff requests that City Council interview the candidates for the Special Events Advisory Committee vacancies and select three (3) candidates for two and a half (2.5) year terms expiring June of 2019. Staff will return to the January 26th City Council meeting for appointments.

Acronyms

SEAC – Special Events Advisory Committee

Executive Summary

Staff requests for City Council to interview seven Special Event Advisory Committee applicants and select candidates to fulfill three (3) positions with two and a half (2.5) year terms expiring June of 2019. Staff will return to the January 26th City Council meeting for appointments.

Please advise if you would like hard copies of this packet.

The Problem/ Challenge

Both the success and challenges of a multi-season resort destination have created a need to more effectively manage special events. Starting in the summer of 2014, City staff began receiving feedback that the community perception was that there was an increase in ‘event fatigue’. From October of 2014 to March of 2016, steps were taken to improve the management of impacts from special events.

In June of 2015 the City Council adopted [Resolution 05-15](#) creating the Special Events Advisory Committee. On November 17, 2016, the City Council amended the SEAC resolution and adopted the amended resolution ([22-2016](#)), removing the business stakeholders from the committee and added three additional Community At-Large positions for the Special Events Advisory Committee.

- There are currently three vacant positions to be filled.
- Staff will be returning in the spring for the appointment of two terms that expire in June. Those members whose terms expire in June will be eligible for reappointment.

Background

City Council Reports:

October 9, 2014	Special Events Update Study Session – pages 2 through 17
October 9, 2014	Special Event Update Minutes – pages 1 through 2
December 4, 2014	Special Events Discussion – pages 8 through 24
December 4, 2014	Special Events Discussion Minutes – pages 9 & 10
March 26, 2015	Special Event Update – SEAC on pages 8 through 11.
March 26, 2015	Special Event Update Minutes – pages 1 through 2
June 4, 2015	Special Events Advisory Committee Establishment– pages 656 through 663
June 4, 2015	Special Events Advisory Committee Establishment Minutes – page 9
July 9, 2015	Special Events Advisory Committee Addition Manager’s Report – page 14

January 29, 2016	Special Events Department Code Changes – page 93 through 140
January 29, 2016	Special Events Department Code Changes Minutes – pages 9 through 10
March 24, 2016	Title 4, Chapter 8 Special Event Code Amendment – pages 67 through 101
March 24, 2016	Title 4, Chapter 8 Special Event Code Amendment Minutes – page 7
May 5, 2016	Special Event Fee Reduction (July 1 through December 31) pages 152 through 170
May 5, 2016	Special Event Fee Reduction (July 1 through December 31) minutes – page 9
June 30, 2016	Staff Communications Special Event Advisory Committee Update - pages 188 through 210
September 22, 2016	Special Event Work Session Update - pages 7 through 30
September 22, 2016	Special Event Work Session Minutes - pages 7 through 11
November 3, 2016	Special Event Update Work Session - page 18 through 46
November 3, 2016	Special Event Update Work Session Minutes – pages 6 through 8
November 17, 2016	SEAC Amendment – pages 51 through 64
November 17, 2016	SEAC Amendment minutes – pages 6 through 8

SEAC's role is to advise City Council from a community perspective Special Events in Park City. SEAC's recommendations inform City Councils decisions on:

- The overall event threshold in Park City;
- Individual events across the event calendar;
- The City's role in facilitating and/or reducing events;
- Fee reduction with regards to the level of service the City may provide the City's budget and the level of Service provided at events;
- Our local businesses, non-profits, community partners and community members;
- Multi -Jurisdictional event coordination;
- Community, arts and culture groups, and local businesses; and
- Goals in the General Plan of promoting a [sense of community](#)

Analysis

Staff has noticed the SEAC vacancies on the City's website beginning November 10, 2016.

Staff received requests from five community members who lived outside of the City's jurisdiction, who were ineligible to serve on SEAC. The seven eligible applicants have not applied to SEAC before. Interviews were conducted on January 5th, and one applicant had an unexpected emergency and could not attend.

The remaining interview is scheduled as follows on Thursday, January 12th, 2017:
3:30 p.m. – Sarah Aures

Staff will return to the regularly scheduled meeting on January 26th for the SEAC appointments.

Department Review

The Special Events, Economic Development, Executive and Legal Departments have reviewed this report.

Funding Source

No funding is needed for appointment, as members are not compensated.

Alternatives for City Council to Consider

1. Recommended Alternative:

Staff requests that City Council interview the candidates for SEAC vacancies and select three (3) members for two and a half (2.5) year terms expiring June of 2019.

Pros

- a. SEAC's work impacts the City's Council's goals of creating a Complete Community that values historic preservation, economic diversity and the arts and culture, as well as, creating a Thriving Mountain Community.
- b. Consistent with City's goal of increasing citizen involvement.

2. Additional Time Alternative:

City Council could interview the candidates for SEAC vacancies and ask to continue the vacancy advertisements to receive additional applications for committee consideration.

Pros

- a. Allows Council and staff additional time to receive applications from community members to ensure the committee represents the community as a whole.

Cons

- a. Prolonging the selection of SEAC members may be perceived by the community as being non-responsive to their concerns.
- b. Current members of SEAC may be paused in their work of evaluating Special Events with regard to Fee Reduction, Event Prioritization/Threshold, Debrief and Fee Reduction.

Attachments

- A SEAC Vacancy Advertisement



SPECIAL EVENTS ADVISORY COMMITTEE (SEAC)

Post Date: 11/30/2016

The Mayor and City Council are looking for Community-At-Large members to serve on the [Special Events Advisory Committee](#).

SEAC provides recommendations to the City Council regarding events that will create a diverse and well balanced offering to the local community. SEAC makes recommendations regarding events with regards to citywide carrying capacity threshold and prioritization, levels of recommended city services provided, as well as overall event review and performance evaluation.

Those interested in serving on this committee must reside within the city limits of Park City, and should not be an active member of the boards or commissions of any of the above mentioned stakeholder groups. Additionally, they should represent different geographic areas or neighborhoods than currently represented within the City limits of Park City. Members will serve for a three-year term. Meetings are held the third Wednesday of each month, from 12 noon to 2 p.m. at the Park City Library. Committee members should also expect to participate in 5 to 10 hours of work outside of meetings.

To receive an application form, please email Jenny Diersen jenny.diersen@parkcity.org or call 435.615.5188. Applications must be received by **Friday, December 16, 2016**. Applications may be submitted by email to Jenny Diersen, jenny.diersen@parkcity.org or in hard copy, to Jenny Diersen, Sustainability Department: Special Events Office, 3rd Floor, 445 Marsac Ave. P.O. Box Park City, UT. 84060.

An interview schedule will be sent out after the application deadline.



Special Event Advisory Committee

At-Large Application Form

The Mayor and City Council are looking for additional Community-At-Large members to serve on the [Special Events Advisory Committee](#).

SEAC provides recommendations to the City Council regarding events that will create a diverse and well balanced offering to the local community. SEAC makes recommendations regarding events with regards to citywide carrying capacity threshold and prioritization, levels of recommended city services provided, as well as overall event review and performance evaluation.

Those interested in serving on this committee must reside within the city limits of Park City, and should not be an active member of the boards or commissions of any of the above mentioned stakeholder groups. Additionally, they should represent different geographic areas or neighborhoods than currently represented within the City limits of Park City. Members will serve for a three-year term. Meetings are held the third Wednesday of each month, from 12 noon to 2 p.m. at the Park City Library. Committee members should also expect to participate in 5 to 10 hours of work outside of meetings.

To receive an application form, please email Jenny Diersen jenny.diersen@parkcity.org or call 435.615.5188. Applications must be received by **Friday, December 16, 2016**. Applications may be submitted by email to Jenny Diersen, jenny.diersen@parkcity.org or in hard copy, to Jenny Diersen, Sustainability Department: Special Events Office, 3rd Floor, 445 Marsac Ave. P.O. Box Park City, UT. 84060.

An interview schedule will be sent out after the application deadline.

Name: _____

E-mail Address: _____

Street Address: _____

Mailing Address (If different): _____

Phone: (home) _____ (cell) _____

1. How long have you lived within Park City limits? _____
2. What is your profession and/or involvement in the community? _____

3. What is your experience with special events? _____

4. What is your involvement with Park City Municipal Corporation? _____

5. Meetings will likely be monthly during working hours and be approximately 2 hours. Additionally members should expect to complete 5 to 10 hours of work outside of meetings. Are you able to commit to these requirements? (Yes) _____ (No) _____
6. Why are you interested in serving on SEAC? _____

7. What specific skills and/or qualities will you bring to the Committee if selected? _____

8. Do you foresee any conflicts of interest you might encounter concerning the recommendation regarding special events? _____

9. Are you interested in serving on any other boards or commissions within the City?
(Yes) _____ (No) _____

Selected applicants will be required to sign an Authorized Release of Information for a background check, which will be conducted by the City. Additionally, all members of the Committee will be required to sign a Disclosure Affidavit and acknowledge the City's Ethics policy referenced in Title 3 –Ethics, of the Park City Municipal Code.



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

- This report is intended to present information related to the Western Summit County Project and the Master Agreement. Due to the nature of this information, this report is organized in bullet point format.
- The purpose of this report is to:
 - Review water supply and demand for Park City.
 - Review terms of the Master Agreement and how the WSCP can support PC's long term goals.

Respectfully:

Holly Hilton, Assistant



City Council Staff Report

Subject: Western Summit County Project and the Master Agreement
Author: Clint McAfee
Department: Public Utilities
Date: January 12, 2017
Type of Item: Study Session

Purpose of this Report

- This report is intended to present information related to the Western Summit County Project and the Master Agreement. Due to the nature of this information, this report is organized in bullet point format.
- The purpose of this report is to:
 - Review water supply and demand for Park City.
 - Review terms of the Master Agreement and how the WSCP can support PC's long term goals.

Links to Figures and Master Agreement (click for link)

- [1 master agreement executed](#)
- [2 master agreement exhibits a-d](#)
- [3 master agreement exhibits e-j & exhibits \(3\)](#)
- [exhibit list](#)
- [Figure 1 – water supply and demand](#)

Background

1. Existing City Policy

As with all City long term planning, the City's water and utility policies start with the City's **Community Vision** created primarily by citizen engagement, the **Park City 2030 Plan**, annual **Council Goals**, and the **General Plan**. These "Complete Community" policy plans are then implemented by the Public Utility Department's Business Plan and biennial strategic plans as prioritized and adopted through the City's budget process. Key statements regarding long term water strategic planning include:

Park City 2030 Plan

PRESERVING & ENHANCING THE NATURAL ENVIRONMENT

Park City is proud that it is recognized as a model environmentally-conscious community. Residents develop, participate in and support initiatives to protect the long-term health of the natural environment and Park City policies and investments work in concert with these efforts.

Carbon reduction, energy and water conservation programs and open space acquisition not only attract residents and visitors to Park City, but also advance community environmental goals and preserve the unique natural setting. Park City recognizes that careful planning to ensure a sustainable water supply that meets the City's current and future need is essential to our long-term viability. (emphasis added)

Key strategies

- Diversified Water Rights, Leases & Agreements, and Regional Partnerships
- Water Quality and Treatment Program
- Water Conservation, Customer Service, Outreach, and Involvement

Current Challenges

- Mining Influenced Water Discharges
- Source Water Quality
- Drought and Water Conservation
- Lack of Water Storage
- Water Capital Project Management

2. Agreement and Project History

The Western Summit County Project and the Master Agreement are perhaps the most important implementation projects addressing many of the key long term policy goals identified above.

- Utah is the 2nd driest state in the US
- Utah's drought cycle has followed 7 wet years followed by 5 dry years
 - Northern Utah drought cycle
 - 1974-1979
 - 1986-1992
 - 1999-2004
 - 2012-20??
- Park City and the Snyderville Basin is a high mountain valley with fractured rock aquifers. Snow melt is the primary source by which the aquifers are regenerated. During drought, ground water production is depleted. This problem is further compounded by our location at the top of the watershed and the resulting lack of surface water storage.
- The State Engineer closed new appropriations (initiation of a water right by requesting and receiving permission to use public water) of surface water in 1937 and ground water appropriations in 1973. In the late 19070's, the State Engineer also placed a moratorium on the transfer of water rights into the basin. This means every drop of water in the Basin, whether from a well or surface water, is accounted for with paper water rights (and then some as paper rights generally exceed the wet water in the Basin). Existing paper water

rights already in the Basin can be moved to wet water through change applications but it is difficult due to the over allocation of paper rights and conflict with existing wet water users.

- In 1996 the Rockport Importation Project began. The parties to the initial agreement were Park City, Mountain Regional (Atkinson Special Service District at the time), and Weber Basin Water Conservancy District (Weber Basin).
 - The final component of this project on Park City's end (Quinns Water Treatment Plant) was finished in 2012. This project is a large regional import system including, among other things, a diversion structure at Rockport Reservoir, a pump station, and a pipeline from the Weber River to PCMC's Quinns WTP.
 - Park City can receive up to 2,900 acre feet annually from this project.
- In 2006 the U.S. Bureau of Reclamation (USBOR) completed the "Snyderville Basin Water Supply Study Special report", a comprehensive evaluation of water needs within the Snyderville Basin. Major conclusions of USBOR study were as follows:
 - The projected 2050 water demand for the Basin is 28,600 acre-feet per year. This includes an identified need for 1,600 acre-feet per year for stream augmentation purposes.
 - Full development of all local water supplies will result in a reliable supply of only 11,500 acre-feet per year. This includes up to 3,600 acre-feet per year of reuse water that the study assumes will be "developed by local entities" by the year 2050.
 - To meet the projected annual deficit of 17,100 acre-feet, the USBOR Study recommends that water be imported into the Basin from Lost Creek Canyon Pipeline Project (5,000 AF, this project is complete) and the East Canyon Pipeline Project (12,100 AF, this project is partially built but not currently functional).
 - To organize water importation, reuse, and stream augmentation, the USBOR Study recommended there be "a coordinated effort to develop a Master Plan for the Snyderville Basin, including all water suppliers and local government entities in the basin".
- In Late 2006 Bowen Collins completed the "Snyderville Basin Water Transport Study" which developed a "Master Plan" in accordance with USBOR's recommendations. The Transport Study also allocated the projected demands throughout the Basin consistent with expected growth. The 2006 Transport Study identified various alternatives and large infrastructure components that would be required for a Basin wide supply system including Lost Creek Canyon Pipeline, Round Valley Reservoir, East Canyon Pipeline, and various other pipelines for interconnections.
- Park City's Projected Water Supply and Demand
 - Figure 1 shows Park City's historical and future water supply and demand (see Section 3 above for link to this Figure)
 - Park City has a projected total peak day water supply deficit in about 2035. Historical data has shown a downward trend in consumption and this deficit could happen much later in time or be eliminated if consumption trends continue downward. However, many factors can change these projections including potential annexation boundary changes, water source failures, climate change, and many other factors.

- In December of 2011 Weber Basin, Park City, Mountain Regional, Summit Water, and Snyderville Basin Water Reclamation entered into a non-binding due diligence agreement to study the feasibility of what is now called the Western Summit County Project. The purpose of the due diligence study was to better determine water needs and assets within the Basin and create the framework for a “Master Agreement” between the parties that would define how much water is needed by each party, when it is needed, and infrastructure required to move the water to the needed area. The non-binding agreement included studying and potentially entering into a master agreement with the following terms:
 - The acquisition by Weber Basin of Summit Water's water treatment plant located on East Canyon Creek near Jeremy Ranch, and related pipeline(s) and other related infrastructure (the "East Canyon Project") and of Summit Water's contract with Davis & Weber Counties Canal Company for the purchase of Five Thousand (5,000) acre-feet per year of East Canyon water.
 - The lease by Weber Basin of Mountain Regional's capacity in the Lost Canyon project through the existing Lost Canyon water treatment plant and in the distribution of treated and untreated water.
 - The design and construction of a raw water storage facility in the Snyderville Basin that may be used to supplement flows in McLeod and East Canyon Creeks to other facilities in order to accommodate the delivery of water to wholesale customers in the Snyderville Basin.
 - The wholesaling of treated and untreated municipal and industrial water by Weber Basin to systems in the Snyderville Basin through water sales contracts.
 - The exchange of Lost Canyon system water for other water sources, including tributaries of McLeod and East Canyon Creeks, for the purposes of in-stream flows and diversions for treatment and delivery of water to the Parties.
 - Funding of the Project by the United States government, the State of Utah, preservation fees and said water sales contracts between Weber Basin and the other Parties to this Agreement and others.
- Master Agreement and Purchase agreement were executed in June 2013. Not all elements of the non-binding due diligence agreement made it into the Master Agreement.
- Parties to the Master Agreement
 - Weber Basin Water Conservancy District
 - The United States Bureau of Reclamation began planning for the Weber Basin Project in 1942, and Congressional authorization of the Project was received in 1949. The Weber Basin Water Conservancy District was created on June 26, 1950, by a decree of the Second District Court of Utah, under the guidelines of the Utah Water Conservancy Act. The District was formed to act as the local sponsor of the federal project and to further supply water resources to the population within its boundaries.
 - The District entered into a repayment contract with the United States in 1952, which will be completed in approximately 2034, to repay all of the original Project costs and interest related to water supply. Funding for this repayment and the development of other water sources is from water sales and the original one mil property tax placed on the District at its inception.

- The Weber Basin Water Conservancy District covers over 2,500 square miles within five counties: Davis, Weber, Morgan, Summit and a part of Box Elder. The District is governed by a nine member Board of Trustees: three from Davis County, three from Weber County, one from the upper Weber County, one from Morgan County, and one from Summit County (Dave Ure).
- The District operates seven large storage reservoirs which store approximately 400,000 acre-feet of the District's water. The reservoirs are: Causey, East Canyon, Lost Creek, Pineview, Smith & Morehouse, Rockport, and Willard Bay. The District operates three hydro-power generation plants that can produce up to about 8 megawatts of electricity.
- The District currently provides culinary water to approximately 425,000 people in the five counties. Weber Basin acts as a wholesaler of drinking water to cities, and other districts and agencies. These entities then deliver to the tap of individual users.
- Park City
 - Governed by Park City Mayor and City Council
 - Approximate Equivalent Residential Connections: 5,200
 - Wells & Water Sources: 8
- Summit County
 - Governed by Summit County Council
- Mountain Regional
 - Governed by an administrative control board which reports to Summit County Council
 - Approximate Equivalent Residential Connections: 4,600
 - Wells & Water Sources: 17
- Summit Water Distribution Company
 - Privately owned Mutual Water Company
 - Approximate Equivalent Residential Connections: 4,200
 - Wells & Water Sources: 11
- Leon H. Saunders and Trilogy Limited, LP, a Georgia limited partnership
 - Individual and entity that had majority A shares in Summit Water
- Snyderville Water Reclamation District
 - Governed by Board of trustees:
 - 4 elected members from general public
 - 1 member appointed by PCMC
 - Provides wastewater collection and reclamation services to Snyderville Basin
 - Serves 11,000 homes and businesses
 - 2 reclamation facilities

Purpose of Master Agreement

- Ensure a safe and reliable water supply to the residents of the Snyderville Basin and Park City by regionalizing water supply and infrastructure between the parties and integrating systems.
- A framework to supplement existing Park City water supply for built out conditions.

- Recitals from Master Agreement:
 - Weber Basin, in part under agreement with the United States Bureau of Reclamation, owns or administers certain water rights and operates an extensive water storage, treatment and distribution system commonly known as the “Weber Basin Project”, by means of which Weber Basin Project water and water under other Weber Basin water rights are made available, by contract, to municipalities and other entities and persons within Weber Basin’s boundaries, including water supplies developed by Weber Basin subsequent to construction of the original Weber Basin Project in part to supplement water supplies in Summit County, Utah.
 - Park City Water, as a public agency, owns and operates an approved water system to supply water within its service area in Park City, Utah.
 - Mountain Regional, as a public agency created by Summit County, owns and operates an approved water system to supply water within its service area in Summit County, Utah.
 - Summit Water, as a private water company, owns and operates an approved water system to supply water in Summit County, Utah.
 - Snyderville Basin District, as a public agency, owns and operates a wastewater collection and treatment system within its service area in Summit County, Utah.
 - Due to growth and complex hydrology in the area, water resources are limited and in high demand in the Snyderville Basin.
 - The Parties are concerned that the lack of integration of the current water systems in the Snyderville Basin results in relatively higher costs and an inability to balance water resources and needs over time in the area.
 - Additional capital is required in order to complete and operate partially completed infrastructure and to integrate the water systems in the Snyderville Basin in order to achieve efficiency, lower costs, and better access to dependable water resources.
 - The Parties are not regulated public utilities subject to the jurisdiction of the Utah Public Service Commission and therefore cannot achieve a guaranteed return on capital investments and operating costs through rates approved by said commission.
 - In order to achieve the benefits contemplated by this Agreement, the Parties desire to engage Weber Basin, and Weber Basin is willing, to make the capital investment necessary to construct the required infrastructure to do so and to operate the same; however, since Weber Basin does not have retail customers in the Snyderville Basin and its only source of revenue to pay said costs is from the sale of water to the other Parties, in order to ensure the long-term availability of predictable cash flow to pay said capital costs and operate said infrastructure it is necessary that the Parties agree that Weber Basin shall be the exclusive wholesaler of Raw Water in the Snyderville Basin as among the Parties.
 - Concurrently with the execution of this Agreement, Weber Basin has entered into a Purchase Agreement (the “Purchase Agreement”) with Summit Water, Trilogy and Saunders, to purchase certain assets (the “Acquired Assets”), as that term is defined in the Purchase Agreement. A copy of the Purchase Agreement is attached hereto as Exhibit A.

- Weber Basin intends to enter into a contract with the Davis & Weber Counties Canal Company, a Utah non-profit corporation (“D&W”), for the purchase of Five Thousand (5,000) acre-feet per year of water stored in East Canyon Reservoir (the “New D&W Contract”), which Weber Basin intends to use in the Snyderville Basin to the extent necessary to accomplish the purposes of this Agreement.
- The Parties desire to enter into this Agreement in order to provide for: (i) Weber Basin’s use of the other Parties’ excess capacity in their respective Facilities; (ii) the design and construction of Facilities in the Snyderville Basin that may be used to supplement flows in McLeod and East Canyon Creeks to other Facilities in order to accommodate the delivery of water to wholesale customers in the Snyderville Basin; (iii) the wholesaling of Raw Water and Finished Water by Weber Basin to the other Parties through water sales contracts; (iv) the exchange and joint use of water sources and Facilities to deliver Raw Water and Finished Water to the Parties and enhance in stream flows; and (v) funding of the foregoing; as also described on the map set forth on the attached Exhibit B, and as provided herein (collectively, the “Western Summit County Project”).

Main Elements of Master Agreement and Purchase Agreement

- Weber Basin to construct three-way interconnection to connect water systems operated by Park City, Summit Water, and Mountain Regional together. Interconnections to be owned and operated by Weber Basin.
- Weber Basin and Snyderville Basin Water Reclamation to cooperate to establish reasonable minimum stream flows; upon agreement.
- The list below provides further detail on key terms of the Master Agreement. The Master Agreement is also attached for review.
- Article II – Water Supply and Demand
 - On an annual basis, each participant will provide to Weber Basin rolling 10-Year Projections of Excess Capacity, Surplus Water and Demand.
 - Excess Capacity is defined as each participant’s excess capacity in treatment, transmission, and distribution facilities that Weber Basin could use to treat, convey, and distribute water to other participants.
 - Surplus Water is defined as water that is surplus to each participant’s demands that Weber Basin could supply to other participants with demand.
 - Demand is defined as each participant’s water demand needs above their existing source capacity.
 - Year 1 – 5 binding
 - Water sales contracts entered into with WB are perpetual. Once an entity shows demand for water in the 5 year rolling window, that entity enters into a perpetual water supply contract with Weber Basin.
 - Water supply contracts are only binding for the 5 year period. Once an entity shows surplus water in the 5 year rolling window, that entity enters into a 5 year water supply contract with Weber Basin. This allows entities to pull their surplus water back as needed for growth, loss of sources, or other reasons.

- Year 6 – 10 non-binding
 - This time period is intended to give Weber Basin an indication of longer term demand in order to determine when a new water source will need to be developed.
- Article III - Regionalization Fees, Water Sales Contracts
 - Annual Regionalization Fees 2020 to 2039
 - These fees are to be paid to Weber Basin in order to pay the debt incurred by the purchase of Summit Water's Assets.
 - Park City - \$200,000
 - Mountain Regional - \$200,000
 - Snyderville Basin Reclamation - \$50,000 plus onetime fee of \$175,000
 - Summit Water - \$500,000
 - Weber Basin – debt service until 2020 – Approximately \$3,700,000
 - Operations and Maintenance
 - East Canyon Water Treatment Plant – 20% of fixed cost (about \$7,000 for Park City in 2016)
 - Highway 40 conveyance system – proportional to what is used (no cost incurred because this system is not used currently)
 - 3 way interconnection – 1/3rd of initial infrastructure cost. Operational cost proportional to what is used by each party. Currently we have an approved budget of about \$500,000 for infrastructure however; the costs are not final yet. No operational cost incurred by Park City yet as we are not using the interconnect.
 - Davis and Weber Counties Canal Company Reservation fees
 - Beginning in 2020, parties to reimburse Weber Basin for all reservation fees, charges and assessments under New D&W Contract. Park City is responsible for 20% of the total payment. Currently there is dispute on the timing of this payment and amounts have not been determined. However, I estimate Park City's annual cost will be about \$52,000.
 - Water Sales Contracts.
 - Short term cost – set by entity supplying water. Example, if Park City declares surplus water, price for this water is determined by Park City.
 - Long term cost – will be determined by Weber Basin and will depend on the cost of the project that is built. Initial estimates were around \$1,000 to \$1,500 per acre foot.

Purchase Agreement

- Between Weber Basin and Summit Water
- Weber Basin purchased:
 - East Canyon Water Treatment Plant
 - Highway 40 System - Water Conveyance System from ECWTP to Quinn's Junction
 - 5,000 acre feet in East Canyon Reservoir
- Weber Basin has the option to purchase:

- Water Conveyance System on Highway 224
- East Canyon pipeline

Department Review

This report has been reviewed by Legal, Executive, and Public Utilities Departments.



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

City Council should confirm the community center building program in the context of cost estimation, design philosophy and target budget. Based on discussion, staff will proceed with a Request for Proposals to complete schematic design to prepare a final scope and budget for the spring 2018 capital budget process. The RFP scope will include, as a bid alternative, the option to complete full construction drawings and construction administration and would allow the City this option to use the successful proposer at our full discretion.

Respectfully:

Jonathan Weidenhamer, Economic Development Manager

City Council Staff Report



Subject: Confirmation of a building program for a Community Center at City Park
Author: Jonathan Weidenhamer
Department: Economic Development
Date: January 12, 2017
Type of Item: Administrative

Summary Recommendation

City Council should confirm the community center building program in the context of cost estimation, design philosophy and target budget. Based on discussion, staff will proceed with a Request for Proposals to complete schematic design to prepare a final scope and budget for the spring 2018 capital budget process. The RFP scope will include, as a bid alternative, the option to complete full construction drawings and construction administration and would allow the City this option to use the successful proposer at our full discretion.

Executive Summary

On December 1, 2016 the City Council directed staff to pursue a flexible community center at City Park, which among other uses would house the seniors and summer recreation camp.

On December 8, 2016 Council reviewed the draft scope of the RFP and directed staff to:

1. Design the building to focus on seniors and summer recreation camp as anchor tenants;
2. Limit additional stakeholder input, but include design elements that promote overall flexibility for use of the space when not being programmed by those two groups – caveated on where doing so can be efficient with the budget;
3. Have a follow up meeting with Mayor Thomas and Council Member Worel, primary Senior Center liaison, to further discuss scope including specifically the senior program.

The following is a recap of the December 22, 2016 meeting with staff, Mayor Thomas and Council Member Worel:

- Staff participants included representatives from Community Development, Economic Development, and Recreation.
- Discussion included general, good planning principles – i.e. fit the project into the broader City Park (master) plan, site circulation, building orientation, etc.
- Discussion included senior needs and how those amenities can fit into the broader, flexible building program.

- Discussion of architectural approach - The building design should not be iconic and should be subordinate to the historic Miner's Hospital.
- The most substantive issues in addition to design, in order of priority include:
 1. Agreement to draft RFP to meet the existing project target budget of \$4.5M – all in, including, soft & hard costs. The City Manager cautions, however, that while this goal was reinforced by the elected officials during the December 22, 2016 meeting, this number is the target in the capital budget and until the scoping and formal cost estimating has been completed, staff does not know the exact cost of the building. However, this would result in a project that is priced lower per square foot than comparable projects under construction this year and does not account for construction cost variability that may occur in the next year. Staff recommends the full City Council discuss this item.
 2. The design should focus most on making the space work for senior and summer recreation camp based on a shared common spaces & infrastructure (restrooms, kitchen, etc.) model – with “nice to have” flexibility amenities pursued only where fiscally prudent.
 3. Seek additional resources through grants and through a discussion with Summit County on their potential partnership.

Points one and two above are the areas staff seeks specific discussion on.

In order to begin construction in fall of 2018, at the end of the summer camp, staff will need to return next spring as part of the FY18 Capital budget process with a final project scope and budget for Council consideration.

Funding Source

Funding for the proposed Community Center has been allocated as part of the 5-year CIP in the Lower Park Avenue Redevelopment Area (RDA) budget. The amount was originally recommended to City Council and approved after a review of the projected revenue and expenditures in the Lower Park RDA financial model. The model forecasts the anticipated revenue over the 15-years life of the RDA in order to determine the amount of debt which may be leveraged against the anticipated tax increment. The RDA budget and Capital Improvement Plan has been prepared and prioritized to align with City Councils priorities and goals. The Community Center project was recommended for funding within the RDA because it replaced/remodeled existing facilities which were in need of renovation (City Park Recreation Building and Senior Center) and because the project would allow for the relocation of the Senior Center and facilitate Councils critical housing project at the Woodside Phase II location. In determining the budget for this project, Council must consider that funding renovation above the target budget of \$4.5 million will require a reduction in other targeted project budgets in the RDA plan, including the \$40 million anticipated for affordable housing or allocating funding from sources other than the RDA. Affordable housing continues to be the critical priority of project funding in the RDA.

The Recreation Master Plan identified a specific concept for this building that includes 8,100 sf of multi-purpose space and 3,100 sf of classroom space within a 22,500 sf building. The CIP targeted budget is based on \$200/sf or \$4.5M. This budget amount was approved in the RDA budget in FY17; because a scoping phase had not been completed, staff simply identified a per/sf construction number based on the preliminary project identified in the Recreation Master Plan, representing basic needs and signaling that this was a potential future project which could be funded in the RDA. .

Staff anticipates aligning a final budget to reflect the final scope of the project during the Schematic Design phase based on Council direction and vetted through the FY 18 capital budget process. The Lower Park Ave RDA financial model is expected to accurately predict revenue in the RDA.

Acronyms

PCMC	Park City Municipal Corporation
RDA	Lower Park Avenue Redevelopment Authority
RFP	Request for Proposals
MRFMP	Mountain Recreation Facility Master Plan

The Problem & Opportunity

- Staff anticipates starting construction on the housing project in the 1300 block between Woodside and Empire Avenues in the spring of 2018. To do so will necessitate relocation of the existing senior center.
- Construction of a flexible, multi-use community center that will house recreation's summer camp and senior activities as anchor uses should begin as soon as summer camp is over in late August of 2018.
- It is not feasible to start construction in fall of 2017, in that the project hasn't been scoped beyond conceptual uses and only a placeholder of \$4.5M has been approved during the FY 2017 Capital Budget process. A more defined scope and budget is required.
- In order to be prepared to identify a definitive budget during the FY18 Capital Budget process, finalizing in June 2017, procurement of a design team needs to begin as soon as possible to finalize scoping by completing concept and schematic design, which is roughly a 30% set of drawings and cost estimates and establish a project budget.

Background

- Landmark Design presented to City Council the Mountain Recreation Facility Master Plan (MRFMP) on November 17, 2016. This plan identifies a community center encompassing a main level of 11,300 sf, a partial upper level of 5,600 SF and a basement of 3,800 sf (Exhibit B).



- The MRFMP can be found at [link](#) - p. 11-13. The specific excerpt for City Park can be found as Exhibit B.
- On December 1, 2016 City Council directed staff to pursue construction of a community center that will house the summer recreation program and senior uses as “anchor” users of a shared, community flexible space. The space is planned to be located at the City Park ([report link](#)).
- On December 8, 2016 Council reviewed the draft scope of the RFP. That report had links to additional background information ([link](#), p.26). At that time, Council directed staff to:
 - Council concurred that sufficient public engagement with multiple user groups and the general public had been completed;
 - Design the building to focus on the anchor tenants of the seniors and summer recreation camp;
 - Limit scope creep but include design elements that promote overall flexibility for the space and ability for other uses when not being programmed by those two groups – caveated on where doing so was efficient with the budget; and
 - Have a follow up meeting with Mayor Thomas, City Council Member Worel and staff to further discuss scope including specifically the senior program.
- Based on the following timeline, it is necessary to procure a design team to finalize scoping, Conceptual Design, Schematic Design and a proposed project budget before the adoption of the FY18 Capital budget in June 2017 in order to anticipate completion of a new community center at City Park by June 2019 (there is a gap between bidding in early spring 2018, which is the best time to get bids and beginning of construction (fall '18), because we think having an active construction project next to summer camp may not be the best idea). Per the updated, administrative Capital process, there will be a hard break between completion of schematic design and moving forward into full design and construction administration. The RFP will be written to allow City Council full

discretion if they want to move forward with the consultant selected for schematic design or procure a new team (per white rows below):

What (draft, estimated schedule)	start	fin	2016	2017												2018												2019							
Senior/Community Center@ City Park			12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8
Issue RFP for design and/or just scoping	12/16	1/16	x	x																															
Procure design team	12/16	2/17	x	x	x																														
Finalize contract	1/17	2/17		x	x																														
Project Scoping - Schematic design (30%)	2/17	4/17				x	x	x																											
Capital Budget Process	5/17	6/17						x	x																										
CIP Budget Approved	6/17	6/17							x																										
scope above to be discussed at 1/1216 mtg																																			
New contract for design and construction	7/17	8/17							x	x																									
Design Development (60%)	8/17	10/17									x	x	x																						
Construction Design (90%)	11/17	1/18												x	x	x																			
Bid	3/18	3/18																x																	
Construction Recreation wing	8/18	5/19																					x	x	x	x	x	x	x	x	x	x	x		
Construction Senior wing	8/18	8/19																					x	x	x	x	x	x	x	x	x	x	x	x	x

Alternatives for City Council to Consider

1. Recommended Alternative: Provide direction to proceed with the RFP with a proposed budget of \$4.5M.

Pros

- The RDA budget is predictable. Any spending beyond the current \$4.5 target budget will impact other priorities within the RDA, or CIP if Council doesn't want to increase the RDA budget, but want to increase scope.
- Council is identifying budget as the top constraint/priority.

Cons

- There may be pressure to add additional scope, increase the level of services or amount amenities that make the facility flexible, or pressure or requirements to increase the quality of design through community or regulatory input.

2. Other Alternative: Proceed with the RFP but with an increased or different budget.

Pros

- May result in a higher quality building, better design or site planning;

Cons

- May be spending money unnecessarily for the utilitarian uses planned for the project and may require the reduction of funds allocated to other projects currently funded in the adopted CIP.

Analysis

Budget

The Recreation Master Plan identified a specific concept for this building that includes 8,100 sf of multi-purpose space and 3,100 sf of classroom space within a 22,500 sf building. The adopted budget is based on \$200/sf or \$4.5M. The basement storage for the Parks Department will likely be relocated and not needed here, leaving about 17,000 sf, conceptually or \$265/sf.

For purposes of comparison, Summit County recently began construction on Kamas Community building, which includes a Summit County library branch, Health Department office and waiting space, senior center with commercial kitchen and a meeting space that will be shared for Council & Planning Commission meetings and a dining space for the seniors, bid at \$341/sf (see Exhibit C for additional background). The budget (\$4.5M) for our building at the same size (17,600) would allow for \$256/sf., minus approximately \$600,000 for soft costs = \$3.9M for construction or \$222/sf. Unless there is a significant increase in construction costs over the next two years, staff believes we can build the building for that budget, but that it will be pretty utilitarian in design and level of finish.

Senior Program

The current stage is the contract with Elliott Work group to explore alternatives and create an initial scope for the project. A preliminary program of uses and corresponding space needs has been created (Exhibit B), but additional site and building parameters have not been matured. Therefore we are uncertain the maximum building size that the area can hold.

The next stage of the project will be to procure a design team to proceed into the project development process including Conceptual Design and Schematic Design to develop cost estimates in order to appropriately create a budget for the project through the City CIP process.

Staff recommends procurement of one diverse development team through a Request for Proposals for all phases of the contract with an opportunity to stop after each phase or split the project into separate components. The first phase we will contract for will be to complete schematic design, which will be used to lock in a project scope and budget during the spring 2017 budget process.

Proposed RFP Scope

Changes in Red from December 8, 2016 update

PROJECT PURPOSE:

Build a flexible, multi-use community center to meet the programming needs of the seniors, provide a summer day camp to ~80 children, and provide space when available to meet the various and diverse needs of the community.

PROJECT GOALS

- Focus on the youth recreation and seniors as the primary tenants, respecting space for each group.
- Construct a community center that is oriented to respect the Park and is low profile in order to enhance the Miners Hospital contextual architecture.
- Develop a well-connected, flowing, walkable campus between the library, Skate Park, miner, and new community center with consistent wayfinding (both conscious and unconscious).

- Provide a successful, civic multipurpose center that is ADA compliant in all respects.
- Design and construct the building within the proposed budget of \$4.5 million.
- Minimize the time the seniors are displaced
- Build on the information gathered from the public
- Establish and meet project budget

Tentative SCOPE OF SERVICES: (DRAFT FOR RFP)

Provide Schematic Design

The community center is being built to support the complete community concept in Park City. The building is meant to be a home primarily for the youth recreation and seniors, and when not in use for these two primary tenants, the space will be available for community uses.

The schematic design will address building a community center within a campus area in the Lower Park Avenue Redevelopment Neighborhood that includes multiple city facilities including the Miner Hospital, the broader City Park amenities and the Park City Library and Library Field. It is imperative that the orientation of the building respect the park and create a connection rather than a barrier to all of the facilities. This will include addressing the access to walking and biking paths and provide a sense of openness and connectivity in the area. The building should not become an icon but rather a building that supports, enhances and respects the architectural context of the historic Miners Hospital.

The design will be based on the budget of \$4.5 million and address the following programming needs in order of priority:

▪ **Recreation Programming**

- Larger space for the Recreation Department's Summer Day Camp. This is a state licensed childcare facility so the facility must meet state licensing requirements.
 - Assume 2800 - 3500 sq. - area based on 35 sq.ft. for 80 – 100 children)
 - Summer Day Camp (weekdays from 8 am-6 pm)
 - Fenced outdoor area for children (40 sq. ft. / child)
 - Classrooms (35-40 children sitting at tables)
- Access to Exterior Restrooms
- Internal Restrooms (to be shared with all users)
- Lounge space (area for board games / reading / etc.)
- Art space (cleanable, durable, with sink)
- Indoor Athletic Space (garage doors to open to plaza)
- Covered Patio Space
- Community Kitchen (to be used for seniors and kids day camp – kids day camp requires refrigerator, snack space, and sink)

- Other feature – splash pad or another water feature
- **Senior Programming** – See attached outline for square footages – by Elliot Workgroup (EX A)
 - Entry / Enclosure
 - Greeting / Waiting - (welcoming desk with area to lock up data)
 - Display (for volunteers, opportunities and events)
 - Recreation & Assembly (Multi-purpose area - billiard tables, TV, exercise equipment, public assembly space)
 - Lounge (adjacent to Recreation & Assembly – tables for cards, puzzles, etc.)
 - Dining – Lunch for 80-120
 - Kitchen – will be shared with other users of the facility (to be further developed under community needs)
 - Kitchen Pantry – to be locked
 - Parking / Access to the Building
 - Ada Accessible
 - Transit Access
 - Parking to match their needs
- **Community Kitchen**
 - Meet the needs of the Seniors – Provide separate storage
 - Meet the needs for Childcare – Provide separate storage
 - Commercial Cooking – for Classes / Entrepreneurship / Events
 - Enhance and compliment events at Miner Hospital / City Park
- **Community Programming**
 - While the main tenants of the center will be the youth recreation and the seniors, the design of the center should maximize space available for the overall community and a variety of groups, organizations & teams when not in use by the primary tenants. The space should not be expanded for the following uses but incorporated into the overall space for the primary tenants. The space may be used for:
 - Meeting space for non-profits
 - Entrepreneur / Collaborative work space
 - Cultural events
 - Team practice and events
 - Family events – Birthdays, reunions, etc.
 - Area for community education through the recreation department - increased community recreation & wellness programs such as dog obedience classes, CPR & First-Aid classes, youth tumbling space, soft art fitness classes (yoga, Pilates etc...)
 - Other meeting space – overflow from library

Identify potential grants based on the programming and the building. These may include sustainable building grants, multi-generation use grants, and others. The grants should be researched from both state and federal sources.

Bid Alternative

Design Phase - Design Development, Land Use Fees and Approvals& Construction Documents

Construction Phase - Construction Contract Administration

Process

As mentioned in the Executive Summary, after the FY17 capital budget process a group of staff including multiple project managers from multiple departments worked with the Budget and Executive Departments to develop a consistent and predictable scoping and budget process across departments. Goals include developing common language for capital projects, and processes, as well as clearly defined project budgets within the Capital budgeting process.

The bullets below represents the steps staff will be using to process “vertical” capital projects that primarily include buildings (as opposed to “horizontal” capital projects such as streets or water projects). Staff will return to Council in work session early 2017 to present this new process in more detail as it is finalized:

Phases in a Project Delivery System/Project Development Process – Vertical

- Scoping/Programming (if applicable)
- Site Assessment/Selection (if applicable)
- Concept Design (if applicable)
----- We are here
- Schematic Design
----- The scoping and confirmation of final budget will conclude here in June 2017
- Project Delivery Determination
- Design Development
- Regulatory Approvals/Permitting
- Construction Documents
- Bid/Award
- Construction/Construction Administration
- Punchlist/Project Closeout

Department Review

Recreation, Economic Development, Budget, Community Engagement

Attachments

- A RDA Budget – FY 17
- B Preliminary senior Program from EWG
- C Report to Summit County Council on the Kamas Community Center Construction Contract

Lower Park RDA Budget (FY 2015 - FY 2031)

		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenue									
Estimated Annual Revenue		\$	1,373,725	1,869,268	1,889,344	1,909,419	1,919,419	1,929,419	1,939,419
RDA Revenue Bond									
(bonding schedule based on current budget)		\$	12,000,000	14,500,000					
Sale of Assets (Affordable Housing)		\$	750,000	-	5,915,031	8,078,286	1,780,000	4,304,000	1,780,000
Available Beginning Balance			14,686,255	17,863,110	8,657,114	11,022,894	6,170,388	7,006,882	8,304,376
Total Budget	Currently Budgeted								
1,540,000	Lower Park RDA Operating Budget	\$	140,000	100,000	100,000	100,000	100,000	100,000	100,000
1,000,000	Facility Improvements - Miner's Hospital & Rec. (SR. Center)	\$	1,000,000						
4,098,039	Multi-Generational Housing - Fire Station	\$	498,039	3,600,000					
2,000,000	Multi-Generational Housing - Woodside/Empire (Developer Subsidy)				2,000,000				
472,717	Library Renovation	\$	472,717						
2,884,000	Private Land Development #1 (Somers) - Affordable Housing	\$	2,884,000						
-	13TH Avenue Corridor (reallocated to Central Park Project)								
3,205,000	Old Town Housing - Affordable Housing				50,000	3,155,000			
5,000,000	Land Acquisition - Affordable Housing	\$	2,000,000	750,000	750,000	750,000	750,000		
10,650,000	Neighborhood Preservation Program - Affordable Housing	\$	1,750,000	2,225,000	2,225,000	2,225,000	2,225,000		
2,261,750	1450-60 Park Avenue - Affordable Housing	\$	2,261,750						
82,749	Public Art	\$	32,749	25,000	25,000				
204,000	Parks and Golf Maintenance Buildings (& Building Maintenance)			204,000					
4,500,000	Recreation Building in City Park			4,500,000					
50,000	Investigate, Design and Repair Snow Creek Bridge			50,000					
-	Somers Property								
4,272,858	Central Park			4,272,858					
46,723,147	Budgeted Projects Sub Total	-	\$ 13,192,413	\$ 16,026,858	\$ 5,450,000	\$ 6,380,000	\$ 3,225,000	\$ 250,000	\$ 250,000

Park City Senior Center Program

November 29, 2016

Spaces

		floor area
Parking	44 spaces	
Entry/Enclosure		100
Greeting/Waiting		300
Display		50
Recreation & Assembly		1,125
Dining		1,440
Kitchen Pantry		200
Kitchen		240
Lounge		450
Restrooms		480
subtotal		4,385
Circulation and Efficiency Factor	30%	1,316
Total Project Area		5,701

Park City Senior Center Space Summary

October 4, 2016

Parking

Van or emergency access. Allow 1 parking space per 100 square feet of program area. Can be reduced with good public transportation and/or walking where feasible. No parking islands. Must be well lit.

	total area	factor	total spaces
Total Parking Spaces	4,385	100	44

Entry/Enclosure

This space should enhance visibility and identification of center. Conserve energy. Maintain lighting transition from exterior to interior. Assisted/automatic doors to be provided. Consider a separate exit/entrance for meal delivery, food delivery, and equipment delivery.

	total area
Totals	100

Greeting/Waiting

Provide a prominent sign-in registration and security area. Provide high/low countertops that include a place for brochures, flyers and handouts. Provide Coat storage and a seating area. Will be used for groups waiting for pick-up, so must have visibility to or through the Entry/Enclosure.

	total area
Totals	300

Display

Provide a bulletin board and display rack for notices, volunteer recognition, etcetera. Musts be viewable from a wheelchair.

	total area
Totals	50

Recreation & Assembly

Multi-use space for exercise and fitness, presentations and other assembly uses. Provide an area dedicated for a pool table. Could be used as an expansion for Dining. Provide a mix of chairs that can be set up for public assembly.

	total area
Totals	1125

Dining

Create a dining area that includes colorful decor, round folding tables, and adequate space for wheelchairs and service. Locate adjacent to Recreation & Assembly and adjacent to outdoor areas that can be accessed for dining during classic Park City summer days.

	total occupants	factor	total area
Totals	80	18	1440

Kitchen Pantry

Provide refrigerated, dry, and temporary storage that is lockable and controlled from Senior Center portion of the building. Requires ventilation for dry foods.

	total area
Totals	200

Kitchen

Provide commercial kitchen that can be accessed from the Senior Center and may connect to a larger Recreation Center if not a stand alone structure. All equipment must meet health code for food preparation. Layout and configuration to be provided by professional kitchen designer with assistance from Senior Center Staff. May provide a pass-through service window.

	total area
Totals	240

Lounge

Provide quiet places for conversation, cards, and reading. Select comfortable furnishings that are easy to access and exit and have no protruding legs. Also select fabrics that are easily cleaned. Have users test all furnishings. Locate adjacent to Recreation & Assembly.

	total area
Totals	450

Restrooms

Provide adjacent to Dining, Lounge, and Recreation & Assembly spaces. Provide easy access if doors are required provide power assisted doors. Provide twice as many ADA compliant water closets and sinks as required by the building code. This area could be a shared use with the rest of the building if not a stand alone structure.

	total area
Totals	480

STAFF REPORT

TO: Tom Fisher – County Manager
FROM: Matt Jensen – Risk & Procurement Administrator
DATE: September 8, 2016
SUBJECT: Kamas Services Building Construction Contract



Over the past four years, the County Council and staff have been reviewing studies and options for a new County Services Building in Kamas. The County's design team has completed initial design and received bids for the project. At this junction, the project came in at over budget by \$900,000. Value engineering efforts has brought the project down to \$350,000 over budget. Due to time constraints with starting construction this fall, we are asking the Council to review four options on how to approve final budget, award contract, and issue a notice to proceed. ***This staff report summarizes the design and bid process for the project along with proposals on proceeding with award of construction contract.***

DESIGN & BID PROCESS REVIEW

METHODstudio, as architect, and Epic Engineering, as owner's representative, have worked with county staff and other stakeholders over the past ten months in designing the building. Numerous meetings and conferences have been held to identify the needs and wants of each department. The initial targeted total budget for the project was \$5.1 million dollars. As additional sustainability requirements were added by direction of the Council, the total budget was adjusted to \$5.53 million with a building and site construction cost of \$4.5 million. As design neared completion, a figure of \$4.68 million for building and site construction cost was provided by METHODstudio. The design team determined several items that would be listed as alternates for bid purposes as an initial step in value engineering the project with additional value engineering to be discussed with the low bidder. Additionally, several items were identified that could be handled by Summit County directly – demolition of the building, grubbing of the site, and replacement of the sewer line. Led by the Public Works and Facilities departments, these in-house efforts would realize over \$100,000 in savings for the project.

Due to the tight nature of the project budget, a prequalification process for general contractors was used to gauge the workmanship and experience of contractors, reduce the budget impact of change orders from low-ball bidders, and to provide a vetting service on how each contractor might handle the schedule and value engineering process that are a reality with this project. Seventeen firms responded to the prequalification posting with eight reputable and experienced firms being selected to proceed to bid. ***Six bids were received with Spindler Construction as the lowest apparent bidder at \$5.32 million for building and site construction; the highest bid came in at \$6.03 million.*** This placed the project \$900,000 over budget necessitating a much more aggressive value engineering process than anticipated.

VALUE ENGINEERING

The design team, with Spindler Construction's assistance, worked to identify why the initial estimate was so low and what savings could be realized through value engineering. Spindler willingly shared their

bid by trade categories and there were four areas drastically over the architect's estimate: concrete (27.5% over), steel (62.3% over), plumbing (107.6% over) and HVAC (90.4% over). Other trades were on target if not well below the architect's estimate. *These costs points to the assumption that the core costs of construction are largely driving the cost overage and not the aesthetics or finishes of the building.*

The design team holds that three specific issues attribute to the majority of the variance between estimate and construction bid. These include:

- **General inflation in construction costs.** Basic construction materials such as steel have seen escalating increases in costs during the past year.
- **Sustainability elements costs are higher than expected.** While \$500,000 was provided for sustainability efforts, the true cost of the components such as the hybrid HVAC units (an additional cost of \$250,000 when \$80,000 was estimated) and roof garden ended up drastically higher than anticipated.
- **Current construction market pressures compounded by remote location.** The current robust construction market along the Wasatch Front compounded by the relative remoteness of the Kamas location appears to have impacted the costs of labor and staging for quality subcontractors.

To overcome these issues, value engineering efforts have included all aspects of the project. Sustainability efforts were prioritized with a specific emphasis on preserving the building envelope and, at a minimum, having the building prepped for solar PV array installation. Over 55 categories were reviewed and prioritized without reducing usable space as needed by each department user or in substituting inferior materials that would require increased maintenance costs in the future. *At this point, the design team believes that more than \$500,000 in savings can be realized through this value engineering process.* Over forty line items were considered, a few of the accepted items include, but are not limited to:

- Substituting the high-efficiency HVAC units for the proposed hybrid units - \$250,000 in savings while maintaining an efficiency rating much higher than current building code requires.
- Having the County carry Builder's Risk Insurance rather than the Contractor - \$33,000 in savings.
- Reducing thickness of LVT flooring from 20 mil to 12 mil - \$2,700 in savings.
- Substituting the type of elevator - \$15,000 in savings.
- Postponing the roof top garden as a future fundraising/contribution option - \$75,000 in savings.
- Substituting aluminum for use in the electrical bus bars - \$700 in savings.

Additional value engineering above the \$500,000 proposed by the design team would require significant reduction in quality of materials, a decrease in usable space, or a core-and-shell approach for Seniors and the multi-purpose room that would require future construction costs to complete. *The current level of value engineering efforts leaves the project at roughly \$350,000 over the original budgeted amount.* This is approximately what was included for furnishing the building.

BUDGET RECONCILIATION AND CONTRACT AWARD IMPLICATIONS

With these budget impacts, the design team has reached out to the County's Finance Officer, Matt Leavitt, to review options on how to reconcile the project costs with available County funds. These will be finalized shortly for the Council's consideration and approval. Unfortunately, the current schedule for the County Council meetings could require extending the contract award and commencement of construction well into October. The project schedule had planned on starting in September in order to get footings and exterior framing completed before winter conditions set in. Each week is essential in order to get as much pre-winter work completed as possible. In order to avoid such consequences, staff proposes the following options to the Council:

- 1) *Authorize the County Manager to act in the Council's place to deliberate final budget, funding, and award of the project.*** This option would allow an expedited process where the County Manager and staff would work to have funding, contract, and notice to proceed completed by September 21st at the latest.
- 2) *Schedule a special County Council meeting on September 21st to review finalized budget and funding options for the project.*** This option would retain decision process in the hands of the County Council. Once approved, contract and notice to proceed would not occur until September 26th at the earliest.
- 3) *Maintain County Council schedule and review finalized package on September 28th.*** This option would likely push contract and notice to proceed into the first week of October.
- 4) *Hold off construction until Spring 2017.*** This option provides the Council with the time to review options, continue value engineering efforts, and avoid winter conditions. However, this option could see a climb in construction costs and design costs as the bid assurance period would expire. Additional costs will be realized as the Library and Health Department are in temporary leased space.

RECOMMENDATION

As the intent of this project is to have this building commence construction in 2016 and be of proper quality construction, the design team believes that awarding the contract and providing a notice to proceed in September is of high importance. Specific stipulations and directions on budget amounts and funding approach could be determined by the Council as staff work towards accomplishing this goals. ***As such, the design team recommends that the Council proceed with Option 1 and authorize the County Manager to act in its place in final review of design, funding, and awarding of contract for this project.*** A full report would be provided to the Council at the regularly scheduled meeting on September 28th.

ATTACHMENT A – Budget Worksheet

ATTACHMENT B – Comparison: Spindler Construction Bid & Construction Control Corp (CCC) Estimate

ATTACHMENT A – Budget Worksheet

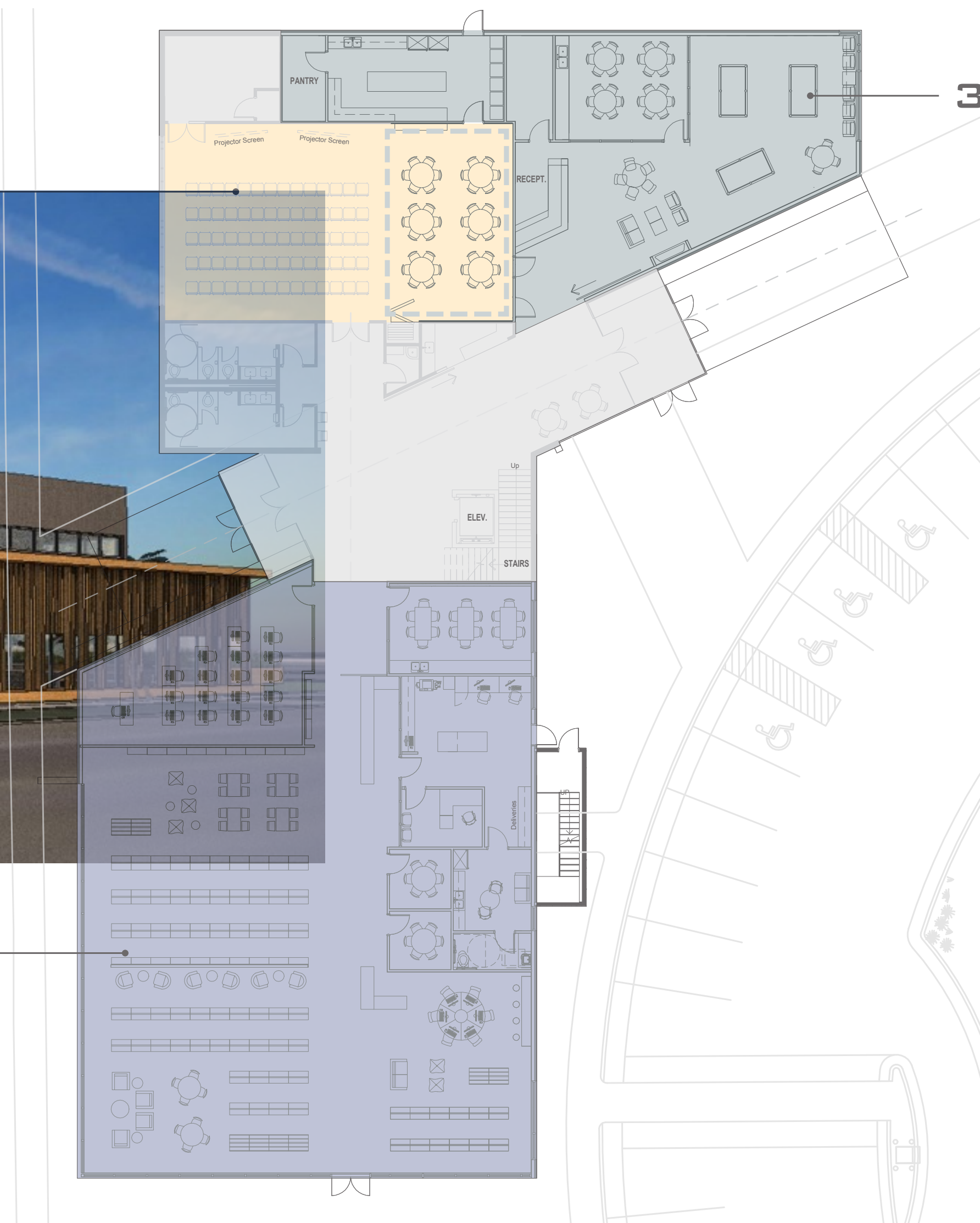
Kamas Services Center - Budget Worksheet					9/7/2016
Index	Item	Area	Unit Cost	Itemized Cost	Cost
Building Construction Cost					
001a	Building Construction	17,600	\$302.22	\$5,319,000.00	
001b	Subtotal (Building and Site)		0.0625		\$5,319,000.00
Design/Engineering Fee					
002a	Architect Fee			\$250,000.00	
002b	Site Alternate 'A' Fee			\$4,500.00	
002c	Total Design Fee				\$254,500.00
Miscellaneous Project Costs					
003a	Builder Risk Insurance			\$13,000.00	
003b	Building Permit			\$10,500.00	
003c	Printing, Advertising, Bidding, Reimbursables			\$25,000.00	
003d	Utility Connection Fees			\$60,000.00	
003e	Special Inspections and Material Testing			\$40,000.00	
003f	Total Misc				\$148,500.00
FF&E					
004a	Tele-data Equipment			\$40,000.00	
004b	Furniture (non Seniors)			\$145,000.00	
004c	Library Shelving			\$105,000.00	
004d	Kitchen & Furniture (Seniors)			\$50,000.00	
004e	Total FF&E				\$340,000.00
Project Totals					
005a	Sub Total				\$6,062,000.00
005b	Owner Contingency			\$250,000.00	
005c	Project Total Costs				\$6,312,000.00
Items not included in projected \$5M budget					
006a	Owner's Rep			\$86,320.00	
006b	Site Master Plan			\$9,421.88	
006c	Soils Report			\$5,450.00	
006d	Alta Survey			\$5,320.00	
006e	Tenant Relocation Costs			\$30,000.00	
006f	Site Alternate 'A' Construction	24,500	\$0.00	\$0.00	
006g	TOTAL ITEMS NOT INCLUDED				\$136,511.88
Project Costs Summary					
007a	TOTAL PROJECT COSTS				\$6,448,511.88
008a	Budget Amount				\$5,552,000.00
008b	WIC Furniture Grant				\$22,000.00
008c	Value Engineering Efforts				\$525,000.00
008d					
008e	TOTAL FUNDING CONSIDERATION				\$6,099,000.00
009a				TOTAL DIFFERENCE	-\$349,511.88

ATTACHMENT B – Comparison: Spindler Construction Bid & Construction Control Corp (CCC) Estimate

DIVISION	ITEM	SPINDLER	CCC ESTIMATE	DIFFERENCE	%
Division 2		in div 32	\$28,524		
Division 3 - Concrete		\$253,554	\$198,887	(\$54,667)	-27.5%
Division 4 - Masonry					
Division 5 - Metals		\$233,608	\$143,942	(\$89,666)	-62.3%
Division 6 - Wood					
	rough carpentry	\$381,200	\$400,430	\$19,230	4.8%
	finish carpentry, millwork	\$147,998	\$148,234	\$236	0.2%
Division 7 - T&M Protection		\$649,816	\$716,640	\$66,824	9.3%
Division 8 - Openings					
	Doors and Frames	\$49,396	\$73,272	\$23,876	32.6%
	storefront, curtainwall & int glass	\$253,258	\$331,559	\$78,301	23.6%
Division 9 - Finishes		\$348,680	\$438,003	\$89,323	20.4%
Division 10 - Specialties		\$26,119	\$21,874	(\$4,245)	-19.4%
Division 11 - Equipment		\$5,058	\$4,198	(\$860)	-20.5%
Division 12 - Furnishings					
	roller shades	\$23,526	\$28,197	\$4,671	16.6%
Division 14 - Conveying		\$73,000	\$74,750	\$1,750	2.3%
Division 21 Fire Suppression		\$56,000	\$57,956	\$1,956	3.4%
Division 22 - Plumbing		\$231,619	\$111,574	(\$120,045)	-107.6%
Division 23 - HVAC		\$620,000	\$325,596	(\$294,404)	-90.4%
Division 26 - Electrical		\$565,000	\$504,386	(\$60,614)	-12.0%
Division 31 - Earthwork		\$374,210	\$55,928		
Division 32 - Site Improvements		\$140,826	\$388,335		
Division 33 - Utilities		in div 31	\$105,009		
Combined Sitework		\$515,036	\$577,796	\$62,760	10.9%



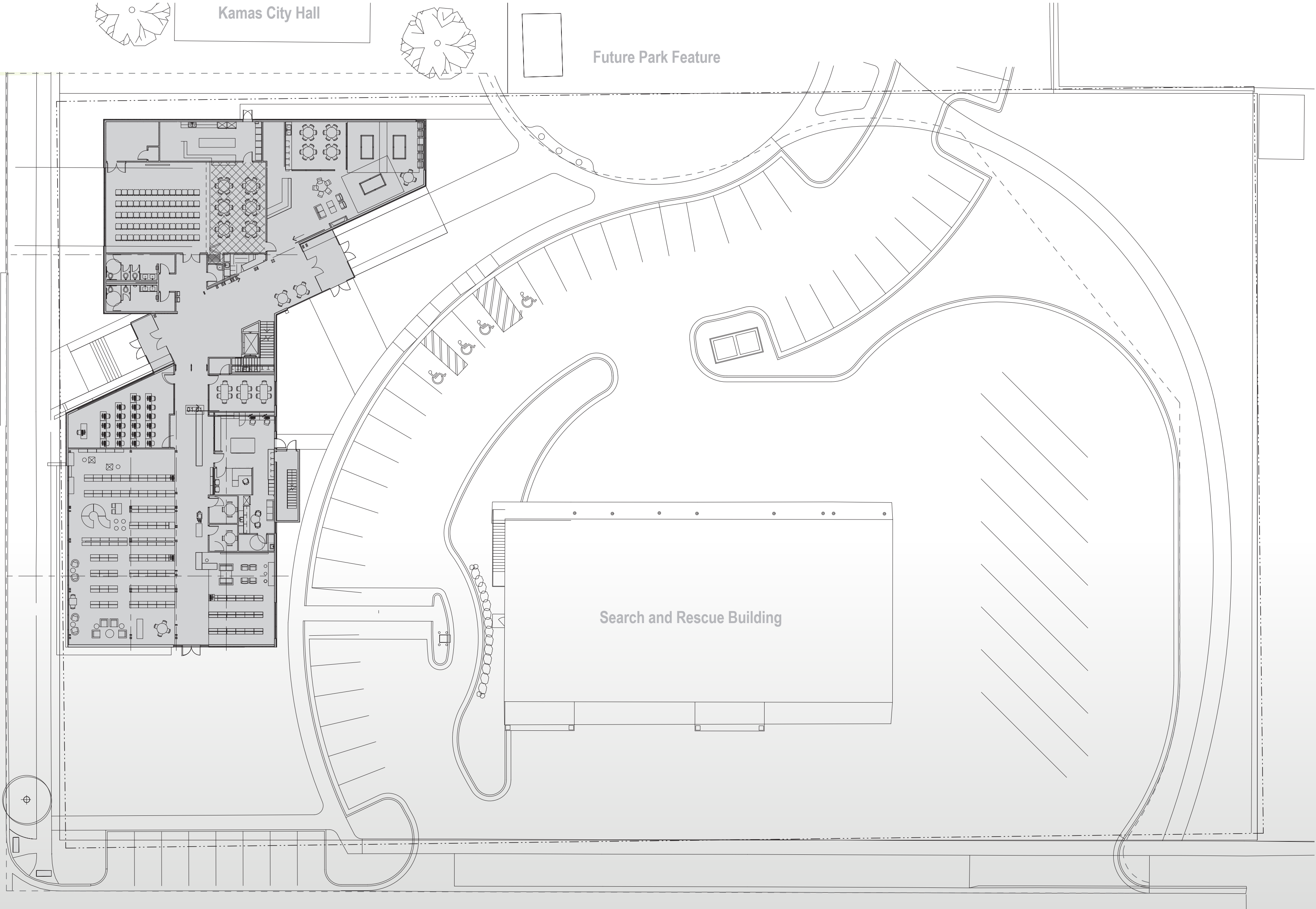
METHODSTUDIO^{INC.}



SUMMIT COUNTY | **KAMAS SERVICES CENTER**

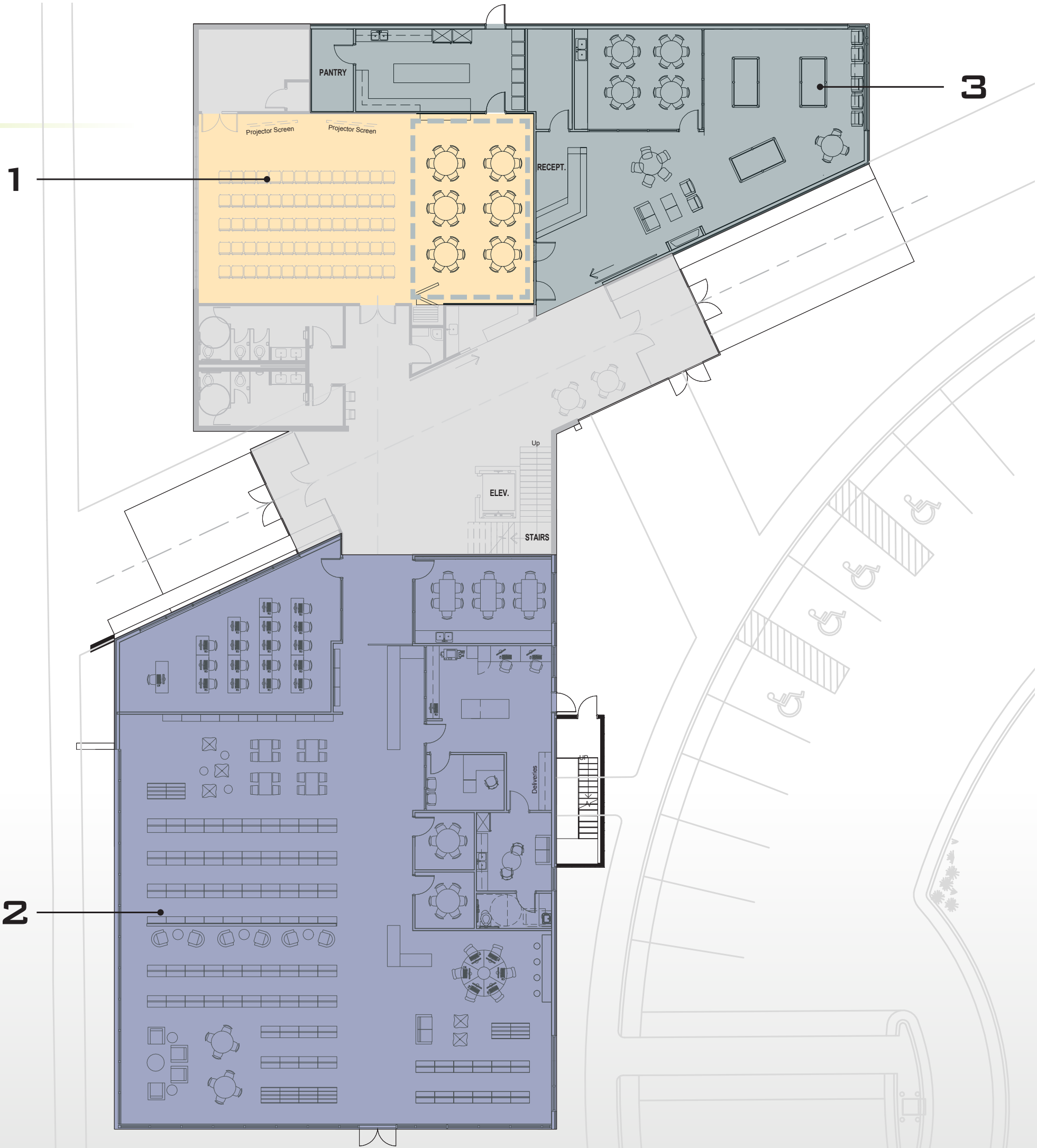
25 MAY 2016

Site Plan



Floor Plans

- 1 COMMUNITY ROOM
- 2 SUMMIT COUNTY LIBRARY
- 3 SENIOR CENTER
- 4 SUMMIT COUNTY HEALTH CLINIC
- 5 DMV
- 6 VALLEY BEHAVIORAL HEALTH
- 7 ROOFTOP GARDEN



LVL 1 FLOOR PLAN
12,880 GSF



LVL 2 PLAN
4,720 GSF

Budget

Target Construction Budget	\$4.38 M
First Estimate	\$5 M
Current Estimate	\$4.51 M
	\$130,000 over budget (3%)

Value Engineering Measures Implemented to Date:

- Self Performing Demolition
- Less Expensive Wood Structure
- Less Expensive Building Cladding
- Less Expensive and Reduction in Cabinetry
- Less Expensive Window System
- Reduction in AV infrastructure
- Simplified Stair and Railing Construction, Trash Enclosure
- Bid Alternates (SS Fireplace, Library Reading Courtyard, Operable Partition)

Schedule

Construction Documents	May 2016
Bid Documents Issued	Mid-Late June 2016
Construction Begins	Late July 2016
Occupancy	Winter / Spring 2017



2017 Capital Projects

	Project Area	Amount	Description
Roads			
	Pine Brook; Jeremy Ranch; Silver Creek	\$2,400,000	Annual major maintenance
	<i>Critical Road Improvements</i>	<i>\$2,100,000</i>	<i>Pending approval of Proposition 10</i>
Landfill			
	3-Mile Landfill	\$1,255,000	Begin landfill cell expansion
Facilities			
	Kamas Building	\$5,000,000	Carry-over from 2016
	Fairgrounds	\$5,000,000	Initial improvements
	Property Purchase	\$3,700,000	Cline/Dahle



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

City Council conducted Recreation Advisory Board interviews on January 5, 2017. City Council selected Ed Parigian to be appointed to serve until July of 2017.

Current Board Member	Term Expiration
Cabot Woolley	July 2019
Meisha Lawson	July 2019
Sebe Zeisler	July 2018
Alisha Niswander	July 2018
Jane Campbell	July 2017
Eric Hoffman	July 2017
Michael Barille	July 2017

There is currently one (1) Recreation Advisory seat available for appointment. Current board member Michael Barille has moved out of Park City limits, the new applicant would complete Michael's current term and then be eligible to be reappointed for their own term.

Notifications of openings were posted onsite at the Park City Athletic & Recreation Center (Attachment) and on the recreation web page and the City webpage, applications were due December 16th. The Recreation Department Staff received a total of two (2) applications for the one Recreation Advisory Board opening. All of the applicants meet the residency requirements set forth in the Ordinance No. 03-06.

Respectfully:

Michelle Kellogg, City Recorder

Do you have an interest in the future of Recreation in Park City?

**If so, apply today to serve on the
Recreation Advisory Board**

Applications are available at the front desk

Deadline to apply

December 16th



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

City Council conducted Historic Preservation Board interviews on January 5, 2017. City Council selected Randy Scott to be appointed to serve a term expiring May of 2018.

Historic Preservation Board

Puggy Holmgren	Term: 09/14 - 09/17
Jack Hodgkins	Term: 07/15 - 05/18
Lola Beatlebrox	Term: 09/14 - 09/17
David White	Term: 07/15 - 05/18
Cheryl Hewett	Term: 09/14 - 09/17
Douglas Stephens	Term: 07/15 - 05/18
Hope Melville	Term: 07/15 - 05/18 Resigned

There is one (1) seat available on the Historic Preservation Board effective immediately. This term will expire on May 1, 2018, for reason of Board Member Melville resigning in March of 2016. Board members are not required to be residents of Park City.

The Historic Preservation Board members have special priorities and qualifications outlined in Section 15-11-2 (B) of The Land Management Code:

“Members of the HPB shall serve terms of three (3) years. The terms shall be staggered. Terms may expire May 1, however, members of the HPB shall continue to serve until their successors are appointed and qualified.”

“It is the first priority of the City Council that the HPB have technical representation in Historic Preservation, therefore, when vacancies occur and if appropriate, it shall be the first consideration of the City Council to ensure that there is a licensed architect, or other professional having substantial experience in rehabilitation-type construction, serving on the HPB, and secondly that there is representation from the Park City Historical Society.”

Respectfully:

Michelle Kellogg, City Recorder

Historic Preservation Board

Review of Questions

Randy Scott

Board Information

Historic Preservation Board

Puggy Holmgren	Term: 09/14 – 09/17	
Jack Hodgkins	Term: 07/15 – 05/18	
Lola Beatlebrox	Term: 09/14 – 09/17	
David White	Term: 07/15 – 05/18	
Cheryl Hewett	Term: 09/14 – 09/17	
Douglas Stephens	Term: 07/15 – 05/18	
Hope Melville	Term: 07/15 – 05/18	Resigned

There is one (1) seat available on the Historic Preservation Board effective immediately. This term will expire on May 1, 2018, for reason of Board Member Melville resigning in March of 2016. Board members are not required to be residents of Park City.

The Historic Preservation Board members have special priorities and qualifications outlined in Section 15-11-2 (B) of The Land Management Code:

“Members of the HPB shall serve terms of three (3) years. The terms shall be staggered. Terms may expire May 1, however, members of the HPB shall continue to serve until their successors are appointed and qualified.”

“It is the first priority of the City Council that the HPB have technical representation in Historic Preservation, therefore, when vacancies occur and if appropriate, it shall be the first consideration of the City Council to ensure that there is a licensed architect, or other professional having substantial experience in rehabilitation-type construction, serving on the HPB, and secondly that there is representation from the Park City Historical Society.”



TITLE 15 - LAND MANAGEMENT CODE (LMC)
CHAPTER 11 - HISTORIC PRESERVATION

*Chapter adopted by Ord. No. 02-07;
Chapter Amended in Entirety by Ord. No.
03-34*

**CHAPTER 11 – HISTORIC
PRESERVATION**

**15-11-1. ESTABLISHMENT OF
BOARD.**

Pursuant to the Historic District Act, Section 11-18-1, et seq. of the Utah Code, 1953, and other applicable power, there is hereby created a Park City Historic Preservation Board (HPB). The HPB shall be composed of seven (7) members.

(Amended by Ord. No. 06-69)

**15-11-2. TERMS AND
QUALIFICATIONS OF MEMBERS.**

Members of the HPB shall serve terms of three (3) years. The terms shall be staggered. Terms may expire on May 1, however, members of the HPB shall continue to serve until their successors are appointed and qualified.

(A) The Mayor shall appoint a new HPB member to fill vacancies that might arise and

such appointments shall be to the end of the vacating member's term.

(B) It is the first priority of the City Council that the HPB have technical representation in Historic preservation, therefore, when vacancies occur and if appropriate, it shall be the first consideration of the City Council to ensure that there is a licensed architect, or other professional having substantial experience in rehabilitation-type construction, serving on the HPB, and secondly that there is representation from the Park City Historical Society. After being notified by the City of a vacancy, at least two (2) nominations shall be rendered to the City Council by the Park City Historical Society if it desires to participate in the Application process.

(C) In addition, the HPB should include members with the following qualifications, or representing the following interests:

(1) A member recommended by or associated with the Utah State Historical Society or Utah Heritage Foundation.

(2) A member living in the Historic District with demonstrated

interest and knowledge of Historic preservation.

(3) A member appointed at large from Park City with demonstrated interest and knowledge of Historic preservation.

(4) A member associated with Main Street Business and commercial interests.

15-11-3. ORGANIZATION.

(A) **CHAIR**. The HPB shall elect one of its members to serve as Chair for a term of one (1) year at its first meeting following the expiration of terms and appointment of new members. The Chair may be elected to serve for one (1) consecutive additional term, but not for more than two (2) successive terms. If the Chair is absent from any meeting where a quorum would otherwise exist, the members may appoint a Chair Pro Tem to act as Chair solely for that meeting.

(B) **QUORUM**. No Business shall be conducted without a quorum at the meeting. A quorum shall exist when the meeting is attended by four (4) of the appointed members, including the Chair or Chair Pro Tem.

(C) **VOTING**. All actions of the HPB shall be represented by a vote of the membership. A simple majority of the members present at the meeting in which action is taken shall approve any action taken. The Chair may vote at the meetings.

(Amended by Ord. Nos. 07-34; 09-10; 11-05)

15-11-4. ABSENCE DEEMED RESIGNATION OR GROUNDS FOR REMOVAL.

Any HPB member who is absent from two (2) consecutive regularly scheduled Board meetings, or a total of four (4) regularly scheduled meetings per calendar year may be called before the City Council and asked to resign or removed for cause by the Council. Members of the HPB are not required to reside within the City limits, however, the majority of the members shall reside in Park City.

15-11-5. PURPOSES.

The purposes of the HPB are:

(A) To preserve the City's unique Historic character and to encourage compatible design and construction through the creation, and periodic update of comprehensive Design Guidelines for Park City's Historic Districts and Historic Sites;

(B) To identify as early as possible and resolve conflicts between the preservation of cultural resources and alternative land Uses;

(C) To provide input to staff, the Planning Commission and City Council towards safeguarding the heritage of the City in protecting Historic Sites, Buildings, and/or Structures;



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

The Government Finance Officers Association of the United States and Canada (GFOA) announced recently that Park City received the GFOA's Distinguished Budget Presentation Award for its budget.

Respectfully:

John Rock, Executive and Budget Intern

To: Diane Foster, City Manager
CC: Mayor Thomas / Members of City Council
Management Team

From: John Rock, John Umbel
Budget, Debt, & Grants Department

GFOA's Distinguished Budget Presentation Award – January 12, 2017

The Government Finance Officers Association of the United States and Canada (GFOA) announced recently that Park City received the GFOA's Distinguished Budget Presentation Award for its budget. GFOA stated:

The award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation.

Park City not only had to follow these stated guidelines, but demonstrate excellent proficiency in carrying them out. These guidelines were set up to assess how well a city's budget serves as

- (1) a policy document,
- (2) a financial plan,
- (3) an operations guide, and
- (4) a communication device.

The Budget, Debt, and Grants Department is very excited about this acknowledgment. Park City has now received this award for the last twenty years in a row.



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

The thirty-eight Type 2 Convention Sales License applicants to date pending approval are shown in Exhibit A. The applicants have obtained a pre-inspection prior to application (PIPA), provided a site/floor plan stamped by a design professional with occupant load and paid the applicable license fee. Staff is requesting approval of the applications for Convention Sales Licenses during the 2017 Sundance Film Festival (Festival).

Respectfully:

Beth Bynan, Business License Specialist



City Council Staff Report

Subject: Council Approval of Type 2 Convention Sales Licenses
Author: Beth Bynan, Business License Specialist
Department: Finance
Date: January 12, 2017
Type of Item: Consent

Summary Recommendation

Staff is requesting Council approval of the Type 2 Convention Sales License (CSL) applications listed in Exhibit A for operation during the 2017 Sundance Film Festival (Festival) contingent on passing the Final Inspection Post Application (FIPA).

Executive Summary

The thirty-eight Type 2 Convention Sales License applicants to date pending approval are shown in Exhibit A. The applicants have obtained a pre-inspection prior to application (PIPA), provided a site/floor plan stamped by a design professional with occupant load and paid the applicable license fee. Staff is requesting approval of the applications for Convention Sales Licenses during the 2017 Sundance Film Festival (Festival).

Acronyms

City – Park City
CSL – Convention Sales License
Festival – Sundance Film Festival
FIPA – Final inspection post application
MFL – Master Festival License
PIPA – Pre-inspection prior to application
Type 2 – A type of CSL for operation during the Festival

Background

The Sundance Film Festival brings with it an increasing number of non-Master Festival License (MFL) affiliated businesses to conduct business within the Park City (City) limits on a short-term basis. The increase has created health, safety and wellness concerns for the City and its residents, including the City's ability to provide basic Police, safety and emergency services. The numbers of various non-MFL affiliated licenses being applied for inundates the Finance Department with license applications in the final days just before the Festival starts.

Municipal Code 4-3-9(D)(2) retains Council authority to approve Type 2 CSL licenses. Prior to Council's consideration of the Type 2 CSL license application, the applicant must have a pre-inspection prior to application (PIPA). This inspection will highlight any issues related to the space prior to their final inspection. The inspection must

accompany the license application along with accurate floor plans stamped by a design professional including the occupant load.

The process for a Type 2 CLS is as follows:

1. Obtain floor plans stamped by a design professional
2. Obtain a PIPA
3. Make application with site plan, PIPA, and pay the appropriate fee
4. Finance requests approval from City Council
5. Obtain Council approval
6. Obtain a FIPA
7. Issue license

The Municipal Code for Type 2 CSL's allows the City to address issues related to adverse impacts or carrying capacity issues related to the licensed activity and volume. It also allows service departments, event staff and public safety to obtain a more adequate picture of the total public service demands for the Festival in a timeframe that provides for service level and cost adjustments. Staff has reviewed the applications for accuracy and completeness. Staff recommends that Council reviews and approves the applicants listed in Exhibit A. The applicant listed has received a PIPA and if approved by Council, must receive a FIPA prior to the license being issued.

Vacancy:

During the October 6, 2016 work session, vacancies on Main Street were discussed in the context of temporary conversions to hospitality p.57-

<http://parkcityut.igmp2.com/Citizens/FileOpen.aspx?Type=1&ID=2193&Inline=True>.

While staff intends to return with a proposed ordinance, no ordinance or notice has been developed to date.

However, staff would like to specifically make note of any licenses that are proposed into locations shown in the previous report. Staff recommends approval of the application because the property owners could reasonably claim that they did not have any reasonable notice or expectation that they would be unable to make a conversion of this type. There are no properties listed in Exhibit A that have been identified as vacant.

Alternatives for City Council to Consider

- 1. Recommended Alternative:** Approve the Type 2 CSL applications listed in Exhibit A subject to passing the FIPA.

Pros

- a. The applicants will be able to operate during the Festival.

Cons

- a. There are no anticipated negative impacts associated with approving the locations on Exhibit A.
- b. Null Alternative: If Council does nothing and does not grant approval, the applicants will not be permitted to operate at the specified host locations.

Pros: There are no perceived positive impacts from doing nothing.

Cons: The applicants will not be able to operate during the 2017 Festival.

Department Review

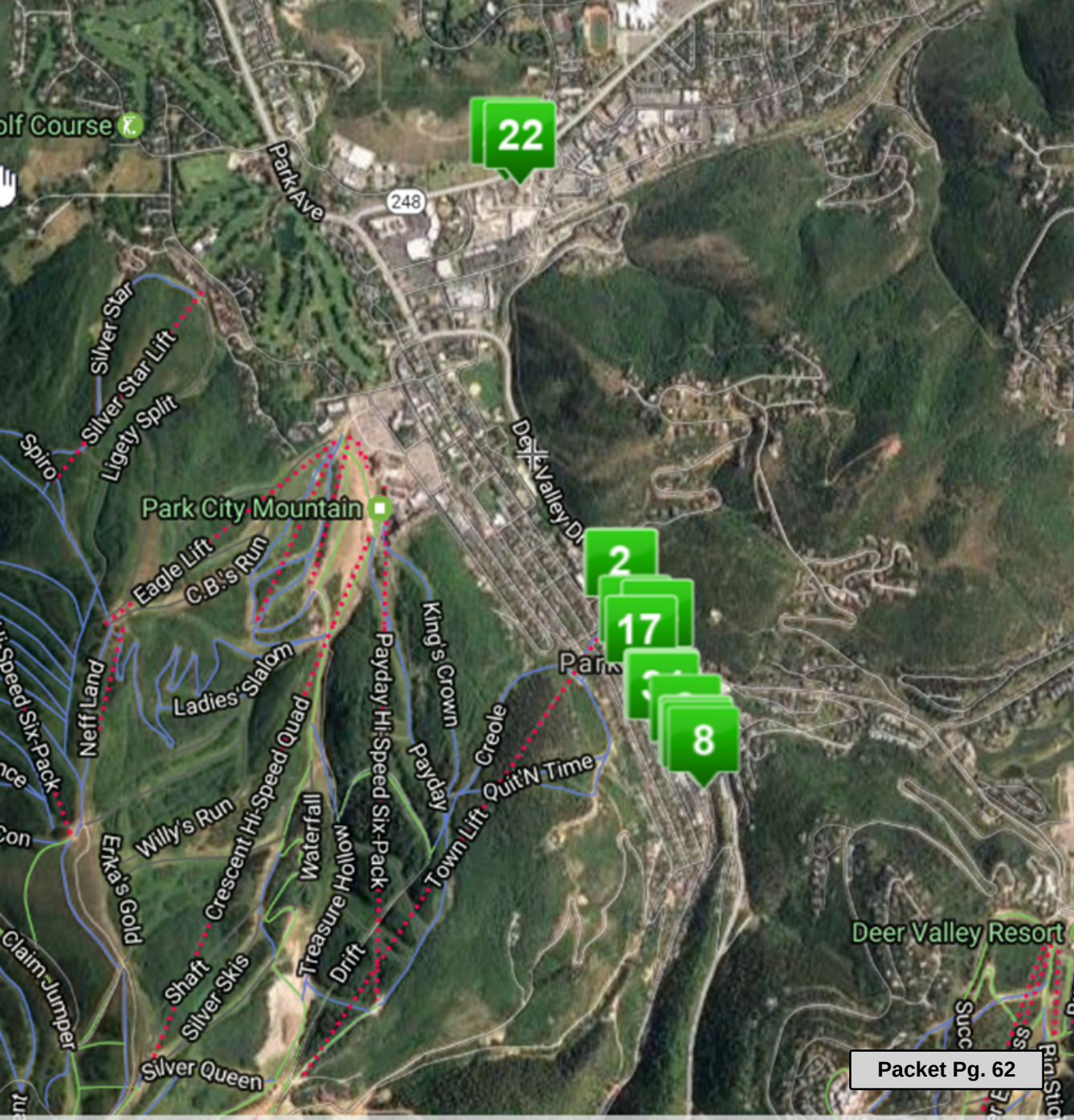
Finance, Special Events, Building, Sustainability, Legal, Executive

Attachments

Exhibit A- List of Locations-CSL / Exhibit B- Map of Locations-CSL

	Applicant Name	Location Address
	To Be Approved	
1	The Blackhorse Foundation	804 Main St
2	HBO	804 Main St
3	Time Warner	804 Main St
4	NBC Universal	804 Main St
5	Campaign for Black Male Achievement	804 Main St
6	LA International Film Festival	427 Main St
7	Luxe Marketing	268 Main St
8	Salt Lake Brewing Co	250 Main St
9	Luxe Marketing	352 Main St
10	A-List Communications	306 Main St
11	Proximo Spirits	306 Main St
12	Kia Motors America	306 Main St
13	Johndrow Vineyards	306 Main St
14	Interex Corp	306 Main St
15	Home Grown Industries of GA	427 Main St
16	Chefdance	427 Main St
17	General Snus	577 Main St
18	FXBX	577 Main St
19	Tone It Up	625 Main St
20	New Breed	625 Main St
21	ISI Group	136 Heber Ave #304
22	Sundance Institute	1401 Kearns Blvd
23	Telefilm Canada	1401 Kearns Blvd
24	Uber Lounge	1351 Kearns Blvd #160
25	CTA	427 Main St
26	Spotify USA, Inc.	427 Main St
27	Heartland Food Products Group	427 Main St
28	361USA	427 Main St
29	Musically	427 Main St
30	Artists Den Entertainment	427 Main St
31	Whats Trending	427 Main St
32	JP Morgan Chase	427 Main St
33	Cool Effect	427 Main St
34	Brand Technologies	427 Main St
35	Fingerprint Communications	427 Main St
36	Mirrored Media	427 Main St
37	Awesomeness LLC	427 Main St
38	Heal One World	136 Heber Ave #304
	Previously Approved	
39	TAO	1251 Kearns Blvd.
40	Uintah Partners	136 Heber Ave #304
41	William Morris	221 Main Street

42	Slamdance Film Festival	255 Main Street
43	AFCI	305 Main Street
44	Beyond Cinema	305 Main Street
45	Chef Dance	427 Main Street
46	Variety Media Lounge	625 Main Street
47	Indie Lounge	710 Main Street
48	Lucy Stepp/Deadline Photo Studio	900 Main Street
49	VIP Event Management, LLC	1251 Kearns Blvd
50	Rand Luxury	2300 Deer Valley
51	360 Fly Inc.	2300 Deer Valley
52	Medical Light Devices	2300 Deer Valley
53	Porsche	2300 Deer Valley
54	Gulfstream Aerospace Corp	2300 Deer Valley
55	Jet Aviation Holdings USA, Inc.	2300 Deer Valley
56	J. Mendel	2300 Deer Valley
57	Durkin Group, LLC	255 Main Street
58	Barefoot Eco Outfitters	255 Main Street
59	Choices Recovery	255 Main Street
60	CMFR Canada	255 Main Street
61	Episcope, LLC	255 Main Street
62	Bohemian Guitars, Inc.	255 Main Street
63	Impact Partners Film Services, LLC	260 Main Street
64	Savannah, GA Film Commission	305 Main Street
65	LA Times	314 Main Street
66	American Express	314 Main Street
67	Brewco	577 Main Street
68	FCBX	577 Main Street
69	Hunter Public Relations	625 Main Street
70	Henson Consulting	625 Main Street
71	Bobble	625 Main Street
72	The Bait Shoppe	625 Main Street
73	The Full Picture, LLC	625 Main Street
74	NVE, Inc.	657 Park Avenue
75	Apple	657 Park Avenue
76	Precious Entertainment	738 Main Street
77	Garrett Brands	738 Main Street
78	The Creative Coalition	738 Main Street
79	TESLA	738 Main Street
80	Coolway Boots	738 Main Street
81	Labs for Liberty	738 Main Street
82	Philadelphia Film Society	738 Main Street
83	Emerson College	804 Main Street
84	Penske Business Media, LLC	900 Main Street



Golf Course

22

248

Park Ave

Deer Valley Dr

Park City Mountain

2

17

3

8

Park

Deer Valley Resort



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

The attached Exhibit A lists all License applicants to date pending approval. These applicants have completed all requirements for application, including insurance requirements and paid the applicable license fee. Staff is requesting approval of the attached fourteen applicants to serve alcoholic beverages during the 2017 Festival. The three applications are considered late and are counted as part of the twelve late applications accepted.

Respectfully:

Beth Bynan, Business License Specialist



City Council Staff Report

Subject: Local Consent for Special Event Temporary Alcoholic Beverage Licenses during the 2017 Sundance Film Festival
Author: Beth Bynan, Business License Specialist
Department: Finance
Date: January 12, 2017
Type of Item: Consent

Summary Recommendation

Staff is requesting Council approval of the Special Event Temporary Alcoholic Beverage License (License) applications listed in Exhibit A for operation during the 2017 Sundance Film Festival (Festival).

Executive Summary

The attached Exhibit A lists all License applicants to date pending approval. These applicants have completed all requirements for application, including insurance requirements and paid the applicable license fee. Staff is requesting approval of the attached fourteen applicants to serve alcoholic beverages during the 2017 Festival. The three applications are considered late and are counted as part of the twelve late applications accepted.

Acronyms

City – Park City Municipal Corporation
DABC - Utah Department of Alcoholic Beverage Control
HPCA- Historic Park City Alliance
License – Special Event Temporary Alcoholic Beverage License
Festival – Sundance Film Festival
MFL – Master Festival License
SE – Special Events

Background

On June 6, 2013, Council passed amendments to the requirement for a License during the time period of the Festival. One of those amendments requires City Council approval of all applications. The final deadline for DABC approval prior to the Festival will be on January 6, 2017. However, there are instances in which the Park City Municipal (City) requires a License and the DABC does not (i.e. private parties). Under City Municipal Code 4-4-2(B)(2) Council may choose to hold an emergency meeting to hear no more than twelve (12) applications for late approval.

All applications must be complete and submitted no later than the first Friday in January (January 6, 2017) to be heard no later than the second Thursday in January (January 12, 2017). No more than the first twelve complete applications to be submitted will be heard. A higher fee, pursuant to the fee schedule, may be required due to the expedited

nature of the emergency meeting. Three late applicants are shown in Exhibit A and are considered to be part of the twelve that can be accepted/approved. These three are considered late because they missed the 12/9/16 deadline to submit their liquor permit applications. I.

Vacancies & Outreach to past applicants & Main Street Business Owners

In September 2016, as part of the Main Street tenant mix/vacancy effort, staff and the Mayor initiated direct contact with a number of building owners who had “vacant” storefronts to express concern over possible impacts their empty storefronts have on the vitality and character of Main Street.

Staff has also continued, as part of this discussion regular outreach with a task force represented by the HPCA, building owners, real estate professionals and other at-large community members.

During the October 6, 2016 work session, vacancies on Main Street were discussed in the context of temporary conversions to hospitality p.57-

<http://parkcityut.igm2.com/Citizens/FileOpen.aspx?Type=1&ID=2193&Inline=True>.

While staff intends to return to Council with a proposed ordinance, no ordinance or notice has been developed to date.

However, staff would like to specifically make note of any licenses that are proposed into locations shown in the previous report. Staff recommends approval of the application because the property owners could reasonably claim that they did not have any reasonable notice or expectation that they would be unable to make a conversion of this type. There are no locations listed on Exhibit A to be approved that were noted as vacant.

Condition of Approval:

In order to maintain life safety standards, staff recommends that security personnel (at a ratio of 1 security officer per 50 occupants) be required for all Single Event Temporary Alcoholic Beverage Licenses, for nightclubs, bars and similar uses. Staff recommends that this security be included as a condition of approval for these identified sites as highlighted on EXHIBIT A. Staff included this condition of approval information in the 2017 Rules of the Road document to encourage compliance and reduce last minute surprises for event organizers and applicants. The Fire Marshall will be monitoring the security plan implementation occupancy ratios of these locations ensuring compliance life safety.

Sites approved through the Special Event process are separately regulated; security is addressed during that application process.

Alternatives for City Council to Consider

- 1. Recommended Alternative:** Approve the Single Event Liquor Permit locations listed in Exhibit A

Pros

- a. The applicants will be able to serve liquor at their permitted locations.

Cons

- a. There are no anticipated negative impacts associated with approving the locations on Exhibit A.

- b. Null Alternative:** If Council does nothing and does not grant approval, the applicants will not be permitted to serve liquor at the specified locations.

Pros: There are no perceived positive impacts from doing nothing.

Cons: The applicants will not be able to serve liquor at their locations during the 2017 Sundance Film Festival.

Department Review

Finance, Special Events, Building, Sustainability, Legal, Executive

Attachments

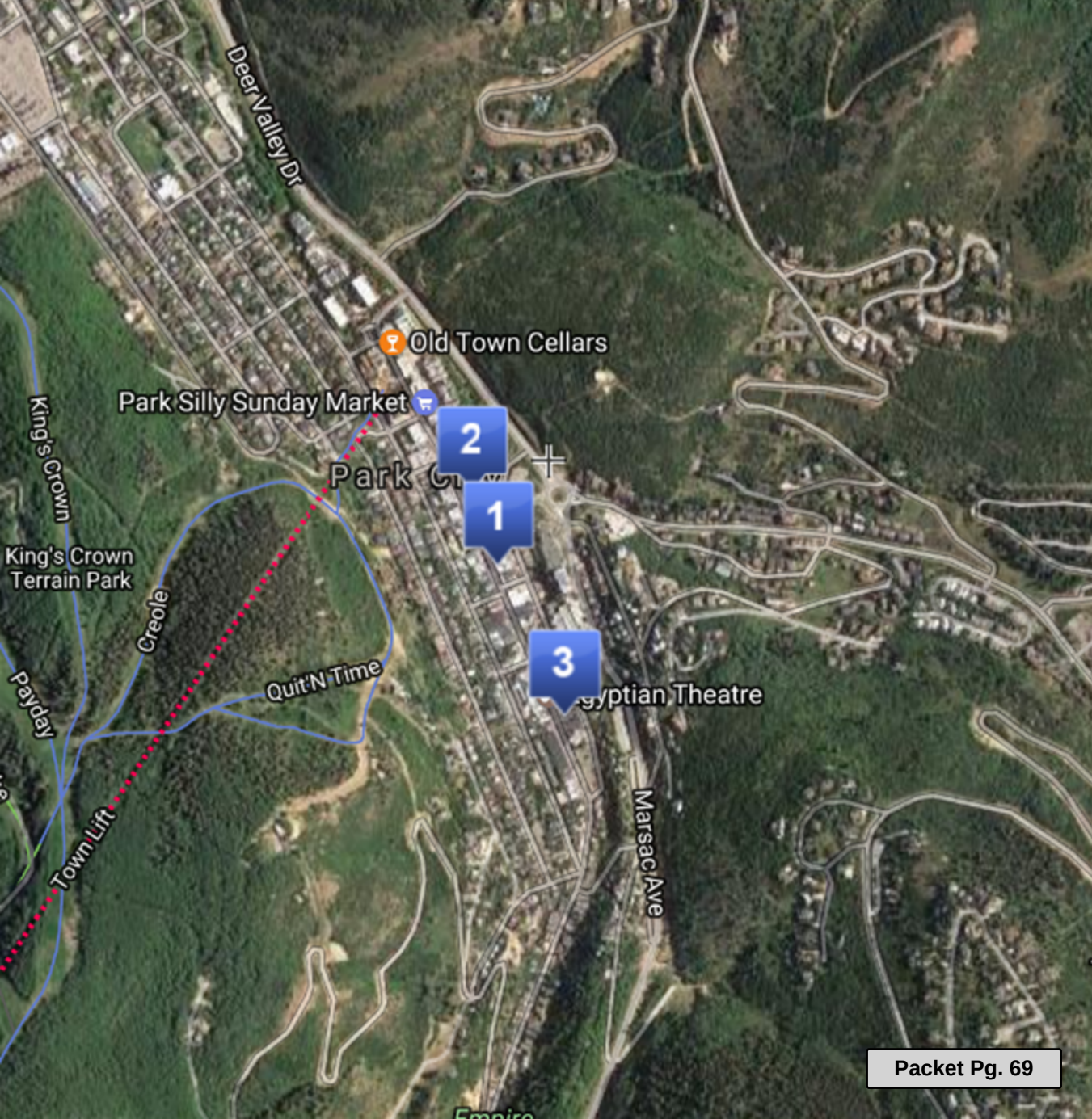
Exhibit A- List of locations / Exhibit B- Map of Locations

Applicant Name		Location Address	
To Be Approved - Late Applications (Up to 12) 8 Previously Approved			
1	Park City Municipal Corp	528 Main Street	9
2	Root'd	596 Main Street	10
3	A-List Communications	306 Main Street	11
Previously Approved			
4	Utah Film Commission	1167 Woodside	
5	VIP Event Mgt/TAO	1251 Kearns	
6	Uintah Partners	136 Heber Ave	
7	William Morris	221 Main Street	
8	Sundance Inst./Done to Your Taste	268 Main Street	
9	AFCI Beyond Cinema	305 Main Street	
10	PC Performance - 10 days	328 Main Street	
11	Stella	364 Main Street	
12	Chef Dance	427 Main Street	
13	Sundance Inst./Church & State Spirits	449 Main Street	
14	Brilliant Consulting/YouTube	449 Main Street	
15	Stella Lounge	449 Main Street	
16	Sundance Inst./Top Shelf Services	475 Swede Alley	
17	Top Shelf Services/IMDB	570 Main Street	
18	Sundance Inst./Top Shelf Services	573 Main Street	
19	Chase Sapphire	573 Main Street	
20	Top Shelf Services/Jaunt	580 Main Street	
21	Brilliant Consulting/Kola House	591 Main Street	
22	Variety Media Lounge	625 Main Street	
23	Utah Film Commission	625 Main Street	
24	NVE	657 Park Ave	
25	Indie Lounge	710 Main Street	
26	Precious Entertainment	738 Main Street	
27	Sundance Inst./Top Shelf Services	751 Main Street	
28	DC Berridge/Best Events	820 Park Ave	
29	DC Berridge/Best Events	825 Main Street	

30	DC Berridge/Best Events	836 Park Ave
31	Lucy Stepp, LLC	900 Main Street
32	Sundance Inst./Top Shelf Services	825 Main Street
33	Acura	825 Main Street
34	Done to Your Taste/KAC	1401 Kearns Ave
35	Slamdance	255 Main Street Suite C
36	Done to Your Taste	260 Main Street
37	Kuhl/Alfwear	333 Main Street
38	Acura/Sundance Inst.	890 Main Street
39	Top Shelf Services	890 Main Street
Up to 12 Late Applications		
40	Metropolitan/Rocky Mountain Cinemas	1776 Park Ave.
41	St. Regis Deer Valley	2300 Deer Valley Drive
42	Durkin Group/Ecoluxe Lounge	255 Main Street
43	The Blended Table	314 Main Street
44	SSI Venture	515 Main Street
45	Luxe Marketing/Swisher Media	543 Park Ave
46	The Blended Table/Canon Creative Studio	592 Main Street
47	Emerson College	804 Main Street

1
2
3
4
5
6
7
8

The Building Department recommends a safety plan for the highlighted applicants



Old Town Cellars

Park Silly Sunday Market

Park

King's Crown
Terrain Park

Payday

Creole

Quit'N Time

Town Lift

Egyptian Theatre

Marsac Ave

Deer Valley Dr

King's Crown



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

The Council should Consider an Option Agreement with Redus, LLC for the purchase of approximately 1,400 acres in Bonanza Flats for open space for \$38,000,000 and hold a public hearing.

Respectfully:

Michelle Kellogg, City Recorder

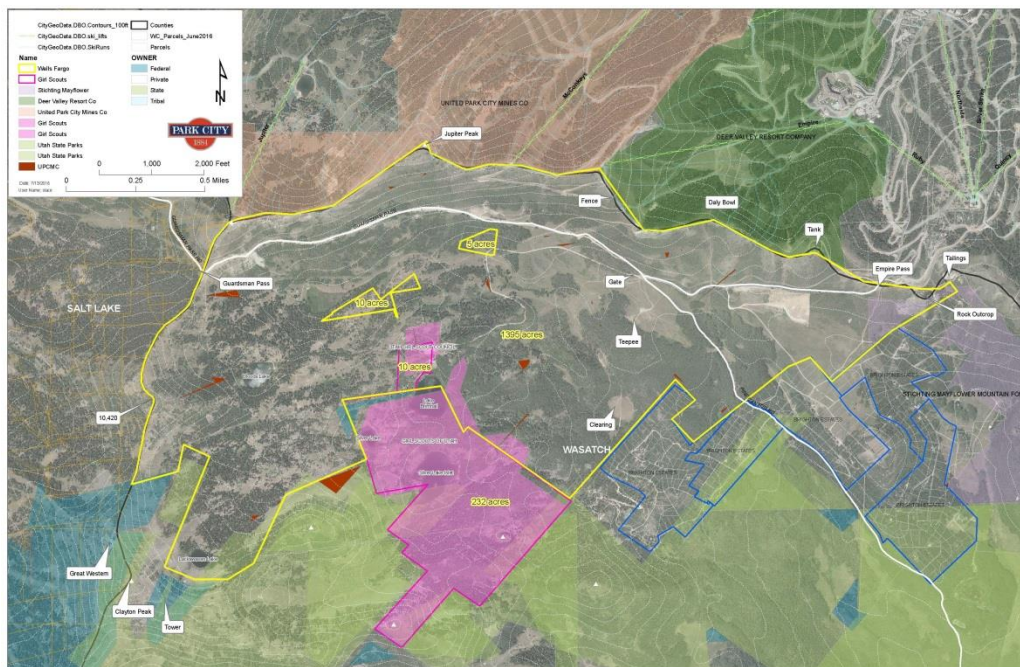
City Council Staff Report



Subject: Bonanza Flats Purchase Agreement
Author: Heinrich Deters
Department: Sustainability
Date: January 12, 2017
Type of Item: New Business-Property Acquisition

Staff recommends Council consider the Bonanza Flats Purchase Option Agreement (Attachment I) which provides for the acquisition of approximately 1350 acres located in Wasatch County and owned by REDUS Park City, LLC.

- Total Purchase Price \$38,000,000
 - Initial Option Payment of \$1,500,000 due on execution.
- First Closing March 15, 2017
 - Second Option Payment of \$1,500,000 allows the City to extend closing to June 15, 2017.



On August 11, 2016, City Council adopted a resolution to place a \$25,000,000 general obligation bond question on the November ballot. The bond was specifically for the

purchase of the Bonanza Flats properties, should the City be able to negotiate a purchase of the land.

On November 8, 2016, 72% of Park City voters approved Proposition Number 1.

The Purchase Agreement outlines the terms and conditions associated with the proposed acquisition. The Agreement requires an initial \$1,500,000 option payment on execution, as well as, a second option payment of \$1,500,000 to extend the closing date to June 15, 2017. Both option payments will be included in the \$38,000,000 purchase price should the City complete the transaction.

The bulk of the funding for the project will come from Park City's \$25,000,000 General Obligation bond. That said, additional funding in the amount of \$13,000,000 will need to be attained through various means, including support from adjacent governmental jurisdictions, land conservancy organizations, recreational interests and private sources.

Attachment I- Bonanza Flats Purchase Agreement

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY [Bonanza Flats]

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY (this “**Agreement**”) is entered into this ____ day of _____, 2017, by and between **REDUS PARK CITY LLC**, a Delaware limited liability company (the “**Seller**”), and **PARK CITY MUNICIPAL CORPORATION**, a political subdivision of the State of Utah (the “**Purchaser**”).

WHEREAS, Seller is the owner of certain real property in Wasatch County (“**County**”), State of Utah (“**State**”), as more particularly described on Exhibit “A”, attached hereto and made a part hereof (the “**Property**”); and

WHEREAS, Seller desires to sell and Purchaser wishes to purchase the Property pursuant to the terms and conditions hereinafter set forth.

NOW, THEREFORE, for Ten and No/100 Dollars (\$10.00) in hand paid and in consideration of the mutual promises of the parties as set forth herein, Seller does hereby agree to sell to Purchaser and Purchaser agrees to purchase from Seller in fee simple the Property pursuant to the following covenants, conditions, terms and obligations:

TRANSACTION AND TRANSACTION DOCUMENTS. Purchaser desires to purchase, and Seller desires to sell, the Property strictly in accordance with the terms and conditions set forth below. As a part of the transaction described in this Agreement, Purchaser and Seller intend to execute, or cause the appropriate party to execute, the below agreements prior to, at, or in the case of one document, potentially after, the Closing [defined below] all as described in this Agreement:

Talisker Club Lease. A predecessor-in-title of Seller executed a Lease Agreement with Talisker Club LLC dated as of September 1, 2015 (“**Talisker Lease**”) concerning the use of a portion of the Property for maintaining a yurt and undertaking certain recreational activities for the use of Talisker Club members on the Property. On or before the Closing Date, Seller and Purchaser shall execute and deliver an assignment and assumption agreement in the form attached hereto as Exhibit “C” (the “**Talisker Lease Assignment**”), whereby Seller will assign and Purchaser will assume all of Seller’s rights and obligations under the Talisker Lease, but only to the extent accruing from and after the Closing. On, before or within ninety (90) days after the Closing Date, the Talisker Lease will be amended in the form attached hereto as Exhibit “D” (“**Talisker Lease Amendment**”). If Seller does not execute the Talisker Lease Amendment prior to Closing, Purchaser covenants to execute the Talisker Lease Amendment upon written request of Seller. Seller shall be responsible to obtain the signature of the Talisker Club, or its planned successor entity, Talisker Club 2.0, LLC, a Delaware limited liability company, to the Talisker Lease Amendment. The provisions of this subparagraph 1(a) shall survive Closing.

Soils Agreement. On the Closing Date, Seller and Purchaser shall execute and deliver an agreement allowing Seller the right to deposit excess soils within certain locations within the Property in the form attached hereto as Exhibit “E” (the “**Soils Deposit License Agreement**”). The Soils Deposit License Agreement contemplated hereby shall be recorded at Closing.

Twisted Branch Access Easement. At Closing, Purchaser and Seller shall execute an easement agreement granting to Purchaser an access easement to allow Purchaser’s maintenance or emergency vehicles wintertime access through a private road known as Twisted Branch (the “Twisted Branch Access Easement”). The form of the Twisted Branch Access Easement is attached hereto as Exhibit “F” and the executed easement shall be recorded at Closing.

Quit Claim Deed. At Closing, Seller shall execute a quit claim deed conveying any appurtenant water and any mineral rights appertaining to or underlying the Property to Purchaser (the “**Quit Claim Deed**”). The Quit Claim Deed will be without warranty whatsoever and is not intended to convey any rights Seller has obtained in the March 2, 2007 Water Agreement between Purchaser and United Park City Mines Company and the agreements referenced therein. The Quit Claim Deed contemplated hereby shall be recorded at Closing.

SELLER MATERIALS. Purchaser is familiar with the Property and is willing to purchase the same in its “As-Is” condition as further described in Paragraph 9 below. Nevertheless, and in order to assist Purchaser in familiarizing itself with the Property, Seller has provided those items listed on Exhibit “B” attached hereto on or prior to the Effective Date (“**Seller’s Materials**”). Notwithstanding anything to the contrary contained in this Agreement, in the event of a termination of this Agreement, Purchaser shall return Seller’s Materials and any copies thereof to Seller. The furnishing of Seller’s Materials is without representation or warranty by Seller as to the accuracy thereof, or as to the right of Purchaser to rely on Seller’s Materials, all of which were prepared by third parties.

PURCHASE PRICE AND CLOSING. The purchase price for the Property is Thirty Eight Million Dollars (\$38,000,000.00) (the “**Purchase Price**”). The Purchase Price shall be paid by Purchaser as follows:

Within a business day after the Effective Date, Purchaser shall deposit the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) (the “**Initial Option Payment**”) with Coalition Title Agency (the “**Escrow Agent**”). Upon Purchaser’s deposit of the Initial Option Payment with Escrow Agent, the Initial Option Payment shall be deemed fully-earned by Seller, nonrefundable to Purchaser, and promptly disbursed by Escrow Agent to Seller.

Upon Closing [defined below], the Initial Option Payment shall be applied against the Purchase Price, and the balance of the Purchase Price shall be paid to Seller in immediately available funds.

The closing (the “**Closing**”) shall occur on or before March 15, 2017 (the “**Closing Date**”). The Closing shall be held at the offices of the Escrow Agent or such other location as the parties shall mutually designate. Purchaser shall have the right to extend the

Closing Date until June 15, 2017 by giving Seller written notice of such extension and depositing an additional One Million Five Hundred Thousand Dollars (\$1,500,000.00) (“**Second Option Payment**”) with the Escrow Agent on or prior to the initial Closing Date. Upon Purchaser’s deposit of the Second Option Payment with the Escrow Agent, the Second Option Payment shall be deemed fully-earned by Seller, nonrefundable to Purchaser, and promptly disbursed by Escrow Agent to Seller. The Second Option Payment shall be applied to the Purchase Price at Closing. In the event that Closing does not occur by the initial Closing Date and Purchaser does not extend the Closing Date as provided in this subparagraph 3(c), this Agreement shall terminate, in which case the parties shall be relieved of further liability hereunder with the exception of Purchaser’s obligations to Seller that survive any termination of this Agreement.

TITLE.

Seller has obtained a title insurance commitment issued by the Escrow Agent setting forth the status of title to the Property and showing all encumbrances and other matters affecting the Property (the “**Commitment**”); provided, however, in no event shall Seller be obligated to pay any premium for a new owner’s policy, the cost of obtaining the Commitment, or any other costs related to title insurance. The Commitment is described as one of the documents listed in Exhibit “B.” Within fourteen (14) days following the Effective Date, Purchaser shall notify Seller in writing as to Purchaser’s disapproval of any of the title exceptions set forth in such Commitment. Seller shall have five (5) business days thereafter (“**Seller Response Period**”) to elect whether or not to remove said exceptions at Seller’s expense at or prior to the Closing. In the event Seller does not give written notice to Purchaser and Escrow Agent within the Seller Response Period that Seller will remove such disapproved exception(s) at or prior to the Closing, then Purchaser may, by delivery of written notice to Seller and Escrow Agent within five (5) business days following expiration of the Seller Response Period, elect to (i) terminate this Agreement, or (ii) approve the previously disapproved title exceptions reflected in the Commitment (in which case such exceptions shall become Permitted Exceptions) without any reduction in the Purchase Price and waive Purchaser’s right of termination set forth in subparagraph 4(a)(i). In the event Purchaser (i) does not object to the items reflected in the Commitment, or (ii) fails to give timely written notice of its election to terminate this Agreement following expiration of the Seller Response Period, Purchaser shall be deemed to have expressly approved the Commitment and all matters reflected therein shall be deemed “Permitted Exceptions” under this Agreement, and Purchaser shall take title to the Property at Closing subject to all Permitted Exceptions.

Purchaser shall be entitled to request that, at Closing, with respect to the Property, the Escrow Agent (i) issue to Purchaser an ALTA title insurance policy as to such portion of the Property qualifying for such under the survey, and a standard coverage (or other form standard for similar transactions in the State) owner’s form title policy (the “**Title Policy**”), in the amount of the Purchase Price, insuring that fee simple title to the Property is vested in Purchaser subject only to the Permitted Exceptions, and (ii) provide such endorsements (or amendments) to such Title Policy as Purchaser may reasonably require; provided that (a) the Title Policy and any endorsements thereto shall be at no cost to, and shall impose no additional liability on, Seller, (b) Purchaser’s obligations under this Agreement shall not be conditioned upon Purchaser’s ability to obtain such Title Policy or any endorsements to the Title Policy and, if Purchaser is unable to obtain a Title Policy and/or any such endorsements, Purchaser shall nevertheless be obligated to

proceed to close the transactions contemplated by this Agreement without reduction of or set off against the Purchase Price, and (c) the Closing shall not be delayed as a result of Purchaser's aforementioned request.

At the Closing, Seller shall convey fee title to the Property by providing a Special Warranty Deed (the “**Deed**”) to Purchaser, subject to the Permitted Exceptions [defined below] and with a covenant that the Property shall be used only for conservation or recreation purposes. The form of the Deed is attached hereto as Exhibit “G.”

If applicable, Purchaser shall have the right to deliver to Seller a written notice (“**New Title Exception Notice**”) at any time prior to the Closing Date, but not more than five (5) days after the date of Purchaser's discovery of any title exception which (i) first arises of record following the expiration of the Seller Response Period, (ii) was not created due to the acts of Purchaser, (iii) has not been consented to by Purchaser, and (iv) materially adversely affects the Property (each, a “**New Title Exception**”), stating that a New Title Exception has arisen and that such New Title Exception is unacceptable to Purchaser. If Purchaser timely delivers a New Title Exception Notice to Seller, the following provisions shall apply:

Upon Purchaser's delivery to Seller of the New Title Exception Notice, Seller may, but shall not be obligated to, (i) remove or correct the New Title Exception to Purchaser's reasonable satisfaction on or prior to the Closing Date, or (ii) cause Escrow Agent to provide, at Closing, title insurance with respect to the New Title Exception.

Seller shall have the unilateral right, based on Seller's discretion or for the purpose of performing Seller's obligations or exercising Seller's rights under this Paragraph 4(d), to extend the Closing Date for a period of up to sixty (60) days by delivery to Purchaser of written notice to such effect not more than five (5) business days after Seller's receipt of a New Title Exception Notice. The period of any such unilateral extension by Seller pursuant to this subparagraph shall run concurrently with any other extension periods provided for in this Agreement. Notwithstanding any election by Seller to extend the Closing Date as set forth above, Purchaser may elect at any time to waive Purchaser's objection to such New Title Exception by giving written notice thereof to Seller, in which case Seller and Purchaser shall proceed to Closing on or before the Closing Date in accordance with the provisions of this Agreement (and such New Title Exception will be a Permitted Exception for all purposes hereunder).

CONDITIONS PRECEDENT TO CLOSING.

Purchaser's Conditions Precedent. The obligation of Purchaser to purchase the Property shall be conditioned upon satisfaction of the following at or prior to Closing, any of which may be waived by Purchaser in its sole and absolute discretion (the “**Purchaser Conditions Precedent to Closing**”):

All conditions of title have been met pursuant to Paragraph 6(a) hereof;

Seller is not in default of this Agreement;

The representations and warranties by Seller contained in this Agreement must be true;

Seller shall have delivered its executed and, if required, acknowledged counterparts of (A) the Talisker Lease Assignment, (B) the Quit Claim Deed; (C) the Deed; (D) an assignment and assumption of the Girl Scout's Lease described on Exhibit B; (E) the Twisted Branch Access Easement Agreement and (F) the Soils Deposit License Agreement, to Escrow Agent; and

Seller shall have delivered the Talisker Lease Amendment executed by Seller and Talisker Club LLC, unless Seller has elected to defer execution of the Talisker Lease Amendment until after Closing as allowed by subparagraph 1(a).

In the event that any of the foregoing Purchaser Conditions Precedent to Closing are not satisfied on or prior to the Closing Date, then Purchaser shall, as its sole remedy, either (i) waive the applicable unsatisfied Purchaser Conditions Precedent to Closing and proceed to Closing on the scheduled Closing Date or (ii) immediately terminate this Agreement by written notice to Seller, in which case the parties shall be relieved of further liability hereunder with the exception of Purchaser's obligations to Seller that survive any termination of this Agreement. If Seller has breached the Agreement, Purchaser is entitled to the remedy described in Paragraph 7(b) below.

Seller's Conditions Precedent. The obligation of Seller to sell the Property shall be conditioned upon satisfaction of the following at or prior to Closing, any of which may be waived in writing by Seller in its sole and absolute discretion (the "**Seller Conditions Precedent to Closing**")

Seller's managers and members shall have approved this Agreement and Seller's sale of the Property to Purchaser pursuant to this Agreement;

The representations, warranties and covenants of Purchaser set forth in this Agreement shall be true and correct as of the Closing Date, including, but not limited to, the representations in Paragraph 13 hereof;

Purchaser shall have delivered its executed and, if required, acknowledged counterparts of (A) the Talisker Lease Assignment, (B) the Deed; (C) the Talisker Lease Amendment (unless previously executed by Seller at Seller's election), (D) an assignment and assumption of the Girl Scout's Lease described on Exhibit B, (E) the Twisted Branch Access Easement Agreement; and (F) the Soils Deposit License Agreement, to Escrow Agent; and

Purchaser shall have performed and complied with all covenants and agreements set forth herein which are to be performed or complied with by Purchaser at or prior to the Closing Date.

In the event that any of the foregoing Seller Conditions Precedent to Closing are not satisfied, and are not waived by Seller on or before the Closing Date, Seller may terminate this Agreement and seek any and all remedies available to Seller contained Paragraph 7(a).

CLOSINGS, CONVEYANCE AND TITLE.

Title to the Property is to be conveyed hereunder subject to (i) all declarations, easements, rights-of-way, restrictions, covenants and other matters of public record, (ii) all gas, water, and mineral rights of others, (iii) any matters that would be disclosed by an accurate, current survey and inspection of the Property, and (iv) the lien of ad valorem real estate taxes for the then-current year (collectively, the “**Permitted Exceptions**”).

Any escrow fee shall be equally shared between Purchaser and Seller. Any transfer or conveyance taxes or fees, filing fees and/or costs associated with the recordation of the Deed and/or Purchaser’s financing shall be at Purchaser’s expense. Purchaser shall also pay all costs and expenses associated with Purchaser’s procurement of a survey and procurement of title insurance, including, without limitation, the Title Policy. Except as otherwise provided for in this Agreement, Seller and Purchaser will each be solely responsible for and bear all of their own respective expenses.

Seller shall be responsible for all real estate taxes, assessments or other charges accruing prior to the date of the Closing and Purchaser shall be responsible for such real estate taxes, assessments and other charges accruing on or after the date of the Closing. The parties agree that no greenbelt rollback taxes will be due as Purchaser’s intended use is for open space. At Closing, real estate taxes and other charges payable on an annual or periodic basis shall be prorated to the date of Closing based on the most recent available tax information.

At or prior to Closing, Seller shall deliver to Purchaser a “Certification of Non-Foreign Status” which meets the requirements of Section 1445 of the Internal Revenue Code and Internal Revenue Regulations for the purpose of informing the transferee that withholding of Federal taxes is not required.

DEFAULT; LIABILITY OF PARTIES.

In the event of any breach, failure or default by Purchaser under the terms of this Agreement (which breach, failure or default is not remedied or cured by Purchaser pursuant to any applicable provisions hereof), Seller shall be entitled to terminate this Agreement and obtain the Initial Option Payment or the Second Option Payment from Escrow Agent (if Escrow Agent then is in possession of same) or retain the Initial Option Payment or the Second Option Payment (if Seller is then in possession of same); and, in such event, Seller shall also have all other rights and remedies provided at law or in equity as a result of Purchaser’s breach or default under this Agreement.

Notwithstanding anything to the contrary contained herein, in the event Seller breaches this Agreement (which breach, failure or default is not remedied or cured by Seller pursuant to any applicable provisions hereof) Purchaser shall have the right, as its sole and exclusive remedy, to either: (i) obtain the return to Purchaser of the Initial Option Payment and

the Second Option Payment (if Seller has paid the same) plus an amount equal to Five Thousand and No/100 Dollars (\$5,000.00), as full, fixed and liquidated damages, not as a penalty, whereupon this Agreement shall terminate, the parties hereby acknowledging the difficulty of ascertaining Purchaser's damages in such a circumstance and agreeing that this remedy represents a reasonable and mutual attempt by Seller and Purchaser to anticipate the consequence to Purchaser of Seller's breach; or (ii) commence an action against Seller for specific performance of this Agreement or similar legal or equitable action; provided, however, that Purchaser shall not be entitled to pursue any action for specific performance against Seller if (A) Seller is prevented from performing as a result of an order or regulation of any governmental or regulatory authority having jurisdiction over Seller or any affiliate thereof, or (B) performance by Seller would or is likely to result in the levy of a fine, imposition of any reserve requirement or any other action that has a material adverse effect (apart from the act of specific performance) on Seller or any affiliate undertaken by any such governmental or regulatory authority, or (C) Seller has received an opinion of reputable counsel or its internal legal department that Seller's performance hereunder could result in a violation of any law, rule, regulation, or order of any such governmental or regulatory authority or the levy of any fine, imposition of an additional reserve requirement or any other action that has a material adverse effect (apart from the act of specific performance) on Seller or any affiliate. After Purchaser has exercised its applicable remedy as described above, Seller shall be relieved of further liability hereunder, at law or in equity, it being the agreement of the parties that in no event shall Purchaser be entitled to any other remedies other than those expressly provided herein.

Seller and Purchaser acknowledge and represent that Eastdil Secured ("**Seller's Broker**") has acted as listing agent and Seller's broker concerning the Property and the transaction represented by this Agreement. Purchaser has dealt with no brokers in connection with the Property and entering into this Agreement. Seller's Broker is the only broker, consultant, agent or representative Seller has dealt with concerning the Property and this Agreement. Seller shall be responsible for payment to Seller's Broker of all compensation due to Seller's Broker, if and when Closing occurs, pursuant to a separate agreement between Seller and Seller's Broker. Should any other claim for commission be asserted or established, the party in breach of its representation in this Paragraph 7(c) hereby expressly agrees to hold the other harmless with respect to all costs relating thereto (including reasonable attorneys' fees) to the extent that the breaching party is shown to have been responsible for the creation of such claim. Anything to the contrary in this Agreement notwithstanding, such agreement of each party to hold the other harmless shall survive the Closing and any termination of this Agreement.

No failure(s) or default(s) by Purchaser or Seller shall result in the termination or limitation of any right hereunder or the exercise of any rights or remedies with respect to such failure(s) or default(s) unless and until the defaulting party shall have been notified in writing of such default and shall have failed to remedy the specified failure(s) or default(s) within fifteen (15) days after the receipt of said written notice (or, if the cure thereof cannot be completed within fifteen (15) days, then a reasonable period of time, not to exceed an additional thirty (30) days provided the party diligently and continuously pursues such cure). The provisions of this Subparagraph 7(d) shall not apply to Purchaser's failure to timely deliver the Initial Option Payment or the Second Option Payment or to a default by Purchaser for failure to close on the purchase of the Property as and when required hereunder.

If Seller breaches this Agreement, and the breach is discovered prior to Closing, Purchaser's sole remedy is described in Paragraph 7(b) of this Agreement. Except as to a breach by Seller of any warranty, representation or covenant contained in Paragraph 7(c) or Paragraph 8 of this Agreement, if Seller breaches this Agreement, and such breach is discovered after Closing, Purchaser shall have no remedy or recourse against Seller. Purchaser has factored this risk into its decision to purchase. If and only if it is determined within six (6) months after Closing that Seller breached any warranty, representation or covenant contained in Paragraph 7(c) or Paragraph 8 of this Agreement, and if Purchaser notifies Seller in writing of any such breach within six (6) months of the Closing, Purchaser's sole remedy shall be one of the following: (i) cure of the breach by or on account of Seller; or (ii) payment of appropriate monetary compensation by Seller to Purchaser for such breach. Purchaser hereby agrees that in no event will the liability of Seller under this Agreement (including, without limitation, any liability of Seller for breach or default under any representation, warranty or covenant made by Seller in Paragraph 7(c) or Paragraph 8 hereof) exceed, in the aggregate, one and one half of one percent (1.50%) of the Purchase Price.

REPRESENTATIONS, WARRANTIES AND COVENANTS.

Seller hereby represents, warrants and covenants to Purchaser that:

Except as otherwise provided in this Agreement, Seller has granted no person any contract right or other right to possession of any portion of the Property.

Except as may be required by law or agreed to by Purchaser, Seller shall not materially alter the condition of the Property during the term of this Agreement.

Seller has the full right, power, and authority to sell the Property to Purchaser as provided in this Agreement and all required action necessary to authorize Seller to enter into this Agreement has been or will have been taken prior to the Effective Date. Seller shall have, on or before the Closing Date, the full right, power, and authority to carry out its obligations hereunder and all required action necessary to authorize Seller to carry out its obligations hereunder has been or will have been taken prior to the Closing Date.

Purchaser warrants, represents and covenants to Seller that:

Purchaser has the full right, power, and authority to purchase the Property from Seller as provided in this Agreement and all required action necessary to authorize Purchaser to enter into this Agreement has been or will have been taken prior to the Effective Date. Purchaser shall have, on or before the Closing Date, the full right, power, and authority to carry out its obligations hereunder and all required action necessary to authorize Purchaser to carry out its obligations hereunder has been or will have been taken prior to the Closing Date.

AS-IS. PURCHASER ACKNOWLEDGES TO AND AGREES WITH SELLER THAT PURCHASER IS PURCHASING THE PROPERTY IN AN "AS IS" CONDITION "WITH ALL FAULTS" AND SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED, OF ANY KIND, NATURE OR TYPE WHATSOEVER FROM OR ON BEHALF OF SELLER OTHER THAN THOSE EXPRESSLY STATED IN THIS AGREEMENT.

PURCHASER ACKNOWLEDGES THAT PURCHASER HAS NOT RELIED, AND IS NOT RELYING, UPON ANY INFORMATION, DOCUMENT, SALES BROCHURES OR OTHER LITERATURE, MAPS, SKETCHES, DRAWINGS, PLANS, PROJECTION, PROFORMA, STATEMENT, REPRESENTATION, GUARANTEE OR WARRANTY (WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, MATERIAL OR IMMATERIAL) THAT MAY HAVE BEEN GIVEN BY OR MADE BY OR ON BEHALF OF SELLER.

PURCHASER HEREBY ACKNOWLEDGES THAT IT SHALL NOT BE ENTITLED TO, AND SHALL NOT RELY ON SELLER, ITS AGENTS, EMPLOYEES OR REPRESENTATIVES, AND SELLER HEREBY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, EITHER UNDER COMMON LAW, BY STATUTE, OR OTHERWISE, AS TO (I) THE QUALITY, NATURE, ADEQUACY OR PHYSICAL CONDITION OF THE PROPERTY INCLUDING, BUT NOT LIMITED TO, ANY STRUCTURAL ELEMENTS, FOUNDATION, ACCESS, LANDSCAPING, SEWAGE OR UTILITY SYSTEMS AT THE PROPERTY, IF ANY; (II) THE QUALITY, NATURE, ADEQUACY OR PHYSICAL CONDITION OF SOILS AND GROUND WATER OR THE EXISTENCE OF GROUND WATER AT THE PROPERTY; (III) THE EXISTENCE, QUALITY, NATURE, ADEQUACY OR PHYSICAL CONDITION OF ANY UTILITIES SERVING THE PROPERTY; (IV) THE DEVELOPMENT POTENTIAL OF THE PROPERTY, ITS VALUE, ITS PROFITABILITY, ITS HABITABILITY, MERCHANTABILITY OR FITNESS, SUITABILITY OR ADEQUACY OF THE PROPERTY FOR ANY PARTICULAR PURPOSE; (V) THE ZONING OR OTHER LEGAL STATUS OF THE PROPERTY; (VI) THE COMPLIANCE OF THE PROPERTY OR ITS OPERATIONS WITH ANY APPLICABLE CODE, STATUTE, LAW, ORDINANCE, RULE, REGULATION, COVENANT, PERMIT, AUTHORIZATION, STANDARD, CONDITION OR RESTRICTION OF ANY GOVERNMENTAL OR REGULATORY AUTHORITY; (VII) THE QUALITY OF ANY LABOR OR MATERIALS RELATING IN ANY WAY TO THE PROPERTY; (VIII) THE SQUARE FOOTAGE OR ACREAGE OF THE PROPERTY; OR (IX) THE OPERATION OF THE PROPERTY FROM THE DATE OF THIS AGREEMENT UNTIL THE CLOSING.

PURCHASER ACKNOWLEDGES IT HAS HAD AN ADEQUATE OPPORTUNITY TO MAKE SUCH LEGAL, FACTUAL AND OTHER INQUIRIES AND INVESTIGATIONS AS PURCHASER DEEMS NECESSARY, DESIRABLE OR APPROPRIATE WITH RESPECT TO THE PROPERTY. SUCH INQUIRIES AND INVESTIGATIONS OF PURCHASER SHALL BE DEEMED TO INCLUDE AN ENVIRONMENTAL AUDIT OF THE PROPERTY, AN INSPECTION OF THE PHYSICAL COMPONENTS AND GENERAL CONDITION OF ALL PORTIONS OF THE PROPERTY, SUCH STATE OF FACTS AS AN ACCURATE SURVEY AND INSPECTION WOULD SHOW, THE PRESENT AND FUTURE ZONING AND LAND USE ORDINANCES, RESOLUTIONS AND REGULATIONS OF THE CITY, COUNTY AND STATE WHERE THE PROPERTY IS LOCATED AND THE VALUE AND MARKETABILITY OF THE PROPERTY.

PURCHASER ACKNOWLEDGES THAT THERE HAVE BEEN NO REPRESENTATIONS OR AGREEMENTS REGARDING SELLER'S OBLIGATION TO PROVIDE OR COMPLETE ROADS, SEWER, WATER, ELECTRIC OR OTHER UTILITY

SERVICES, RECREATIONAL AMENITIES, OR ANY OTHER IMPROVEMENTS TO THE PROPERTY MADE BY SELLER OR RELIED UPON BY PURCHASER WHATSOEVER.

PURCHASER ACKNOWLEDGES THAT SELLER HOLDS TITLE TO THE PROPERTY, THROUGH FORECLOSURE OR OTHERWISE, PRIMARILY TO PROTECT ITS SECURITY INTEREST WITHIN THE MEANING OF THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT ("CERCLA"), 42 U.S.C. § 9601 ET SEQ. AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER.

WITHOUT IN ANY WAY LIMITING THE GENERALITY OF THE PRECEDING, AND EXCEPT FOR ANY OF PURCHASER'S CLAIMS ARISING UNDER THE SOILS DEPOSIT LICENSE AGREEMENT AFTER THE EFFECTIVE DATE OF THAT SOILS DEPOSIT LICENSE AGREEMENT, PURCHASER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT IT HEREBY WAIVES, RELEASES AND DISCHARGES ANY CLAIM IT HAS, MIGHT HAVE HAD OR MAY HAVE IN THE FUTURE AGAINST THE SELLER WITH RESPECT TO COSTS, DAMAGES, OBLIGATIONS, PENALTIES, CAUSES OF ACTION AND OTHER LIABILITIES (WHETHER ACCRUED, CONTINGENT, ARISING BEFORE OR AFTER THIS AGREEMENT, OR OTHERWISE) ARISING AS A RESULT OF (I) THE CONDITION OF THE PROPERTY, EITHER PATENT OR LATENT, (II) ITS ABILITY OR INABILITY TO OBTAIN OR MAINTAIN BUILDING PERMITS, EITHER TEMPORARY OR FINAL CERTIFICATES OF OCCUPANCY OR OTHER LICENSES FOR THE USE OR OPERATION OF THE PROPERTY, AND/OR CERTIFICATES OF COMPLIANCE FOR THE PROPERTY, (III) THE ACTUAL OR POTENTIAL INCOME OR PROFITS TO BE DERIVED FROM THE PROPERTY, (IV) THE REAL ESTATE TAXES OR ASSESSMENTS NOW OR HEREAFTER PAYABLE THEREON, (V) THE PAST, PRESENT OR FUTURE CONDITION OR COMPLIANCE OF THE PROPERTY, OR COMPLIANCE OF PAST OWNERS AND OPERATORS OF THE PROPERTY, IN REGARD TO ANY PAST, PRESENT AND FUTURE FEDERAL, STATE AND LOCAL ENVIRONMENTAL PROTECTION, POLLUTION CONTROL, POLLUTION CLEANUP, AND CORRECTIVE ACTION LAWS, RULES, REGULATIONS, ORDERS, AND REQUIREMENTS (INCLUDING WITHOUT LIMITATION CERCLA, RCRA, AND OTHERS PERTAINING TO THE USE, HANDLING, GENERATION, TREATMENT, STORAGE, RELEASE, DISPOSAL, REMOVAL, REMEDIATION OR RESPONSE TO, OR NOTIFICATION OF GOVERNMENTAL ENTITIES CONCERNING, TOXIC, HAZARDOUS, OR OTHERWISE REGULATED WASTES, SUBSTANCES, CHEMICALS, POLLUTANTS OR CONTAMINANTS), OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, (VI) THE PRESENCE ON, IN, UNDER OR NEAR THE PROPERTY OF (INCLUDING WITHOUT LIMITATION ANY RESULTANT OBLIGATION UNDER CERCLA, THE RESOURCE CONSERVATION AND RECOVERY ACT ("RCRA"), 42 U.S.C. § 6973 et seq., ANY STATE STATUTE OR REGULATION, OR OTHERWISE, TO REMOVE, REMEDIATE OR RESPOND TO) ASBESTOS CONTAINING MATERIAL, RADON, UREA FORMALDEHYDE OR ANY OTHER TOXIC, HAZARDOUS OR OTHERWISE REGULATED WASTE, SUBSTANCE, CHEMICAL, POLLUTANT OR CONTAMINANT, AND (VII) ANY OTHER STATE OF FACTS WHICH EXIST WITH RESPECT TO THE PROPERTY.

PURCHASER ACKNOWLEDGES AND AGREES THAT THE TERMS AND CONDITIONS OF THIS PARAGRAPH 9 SHALL EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT AND/OR THE RECORDATION OF THE DEED FOR THE PROPERTY.

ASSIGNMENT; SURVIVAL. Purchaser may not assign this Agreement to any party without the express written consent of Seller, which consent may be withheld for any reason or no reason; provided, however, Purchaser may assign this Agreement without Seller's consent to any entity 100% owned by Purchaser. This Agreement shall be binding upon the parties hereto and each of their respective heirs, executors, administrators, successors and assigns. The provisions of this Agreement and the obligations of the parties shall survive the execution and delivery of the Deed executed hereunder and shall not be merged therein, except that any representations and warranties of Seller hereunder shall survive Closing for only six (6) months.

ESCROW AGENT. The terms and conditions set forth in this Agreement shall constitute both an agreement between Seller and Purchaser and instructions for Escrow Agent, which Escrow Agent shall acknowledge and agree to be bound by, as evidenced by its execution of this Agreement. Seller and Purchaser shall promptly execute and deliver to Escrow Agent any separate or additional escrow instructions requested by Escrow Agent which are consistent with the terms of this Agreement. Any separate or additional instructions shall not modify or amend the provisions of this Agreement unless otherwise expressly agreed by mutual consent of Purchaser and Seller. Purchaser and Seller both hereby acknowledge and agree that Escrow Agent shall hold and deliver the Initial Deposit, the Second Deposit, and all other deposits which may be made under this Agreement in accordance with the terms and conditions of this Agreement and that Escrow Agent shall be relieved of all liability and held harmless by both Seller and Purchaser in the event Escrow Agent makes any disbursement of such monies in accordance with the terms and provisions of this Agreement. Escrow Agent shall be relieved from any responsibility or liability and held harmless by both Purchaser and Seller in connection with the discharge of Escrow Agent's duties hereunder provided that Escrow Agent exercises ordinary and reasonable care in the discharge of such duties.

RELATED PARTIES. Purchaser represents to Seller that neither Purchaser nor any person having control over Purchaser is employed by, or is a family member purchasing directly or indirectly for the benefit of anyone who is employed by Wells Fargo & Company or any of its subsidiaries. For purposes of this representation "family member" is defined as a spouse, a domestic partner, parents, grandparents, children, grandchildren, brothers and sisters, including in all cases, step-family members.

OFAC COMPLIANCE. Purchaser represents and warrants that: (i) it is not on an SDN List [defined below], nor is it directly or indirectly owned or controlled by an SDN [defined below]; and (ii) the purchase and sale of the Property, and the consummation of any other transaction contemplated by this Agreement, will not violate any country sanctions program administered and enforced by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury. For the purposes hereof, an "SDN List" is defined as one of the lists published by OFAC of individuals and companies owned or controlled by, or acting for or on behalf of, OFAC targeted countries, as well as individuals, groups, and entities, such as terrorists and narcotics traffickers, designated under OFAC programs that are not country-specific, and an

"SDN" is one of the individuals or companies listed on an SDN List. Purchaser shall provide its Federal Employee Identification Number or similar identification number to Seller upon request in order that Seller may verify the representations and warranties of this Section 13.

EFFECTIVE DATE. This Agreement shall become effective on the date signed by the last of Purchaser and Seller ("**Effective Date**").

MISCELLANEOUS.

All notices and other communications hereunder shall be in writing, and be deemed duly given: (i) when given, if personally delivered; (ii) three (3) days after mailing, if mailed by certified mail, return receipt requested, postage prepaid; (iii) one business (1) day after shipping via FedEx or other nationally recognized overnight courier service; and (iv) upon the recipient's reply to the sender's Email after sending by Email, to the following addresses:

If to Purchaser: Park City Municipal Corporation
P.O. Box 1480
Park City, Utah 84060
Attention: Office of the Mayor
Email: jack@parkcity.org

with a copy to: Park City Municipal Corporation
P.O. Box 1480
Park City, Utah 84060
Attention: Thomas Daley, Esq.
Email: tdaley@parkcity.org

If to Seller: Wells Fargo Bank, N.A.
c/o Wells Fargo Bank, Wholesale Commercial ORE
333 Market Street, 3rd Floor
San Francisco, CA 94105
Attention: David Ash
Email: david.ash@wellsfargo.com

with a copy to: Wells Fargo Bank, N.A.
c/o Wells Fargo Law Department
MAC A0194-273
45 Fremont Street, 27th Floor
San Francisco, California 94105
Attention: Alilda Ferraro, Esq.
Email: alilda.ferraro@wellsfargo.com

and, with a copy to: Snell & Wilmer L.L.P.
15 West South Temple, Suite 1200
Salt Lake City, Utah 84101
Attention: Wade R. Budge, Esq.
Email: wbudge@swlaw.com

If to Escrow Agent: Coalition Title Agency
2200 Park Ave., #C100
Park City, Utah 84060
Attention: Roger Cater
Email: roger@coalitiontitle.com

The parties hereto shall be responsible for notifying each other of any change of address.

If any term, covenant or condition of this Agreement, or the application thereof to any party or circumstance, shall be invalid or unenforceable, the Agreement shall not be affected thereby, and each term shall be valid and enforceable to the fullest extent permitted by law.

It is the intention of the parties hereto that all questions with respect to the construction of this Agreement, and the rights or liabilities of the parties hereunder, shall be determined in accordance with the laws of the State, without regard to conflicts of law rules. Time is hereby declared to be of the essence in the performance of each of Seller's and Purchaser's obligations hereunder.

Any deadline date specified in this Agreement which falls on a Saturday, Sunday or legal holiday on which Wells Fargo Bank, N.A. is closed for business in the United States (any days other than the foregoing to be considered "business days" for all purposes hereunder) shall be extended to the first regular business day after such deadline date.

This Agreement, together with the Exhibits attached hereto, contains the final and entire agreement between the parties hereto. The recitals set forth in the beginning of this Agreement are incorporated herein as if restated in full. No change or modification of this Agreement, or any waiver of the provisions hereof, shall be valid unless the same is in writing and signed by the parties hereto. Waiver from time to time of any provision hereunder will not be deemed to be a full waiver of such provision, or a waiver of any other provisions hereunder. The terms of this Agreement are mutually agreed to be clear and unambiguous, shall be considered the workmanship of all of the parties and shall not be construed against the drafting party. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

Titles to Paragraphs and Subparagraphs are for convenience only, and are not intended to limit or expand the covenants and obligations expressed thereunder.

This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

In addition to any other relief to which it may be entitled, the prevailing party in any dispute or controversy relating to this Agreement shall be entitled to recover its attorneys' fees and costs incurred in regard to such dispute or controversy. **THE PARTIES WAIVE THEIR RESPECTIVE RIGHTS OF TRIAL BY JURY.**

For purposes of this Agreement and any document delivered at Closing, all references to Seller's knowledge, including, without limitation, whenever the phrase "to Seller's actual knowledge," or the "knowledge" of Seller or words of similar import are used, they shall be deemed to refer to facts within the actual, personal knowledge of Seller's Representative only, and no others, only at the times indicated, without investigation or inquiry, or obligation to make investigation or inquiry, and in no event shall the same include any knowledge imputed to Seller by any other person or entity. "**Seller's Representative**" means and shall be limited to David Ash, a Senior Vice President in the Wholesale Commercial ORE Group at Wells Fargo Bank, N.A.

Purchaser expressly agrees and acknowledges that (i) Purchaser's obligations hereunder are not in any way conditional upon, or qualified by, Purchaser's ability to obtain financing of any type or nature whatsoever (whether by way of debt, financing or equity investment or otherwise) to consummate the transactions contemplated hereby, and (ii) Purchaser shall not use all or any portion of the proceeds of any loan or other credit accommodation from Seller or Seller's parent, subsidiaries or affiliates (including, without limitation, Wells Fargo Bank, N.A.) in order to pay any portion of the Purchase Price without Seller's prior written consent.

Purchaser and Seller shall reasonably cooperate with respect to a like-kind exchange pursuant to Section 1031 of the Internal Revenue Code ("**1031 Exchange**"), provided such 1031 Exchange shall not impose on Purchaser or Seller any additional liability or financial obligation, shall not delay Closing, and Purchaser and Seller shall indemnify, defend and hold each other harmless for, from and against any claims, damages or expenses arising in connection with or resulting from Purchaser's or Seller's 1031 Exchange. Notwithstanding the foregoing, the consummation of the transaction contemplated by this Agreement shall not be subject to or contingent upon either party's ability to consummate its 1031 Exchange.

Neither this Agreement nor a memorandum thereof shall be filed or recorded by Seller or Purchaser.

THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE SUBSTANTIVE FEDERAL LAWS OF THE UNITED STATES AND THE LAWS OF THE STATE. PURCHASER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT SITTING IN [THE STATE](#) IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN A STATE OR FEDERAL COURT SITTING IN [THE STATE](#). NOTHING CONTAINED IN THIS PARAGRAPH SHALL AFFECT THE RIGHT OF SELLER TO BRING ANY ACTION OR PROCEEDING AGAINST PURCHASER OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION. PURCHASER AND SELLER AGREE THAT THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE THE CLOSING OF THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT. NOTHING CONTAINED IN THIS PARAGRAPH SHALL BE INTERPRETED TO PROVIDE ANY GREATER RIGHTS OR ADDITIONAL CLAIMS TO PURCHASER THAN AS OTHERWISE PROVIDED IN THIS AGREEMENT.

(SIGNATURES FOLLOW ON NEXT PAGE)

WITNESS, the following signatures.

SELLER:

REDUS PARK CITY LLC,

a Delaware limited liability company

By: REDUS PROPERTIES, INC., a
Delaware corporation

Its: Manager

By: _____

Name: _____

Title: _____

Date: _____

(SIGNATURES CONTINUE ON NEXT PAGE)

PURCHASER:

PARK CITY MUNICIPAL CORPORATION,
a political subdivision of the State of Utah

By: _____
Name: _____
Title: _____
Date: _____

Attest:

City Recorder

(SIGNATURES CONTINUE ON NEXT PAGE)

Escrow Agent executes this Agreement for the sole purpose of evidencing its agreement to the matters set forth in Paragraphs 6(c) and 11 hereof.

ESCROW AGENT:

COALITION TITLE AGENCY

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT "A"

PROPERTY

The following parcels located within Wasatch County, Utah:

PARCEL 1:

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 30 AND THE NORTH HALF OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN.

BEGINNING AT CORNER NO. 1 OF THE SILVER BOND MINING CLAIM, LOT 123 IN THE SNAKE CREEK MINING DISTRICT AND LOCATED SOUTH 00°46'00" EAST 101.73 FEET ALONG SECTION LINE AND EAST 3818.71 FEET FROM THE NORTHWEST CORNER OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE ALONG THE WESTERLY END LINE OF THE SILVER BOND MINING CLAIM NORTH 34°35'27" WEST 148.40 FEET; THENCE NORTH 66°44'14" EAST 390.08 FEET; THENCE SOUTH 15°14'38" WEST 138.21 FEET; THENCE SOUTH 78°39'43" EAST 639.07 FEET TO A POINT ON THE NORTHERLY SIDELINE OF THE STEUBEN MINING CLAIM, LOT 62 IN THE SNAKE CREEK MINING DISTRICT; THENCE ALONG THE NORTHERLY SIDELINE OF THE STEUBEN MINING CLAIM SOUTH 73°21'06" WEST 597.47 FEET TO A POINT ON THE EASTERLY END LINE OF THE LITTLE NED MINING CLAIM, LOT 85 IN THE SNAKE CREEK MINING DISTRICT; THENCE ALONG THE EASTERLY END LINE OF THE LITTLE NED MINING CLAIM NORTH 24°08'54" WEST 177.41 FEET; THENCE ALONG THE NORTHERLY SIDELINE OF THE LITTLE NED MINING CLAIM SOUTH 82°36'55" WEST 208.13 FEET TO A POINT ON THE EASTERLY END LINE OF THE PLUTONIC MINING CLAIM, LOT 94 IN THE SNAKE CREEK MINING DISTRICT; THENCE ALONG THE EASTERLY END LINE OF THE PLUTONIC MINING CLAIM NORTH 34°35'27" WEST 22.83 FEET TO THE POINT OF BEGINNING.

AND

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 30 AND THE NORTHEAST QUARTER OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN.

BEGINNING AT A POINT ON THE NORTHERLY SIDELINE OF THE STEUBEN MINING CLAIM, LOT 62 IN THE SNAKE CREEK MINING DISTRICT AND LOCATED SOUTH 00°46'00" EAST 70.42 FEET ALONG SECTION LINE AND EAST 4730.53 FEET FROM THE NORTHWEST CORNER OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 07°41'08" EAST 471.66 FEET; THENCE NORTH 82° 18'52" WEST 140.39 FEET; THENCE NORTH 66°44'14" EAST 247.09 FEET TO A POINT ON THE EASTERLY END LINE OF THE HORN SILVER MINING CLAIM, MINERAL SURVEY NO. 5398 IN THE SNAKE CREEK MINING DISTRICT, THENCE ALONG THE EASTERLY END LINE OF THE HORN SILVER MINING CLAIM SOUTH 15°42'51" EAST 110.50 FEET TO A POINT ON THE NORTHERLY SIDELINE OF THE TIGER MINING CLAIM, LOT 80 I THE BLUE LEDGE MINING DISTRICT; THENCE ALONG THE NORTHERLY SIDELINE OF THE TIGER MINING CLAIM SOUTH 02°09' WEST 2.44 FEET; THENCE ALONG THE WESTERLY END LINE OF THE TIGER MINING CLAIM SOUTH 00° 57'51" EAST 200.00 FEET; THENCE ALONG THE WESTERLY SIDELINE OF THE TIGER MINING CLAIM NORTH 89° 02'09" EAST 55.10 FEET TO A POINT ON THE EASTERLY END LINE OF THE HORN SILVER MINING CLAIM; THENCE ALONG THE EASTERLY END LINE OF THE HORN SILVER MINING CLAIM SOUTH 15°42'51" EAST 180.28 FEET; THENCE ALONG THE SOUTHERLY SIDELINE OF THE HORN SILVER MINING CLAIM SOUTH 68°33'36" WEST 258.60 FEET TO A POINT ON THE WESTERLY SIDELINE OF THE POINT JUNCTION MINING CLAIM, LOT 125 IN THE SNAKE CREEK MINING DISTRICT; THENCE ALONG THE WESTERLY SIDELINE OF THE POINT JUNCTION MINING CLAIM NORTH 15°30'02" EAST 3.62 FEET TO A POINT ON SAID NORTHERLY SIDELINE OF THE STEUBEN MINING CLAIM; THENCE ALONG THE NORTHERLY SIDELINE SOUTH 73°21'06" WEST 48.00 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

THE FOLLOWING PATENTED MINING CLAIMS LOCATED IN THE BLUE LEDGE, UINTAH, BIG COTTONWOOD AND SNAKE CREEK MINING DISTRICTS AND SITUATED IN WASATCH COUNTY UTAH AS THE SAME ARE DESCRIBED AND DELINEATED IN THEIR RESPECTIVE PATENTS AND MINERAL SURVEY:

ADDIE	LOT NO. 158
ALCESTA	LOT NO. 167
ALGER	LOT NO. 111
ALLADIN	LOT NO. 69
ANOCONDA NO. 3	M S NO. 4850
ARTHUR	LOT NO. 65
ASPOOS	LOT NO. 296
AUTUMNAL (AMENDED)	LOT NO. 89
AX	M S NO. 6902
BANISTER	LOT NO. 93
BAY HORSE NO. 2	LOT NO. 546
BLACK JACK	M S NO. 4745
BOWLDER	LOT NO. 140
BUNKER	LOT NO. 156

BUNKER LODGE NO. 2	LOT NO. 152
BUTCHER BOY	LOT NO. 101
CATCH ALL	LOT NO. 124
CLAMBIA	LOT NO. 486
CLIFT	LOT NO. 149
COLD SPRING	LOT NO. 132
COLUMBUS	M S NO. 6049
CONTACT (AMENDED)	LOT NO. 70
CRETE	M S NO. 3301
CUMBERLAND NO. 2	LOT NO. 500
DANIEL O'CONNELL	LOT NO. 92
DAYLIGHT	LOT NO. 136
DIAMOND	LOT NO. 322
DICK	M S NO. 3282
ENTERPRISE	LOT NO. 115
ERIE	LOT NO. 64

EVANGELINE	LOT NO. 507
FLAT IRON	M S NO. 5035
FOCUS	LOT NO. 88
FOREST	LOT NO. 90
FRANK & ROY	LOT NO. 63
GIFFORD	LOT NO. 477
GRAND DEPOSIT	LOT NO. 77
GREAT WESTERN	LOT NO. 138
HARD TACK	LOT NO. 131
HARRISON	LOT NO. 108
HARRISON	LOT NO. 144
HARRY	M S NO. 3281
HENRIETTA (AMENDED)	LOT NO. 64
HOME STATION	LOT NO. 121
HOOVER	M S NO. 6984
HORSE SHOE	LOT NO. 547
HUNTER	LOT NO. 95
IRON CLAD	LOT NO. 83
IRON CLAD NO. 2	LOT NO. 82
IRON HORSE	LOT NO. 110

JESSIE	LOT NO. 545
JIC	LOT NO. 155
JIC LODE NO. 2 EXTENSION	LOT NO. 153
JONES	LOT NO. 46
JONES MINE NO. 2	LOT NO. 63
JUDGE	LOT NO. 86
KALAMAZOO	LOT NO. 61
KILKENNY	M S NO. 4616
KILKENNY NO.2	M S NO. 4918
KING SOLOMON	LOT NO. 141
KNICKERBOCKER	LOT NO. 116
LAKE	LOT NO. 139
LITTLE NED (AMENDED)	LOT NO. 85
LODE LINE	M S NO. 3303
LONE TREE	LOT NO. 120
LONDON	LOT NO. 135
LOST LODE	M S NO. 3308
LUCKEY BILL	LOT NO. 57
LUCKY JIM	LOT NO. 403
MABEL (AMENDED)	LOT NO. 67
MANANACTOR	LOT NO. 130
MARVLE	M S NO. 3299
MARY ELLEN	LOT NO. 84
MAUD H.	LOT NO. 585
MAY FLY	LOT NO. 71
MIDGET FRACTION	LOT NO. 56

MINISINK	LOT NO. 512
MINNESOTA (AMENDED)	LOT NO. 48
MOCKING BIRD	M S NO. 4666
MOHAWK	LOT NO. 62
MONROE	M S NO. 3298
MONTA & NEDDIE	LOT NO. 42
MOUNT VERNON NO. 1	LOT NO. 47
MOUNT VERNON NO. 2 (AMENDED)	LOT NO. 46
MOUNTAIN GREEN	LOT NO. 157
MOUNTAIN TOP	LOT NO. 170
NAIL DRIVER	LOT NO. 70
NEWELL	LOT NO. 98
NILE	M S NO. 3301
NIP & TUCK	LOT NO. 114
OCCIDENT	LOT NO. 69
OCCIDENTAL	LOT NO. 117
OLD ARMCHAIR	LOT NO. 113
OLDHAM	LOT NO. 119
OLDHAM (AMENDED)	LOT NO. 126
OMEGA	LOT NO. 510
OREGON	LOT NO. 133
ORIENT	LOT NO. 68
ORIENTAL	M S NO. 3301
PARROT	LOT NO. 502
PIONEER	LOT NO. 44
PLUMED KNIGHT	LOT NO. 147

PLUTONIC	LOT NO. 94
POINT JUNCTION	LOT NO. 125
POTOSI	M S NO. 3304
PRINCESS ELLA	M S NO. 4686
PRINCESS ELLA NO. 2	M S NO. 6273
PRINCESS ELLA NO. 3	M S NO. 6274
QUINN	LOT NO. 501
QUINN NO. 2	LOT NO. 87
RED CLOUD	LOT NO. 528
RED OXYD	LOT NO. 122
ROCHESTER	LOT NO. 508
RODERICK DUE	LOT NO. 100
ROOSEVELT NO. 2	M S NO. 4919
ROOSEVELT NO. 3	M S NO. 4919
ROOSEVELT NO. 4	M S NO. 4919
ROOSEVELT FRACTION	M S NO. 4937
ROSE BUD	LOT NO. 156
SAFE GUARD	LOT NO. 150
SHIELDS	LOT NO. 103
SILVER BAR	LOT NO. 137
SILVER BOND	LOT NO. 123
SILVER HILL	M S NO. 4615
SILVER RINK	LOT NO. 91
SONORA	LOT NO. 509
SOUTH WEST BONANZA	LOT NO. 94
STATE OF MAINE	LOT NO. 81

STEUBEN	LOT NO. 62
SULTAN	M S NO. 3301
SULTANA	M S NO. 3301
SUNDAY	LOT NO. 154
TOM	M S NO. 3280
UTAH	LOT NO. 68
WAR EAGLE	LOT NO. 96
WARM SPRING	LOT NO. 134
WEDGE	LOT NO. 159
WHIPPURWILL	M S NO. 4666
WHITE PINE GOULD & SILVER	LOT NO. 65
WIDE WEST NO. 1	LOT NO. 145
WIDE WEST NO. 2	LOT NO. 146
WINTER GREEN	LOT NO. 157

PARCEL 3:

TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN:

SECTION 29	LOT 33
SECTION 30	LOTS 38, 39, 40, 41
SECTION 31	LOTS 17, 18, 20-32 INCLUSIVE
SECTION 32	LOTS 15-23 INCLUSIVE

TOWNSHIP 2 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN

SECTION 36	LOTS 9, 21, 28
------------	----------------

LESS AND EXCEPTING FROM PARCELS 1, 2 AND 3, THE FOLLOWING 6 DESCRIPTIONS:

LESS AND EXCEPTING 1:

EXCEPTING THEREFROM THAT PORTION CONVEYED TO SALT LAKE CITY, A MUNICIPAL CORPORATION BY QUIT CLAIM DEED RECORDED AUGUST 8, 1937, AS ENTRY NO. 54746, IN BOOK 19, AT PAGE 182, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT FROM WHICH POST NO. 3 OF THE CRETE MINERAL LODE PATENTED CLAIM, U.S. SURVEY NO. 3301, LOCATED IN THE SNAKE CREEK MINING DISTRICT, WASATCH COUNTY, UTAH, BEARS NORTH 13°44' EAST 638.5 FEET; THENCE NORTH 01°02' EAST 593.9 FEET; THENCE SOUTH 79°23' WEST 660 FEET; THENCE SOUTH 1°02' WEST 900.5 FEET; THENCE NORTH 79°14' EAST 365 FEET; THENCE FOLLOWING THE NORTHWEST SHORE LINE OF BRIMHALL LAKE TO THE POINT OF BEGINNING.

LESS AND EXCEPTING 2:

ALSO EXCEPTING FROM THE VICINITY OF POINT JUNCTION LODE LOT NO. 125, SILVER BOND LODE LOT 123 AND HORN SILVER MINERAL SURVEY 5398 LANDS.

DESCRIBED AS FOLLOWS: PARCELS A, B AND D.

EXCEPTION PARCEL A

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 30 AND THE NORTHEAST QUARTER OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN, BEGINNING AT A POINT NORTH 41.16 FEET AND EAST 4057.85 FEET FROM THE NORTHWEST CORNER OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 15°14'38" EAST 138.21 FEET; THENCE NORTH 66°44'14" EAST 610.89 FEET; THENCE SOUTH 82°18'52" EAST 140.39 FEET; THENCE SOUTH 07°41'08" WEST 471.66 FEET TO A POINT ON THE NORTHERLY SIDELINE OF THE STEUBEN MINING CLAIM, LOT 62 IN THE SNAKE CREEK MINING DISTRICT; THENCE ALONG THE NORTHERLY SIDELINE OF THE STEUBEN MINING CLAIM SOUTH 73°21'06" WEST 49.08 FEET; THENCE NORTH 78°39'43" WEST 639.07 FEET TO THE POINT OF BEGINNING.

BASIS OF BEARING FOR ABOVE DESCRIPTION BEING SOUTH 00°46'00" EAST BETWEEN THE NORTHWEST CORNER OF SECTION 31 AND THE WEST QUARTER CORNER OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN.

EXCEPTION PARCEL B

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN, BEGINNING AT A POINT NORTH 174.51 FEET AND EAST 4094.19 FEET FROM THE NORTHWEST CORNER OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 15°14'38" EAST 321.56 FEET TO A POINT ON A 530.00 FOOT CURVE TO THE LEFT OF WHICH THE RADIUS POINT BEARS NORTH 15°14'38" EAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE 69.92 FEET THROUGH A CENTRAL ANGLE OF 07°33'30"; THENCE SOUTH 82°18'52" EAST 411.91 FEET; THENCE SOUTH 66°44'14" WEST 610.89 FEET TO THE POINT OF BEGINNING.

EXCEPTION PARCEL D

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN, BEGINNING AT A POINT ON THE NORTHERLY SIDELINE OF THE STEUBEN MINING CLAIM, LOT 62 IN THE SNAKE CREEK MINING DISTRICT AND LOCATED SOUTH 00°46'00" EAST 70.42 FEET ALONG SECTION LINE AND EAST 4730.53 FEET FROM THE NORTHWEST CORNER OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE SOUTH 07°41'08" WEST 23.08 FEET; THENCE NORTH 78°39'43" WEST 44.81 FEET TO THE POINT ON SAID NORTHERLY SIDELINE OF THE STEUBEN MINING CLAIM; THENCE ALONG THE NORTHERLY SIDELINE NORTH 73°21'06" EAST 49.08 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPTING 3:

ALSO EXCEPTING FROM THE VICINITY OF BUTCHER BOY LODE LOT NO. 101, NEWELL LODE LOT NO. 98, RODERICK DUE LODE LOT NO. 100 AND SULTANA MINERAL SURVEY 3301 LANDS DESCRIBED AS FOLLOWS:

A PARCEL LOCATED IN SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, AND SECTION 6, TOWNSHIP 3 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN:

BEGINNING AT A POINT SOUTH 42°30'00" WEST 3151.18 FEET FROM CORNER NO. 1 OF THE SHIELDS LODE (LOT 103), SNAKE CREEK MINING DISTRICT, WASATCH COUNTY, UTAH; AND RUNNING THENCE ALONG THE SOUTHERLY SIDE LINE OF THE GERRATY (LOT 97), AND PELICAN (105) LODES SOUTH 42°30'00" WEST 2548.82 FEET; THENCE ALONG THE WESTERLY END LINE OF THE PELICAN (LOT 105) LODE NORTH 54°40'00" WEST 600.00 FEET; THENCE ALONG THE WESTERLY SIDE LINE OF THE WESTERN JEM (LOT 104) LODE SOUTH 42°30'00" WEST 1500.00 FEET; THENCE ALONG THE WESTERLY END LINE OF THE WESTERN JEM LODE NORTH 54°40'00" WEST 600.00 FEET; THENCE ALONG THE NORTHERLY SIDE LINE OF THE WESTERN JEM LODE NORTH 42°30'00" EAST 1500.00 FEET; THENCE ALONG THE WESTERLY END LINE OF THE DIVES (LOT 107) LODE NORTH 54°40'00" WEST 600.00 FEET; THENCE ALONG THE NORTHERLY SIDE LINE OF THE DIVES LODE NORTH 42°30'00" EAST 200.00 FEET; THENCE ALONG THE WESTERLY END LINE OF THE SILVER ISLET (LODE 109) LODE NORTH 54°40'00" WEST 500.00 FEET; THENCE ALONG THE NORTHERLY SIDE LINE OF THE SILVER ISLET LODE NORTH 42°30'00" EAST 1053.79 FEET; THENCE ALONG THE SOUTHERLY SIDE LINE OF THE SILVER STAR (LOT 3300) LODE SOUTH 79°05'00" WEST 844.21 FEET; THENCE ALONG THE WESTERLY END LINE OF THE SILVER STAR LODE NORTH 21°06'00" WEST 609.50 FEET; THENCE ALONG THE WESTERLY END LINE OF THE SEA FOAM MINE (LOT 3025) LODE NORTH 21°44'00" WEST 610.80 FEET; THENCE ALONG THE WESTERLY END LINE OF THE LAKE SIDE (LOT 3025) LODE NORTH 20°55'00" EAST 651.80 FEET; THENCE ALONG THE NORTHERLY SIDE LINE OF THE LAKE SIDE LODE NORTH 79°05'00" EAST 1482.50 FEET; THENCE ALONG THE EASTERLY SIDE LINE OF THE AUNT POLLY (LOT 3025) LODE SOUTH 25°42'00" EAST 975.02 FEET; THENCE ALONG THE NORTHERLY SIDE LINE OF M.A.S. (LOT 6054) LODE NORTH 34°35'00" EAST 130.92 FEET; THENCE ALONG THE EASTERLY END LINE OF THE M.A.S. LODE SOUTH 55°51'00" EAST 570.23 FEET; THENCE ALONG THE NORTHERLY SIDE LINE OF THE RODERICK DUE (LOT 100) LODE NORTH 42°30'00" EAST 355.79 FEET; THENCE SOUTH 54°40'00" EAST 448.82 FEET; THENCE SOUTH 18°18'30" WEST 366.04 FEET; THENCE ALONG THE NORTHERLY SIDE LINE OF THE LAKE VIEW (LOT 99) LODE SOUTH 42°30'00" WEST 151.18 FEET; THENCE SOUTH 54°40'00" EAST 1200.00 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPTING 4:

ALSO EXCEPTING FROM THE VICINITY OF THE NILE LODE MINERAL SURVEY 3301, OCCIDENTAL LODE LOT 117, ORIENTAL LODE MINERAL SURVEY 3301 AND SULTANA LODE MINERAL SURVEY 3301 LANDS DESCRIBED AS FOLLOWS:

SILVER ISLET EXCHANGE PARCEL

A PARCEL LOCATED EAST OF CAMP CLOUD RIM, BRIMHALL LAKE AND THE BEAVER POND, AND LOCATED IN SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT CORNER NO. 4, MINERAL SURVEY 3301, CRETE LODE, SNAKE CREEK MINING DISTRICT, WASATCH COUNTY, UTAH; AND RUNNING THENCE NORTH 40°28'00" EAST 359.30 FEET; THENCE NORTH 18°

38'00" EAST 49.09 FEET; THENCE SOUTH 17°16'54" EAST 118.25 FEET TO A POINT ON A 475.00 FOOT RADIUS CURVE TO THE RIGHT OF WHICH THE RADIUS POINT BEARS SOUTH 72°43'06" WEST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE OF SAID CURVE 101.58 FEET THROUGH A CENTRAL ANGLE OF 12°16'36" TO A POINT OF TANGENCY; THENCE SOUTH 05°00'18" EAST 26.93 FEET; THENCE SOUTH 18°28'00" WEST 456.89 FEET; THENCE SOUTH 25°42'00" EAST 970.11 FEET; THENCE NORTH 82°06'20" EAST 525.63 FEET; THENCE ALONG THE NORTHERLY SIDE LINE OF THE RODERICK DUE (LOT 100) LODE SOUTH 42°30'00" WEST 355.79 FEET; THENCE ALONG THE EASTERLY END LINE OF THE M.A.S. (LOT 6054) LODE NORTH 55°51'00" WEST 570.23 FEET; THENCE ALONG THE NORTHERLY SIDE LINE OF THE M.A.S. LODE SOUTH 34°35'00" WEST 130.92 FEET; THENCE ALONG THE EASTERLY SIDE LINE OF THE AUNT POLLY (LOT 3025) LODE NORTH 25°42'00" WEST 975.02 FEET; THENCE ALONG THE EASTERLY SIDE LINE OF THE CRETE LODE NORTH 18°09'00" EAST 343.30 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPTING 5:

ALSO EXCEPTING FROM THE VICINITY OF JIC LODE NO. 2 EXTENSION LOT NO. 153 THAT PORTION CONVEYED TO KENT SOVEREEN IN QUIT CLAIM DEED RECORDED DECEMBER 4, 2002, AS ENTRY NO. 251406, IN BOOK 591, AT PAGE 584 OF OFFICIAL RECORDS OF WASATCH COUNTY, UTAH, MORE PARTICULARLY DESCRIBED AS:

A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN. B AT THE SOUTHEAST CORNER OF LOT 215, BRIGHTON ESTATES NO. 2, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE AND OF RECORD IN THE OFFICE OF THE RECORDER, WASATCH COUNTY, UTAH, AND RUNNING THENCE SOUTH 49°20'00" EAST 129.55 FEET; THENCE SOUTH 80°20'27" WEST 227.19 FEET; THENCE NORTH 57°00'00" WEST 20.00 FEET TO THE SOUTHWEST CORNER OF LOT 216 SAID BRIGHTON ESTATES NO. 2; THENCE ALONG THE SOUTHERLY OF LOT 216 AND SAID LOT 215 NORTH 51°55'00" EAST 181.00 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPTING 6:

PARCELS D AND I, AS CONTAINED IN THAT CERTAIN QUIT CLAIM DEED FROM UNITED PARK CITY MINES COMPANY, a Delaware corporation to DEER VALLEY RESORT COMPANY, a Utah limited partnership, recorded JULY 18, 2003, as Entry No. 665946, in Book 1552, at Page 1848, SUMMIT County Recorder's Office. MORE PARTICULARLY DESCRIBED AS FOLLOWS:

D. LIFT-X PARCEL

A parcel of land located in the south half of Section 29 and the north half of Section 32, Township 2 South, Range 4 East, Salt Lake Base and Meridian.

Beginning at a point that is North 87°40' 58" East 241.02 feet along Section Line and South 21.17 feet from the south quarter corner of Section 29, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point also being on the Summit-Wasatch County line; and running thence South 79°05'34" West 292.20 feet; thence North 64°00'35" West 144.60 feet; thence South 82°53'04" West 207.42 feet; thence South 76°16'40" West 348.20 feet; thence South 82°49'45" West 565.47 feet; thence North 01°55'50" West 238.93 feet to a point on the Summit-Wasatch County line; thence along the Summit-Wasatch County line the following three (3) courses: 1) South 77°28'00" East 41.38 feet to County Line Point 85; thence 2) North 77°44'00" East 966.80 feet to County Line Point 83; thence 3) South 64°07'00" East 605.73 feet to the Point of Beginning.

I. EMPIRE CHAIRLIFT PATROL SHACK PARCEL

A parcel of land located in the southwest quarter of Section 29, Township 2 South, Range 4 East, Salt Lake Base and Meridian.

Beginning at a point that is North 01 °47'34" West 1302.16 feet along Section Line and East 146.39 feet From the southwest corner of Section 29, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point being Summit County Line Point 2343 and a point on the demarcation line between the Park City Ski Area and the Deer Valley Resort; and running thence along the Summit County Line the following two (2) courses: 1) South 34°37'00" East 1,077.30 feet more or less to County Line Point 87; thence 2) South 46°44'00" East 384.70 feet more or less to County Line Point 86; thence North 50°50'58" West 443.92 feet; thence North 43°51 '43" West 451.26 feet; thence North 28°18'40" West 453.96 feet; thence North 07°48'35" West 146.31 feet to the Point of Beginning.

(TAX SERIAL NOS. PART OF WASATCH COUNTY SERIAL NO. STA-0172-0 AND PARCEL NO. 90-0000-1178, OWC-3214 AND PARCEL NO. 00-0020-4157, OWC-3215 AND PARCEL NO. 00-0020-4158, OWC-3216 AND PARCEL NO. 00-0020-4159, OWC-3217 AND PARCEL NO. 00-0020-4160, OWC-3218 AND PARCEL NO. 00-0020-4161, OWC-3157-0 AND PARCEL NO. 00-0020-2777, OWC-3158-0 AND PARCEL NO. 00-0020-2778, OWC-3159-0 AND PARCEL NO. 00-0020-2779, OWC-3160-0 AND PARCEL NO. 00-0020-2780, OWC-3161-0 AND PARCEL NO. 00-0020-2781, OWC-3162-0 AND PARCEL NO. 00-0020-2782, OWC-3163-0 AND PARCEL NO. 00-0020-2783, OWC-3164-0 AND PARCEL NO. 00-0020-2784, OWC-3165-0 AND PARCEL NO. 00-0020-2785, OWC-3166-0 AND PARCEL NO. 00-0020-2786, OWC-3167-0 AND PARCEL NO. 00-0020-2787, OWC-3168-0 AND PARCEL NO. 00-0020-2788, OWC-3169-0 AND PARCEL NO. 00-0020-2789, OWC-3170-0 AND PARCEL NO. 00-0020-2790, OWC-3171-0 AND PARCEL NO. 00-0020-2791, OWC-3148-0 AND PARCEL NO. 00-0020-2768, OWC-3149-0 AND PARCEL NO. 00-0020-2769, OWC-3150-0 AND PARCEL NO. 00-0020-2770, OWC-3151-0 AND PARCEL NO. 00-0020-2771, OWC-3152-0 AND PARCEL NO. 00-0020-2772, OWC-3153-0 AND PARCEL NO. 00-0020-2773, OWC-3154-0 AND PARCEL NO. 00-0020-2774, OWC-3155-0 AND PARCEL NO. 00-0020-2775, OWC-3156-0 AND PARCEL NO. 00-0020-2776, OWC-3206-0 AND PARCEL NO. 00-0020-2826, OWC-3207-0 AND PARCEL NO. 00-0020-2827 and OWC-3208-0 AND PARCEL NO. 00-0020-2828)

EXHIBIT “B”

SELLER’S MATERIALS

1. Commitment for Title Insurance issued by Old Republic National Title Insurance Company through the office of Coalition Title Agency, Inc. File No. 26935.
2. Draft survey dated 12/8/16 by Alliance Engineering.
3. Lease agreement defined as the “Talisker Lease” in this Agreement.
4. Lease with the Girl Scouts dated January 1, 1955 and letter to the Girl Scouts dated December 1, 1971.
5. Phase I Environmental Site Assessment dated July 22, 2015.

EXHIBIT “C”

FORM OF TALISKER LEASE ASSIGNMENT

LEASE ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS LEASE ASSIGNMENT AND ASSUMPTION AGREEMENT (“Agreement”) is made and entered into as of the ____ day of _____ 2017, by and between REDUS PARK CITY LLC, a Delaware limited liability company (“Assignor”), and [_____] a [_____] (“Assignee”).

RECITALS:

A. Assignor, as Landlord, and Talisker Club LLC, a Delaware limited liability company (“Tenant”), as Tenant, are parties to that certain Lease Agreement, dated September 1, 2015, as amended by that certain First Amendment to Lease Agreement, dated _____, 2017 (as amended, the “Lease”).

B. Assignor is the successor-in-title to the fee simple absolute interest in the Ground Leased Premises (as defined in the Lease) and successor-in-interest to United Park City Mines, a Delaware corporation, the original landlord under the Lease.

C. Assignor and Assignee are parties to that certain Agreement for Purchase and Sale of Real Property [Bonanza Flats], dated [_____] 201_ (the “PSA”), pursuant to which Assignor has agreed to sell, and Assignee has agreed to purchase, the Property, and Assignor and Assignee have agreed to execute and deliver this Agreement. Any undefined capitalized terms used in this Agreement have the meanings ascribed to such terms in the PSA.

D. Assignor and Assignee are entering into this Agreement to provide for the assignment of Assignor’s rights and the delegation of its duties under the Lease to Assignee, and to provide for Assignee’s acceptance of Assignor’s rights and assumption of Assignor’s duties and liabilities under the Lease.

NOW, THEREFORE, in consideration of the above recitals, the mutual promises contained below, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

AGREEMENT:

1. Recitals. The above recitals are an integral part of the agreement and understanding of Assignor and Assignee, and are incorporated by reference in this Agreement.

2. Assignment. Assignor hereby grants, conveys, assigns, and transfers to Assignee, effective as of the Closing Date (the “Effective Date”), all of Assignor’s right, title, and interest in and to, and delegates to Assignee, to the extent accruing from and after the date hereof, all of Assignor’s duties, obligations, and liabilities in connection with, the Lease (the “Assignment”).

3. Acceptance and Assumption. Assignee hereby accepts the Assignment and assumes and promises to perform all of Assignor's duties, obligations, and liabilities under the Lease as of and following the Effective Date.

4. Indemnities. Assignee hereby agrees to indemnify and defend and hold Assignor, its successors and assigns, harmless from and against any cost, liability, loss, expense, or damage (including, without limitation, reasonable attorneys' fees at all trial and appellate levels) arising from any default under the Lease by Assignee, its successors or assigns, which occurs on or after the Effective Date. Assignor hereby agrees to indemnify and defend and hold Assignee, its successors and assigns, harmless from and against any cost, liability, loss, expense, or damage (including, without limitation, reasonable attorneys' fees at all trial and appellate levels) arising from any default under the Lease by Assignor which occurred before the Effective Date.

5. Miscellaneous.

a. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

b. Attorneys' Fees. If any legal action is brought concerning any matter relating to this Agreement, or by reason of any breach of any covenant, condition or agreement referred to in this Agreement, the prevailing party shall be entitled to have and recover from the other party to the action all costs and expenses of suit, including attorneys' fees.

c. Amendments. This Agreement may not be altered, waived, amended, or extended except by a written agreement signed by the parties.

d. Governing Law. This Agreement shall be construed under the laws of the State of Utah, without regard to its principles of conflicts of law.

e. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original, but all of which will together constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or e-copy transmission shall be effective as delivery of a manually executed counterpart thereof.

f. Section Headings. The section headings used in this Agreement are for reference only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement.

[Intentionally left blank—signature page to follow]

DATED as of the date first written above, but effective as of the Effective Date.

ASSIGNOR:

REDUS PARK CITY LLC,
a Delaware limited liability company
By: **REDUS PROPERTIES, INC.,**
a Delaware corporation
Its: Manager

By: _____
Name: _____
Title: _____

ASSIGNEE:

[_____] ,
a, [_____]

By: _____
Name: _____
Title: _____

EXHIBIT “D”

FORM OF TALISKER LEASE AMENDMENT

FIRST AMENDMENT TO LEASE AGREEMENT

This **FIRST AMENDMENT TO LEASE AGREEMENT** (this “**Amendment**”) is made and entered into as of _____, 2017 (the “**Effective Date**”), by and between _____ (“**Landlord**”), and **TALISKER CLUB LLC**, a Delaware limited liability company (“**Tenant**”). Landlord and Tenant are hereinafter sometimes referred to individually as a “**Party**” and collectively as the “**Parties**”.

RECITALS

A. Landlord is the successor-in-title to the Property and the Ground Leased Premises [each defined later].

B. Landlord’s predecessor and Tenant previously entered into a Lease Agreement dated September 1, 2015 (the “**Original Lease**”, and as amended by this Amendment, the “**Lease**”), whereby Landlord leases the Ground Leased Premises to the Tenant.

C. The Parties desire to amend the Original Lease in the manner set forth in this Amendment.

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

1. **Incorporation/Interpretation.** The terms and exhibits of the Original Lease are hereby incorporated into this Amendment and, except as specifically provided herein, or as may conflict with this Amendment, the terms and conditions of the Original Lease shall remain in full force and effect. The Original Lease is attached hereto as Exhibit A, and the attached Exhibit A replaces the Exhibit A in the Original Lease. The Parties hereby confirm, restate, approve, and ratify the Lease as amended by this Amendment. Capitalized terms used in this Amendment and not defined in this Amendment shall have the meanings given to such terms in the Original Lease.

2. **License to Use Property/Early Termination.** Section 1.2 of the Lease is hereby deleted in its entirety. The License is hereby terminated and revoked and shall be of no further force or effect. Further, Section 5.1(iii) and the terms “or the Property” in Section 5.3 are hereby deleted in their entirety. Section 2.2 of the Lease is hereby deleted in its entirety.

3. **Term.** The terms contained within the provision entitled “Term” of the “Fundamental Lease Provisions” of the Original Lease are hereby deleted in their entirety and replaced with the following:

TERM: The Term commenced on September 1, 2015 and shall expire and terminate 99 years thereafter, on August 30, 2114 (the “**Term**”).

4. **Relocation of Ground Leased Premises and the Permitted Use.**

a) The terms contained within the provision entitled “Ground Leased Premises” of the “Fundamental Lease Provisions” of the Original Lease are hereby deleted in their entirety and replaced with the following:

GROUND LEASED
PREMISES:

The “**Ground Leased Premises**” shall mean the three (3) areas depicted and described on **Exhibit B** as “Tubing Hill & Warming Hut” (“**Area 1**”), “Outpost & Yurt” (“**Area 2**”), and “Parking” (“**Area 3**”), together with all improvements, easements, rights, privileges, and appurtenances belonging thereto, including, without limitation, rights to ingress and egress over, in, and on designated areas within and adjacent to the Ground Leased Premises and the rights of ingress and egress to and from the Ground Leased Premises to State Road 224 in Summit County and the right to reroute the existing water line to the new Area and to use such water for recreational purposes. Landlord and Tenant will work together to obtain any required permits for the limited use of non-drinking water at the Ground Leased Premises. The term “**Property**” shall refer to the real property owned by Landlord in and around the Ground Leased Premises.

b) Exhibit B attached to the Original Lease is hereby deleted and replaced with **Exhibit B** attached to this Amendment.

c) The terms contained within the provision entitled “Permitted Use” of the “Fundamental Lease Provisions” of the Original Lease are hereby deleted in their entirety and replaced with the following:

PERMITTED USE:

The Ground Leased Premises may be used for the following uses: (1) locating and maintaining a tubing hill facility and warming hut on Area 1, as depicted on **Exhibit B**; (2) locating a yurt (“**Yurt**”) and outpost facility on Area 2, as depicted on **Exhibit B**; and (3) for vehicle parking on Area 3, and general club recreational uses within each of the areas as depicted on **Exhibit B** (collectively, the “**Permitted Use**”), and for no other purpose without Landlord’s written consent. The utilization of the Permitted Use shall be limited to Tenant’s members and Tenant’s approved invitees. Except as expressly provided herein, this Lease does not authorize any use outside of the Ground Leased Premises. Both Landlord and Tenant agree and acknowledge that Landlord intends to prohibit snowmobiling within the Property owned by Landlord and surrounding the Ground Leased Premises. Tenant may use snow-cat and/or snowmobiles for the sole purposes of accessing the Ground Leased Premises and for operating the tubing hill facility. No snowmobiling may occur on the Property or within the Ground Leased Premises other than as stated herein, and Tenant may not install lifts or rope tows on the Ground Leased Premises without the written consent of Landlord, which Landlord may withhold in its sole discretion.

d) Tenant agrees to begin the relocation of the Yurt and other improvements permitted under the Lease to the new locations described in subsection 5(a) above, and depicted in **Exhibit B** attached to this Amendment, within 90 days after the Effective Date and to continue such relocation, with reasonable diligence until complete; provided, however, if the Effective Date occurs during winter months (November through March), then Tenant shall have until May 31 following the Effective Date to commence the relocation contemplated by this section.

5. Assignments. Section 7.1 of the Lease is hereby deleted in its entirety and replaced with the following: “Tenant may assign this Lease to Talisker Club 2.0, LLC, a Delaware limited liability company, or such other successor to most of the “Talisker Club” assets. No other assignment or sublease of Tenant’s rights under this Lease is allowed without the prior written consent of the Landlord.

6. Memorandum of Lease. Landlord hereby authorizes Tenant to execute and record a memorandum of lease concerning the Lease in the official records of county in which the Ground Leased Premises are located. Upon the expiration of the Term, Landlord and Tenant shall execute a release or termination of such memorandum.

7. Integration. This Amendment, together with the Original Lease, and references related to this Amendment in the Purchase and Sale Agreement dated January 12, 2017 by and between Redus Park City, LLC and Park City Municipal Corporation, contains the entire understanding and agreement between the Parties with respect to the subject matter hereof, and all prior negotiations, agreements and understandings, oral or written, are merged herein.

8. Severability. If any provision of this Amendment or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, then the remainder of this Amendment and the application of that provision to other persons or circumstances shall not be affected, but rather shall be enforced to the fullest extent permitted by law.

9. Counterparts. This Amendment may be executed in any number of counterparts, each of which will be an original but all of which will constitute one and the same instrument. Signature pages may be detached from individual counterparts and attached to a single or multiple original(s) in order to form a single or multiple original(s) of this document. Electronic and scanned signature pages will be acceptable and shall be conclusive evidence of execution.

[Signatures Follow]

IN WITNESS WHEREOF, this Amendment has been duly executed as of Effective Date.

LANDLORD:

_____,
a _____ limited liability company

By: _____

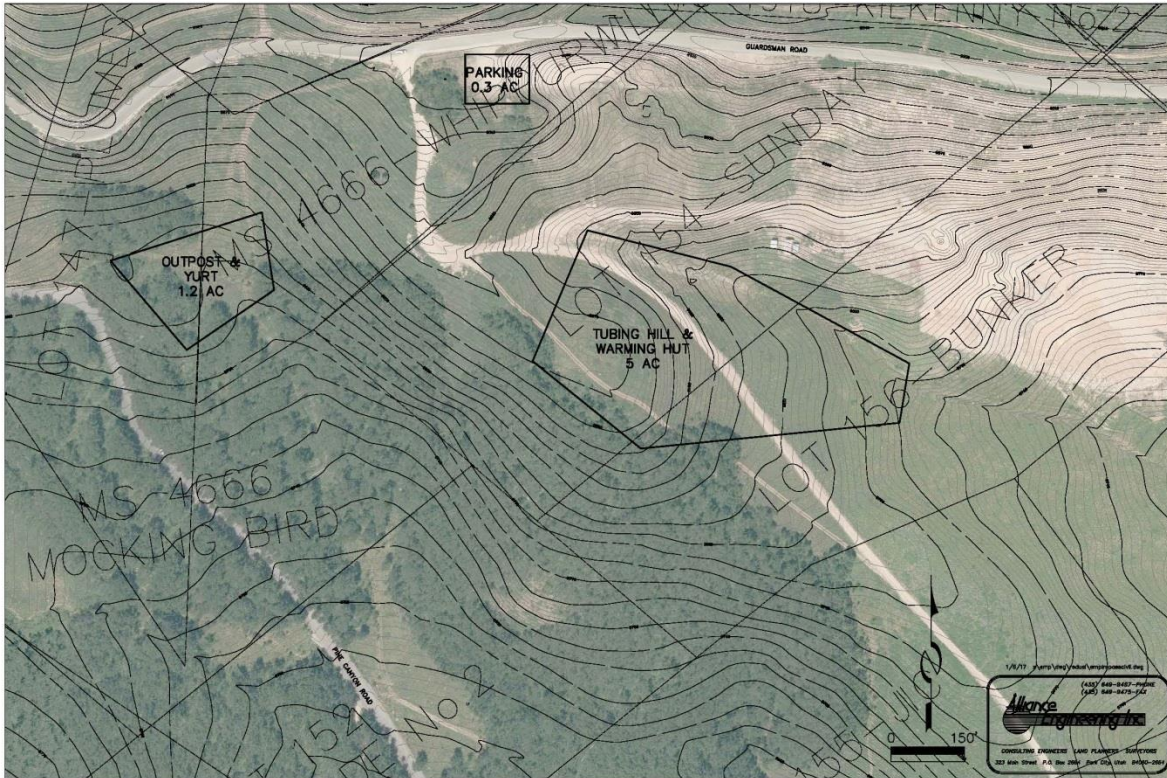
TENANT:

TALISKER CLUB LLC,
a Delaware limited liability company

By: _____

EXHIBIT A
TO FIRST AMENDMENT TO LEASE AGREEMENT
ORIGINAL LEASE

EXHIBIT B
TO FIRST AMENDMENT TO LEASE AGREEMENT
DEPICTION AND DESCRIPTION OF THE GROUND LEASED PREMISES AS MODIFIED BY THE
AMENDMENT



[Descriptions to be inserted at Closing]

AREA 1:

AREA 2:

AREA 3:

EXHIBIT "E"

FORM OF SOILS LICENSE AGREEMENT

WHEN RECORDED RETURN TO:

Snell & Wilmer, L.L.P.
Attention: Wade Budge
15 W. South Temple, Suite 1200
Salt Lake City, Utah 84101

Affects Wasatch County Parcel Nos: See Exhibit A

SOILS LICENSE AGREEMENT

This SOILS LICENSE AGREEMENT ("**License**") is made and entered into as of [_____, 201__] (the "**Effective Date**"), by and between:

PARK CITY MUNICIPAL CORPORATION, a Utah political subdivision
Attn: Office of the Mayor
P.O. Box 1480
Park City, Utah 84060

hereinafter called "**Licensor**" and

REDUS PARK CITY LLC, a Delaware limited liability
c/o Wells Fargo Bank, Wholesale Commercial ORE
Attn: David Ash
333 Market Street, 3rd Floor
San Francisco, CA 94105

hereinafter called "**Licensee**."

RECITALS:

A. WHEREAS, Licensor is the owner of certain real property located in Wasatch County, State of Utah, as more particularly described on **Exhibit A** attached hereto and incorporated herein by this reference (the "**Property**"); and

B. WHEREAS, within the Property are previously disturbed areas, defined below as Use Areas, which are suitable for the deposit of fill soils; and

C. WHEREAS, Licensor has agreed to grant a license to deposit certain fill soils to Licensee on the terms and conditions set forth below.

WITNESSETH:

NOW, THEREFORE, in consideration of the covenants and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Licensor hereby grants a license to Licensee for use of those certain portions of the Property depicted as

“F1” and “F2” on **Exhibit B** attached hereto and incorporated herein (the “**Use Areas**”), solely on the terms and conditions set forth herein.

1. TERM OF LICENSE. This License shall commence on the Effective Date and shall terminate on the last day of the one hundred twentieth (120th) full month following the Effective Date (the “**Term**”). At the option of Licensee, this License may be extended for an additional sixty (60) full month period (the “**Renewal Term**”), provided that Licensee (i) delivers a notice of renewal not less than six (6) months prior to the end of the Term; and (ii) is not in default under this License at the time it delivers its renewal notice. Licensee may elect to terminate this License early by delivering a written notice of termination.

2. NO FEE/ NO REPRESENTATIONS. During the Term, or Renewal Term as applicable, Licensee may use the Use Areas in the manner set forth in this License without any obligation to pay rent or any fee to Licensor. Licensee acknowledges that its use of the Use Areas is without any warranty or any obligation by Licensor to provide anything whatsoever to Licensee other than access to the Use Area and Licensee agrees to abide by the terms of this License.

3. USE. The License shall only be used by Licensee (i) for depositing into the Use Areas soils produced from lands within the area called “Empire Pass” which area is described in the Amended and Restated Development Agreement for Flagstaff Mountain, Bonanza Flats, Richardson Flats, The 20-Acre Quinn’s Junction Parcel and Iron Mountain dated as of March 2, 2007, and recorded on March 2, 2007 as Entry No. 00806100 in Book 1850, Page 1897 (the “**Development Agreement**”), and (ii) for reasonable vehicular and heavy equipment access to the Use Areas consistent with the use permitted above. Licensee agrees that it has no rights to use the Use Areas or the Property except for those limited rights granted under this License and that Licensee’s use of the Property shall be limited to ingress and egress to and from the Use Areas. The use of the Use Areas must also comply with the following terms:

(a) **Permitting.** So long as the Property remains in the unincorporated area of Wasatch County, Licensee shall first obtain all appropriate permits from Wasatch County in advance of doing any ground disturbing activities within the Use Areas. Licensee may exhibit this License to demonstrate standing as an applicant when seeking and obtaining all required permits. Licensor shall not oppose Licensee’s applications for use of the Use Areas consistent with this License. If Licensor has not annexed the Property, Licensee shall first submit a draft of its grading permit application to Licensor for approval (without Licensor charging a processing or permitting fee where Licensor is not the permitting authority) before submission to Wasatch County or such other applicable permitting authority. Licensor may propose reasonable modifications to or reject in whole or in part any grading plan submitted by Licensee if Licensor shows that the plan or part thereof materially violates Licensor’s grading and environmental ordinances. If the Property has been annexed into Park City, Licensee shall obtain permits from Licensor in accordance with applicable regulations, ordinances and law. In the event Licensee does not obtain the required permit(s) from Wasatch County, Licensor has no obligation to provide an alternative location for soils.

(b) **Site Management.** Licensee shall manage the Use Areas so that no more than three (3) acres between the two Use Areas may be disturbed at any one time. An area within a Use Area shall no longer be classified as disturbed after Licensee has re-contoured soils to tie into existing grade at the perimeter of each Use Area, spread top soils and hydro seeded the formerly disturbed area, with the placement of erosion control measures as appropriate. Upon completion of re-contouring, soils placed on Use Areas shall have a maximum fill slope of thirty-three percent (33%).

4. WASTE OR NUISANCE; ENVIRONMENTAL COMPLIANCE. Licensee shall not commit or permit the commission by others, within Licensee’s reasonable control, of any waste on or to the Use Areas or the Property. Licensee shall not maintain, commit or permit the maintenance or commission of any nuisance, and Licensee shall not use or permit the use of the Use Areas or the Property

for any unlawful purpose. Licensee shall not use or permit the use of the Use Areas or the Property in any manner that is in violation of any applicable laws, including without limitation, any and all applicable environmental laws, or any laws pertaining to hazardous substances, hazardous materials, or solid waste of any kind ("Hazardous Substances") and all applicable stormwater regulations. Before depositing any soils in the Use Areas, Licensee shall provide documentation to Licensor demonstrating that such soils meet environmental standards set forth in Exhibit [C], in that such soils are below regulatory action levels and may be lawfully deposited as excess soils within the Use Areas. Licensee shall immediately notify Licensor in writing of the release, spill, leak, discharge or disturbance of Hazardous Substances and the control and remediation response actions taken by Licensee, and any responses, notifications actions taken by any federal, state, or local agency with regard to such release, spill, or leak in or around the Use Areas of which Licensee is aware. Licensee shall make available to Licensor for inspection and copying, upon reasonable notice and at reasonable times, any requirement under this paragraph. The provisions of this section shall expressly survive the termination of this License.

5. ALTERATIONS AND LIENS. Licensee shall not make or permit any other person to make any alterations to the Use Areas or the Property and Licensee shall keep the Use Areas and the Property free and clear from any and all liens, claims and demands for work preformed, material furnished or operations conducted thereon.

6. VACATION. Prior to the expiration of the Term, Licensee shall vacate the Use Areas, and remove any equipment or other property from the Use Areas. Prior to vacating Use Areas, Licensee shall re-contour, spread top soil and hydro seed any remaining disturbed areas. Vacation shall be considered complete when Licensor, in its reasonable discretion, has determined that vegetation has been established to a point that erosion control measures can be removed.

7. INSURANCE. Licensor shall procure and maintain for the duration of the License, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Licensee, its agents, representatives, employees, or subcontractors.

Licensee shall provide Licensor a Certificate of Insurance evidencing:

- A.** General Liability insurance written on an occurrence basis with limits no less than Two Million Dollars (\$2,000,000) combined single limit per occurrence and Three Million Dollars (\$3,000,000) aggregate for personal injury, bodily injury and property damage. Coverage shall include but not be limited to: blanket contractual; products/completed operations; broad form property damage; explosion, collapse and underground (XCU) if specifically requested; and employer's practices.

Licensee shall increase the limits of such insurance to at least the amount of the Limitation of Judgments described in Section 63G-7-604 of the Governmental Immunity Act of Utah, as calculated by the state risk manager every two years and stated in Utah Admin. Code R37-4-3.

- B.** Automobile Liability insurance with limits no less than Two Million Dollars (\$2,000,000) combined single limit per accident for bodily injury and property damage.
- C.** Workers Compensation insurance limits written as follows:
Bodily Injury by Accident Five Hundred Thousand Dollars (\$500,000) each accident;
Bodily Injury by Disease Five Hundred Thousand Dollars (\$500,000) each employee,
Five Hundred Thousand Dollar (\$500,000) policy limit.

Licensor shall be named as an additional insured on general liability and auto liability insurance policies and a copy of the endorsement naming the Licensor as an additional insured shall be attached to the Certificate of Insurance. Licensor reserves the right to request certified copies of any required policies. Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

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

8. HOLD HARMLESS. Licensee clearly and unequivocally agrees to indemnify and to hold Licensor and its agents, employees, and officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against Licensor arising out of, in connection with, or incident to the execution of this License and/or the Licensee's performance or failure to perform any aspect of this License; provided, however, that if such claims are caused by or result from the concurrent negligence of Licensor, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Licensee or others; and provided further, that nothing herein shall require the Licensee to hold harmless or defend Licensor, its agents, employees and/or officers from any claims arising from the sole negligence of Licensor, its agents, employees, and/or officers. Licensee expressly agrees that the indemnification provided herein constitutes the contractor's waiver of immunity under Utah Code Section 34A-2-105 for the purposes of this License. This waiver has been mutually negotiated by the parties. Licensee agrees to defend, indemnify and hold Licensor and the Use Areas and the Property free and harmless from any and all claims, liabilities, loss, damage or expense arising or resulting from or related to Licensee's occupation and use of the Use Areas or the Property for any claim, liability, loss or damage arising by reason of Licensee's introduction of any Hazardous Substances to the Property after the Effective Date.

9. ASSIGNMENT. Licensee shall not encumber, assign, sublease or otherwise transfer this License without the prior written consent of Licensor, which shall not be unreasonably withheld, conditioned or delayed. Subject to the foregoing sentence, all provisions of this License, including the burdens stated and implied, touch, concern, and run with the Property, and are binding upon and inure to the benefit of the successors and assigns of Licensor and Licensee.

10. ATTORNEY'S FEES. Should any litigation be commenced between the parties to this License, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for that party's attorney fees.

11. GOVERNING LAW; VENUE. This License shall be governed by and construed in accordance with the laws of the State of Utah. Venue for any dispute between the parties relating to this License shall be in Utah.

12. TERMINATION. Upon expiration of the Term, or Renewal Term as applicable, this License may be terminated of record by the recordation of a written notice of termination of license agreement by Licensor, or any of its respective successors and assigns.

13. AMENDMENTS. No modification, waiver, or amendment of this License shall be made except by written agreement signed and acknowledged by the parties and recording, in the official records Wasatch County, Utah, such written agreement.

14. MISCELLANEOUS. This License may be executed in one or more counterparts, each of which, when taken together, constitutes the original. If any term, provision or condition contained in this License shall to any extent be deemed invalid or unenforceable, the remainder of the License shall not

be affected thereby, and each remaining term, provision and condition of this License shall be valid and enforceable to the fullest extent permitted by law.

[Signature Pages to Follow]

LICENSEE:

REDUS PARK CITY LLC,

a Delaware limited liability company

By: REDUS PROPERTIES, INC., a
Delaware corporation

Its: Manager

By: _____

Name: _____

Title: _____

ACKNOWLEDGEMENT OF LICENSEE

STATE OF _____)
) SS.

COUNTY OF _____)

On the _____ day of _____, in the year 20____, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within this License Agreement and acknowledged to me that he/she executed the same in his/her capacity as _____ of _____, and that by his/her signature executed the instrument on behalf of said _____.

Notary Public for the State of _____
Commission expires: _____

**EXHIBIT A
TO SOILS LICENSE AGREEMENT
LEGAL DESCRIPTION OF THE PROPERTY**

[To be added at Closing]

EXHIBIT B
TO SOILS LICENSE AGREEMENT
DEPICTION OF THE USE AREAS

[See Attached]

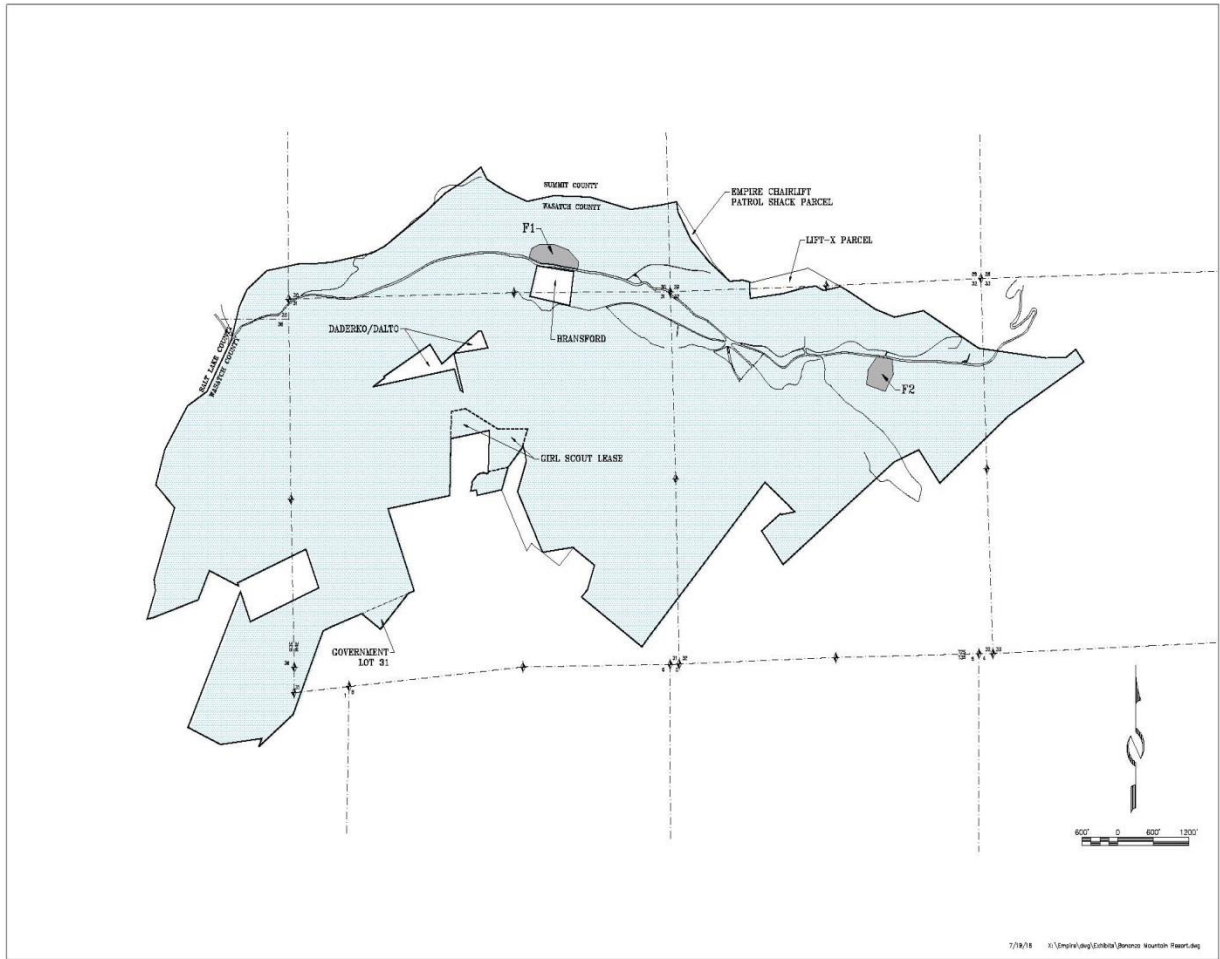






EXHIBIT C
TO SOILS LICENSE AGREEMENT
ENVIRONMENTAL STANDARDS FOR EXCESS SOILS TO BE DEPOSITED
[To be added prior to Closing]

EXHIBIT "F"

Form of Twisted Branch Access Easement

WHEN RECORDED, RETURN TO:

SNELL & WILMER L.L.P.

Attn: Wade R. Budge

15 West South Temple, Suite 1200

Salt Lake City, UT 84101

Affects Summit County Parcel Nos: RCLD-A-AM; S-98

Affects Wasatch County Parcel Nos: See Exhibit A

**AMENDED AND RESTATED DECLARATION OF ACCESS EASEMENT
[Twisted Branch]**

THIS AMENDED AND RESTATED DECLARATION OF ACCESS UTILITY EASEMENT (“**Twisted Branch Easement**”), dated as of the ____ day of _____, 2017, by REDUS Park City LLC, a Delaware limited liability company (“**REDUS**”), amends, restates and replaces that certain Declaration of Access and Utility Easements dated August 10, 2015 and recorded on August 26, 2015 in the Office of the Recorder of Summit County, Utah, as Entry No. 01026716 and the office of the Wasatch County Recorder, Utah, as Entry No. 415576 (the “**Declaration**”).

REDUS is the successor-in-title to the Benefitted Property and obtained the easements created or confirmed by the Declaration, pursuant to foreclosure and a sheriff’s deed; and

The Benefitted Property is more particularly described on **Exhibit A** and is further referred to herein as “Bonanza Flats”; and

REDUS has agreed to grant an easement to Park City Municipal Corporation (“**PCMC**”) for its use in connection with its acquisition of Bonanza Flats; and

This Twisted Branch Easement will only be executed, delivered and recorded in connection with PCMC’s acquisition of Bonanza Flats.

NOW, THEREFORE, REDUS executes and shall cause to be recorded in the Summit County Recorder’s Office, Utah, and the Wasatch County Recorder’s Office, Utah, this Twisted Branch Easement, and hereby declares and states as follows:

Restatement/Interpretation. All of the terms of the Declaration are deleted, novated and replaced with the terms of this Twisted Branch Easement.

Easement. REDUS hereby declares and grants, for the benefit of PCMC, as the owner of Bonanza Flats, an access easement over Twisted Branch, a private road located in Summit County, and more particularly described on the attached **Exhibit B** (the “**Access Easement**”). Twisted Branch is depicted on both **Exhibits C-1** and **C-2**.

Limited Use. The Access Easement granted hereby is only for the use of PCMC governmental officials, maintenance crews, emergency personnel and for personnel and/or vehicles for which PCMC has contracted to provide services to the approved uses within Bonanza Flats. The Access Easement is not for the use of the general public. The Access Easement shall only be used at such times that State Road 224, also known as Marsac Avenue, is closed to vehicle access because of (i) snow or (ii) other reasons determined by PCMC, in its reasonable discretion, to be unsafe or insufficient to provide needed access.

Personal Easement/Assignability. All provisions of the Twisted Branch Easement are personal to PCMC and may not be assigned or transferred to another party without the written consent of REDUS, or its successor.

Indemnification. By using the Access Easement, PCMC agrees to indemnify and to hold REDUS or any party owning land underlying the Access Easement and their agents, employees, and officers (“**Indemnified Parties**”), harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against the Indemnified Parties arising out of, in connection with, or incident to PCMC’s use of the Access Easement or failure to perform any aspect of the obligations set forth in this Twisted Branch Easement; provided, however, that if such claims are caused by or result from the concurrent negligence of an Indemnified Party(ies), this indemnity provision shall be valid and enforceable only to the extent of the negligence of such Indemnified Party or others; and provided further, that nothing herein shall require the PCMC to hold harmless or defend the Indemnified Parties from any claims arising from the sole negligence of an Indemnified Party.

Miscellaneous.

Attorney fees. Should any litigation be commenced among the parties identified in this Twisted Branch Easement, or their successors, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for that party’s attorney fees.

Amendments. No modification, waiver, termination, or amendment of this Twisted Branch Easement shall be made except by written agreement signed and acknowledged by the parties owning interests in the Twisted Branch Easement described herein and recording, in the official records Wasatch County and Summit County, Utah, such written agreement.

Counterparts. This Twisted Branch Easement may be executed in one or more counterparts, each of which, when taken together, constitutes the original. If any term, provision or condition contained herein shall to any extent be deemed invalid or unenforceable, the remainder of the Twisted Branch Easement shall not be affected thereby, and each remaining term, provision and condition shall be valid and enforceable to the fullest extent permitted by law.

[Signatures and Acknowledgements Follow]

IN WITNESS WHEREOF, REDUS has executed this Twisted Branch Easement as of the day and year first above written.

REDUS:

REDUS PARK CITY LLC, a Delaware limited liability company

By: REDUS PROPERTIES, INC., a Delaware corporation

Its: Manager

By: _____

Name: _____

Title: _____

STATE OF UTAH)

: ss

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017 by _____ as the _____ of REDUS PROPERTIES, INC., a Delaware corporation, as manager of REDUS PARK CITY LLC, a Delaware limited liability company.

Notary Public

Residing at: _____

My Commissions Expires: _____

The foregoing terms and conditions are accepted by:

PCMC:

PARK CITY MUNICIPAL CORPORATION, a Utah political subdivision

By: _____

Name: _____

Title: _____

Attest:

By: _____
City Recorder

STATE OF UTAH)
 : ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017 by _____, Mayor, and _____, City Recorder, of PARK CITY MUNICIPAL CORPORATION, a Utah political subdivision, on behalf of such municipality.

Notary Public

Residing at: _____
My Commissions Expires: _____

The foregoing easement is consented to by:

EMPIRE PASS MASTER OWNERS
ASSOCIATION, INC., a Utah nonprofit corporation

By: _____
Name: _____
Title: _____

STATE OF UTAH)
 : ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017 by _____, Authorized Representative of EMPIRE PASS MASTER OWNERS ASSOCIATION, INC., a Utah nonprofit corporation, on behalf of such corporation. .

Notary Public

Residing at: _____
My Commissions Expires: _____

EXHIBIT A
TO AMENDED AND RESTATED DECLARATION OF ACCESS EASEMENT
(LEGAL DESCRIPTION OF THE BENEFITTED PROPERTY)
[ADD LEGAL DESCRIPTION OF PROPERTY TO BE PURCHASED BY PARK CITY
MUNICIPAL CORP]

EXHIBIT B
TO AMENDED AND RESTATED DECLARATION OF ACCESS EASEMENT
(LEGAL DESCRIPTION OF THE EASEMENT AREA)

[TO BE ADDED BY ALLIANCE ENGINEERING BEFORE CLOSING]

EXHIBIT C-1
TO AMENDED AND RESTATED DECLARATION OF ACCESS EASEMENT
(GENERAL DEPICTION OF THE EASEMENT AREA)

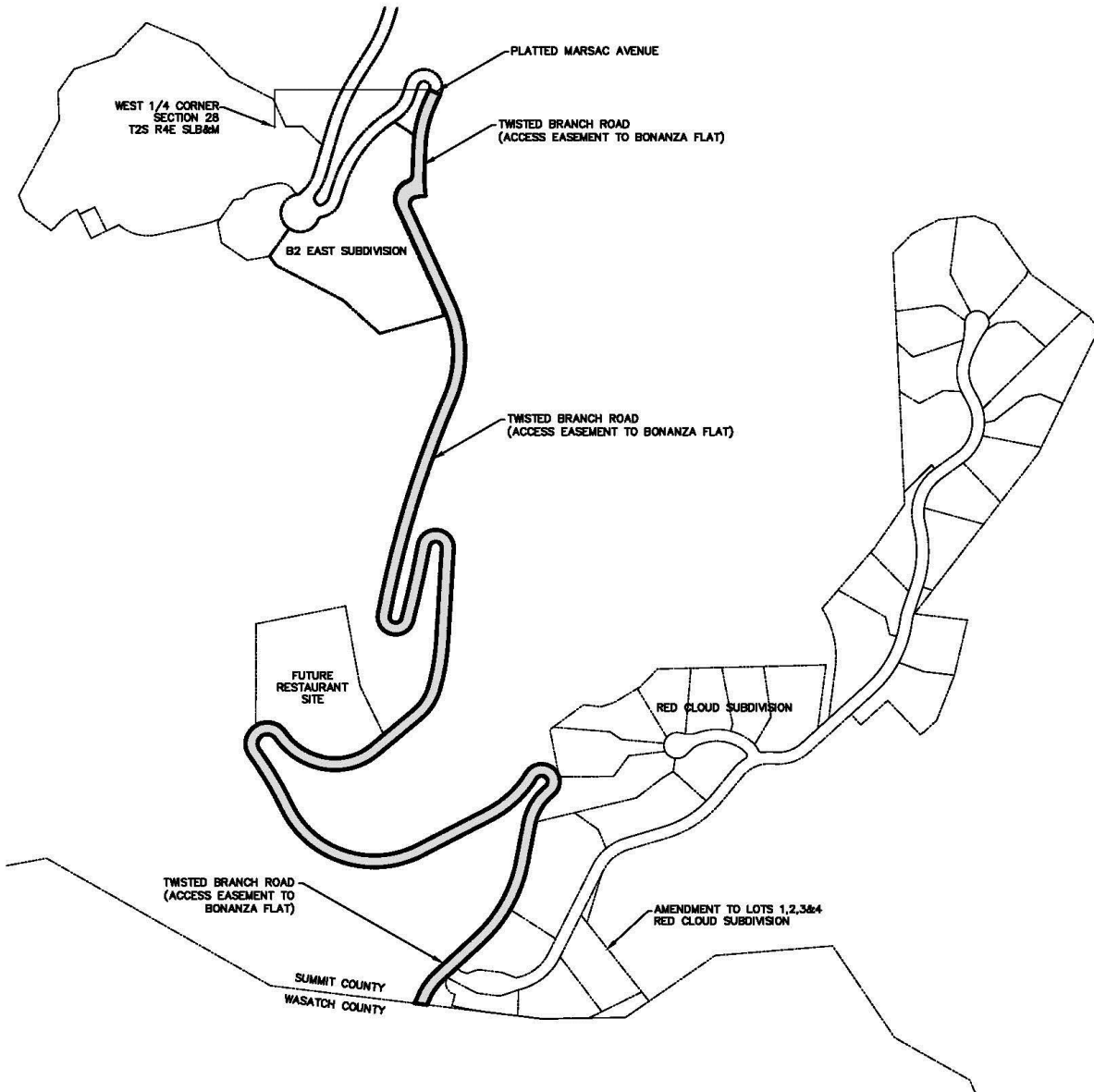


EXHIBIT C-2
TO AMENDED AND RESTATED DECLARATION OF ACCESS EASEMENT
(SPECIFIC DEPICTION OF THE EASEMENT AREA DEPARTING TWISTED BRANCH
AND TERMINATING AT COUNTY LINE)



EXHIBIT "G"

Form of Deed

When recorded, return to:

Wade R. Budge
Snell & Wilmer L.L.P.
15 West South Temple, Suite 1200
Salt Lake City, Utah 84101

Mail Any Tax Notices to:

Park City Municipal Corporation
P.O. Box 1480
Park City, Utah 84060

SPACE ABOVE THIS LINE FOR USE BY THE RECORDER

Affects Parcel Nos.: See attached Exhibit A

SPECIAL WARRANTY DEED

REDUS PARK CITY LLC, a Delaware limited liability company, Grantor, hereby conveys and warrants against all who claim by, through, or under the Grantor to **PARK CITY MUNICIPAL CORPORATION**, a Utah political subdivision, Grantee, for the sum of Ten Dollars and other good and valuable consideration, the surface estate of the following tract of land in Wasatch County, Utah, to wit:

See Exhibit A (the "Property");

EXCEPTING THEREFROM all mineral and ores, including, but not limited to, oil and gas, underlying the Property;

SUBJECT TO the matters of record including those items identified on the attached Exhibit B; and

IN CONNECTION WITH (and as an integral part of) the conveyance, the Grantee agrees and covenants to Grantor that the Property shall only be used for open space and recreational purposes consistent with the terms of a conservation easement(s) to be placed on the Property.

WITNESS the hand of said Grantor this ____ day of _____, 2017.

GRANTOR:

REDUS PARK CITY LLC,
a Delaware limited liability company
By: REDUS PROPERTIES, INC., a
Delaware corporation
Its: Manager

By: _____

Name: _____
Title: _____
Date: _____

STATE OF UTAH)
) ss.
County of _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by ____
_____, the authorized manager of Redus Park City LLC, a Delaware limited liability
company by and through its manager, Redus Properties, Inc., a Delaware corporation, for and on behalf of
said company.

Notary Public

GRANTEE:

PARK CITY MUNICIPAL CORPORATION,
a political subdivision of the State of Utah

By: _____
Name: _____
Title: _____
Date: _____

Attest:

City Recorder

STATE OF UTAH)
) ss.
County of _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by ____
_____, Mayor, and _____, City Recorder of Park City Municipal
Corporation, a Utah political subdivision.

EXHIBIT A
TO SPECIAL WARRANTY DEED
Legal Description of Property
[to be added at Closing]

EXHIBIT B
TO SPECIAL WARRANTY DEED
Permitted Exceptions
[to be added at Closing]



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

Municipal Code 4-3-9(D)(2) retains Council authority to approve Type 2 Convention Sales Licenses (CSL). All Type 2 license applications must be received at least seven (7) days prior to a regular scheduled meeting and three (3) days prior to a Special Meeting. Council should consider holding a Special Meeting sometime between January 17th-19th to hear and consider approval any late Type 2 CSL applications. This Special Meeting would be to consider approval of CSL applications received after January 6, 2017 up until three (3) business days prior to the Special Meeting. All applications received after January 6, 2017, have/will be charged an additional \$76 according to the fee schedule. Prior to Council's consideration of the Type 2 CSL license application, the applicant must have a pre-inspection prior to application (PIPA). This inspection will highlight any issues related to the space prior to their final inspection. The inspection must accompany the license application along with accurate floor plans stamped by a design professional including the occupant load.

Staff recommends holding a Special Meeting the morning of January 17, 2017 to approve any late Type 2 CSL applications.

Respectfully:

Rebecca Gillis, Accounting Manager



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

Executive Summary

The Transit Department is proposing entering into a service provider agreement with the electric bus manufacturer Proterra as a responsible partner to procure six (6) zero-emission, fast charge Proterra Catalyst FC battery-electric buses that meet the specifications listed in the FTA Low-No Emission Grant Program. FTA funds have been awarded through UDOT. The anticipated delivery date for the electric bus procurement is Summer 2017. Electric charging stations are to be installed at both Old Town and Kimball Junction Transit Centers; to be included in bus procurement. A Battery Service Agreement, provided for battery usage, is included under a separate agreement.

Respectfully:

Blake Fannesbeck, Public Works Director



City Council Staff Report

Subject: Proterra Battery Electric Bus Purchase Contract
Author: Blake Fannesbeck
Department: Transit Department
Date: January 12, 2017
Type of Item: Consent Agenda

Summary Recommendation

Authorize the City Manager to execute a contract with Proterra, in a form approved by the City Attorney, for the purchase of six (6) 40-foot battery-electric LOW FLOOR BUSES, and related charging equipment for a total of \$4,926,075 with a Federal Transit Administration (FTA) 5339c "Low-No Emission" grant in partnership with the Utah Department of Transportation (UDOT).

Executive Summary

The Transit Department is proposing entering into a service provider agreement with the electric bus manufacturer Proterra as a responsible partner to procure six (6) zero-emission, fast charge Proterra Catalyst FC battery-electric buses that meet the specifications listed in the FTA Low-No Emission Grant Program. FTA funds have been awarded through UDOT. The anticipated delivery date for the electric bus procurement is Summer 2017. Electric charging stations are to be installed at both Old Town and Kimball Junction Transit Centers; to be included in bus procurement. A Battery Service Agreement, provided for battery usage, is included under a separate agreement.

Acronyms

BRT – Bus Rapid Transit
FTA – Federal Transit Administration
RFP – Request for Proposals
UDOT – Utah Department of Transportation

The Problem

Park City transit does not currently have fleet ability and capacity to have BRT routes connecting Old Town Transit Center to Kimball Junction Transit Center with anticipated 10 minute frequencies. The Proterra electric bus technology fits the demand for BRT and meets City Council goals of creating more viable commuting options with cleaner, more energy efficient vehicles; lessening the carbon footprint through increased ridership, and decreased vehicle miles traveled.

Background

- 2016 Short-Range Transit Development Plan(s) identified that future consideration should be given to electric buses as they continue to rapidly evolve.

- Park City Transit Department has received a 5339c FTA “Low-No” grant (for the purchase of buses, related equipment and facilities), which will reimburse 79% of the total \$4,926,075 cost or \$3,905,378 for six (6) rapid charge electric buses. This FTA Grant is administered through UDOT. Park City Municipal is responsible for remaining 21% or \$1,020,697 of local matched funding - \$520,697 will go towards the electric bus procurement; the remaining \$500,000 of local match will be used for the installation of the purchased charging equipment.
- Through extensive research Proterra was found to be the sole service provider of battery electric technology that fits the needs of Park City Transit. See attached Letter of Support to partner with Park City Municipal from May 2016.
- These buses will be ready for route service Summer 2017

<u>Date</u>	<u>Item</u>
January 6, 2017	Proterra Service Provider Agreement
May 2016	Proterra Letter of Support

Alternatives for City Council to Consider

1. Recommended Alternative:

Order six (6) battery-electric buses from Proterra

Pros

- Positive impact to Transit’s environmental footprint
- June 2017 BRT will begin service between Old Town Transit Center and Kimball Junction Transit Centers at 10 minutes frequencies.

Cons

- Electric batteries need repeat charging every several round trips, not yet applicable for most Park City Routes, and lack capabilities to backup and store energy during power outages.

2. Delay the order six (6) battery-electric buses from Proterra.

Pros

- There are no pros

Cons

- Delay will cause Proterra to push production to sometime in 2018, which will delay the start of the BRT route. BRT route is recommended in the 2016 Short-Range Transit Development Plan to operate between the Old Town Transit Center and Kimball Junction Transit Center.

3. Null Alternative:

Do not approve the contract for the procurement of six (6) battery-electric buses from Proterra

Pros

- Continue to utilize the investment made with clean-burn diesel buses.

Cons

- Transit will be severely delayed in meeting Council’s Net-Zero Carbon Resolution No 04-16 passed by City Council on March 24th, 2016.

Analysis

As part of the FTA Low-No Grant program, Park City has partnered with Proterra Inc. to procure six (6) zero-emission, fast charge Proterra Catalyst FC battery-electric buses to run on a BRT route in conjunction with the existing diesel fleet. Proterra's proposed costs six (6) buses is \$4,926,075. The expected reimbursement under the FTA contract will be seventy-nine percent (79%) or \$3,905,378, and local matching funds twenty-one percent (21%) or 1,020,697- \$520,697 will go towards the electric bus procurement; the remaining \$500,000 of local match will be used for the installation of the purchased charging equipment. Participation in the FTA Low-No Program will help Park City Transit reduce emissions and lower the cost of ownership of its transit fleet.

Although electric bus technology is relatively new, the maturity of Proterra's bus technology is evidenced through logging more than 2 million miles in revenue service, eliminating 460,000 gallons of fuel with their 60 existing vehicles delivered in North America. The electric buses will require a brief charge from either of the two Park City Transit overhead charging stations; they are located both at the Kimball Junction and Old Town Transit Centers. This contract includes the acquisition and installation of this charging infrastructure.

Park City Municipal will be leasing the electric bus batteries. Payments will be covered in the annual Transit operational budget. Leasing the batteries allows Park City Transit to spend less up front capital funds, while protecting battery performance for the useful life of buses.

Department Review

The City Manager's Office, the City Attorney's Office, Budget, and Public Works have reviewed this staff Report.

Funding Source

The Transit Department received an FTA award, administered by UDOT, which will reimburse the City up to 79% (\$3,905,378) of the cost of each vehicle. The remaining 21% (\$1,020,697) will be local matching funds - \$520,697 will go towards the electric bus procurement; the remaining \$500,000 of local match will be used for the installation of the purchased charging equipment.

PARK CITY MUNICIPAL CORPORATION CONTRACT

CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into in duplicate this ____ day of _____, 2017, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, ("City"), and PROTERRA, a South Carolina corporation ("Contractor / Service Provider").

WITNESSETH:

WHEREAS, the City engaged in a Federal Transit Administration ("FTA") Competitive Funding Opportunity, partnering with the Utah Department of Transportation ("UDOT") and electric bus manufacturer Proterra; and

WHEREAS, City was awarded FTA FY16 federal dollars under the Low-No Emission Bus grant program for six (6) 40-foot LOW FLOOR BUSES, ("Bus" or "Buses"), according to the conditions of the Low-No Emission Grant Program and all addenda thereto; and

WHEREAS, on May 6, 2016, the City received a letter of support from Contractor / Service Provider expressing an interest in providing the Buses for the City; and

WHEREAS, the City wishes to procure the Buses according to the specifications, terms, and conditions listed in the FTA Low-No Emission Grant Program guidelines to qualify with stated partnerships and all addenda thereto;

WHEREAS, City has determined that Contractor / Service Provider is a responsive and responsible partner bidder for the zero-emission Buses to be purchased under the grant and all addenda thereto; and

WHEREAS, Contractor / Service Provider is willing to furnish the zero-emission Buses in accordance with the terms hereof.

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

1. TO BE PROVIDED BY CONTRACTOR / SERVICE PROVIDER.

Contractor / Service Provider hereby agrees to furnish and deliver six (6) Buses in accordance with the requirements of the grant, including all forwarding and duty charges, F.O.B. to: Park City Municipal Corporation, Public Works, 1053 Iron Horse Drive, Park City, Utah, by the following schedule: six (6) 40-foot Battery-Electric Low Floor Buses are to be delivered no later than May 30, 2017.

PARK CITY MUNICIPAL CORPORATION CONTRACT

CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

Contractor / Service Provider further agrees to furnish up to two (2) overhead charger units, one (1) in-depot charger unit, and a diagnostic tool/spare parts kit.

2. TERM.

No work shall occur prior to the issuance of a Notice to Proceed which cannot occur until execution of this Agreement, which execution date shall be the commencement of the term. The Agreement shall terminate five (5) years following the execution hereof.

3. AGREEMENT DOCUMENTS

This Agreement incorporates by reference the following:

- A. Attachment A – Scope of Service
- B. Attachment B – Technical Specifications & Sales Order
- C. Attachment C – Warranty Provisions
- D. Attachment D – Charging Station Specification
- E. Attachment E – Recommended Spare Parts Package
- F. Attachment F – Training Program

4. AGREEMENT AMOUNT.

The purchase price for each Bus shall not exceed Six Hundred Fourteen Thousand Six Hundred Seventy-Nine Dollars (\$614,679.00), which is comprised of a base price of Four Hundred Sixty Thousand Three Hundred Fifty Dollars (\$460,350.00), Park City's Customized Configuration price of One Hundred Forty-Seven Thousand Fifty-Four Dollars (\$147,054.00), and a Spare Part Module of Seven Thousand Two Hundred Seventy-Five Dollars (\$7,275.00). A Battery Service Agreement, provided for battery usage, is included under a separate agreement.

The purchase price for two Overhead Charging Stations and a Depot Charger shall not exceed Seven Hundred Thirty-Eight Thousand Dollars (\$738,000.00) with each Overhead Charging Station at Three Hundred Forty-Nine Thousand Dollars (\$349,000.00), and a Depot Charger at Forty Thousand Dollars (\$40,000.00).

PARK CITY MUNICIPAL CORPORATION CONTRACT

CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

The purchase price for six (6) Buses and the Charging Equipment shall not exceed Four Million Four Hundred Twenty-Six Thousand Seventy-Five Dollars (\$4,426,075.00) with all items complying with the specifications by the City, including all addenda, approved proposal deviations, and this Agreement. Unless otherwise indicated, the prices shown shall not include taxes of any kind. Park City Municipal Corporation is exempt from Federal Excise Tax under Chapter 32 of the Internal Revenue Code. (Our Registration Number is 87-6000260.) Park City Municipal Corporation is exempt from Utah State sales and use taxes pursuant to the provisions of Sections 11-20-55 and 59-15-06 Utah Code Annotated 1953.

5. TERMS OF PAYMENT

The City shall pay Contractor / Service Provider an amount not to exceed the total price of Four Million Four Hundred Twenty-Six Thousand Seventy Five Dollars (\$4,426,075.00) ("Agreement Amount") for the buses and charging equipment within thirty (30) days of acceptance of the Buses. The Agreement Amount includes payment for all work and materials expended to complete this Project, which shall include the cost of all bonds, insurance, and all charges, fees, permits, expenses or assessments of whatever kind or character that are or may be necessary to complete this Project.

Prior to Park City's final acceptance of each Bus, each Bus shall undergo Park City's reasonable tests prior to final acceptance of each Bus. Each Bus will be deemed accepted by Park City only when the Contractor has complied in all material respects with the Bus Performance Criteria. Acceptance will not be completed until the Contractor has made all reasonably requested repairs to the Bus. Park City agrees and acknowledges that it must make its determination on acceptance or non-acceptance no later than twelve (12) calendar days following receipt of each Bus under this Contract or the Bus shall be deemed accepted, and that in the event of any non-acceptance, Park City shall provide Contractor a reasonably detailed description of the reasons for non-acceptance. Park City shall not be able to reject or not accept a Bus after such twelve (12) calendar day period. Notwithstanding the foregoing, placement of any non-accepted Bus into service shall, notwithstanding anything to the contrary in this Agreement, be deemed acceptance of such Bus.

The Contractor's pre-delivery tests and inspections of all Buses shall be performed at or near the Contractor's plant/facility, and they shall be witnessed by Park City's inspector(s). If Park City inspects and accepts a Bus at or near Contractor's plant/facility, and such Bus has not materially changed when it has been delivered and received by Park City as compared to when such Bus was inspected and accepted at or near Contractor's plant/facility, then Park City shall not and may not then reject such delivered and received

PARK CITY MUNICIPAL CORPORATION CONTRACT

CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

Bus. No post-delivery test/inspection shall apply criteria that are different from the criteria applied in any pre-delivery test/inspection.

6. GUARANTEES.

PROPOSAL GUARANTEE

The Contractor/Service Provider shall furnish to the City a Letter of Credit (LOC) valued at 15% of the total contract value, which equates to Six Hundred Sixty-Three Thousand Nine Hundred Eleven Dollars (\$663,911.00) from a financially secure institution, such as a bank, as a cash guarantee of the City's purchase of six (6) 40-foot Low Floor Buses, two (2) Over head charging stations and one (1) depot charger on acceptance of their bid.

7. INDEPENDENT CONTRACTOR / SERVICE PROVIDER RELATIONSHIP.

- A. The parties intend that an independent Contractor / Service Provider/City relationship will be created by this Agreement. No agent, employee, or representative of the Contractor / Service Provider shall be deemed to be an employee, agent, or representative of the City for any purpose, and the employees of the Contractor / Service Provider are not entitled to any of the benefits the City provides for its employees. The Contractor / Service Provider will be solely and entirely responsible for its acts and for the acts of its agents, employees, subcontractors or representatives during the performance of this Agreement.
- B. In the performance of the products and services herein contemplated the Contractor / Service Provider is an independent contractor with the authority to control and direct the performance of the details of the work; however, the results of the work contemplated herein must meet the approval of the City and shall be subject to the City's general rights of inspection and review to secure the satisfactory completion thereof.

8. CONTRACTOR / SERVICE PROVIDER EMPLOYEE/AGENTS.

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

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

9. HOLD HARMLESS INDEMNIFICATION.

- A. The Contractor/Service Provider shall indemnify and hold the City and its agents, employees, and officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against the City arising out of, in connection with, or incident to the execution of this Agreement and/or the Contractor / Service Provider's defective performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of the City, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor/Service Provider; and provided further, that nothing herein shall require the Contractor/Service Provider to hold harmless or defend the City, its agents, employees and/or officers from any claims arising from the sole negligence of the City, its agents, employees, and/or officers. The Contractor/Service Provider expressly agrees that the indemnification provided herein constitutes the Contractor / Service Provider's limited waiver of immunity as an employer under Utah Code Section 34A-2-105; provided, however, this waiver shall apply only to the extent an employee of Contractor/Service provider claims or recovers compensation from the City for a loss or injury that Contractor/Service provider would be obligated to indemnify the City for under this Agreement. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.
- B. No liability shall attach to the City by reason of entering into this Agreement except as expressly provided herein. In no event will either party hereto be liable to the other party hereto for any indirect, incidental, consequential, or punitive damages, or for loss of profits or revenue. Contractor / Service Provider's cumulative liability under this Agreement will not exceed the lesser of Two Million Dollars (\$2,000,000.00) or the aggregate amount paid by the City pursuant to this Agreement; provided that such liability cap shall not include any insurance proceeds actually received and paid to the City pursuant to Section 10 below.

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

10. INSURANCE.

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

- A. General Liability insurance written on an occurrence basis with limits no less than Two Million Dollars (\$2,000,000) combined single limit per occurrence and Four Million Dollars (\$4,000,000) aggregate for personal injury, bodily injury and property damage.

The Service Provider shall increase the limits of such insurance to at least the amount of the Limitation of Judgments described in Section 63G-7-604 of the Governmental Immunity Act of Utah, as calculated by the state risk manager every two years and stated in Utah Admin. Code R37-4-3.

- B. Automobile Liability insurance with limits no less than Two Million Dollars (\$2,000,000) combined single limit per accident for bodily injury and property damage.
- C. Professional Liability (Errors and Omissions) insurance with annual limits no less than One Million Dollars (\$1,000,000) per occurrence. If written on a claims-made basis, the Service Provider warrants that the retroactive date applicable to coverage precedes the effective date of this agreement; and that continuous coverage will be maintained for an extended reporting period and tail coverage will be purchased for a period of at least three (3) years beginning from the time that work under this agreement is complete.
- D. Workers Compensation insurance limits written as follows:

Bodily Injury by Accident Five Hundred Thousand Dollars (\$500,000) each accident; Bodily Injury by Disease Five Hundred Thousand Dollars

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

(\$500,000) each employee, Five Hundred Thousand Dollar (\$500,000) policy limit.

- E. The City shall be named as an additional insured on general liability and auto liability insurance policies, with respect to work performed by or on behalf of the Service Provider and a copy of the endorsement naming the City as an additional insured shall be attached to the Certificate of Insurance. Should any of the above described policies be cancelled before the expiration date thereof, Service Provider shall deliver notice to the City within thirty (30) days of cancellation. The City reserves the right to request certified copies of any required policies.
- F. The Service Provider's insurance shall contain a clause stating that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

11. TREATMENT OF ASSETS.

Title to all property furnished by the City shall remain in the name of the City and the City shall become the owner of the work product including patent rights with respect to any discovery or invention which arises or is developed in the course of or under this contract, copyrights and rights in data and other documents, if any, prepared by the Contractor / Service Provider pursuant to this Agreement (contingent on City's performance hereunder).

12. COMPLIANCE WITH LAWS AND WARRANTIES.

- A. The Contractor / Service Provider, in the performance of this Agreement, shall comply with all applicable federal regulations, state, and local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in this Agreement to assure quality of services.

PARK CITY MUNICIPAL CORPORATION CONTRACT

CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

- B. Unless otherwise exempt, the Service Provider is required to have a valid Park City business license.
- C. The Contractor / Service Provider specifically agrees to pay any applicable fees or charges which may be due on account of this Agreement.
- D. Contractor/Service provider agrees to maintain products and parts as per service guidelines and warranty. Contractor/Service Provider also agrees to warranty replacement products and parts as necessary. The warranty agreement will remain valid through the entirety of duration as detailed for each manufacturer's warranty. This warranty agreement will terminate only upon the expiration of the final warranty date. This warranty agreement is not valid for products and parts with expired warranties. Warranty of products and parts provide City assurance to best protect City owned assets as specified by FTA grant guidelines.
- E. If this Agreement is entered into for the physical performance of services within Utah the Service Provider shall register and participate in E-Verify, or equivalent program. The Service Provider agrees to verify employment eligibility through E-Verify, or equivalent program, for each new employee that is employed within Utah, unless exempted by Utah Code Ann. § 63G-12-302.
- F. Service Provider shall be solely responsible to the City for the quality of all services performed by its employees or sub-contractors under this Agreement. Service Provider hereby warrants that the services performed by its employees or sub-contractors will be performed substantially in conformance with the standard of care observed by similarly situated companies providing services under similar conditions.

13. NONDISCRIMINATION.

- A. The City is an equal opportunity employer.
- B. In the performance of this Agreement, the Contractor/Service Provider will not discriminate against any employee or applicant for employment on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap; provided that the prohibition against discrimination in employment because of handicap shall not apply if the particular disability prevents the proper performance

PARK CITY MUNICIPAL CORPORATION CONTRACT

CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

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

- C. The Contractor/Service Provider will not discriminate against any recipient of any services or benefits provided for in this Agreement on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap.
- D. If any assignment or subcontracting has been authorized by the City, said assignment or subcontract shall include appropriate safeguards against discrimination. The Contractor/Service Provider shall take such action as may be required to ensure full compliance with the provisions in the immediately preceding paragraphs herein.

14. ASSIGNMENTS/SUBCONTRACTING.

- A. The Contractor/Service Provider shall not assign its performance under this Agreement or any portion of this Agreement without the written consent of the City, and it is further agreed that said consent must be sought in writing by the Contractor / Service Provider not less than thirty (30) days prior to the date of any proposed assignment. The City reserves the right to reject without cause any such assignment.
- B. Any work or services assigned hereunder shall be subject to each provision of this Agreement and property bidding procedures where applicable as set forth in local, state or federal statutes, ordinance and guidelines.
- C. Any technical/professional service subcontract not listed in this Agreement, must have express advance approval by the City.

PARK CITY MUNICIPAL CORPORATION CONTRACT

CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

- D. Each subcontractor that physically performs services within Utah shall submit an affidavit to the Service Provider stating that the subcontractor has used E-Verify, or equivalent program, to verify the employment status of each new employee, unless exempted by Utah Code Ann. § 63G-12-302.

15. INTELLECTUAL PROPERTY

- A. Contractor / Service Provider Ownership. The Contractor / Service Provider / Service Provider shall retain ownership of (1) any patents; (2) inventions, discoveries (whether patentable or not in any country), invention disclosures, improvements, trade secrets, proprietary information, know-how, technology and technical data; (3) copyrights, copyright registrations, mask works, mask work registrations, and applications therefor in the United States, and anywhere in the world, and all other rights corresponding thereto throughout the world; and (4) any other proprietary rights or intellectual property (collectively, the “Intellectual Property”) in or to the technology associated with the Buses supplied to City under this Agreement. City and Contractor / Service Provider agree that Contractor / Service Provider shall own any Intellectual Property developed in connection with the Buses purchased through this Agreement, including, without limitation, any alterations or modifications to the Buses purchased under this Agreement whether made or developed by City or any other party (the “Developed Technology”). City hereby assigns and agrees to assign to Contractor / Service Provider, all right, title and interest in the Developed Technology (including all intellectual property rights therein) and the Intellectual Property.
- B. License to City. The Contractor / Service Provider hereby grants to City a royalty-free, paid-up, non-exclusive, non-transferable license to use the Intellectual Property for purposes of operations and maintenance of the Buses supplied under this Agreement and for related governmental purposes. City agrees that it will not use the Intellectual Property for any commercial or manufacturing purpose, or any purpose not expressly authorized pursuant to this Agreement.

PARK CITY MUNICIPAL CORPORATION CONTRACT

CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

- C. Use of Information. City may disclose information relating to or generated by the Intellectual Property as follows: to its Service Contractor / Service Provider, but only to the extent necessary to allow such party to operate and/or maintain the Buses, and subject to such party's execution of a nondisclosure agreement and its agreement to comply with the provisions of this Section. City further agrees that it will not, and it will not allow any third party to, reverse engineer the Bus.
- D. Warranty. The Contractor / Service Provider warrants that it is the owner of the Intellectual Property, that it has the right to convey and grant the license described in subsection B, and that City's use thereof as contemplated in this Section, will not infringe upon any third party's proprietary rights. The Contractor / Service Provider further agrees to defend and indemnify City against all costs and damages arising from claims by a third party that City's use of the Intellectual Property as contemplated in this Section infringes upon or violates such party's rights. In the event City learns that any goods furnished hereunder or any Intellectual Property violates or infringes upon a third party's rights, City shall immediately notify in writing Contractor / Service Provider of such and shall reasonably cooperate with Contractor / Service Provider with any such claim.
- E. Developed Data and Technology. Information and data developed or collected by City from the Bus including, but not limited to, Bus energy consumption, emissions reduction, operating cost and performance and related matters, shall be owned by the Contractor / Service Provider, provided that Contractor / Service Provider hereby grants to City a royalty-free, paid-up, non-exclusive, non-transferable license to use such information and data for its own internal purposes, subject to any rights under Federal law or regulations. Contractor / Service Provider reserves the right to present any such data to third parties without the consent of City. Any modifications or alterations to the Contractor / Service Provider's Intellectual Property made by the Contractor / Service Provider in the performance of this Agreement shall be owned by the Contractor / Service Provider.
- F. Survival. This Section shall survive termination or expiration of this Contract.

16. CHANGES.

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

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

17. MAINTENANCE AND INSPECTION OF RECORDS

- A. The Contractor/Service Provider shall maintain books, papers, records and documents, which sufficiently and properly reflect all direct and indirect costs related to the performance of this Agreement or which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcriptions, and shall maintain such accounting procedures and practices as may be necessary to assure proper accounting of all funds paid pursuant to this Agreement. These records shall be subject at all reasonable times to inspection, review, or audit by the City, its authorized representative, the State Auditor, the Federal Transit Authority, the Comptroller General of the United States, any of their duly authorized representatives or other governmental officials authorized by law to monitor this Agreement.
- B. The Contractor/Service Provider shall retain all books, records, documents and other material relevant to this Agreement for six (6) years after its expiration. The Contractor / Service Provider agrees that the City or its designee, including the Federal Transit Authority or the Comptroller General of the United States, or any of their duly authorized representatives, shall have full access and right to examine any of said materials at all reasonable times during said period.
- C. The Contractor / Service Provider shall, at such times and in such form as the City may require, make available for examination by the City, its authorized representatives, the State Auditor, or other governmental officials authorized by law to monitor this Agreement all such books, records, documents, statements, reports, data, information, and other material with respect to matters covered, directly or indirectly, by this

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

Agreement. The Contractor / Service Provider shall permit the City or its designated authorized representative to audit and inspect other data relating to all matters covered by this Agreement. The City may, at its discretion, conduct an audit at its expense, using its own or outside auditors, of the Contractor / Service Provider's activities, which relate directly or indirectly to this Agreement.

- D. The City is subject to the requirements of the Government Records Access and Management Act, Chapter 2, Title 63G, Utah Code Annotated, 1953, as amended and Park City Municipal Code Title 5 ("GRAMA"). All materials submitted by Contractor / Service Provider pursuant to this Agreement are subject to disclosure unless such materials are exempt from disclosure pursuant to GRAMA. The burden of claiming and exemption from disclosure rests solely with Contractor / Service Provider. Any materials for which Contractor / Service Provider claims a privilege from disclosure based on business confidentiality shall be submitted marked as "confidential - business confidentiality" and accompanied by a concise statement from Contractor / Service Provider of reasons supporting its claim of business confidentiality. Generally, GRAMA only protects against the disclosure of trade secrets or commercial information that could reasonably be expected to result in unfair competitive injury. The City will make reasonable efforts to notify Contractor / Service Provider of any requests made for disclosure of documents submitted under a claim of confidentiality. Contractor / Service Provider specifically waives any claims against the City related to any disclosure of materials pursuant to GRAMA.

PARK CITY MUNICIPAL CORPORATION CONTRACT

CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

18. POLITICAL ACTIVITY PROHIBITED.

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

19. PROHIBITED INTEREST, NO THIRD PARTY RIGHTS AND NO GRATUITY TO CITY EMPLOYEES.

- A. No member, officer, or employee of the City shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.
- B. Nothing herein is intended to confer rights of any kind in any third party.
- C. No City employee who has procurement decision making authority and is engaged in the procurement process, or the process of administering a contract may knowingly receive anything of value including but not limited to gifts, meals, lodging or travel from anyone that is seeking or has a contract with the City.

20. MODIFICATIONS TO TASKS AND MISCELLANEOUS PROVISIONS.

- A. All work proposed by the Contractor / Service Provider is based on current government ordinances and fees in effect as of the date of this Agreement.
- B. Any changes to current government ordinances and fees which affect the scope or cost of the services proposed may be billed as an “extra” pursuant to Paragraph 3(C), or deleted from the scope, at the option of the City.
- C. The City shall make provision for access to the property and/or project and adjacent properties, if necessary for performing the services herein.

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

21. DEFAULT, REMEDY AND TERMINATION.

The City may terminate this agreement upon the occurrence of one or more of the following events:

A. If Contractor / Service Provider or any Subcontractor should substantially violate any of the provisions of this contract;

B. If Contractor / Service Provider substantially fails to perform any part of this Agreement;

C. If Contractor / Service Provider repeatedly fails or becomes unable to perform the services under this Agreement as required herein, or substantially fails to provide services under this Agreement for a period of ninety six (96) hours;

D. If Contractor/Service Provider (1) shall become insolvent in a bankruptcy sense; (2) shall be generally not paying its debts as they become due, or within a reasonable time thereafter; (3) shall suffer, voluntarily or involuntarily, the entry of an order by any court or governmental authority authorizing the appointment of or appointing of a custodian (as that term is defined in 11 U.S.C. '101[10]), receiver, trustee, or other officer with similar powers with respect to it or any portion of its property which remains undismissed for a period of ninety (90) days; (4) shall suffer, voluntarily or involuntarily, with or without judicial or governmental authorization, any such custodian, receiver, trustee, or other officer with similar powers to take possession of any part of its property which third party remains in possession for an excess of ninety (90) days; (5) shall suffer, voluntarily or involuntarily, the filing of a petition respecting an assignment for the benefit of creditors which is not dismissed for a period of ninety (90) days; (6) shall be dissolved; (7) shall become the subject of any proceeding, suit, or action at law or in equity under or relating to any bankruptcy, reorganization or arrangement of debt, insolvency, readjustment of debt, receivership, liquidation, or dissolution law or statute or amendments thereto to be commenced by or against it or against any of its property which remains undismissed for a period of ninety (90) days; (8) shall voluntarily suspend substantially all of its business operations; or (9) shall take action for the purpose of any of the foregoing,

After serving fifteen (15) days written notice on the Contractor/Service Provider and the financial institution behind its *Letter of Credit (LOC)* upon the City's

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

intention to terminate the services of Contractor / Service Provider for one of the reasons in A through D above, and if within fifteen (15) days after serving such notice, if the specific violation in A through D above is not corrected to City's reasonable satisfaction, the City then may call upon LOC to convert payments back to the City and execute an interest-bearing loan (with such interest to not exceed four (4) percent) for Contractor/Service Provider of six (6) 40-foot Low Floor Buses, two (2) Over head charging stations and one (1) depot charger.

The Contractor / Service Provider shall be entitled to a hearing before a City hearing officer upon the issue of termination if it submits a written request therefore within seven (7) days of the service of the notice of the City's intent to terminate. The Contractor / Service Provider shall be entitled to be heard at such hearing on the issue of termination. The Contractor / Service Provider shall not bring an action against the City, its officers, agents or employees arising out of or relating to the termination of this Agreement before the decision is issued by the City's hearing officer(s).

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of any provision of this Agreement shall not be construed to be modification of the terms of this Agreement, unless stated to be such in writing, signed by the City's authorized representative.

The Contractor / Service Provider shall continue the performance of this Agreement to the extent not terminated under the provisions of this section.

The rights and remedies of the City provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

22. NOTICE.

Notice provided for in this Agreement shall be sent by certified mail to the addresses designated for the parties on the last page of this Agreement. Notice is effective upon the date it was sent, except that a notice of termination pursuant to paragraph 21 is effective upon receipt. All reference to "days" in this Agreement shall mean calendar days.

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

23. DISPUTES

Except as otherwise provided in this Agreement, any disputes concerning a question of fact arising under this Agreement which is not disposed of by Agreement shall be decided by the City. The decision of the City shall be final and conclusive unless, within thirty (30) days from the date of receipt of such decision, the Contractor/Service Provider shall mail or otherwise furnish the City a written signed appeal addressed to the Project Manager/Engineer. In connection with any appeal proceeding under this clause, the Contractor/Service Provider will be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor / Service Provider will proceed diligently with the performance of the contract and in accordance with the City's decision. The decision of the City shall be final and conclusive, but shall not be arbitrary or unreasonable.

24. ATTORNEYS FEES AND COSTS.

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

25. JURISDICTION AND VENUE.

- A. This Agreement has been and shall be construed as having been made and delivered with the State of Utah, and it is agreed by each party hereto that this Agreement shall be governed by laws of the State of Utah, both as to interpretation and performance.
- B. Any action of law, suit in equity, or judicial proceeding for the enforcement of this Agreement, or any provisions thereof, shall be instituted and maintained only in any of the courts of competent jurisdiction in Summit County, Utah.

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

26. SEVERABILITY.

- A. If, for any reason, any part, term, or provision of this Agreement is held by a court of the United States to be illegal, void or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.
- B. If it should appear that any provision hereof is in conflict with any statutory provision of the state of Utah, said provision which may conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform in such statutory provisions.
- C. It is agreed by the Parties that the forgiveness of the non-performance of any provision of this Agreement does not constitute a subsequent waiver of the provisions of this Agreement. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party.

27. ADDITIONAL TERMS.

City must comply with the following:

- (1) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5).
- (2) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part (11)).
- (3) Compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

28. ENTIRE AGREEMENT.

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

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

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

Diane Foster, City Manager

Attest:

City Recorder's Office

Approved as to form:

City Attorney's Office

PROTERRA INC., a South Carolina corporation

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

1 Whitlee Court
Greenville, SC 29607

Tax ID#: _____

Signature

Printed name

Title

STATE OF

COUNTY OF

On this ____ day of _____, 2016, personally appeared before me _____, whose identity is personally known to me/or proved to me on the basis of satisfactory evidence and who by me duly sworn/affirmed, did say that he/she is the _____ (*title or office*) of PROTERRA, INC., a South Carolina corporation, by Authority of its Bylaws/Resolution of the Board of Directors, and acknowledged that he/she signed it voluntarily for its stated purpose as _____ (*title*) for PROTERRA, INC., a South Carolina corporation.

Notary Public

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

ATTACHMENT “A”

Scope of Service

Attached hereto and made part of this Agreement are related documents hereinafter listed which are hereby incorporated into this Agreement by reference and made part hereof which comprise the Agreement:

Exhibit A – Proterra Letter of Support

Exhibit B – Low or No Emission Bus Program (5339(c)) – Applicant and Proposal Profile

Exhibit C – Fiscal Year 2016 Low or No Emission (Low-No) Bus Program Projects award list (UDOT - \$3,905,378 Federal apportionment)

Exhibit D – Reserved for Price Proposal and Cost Worksheet

Exhibit E – Pre Build Configuration Document

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

ATTACHMENT “B”

Technical Specifications & Sales Order

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

ATTACHMENT "C"

Warranty Provisions

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

ATTACHMENT "D"

Charging Station Specification and Installment Information

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

ATTACHMENT "E"

Recommended Spare Parts Package

PARK CITY MUNICIPAL CORPORATION CONTRACT
CONTACTOR/SERVICE PROVIDER /PROFESSIONAL SERVICES AGREEMENT

ATTACHMENT "F"

Training Program



1 Whitlee Court, Greenville, SC 29607
Phone (864) 438-0000
Fax (864) 281-1894
www.proterra.com

May 6, 2016

Mr. Blake Fannesbeck
Public Works Director
Public Works - Transit Bus
1053 Ironhorse Drive
Park City, UT 84060-1480

Subject: Letter of Support for Park City Transit's Low-No Program Application

Dear Mr. Fannesbeck:

Proterra Inc (Proterra) is pleased to provide this letter of support to Park City Transit (PCT) in support of PCT's proposed capital acquisition and deployment of zero-emission transit buses and associated charging infrastructure in response to FTA's FY 2016 Low or No Emission Bus Program (Low-No Program).

PCT's proposed project will deploy six (6) zero-emission, fast-charge Proterra Catalyst FC battery-electric buses on a BRT style route connecting Kimball Junction Transit Center and the Old Town Transit Center. The project also includes the acquisition and installation of charging infrastructure to recharge the batteries both on-route and at the PCT maintenance depot. Participation in the Low-No Program will help PCT to reduce emissions and lower the total cost of ownership of its transit fleet. The deployment of zero-emission buses is an important contribution to efforts to improve air quality in PCT.

Of special interest to Proterra is PCT's commitment to using the FTA allowed battery-leasing approach to purchasing these vehicles. Leasing batteries allows PCT to spend less up front capital funding while also protecting battery performance for the useful life of the vehicle. Additionally, this project will prove out the notion that operational savings from lower maintenance and fuel costs will easily cover the monthly lease payments for the batteries. If this project is funded, it could provide an example for all transit agencies in North America that battery-leasing is a way to deploy electric buses faster with less capital funds.

As the market leader of battery-electric buses in North America, Proterra brings considerable experience and reliability to the project as the bus OEM partner selected by PCT. Proterra has worked hand-in-hand with transit agencies across North America to develop their battery-electric transit fleet and would gladly welcome Park City to the list of progressive communities that are incorporating zero-emission vehicles while providing critical transportation services to its citizens.

The maturity of Proterra's battery-electric technology is evidenced by Proterra buses logging more than 2 million miles in revenue service and eliminating the consumption of more than 460,000 gallons of fuel, amounting to over 8.5 million pounds of Greenhouse Gas emissions prevented by the more than 60 vehicles delivered in North America. Proterra pledges its full support of Park City's mission to provide environmentally-friendly, Altoona-tested transportation to the citizens of Park City, Utah.

Proterra looks forward to partnering with PCT on this project.

Sincerely,

A handwritten signature in blue ink, appearing to read "R Popple", is written over a light blue horizontal line.

Ryan Popple
Chief Executive Officer



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

Executive Summary

The Transit Department is proposing entering into a service provider agreement to lease batteries from the electric bus manufacturer Proterra, Inc. to power the six (6) new zero-emission, fast charge Proterra Catalyst FC battery-electric buses that meet the specifications listed in the FTA Low-No Emission Grant Program. FTA funds have been awarded through UDOT. Battery-leasing is a way to purchase more buses with the available grant funds, and lease the batteries out of operational funds in the same manner as diesel fuel is budgeted annually for a diesel bus. This reduces the City risk in regards to battery longevity and replacement, versus battery ownership.

Respectfully:

Blake Fannesbeck, Public Works Director



City Council Staff Report

Subject: Proterra Battery Lease Agreement
Author: Blake Fannesbeck
Department: Transit Department
Date: January 12, 2017
Type of Item: Consent Agenda

Summary Recommendation

Authorize the City Manager to execute a contract with Proterra, in a form approved by the City Attorney, for the electric bus battery leasing, for a total of \$2,931,900 over a 12 year agreement, as necessary power for the procurement of six (6) 40-foot battery-electric LOW FLOOR BUSES, and related charging equipment, through the Federal Transit Administration (FTA) 5339c "Low-No Emission" grant program and a partnership with the Utah Department of Transportation (UDOT).

Executive Summary

The Transit Department is proposing entering into a service provider agreement to lease batteries from the electric bus manufacturer Proterra, Inc. to power the six (6) new zero-emission, fast charge Proterra Catalyst FC battery-electric buses that meet the specifications listed in the FTA Low-No Emission Grant Program. FTA funds have been awarded through UDOT. Battery-leasing is a way to purchase more buses with the available grant funds, and lease the batteries out of operational funds in the same manner as diesel fuel is budgeted annually for a diesel bus. This reduces the City risk in regards to battery longevity and replacement, versus battery ownership.

Acronyms

BRT – Bus Rapid Transit
FTA – Federal Transit Administration
RFP – Request for Proposals
UDOT – Utah Department of Transportation

The Problem

Battery ownership is expensive, raising the overall cost of fleet ownership. Limited quantities of owned batteries can fail or have limited performance over time. Leased-batteries can be exchanged out, protecting battery performance and extending the useful life of the battery-electric buses. Additionally, battery technology is advancing each year and the City would like the ability to take advantage of those advances.

Background

- 2016 Short-Range Transit Development Plan(s) identified that future consideration should be given to electric buses as they continue to rapidly evolve.

- Park City Transit Department has received a 5339c FTA “Low-No” grant (for the purchase of buses, related equipment and facilities), which will reimburse 79% of the total \$4,926,075 cost or \$3,905,378 for six (6) rapid charge electric buses. This FTA Grant is administered through UDOT. Park City Municipal is responsible for remaining 21% or \$1,020,697 of local matched funding- \$520,697 will go towards the electric bus procurement; the remaining \$500,000 of local match will be used for the installation of the purchased charging equipment.
- Through extensive research Proterra was found to be the sole service provider of battery electric technology that fits the needs of Park City Transit. See attached Letter of Support to partner with Park City Municipal from May 2016.
- These buses will be ready for route service Summer 2017

<u>Date</u>	<u>Item</u>
January 6, 2017	Proterra Battery Lease Agreement Jan 6, 2017
May 2016	Proterra Letter of Support

Alternatives for City Council to Consider

1. Recommended Alternative:

Lease electric batteries from Proterra

Pros

- a. More affordable, since battery costs will come from operational funds, leaving FTA award to be used solely electric buses and associated charging equipment.
- b. Proterra owns all batteries so all related risk and maintenance will be managed by Proterra.

Cons

- a. Electric batteries need repeat charging every several round trips, not yet applicable for most Park City routes, and lack capabilities to backup and store energy during power outages.

2. Purchase batteries from Proterra.

Pros

- a. Park City will have ultimate control over batteries.

Cons

- a. If electric batteries are owned outright then Park City will ultimately be responsible for all costs associated with their maintenance and eventual replacement.

Analysis

As part of the FTA Low-No Grant program, Park City has partnered with Proterra Inc. to procure six (6) zero-emission, fast charge Proterra Catalyst FC battery-electric buses to run on a BRT route in conjunction with the existing diesel fleet. Participation in the FTA Low-No Program will help Park City Transit reduce emissions and lower the cost of ownership of its transit fleet.

Park City Municipal will be leasing the electric bus batteries. Batteries will be replaced by Proterra when they reach 70% of original useable energy capacity through the 12-

year life of the bus, as per Battery Service Agreement. Proterra's proposed total cost for the electric bus batteries throughout the 12-year Agreement is a non-Capital cost of \$2,931,900 for all six (6) buses, or each 4-year funding as follows: 1st funding \$1,731,900; 2nd funding \$720,000; and 3rd funding \$480,000. The lease payments of the batteries will be covered through the annual Transit Department operational budget for a total of \$2,931,900 over 12 years. Leasing the batteries allows Park City Transit to spend less up front capital funds, while protecting battery performance for the useful life of buses.

Department Review

The City Manager's Office, the City Attorney's Office, Budget, and Public Works have reviewed this Staff Report.

Funding Source

The lease payments of the batteries will be covered through the annual Transit Department operational budget.

BATTERY SERVICES AGREEMENT

This BATTERY SERVICES AGREEMENT (this “Agreement”), dated as of _____, 2016 (the “Effective Date”), is entered into by and between **PROTERRA INC.**, a Delaware corporation with a place of business located at 1 Whitlee Court, Greenville, South Carolina (“Proterra”), and [**PARK CITY MUNICIPAL CORPORATION**, a Utah municipal corporation], with a principal administrative office located at 445 Marsac Avenue, Park City UT 84060-1480 (“Customer”). Proterra and Customer are sometimes individually referred to as a “Party” and collectively as the “Parties.”

WHEREAS, Proterra and Customer are parties to that certain (a) Agreement dated as of _____, 2016 (the “Bus Contract”), pursuant to which, among other things, Proterra has agreed to sell to Customer, and Customer has agreed to purchase from Proterra, six 40-foot Catalyst electric buses (individually, a “Bus” and, collectively, the “Buses”), and (b) Agreement dated as of _____, 2016 (the “Charging Unit Contract”; together with the Bus Contract, each as amended, supplemented or otherwise modified from time to time, collectively, the “Sales Contract”)¹, pursuant to which, among other things, Proterra has agreed to sell to Customer, and Customer has agreed to purchase from Proterra, two overhead fast charging units and one in-depot charging unit (individually a “Charging Unit” and, collectively, the “Charging Units”) for use with the Buses and one in-depot charging units, subject to the terms and conditions of the applicable Sales Contract; and

WHEREAS, Proterra is a manufacturer and service provider of Catalyst Fast Charge batteries of a type for use with the Buses, and the Parties hereto desire that Proterra, in connection with the sale of the Buses and the Charging Units and for the compensation set forth herein, provide, install, maintain repair and replace batteries (the “Batteries”) and certain related equipment (as more particularly described on Exhibit A attached hereto and made a part hereof, the foregoing equipment and the Batteries being referred to herein collectively as the “Equipment”) to meet Customer’s annual mileage and usage requirements as set forth herein.

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

ARTICLE I **DEFINITIONS**

Section 1.1 Definitions. For purposes of this Agreement, unless the context requires otherwise, the following terms shall have the following meanings:

“Acceptable Use Parameters” has the meaning ascribed to such term in Section 10.4(d) and Exhibit C.

¹ The description of Sales Contract will be revised to refer to specific bus/charger sale contract once final.

“Affiliate” means an entity which controls, is controlled by or is under common control with a Party. As used herein, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise.

“Agreed Service Fee Adjustment” means the adjustment to any Base Service Fee as set forth in Section 6.1(b).

“Agreement” has the meaning set forth in the preamble.

“Annual Base Miles” has the meaning set forth in Section 6.1(a).

“Approvals” means all approvals, consents, permits, licenses and certificates, including all corresponding inspections and authorizations, required by any utility or governmental authority in connection with the provision of any Services hereunder.

“Base Service Fee” or “Base Service Fees” has the meaning set forth in Section 6.1(a).

“Batteries” has the meaning specified in the second Whereas clause of this Agreement, and includes any replacement or substitute batteries at any time provided by Proterra in connection with the Services.

“Bus” or “Buses” has the meaning specified in the first Whereas clause of this Agreement.

“Bus Contract” has the meaning specified in the first Whereas clause of this Agreement, and includes any and all amendments, supplements or other modifications thereto.

“Charging Unit Contract” has the meaning specified in the first Whereas clause of this Agreement, and includes any and all amendments, supplements or other modifications thereto.

“Charging Units” has the meaning specified in the first Whereas clause of this Agreement.

“Claim” has the meaning set forth in Section 8.1.

“Commencement Date” means _____, 2017.

“Confidential Information” shall means information disclosed by a Party to the other Party under this Agreement and may include, but is not limited to, trade secrets, physical samples, financial, business, sales or technical information, terms of agreements, negotiations or proposals, and such other information disclosed (a) in written or other tangible form and marked “Confidential” or with words of similar import, (b) orally or visually and identified as confidential or proprietary information at the time of disclosure, or (c) under circumstances by which the receiving Party should reasonably understand such information is to be treated as confidential, whether or not marked “Confidential” or otherwise. For clarity, “Confidential Information” includes the terms of this Agreement and any information relating to the Equipment and its performance.

“Defaulting Party” has the meaning set forth in Section 10.1.

“Deliverables” means the Equipment, together with any and all ancillary equipment, peripherals, accessories, parts, supplies, software, hardware or other materials from time to time installed by or on behalf of Proterra in respect thereof as necessary or appropriate for the proper installation, monitoring and operation of the Equipment and for the provision of the Services contemplated by this Agreement.

“Dispute” has the meaning set forth in Section 12.1.

“Effective Date” has the meaning set forth in the Preamble.

“Environmental Laws” means all federal, state and local laws, statutes, ordinances and regulations (including the United States Code of Federal Regulations), now or hereafter in effect, in each case as amended or supplemented from time to time, relating to the regulation and protection of human health, safety, the environment and natural resources, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 *et seq.*), the Hazardous Materials Transportation Act (49 U.S.C. 1801, *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. 6901 *et seq.*), the Toxic Substances Control Act (15 U.S.C. 2601 *et seq.*), the Clean Air Act (42 U.S.C. 7401 *et seq.*), the Federal Water Pollution Control Act (33 U.S.C. 1251 *et seq.*) and the Safe Drinking Water Act (42 U.S.C. 300f *et seq.*).

“Equipment” has the meaning specified in the second Whereas clause of this Agreement and includes all alterations, modifications or improvements thereto and all replacements and substitutions in respect thereof.

“Force Majeure Event” means any act, event or condition beyond a Party’s reasonable control, including acts of God, fire, explosion, accident, floods, earthquakes, embargoes, epidemics, war, terrorism, nuclear disasters or other similar events.

“Hazardous Materials” means: (a) those substances included within the definitions of any one or more of the terms “hazardous materials,” “hazardous wastes,” “hazardous substances,” “industrial wastes,” and “toxic pollutants,” as such terms are defined under the Environmental Laws; (b) petroleum and petroleum products; (c) asbestos and materials containing asbestos; (d) any other hazardous or radioactive substance, material, pollutant, contaminant or waste; and (e) any other substance with respect to which any Environmental Law or governmental authority requires environmental investigation, monitoring or remediation.

“Initial Term” has the meaning set forth in Section 2.1.

“Interconnection Facilities” means all necessary utility and telecommunications lines and conduits connecting the Charging Units to the Property and all related systems servicing the Property.

“Lender” has the meaning set forth in Section 13.10, and includes and successors or assigns.

“Lien” means, with respect to any asset, any mortgage, deed of trust, lien (statutory or otherwise), pledge, charge, security interest, hypothecation, collateral assignment or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to give a security interest in and any authorized filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

“Limited Operational Guaranty” means Proterra’s guarantee that the Batteries will at all times during the Term have an aggregate capacity of equal to or greater than seventy percent (70%) of the original usable capacity of the Batteries as measured by Proterra, as further described and subject to the conditions set forth on Exhibit B attached hereto and made a part hereof.

“Losses” means all losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys’ fees and the cost of enforcing any right to indemnification hereunder.

“Mileage Service Fee Adjustment” means the additional service fees calculated in accordance with Section 6.1(b).

“Property” means the following locations (either owned or leased by Customer) where the Charging Units will be stored or located on the Effective Date: [Park City to provide addresses for the Kimball Junction Transit Center, the Old Town Transit Center and the Transit Maintenance Facility where charging units will be located], and thereafter such other address or addresses in Park City, Utah as Customer designates in a writing given by Customer to Proterra.

“Proprietary Rights” means patents, trademarks, copyrights, trade secrets and any other intellectual or proprietary rights.

“Renewal Term” shall have the meaning specified in Section 2.2, and “Renewal Terms”, means all of the additional periods of four-years each (coextensive with Customer’s fiscal year) for which this Agreement and the Services to be provided hereunder shall be effective in the absence of a termination of this Agreement as provided in Article X.

“Sales Contract” has the meaning specified in the first Whereas clause of this Agreement, and includes any and all amendments, supplements or other modifications thereto.

“Service Fee” means each of the Base Service Fees, together with any Service Fee Adjustments.

“Service Fee Adjustment” means any Mileage Service Fee Adjustment together with any Agreed Service Fee Adjustment.

“Services” means the following services to be provided by Proterra to Customer: (a) the provision of the Equipment that meets the minimum charge requirements of the Customer as set forth on Exhibit B herein; (b) the installation, monitoring, maintenance, repair, replacement and

servicing of the Equipment, in each case, as more fully described in the Article V; and (c) any other ancillary services reasonably necessary or appropriate in the judgment of Proterra to carry out any of the foregoing services. For the avoidance of doubt the term “Services” as used in this Agreement, and the obligations of Proterra under Article V of this Agreement, are not intended to, and shall not be construed as, including any servicing, maintenance or repair obligations on the part of Proterra in respect of any of the Buses or Charging Units.

“Storage Site” means the storage facility or other locations where the Buses are to be kept or stored when not in use, which shall be [1053 Iron Horse Dr., Park City, Utah 84060] **[Park City to confirm addresses]** as of the Effective Date, and thereafter such other address or addresses in Park City, Utah as Customer designates in a writing given by Customer to Proterra.

“Term” or “Term of this Agreement” shall mean the Initial Term and all Renewal Terms provided for in this Agreement under Section 2.2.

ARTICLE II

TERM

Section 2.1 Initial Term. This Agreement and the Services to be provided hereunder shall commence on the Commencement Date and conclude on [REDACTED], 2021² (the “Initial Term”).

Section 2.2 Renewal Terms; Nonappropriations. This Agreement and the Services to be provided hereunder will continue until the end of the Initial Term. Thereafter, this Agreement and the Services to be provided hereunder will be automatically extended for two (2) successive additional periods of four-years each (each, a “Renewal Term”), such first Renewal Term commencing on [REDACTED], 2021 and ending on [REDACTED], 2025,³ and such second Renewal Term commencing on [REDACTED], 2025 and ending on [REDACTED], 2029,⁴ respectively, unless this Agreement is terminated as hereinafter provided.

The Parties understand that as long as Customer has sufficient appropriated funds to make the Service Fee payments required under this Agreement, Customer will keep this Agreement in effect through all Renewal Terms and make all payments required herein. Customer hereby declares that, as of the date of the execution of this Agreement, Customer currently has an essential need for the Services which are the subject of this Agreement to carry out and give effect to the public purposes of Customer. Customer reasonably believes that it will have a need for the Services for the duration of the Initial Term and all Renewal Terms. Customer shall take commercially reasonable efforts to appropriate funds to continue the Services for any and all Renewal Terms; however, if Customer does not appropriate funds necessary to continue the Services for any ensuing Renewal Term, this Agreement will terminate upon the expiration of the Initial Term or the Renewal Term then in effect and Customer shall notify Proterra of such termination at least thirty (30) days prior to the expiration of the Initial

² To refer to the 4th anniversary of the Commencement Date.

³ To refer to the 8th anniversary of the Commencement Date.

⁴ To refer to the 12th anniversary of the Commencement Date.

Term or the Renewal Term then in effect and Customer will pay to Proterra the fees and other amounts specified in Section 10.3.

ARTICLE III

EQUIPMENT AND OTHER DELIVERABLES

Section 3.1 Ownership; Disclaimer of Interest.

(a) The Parties agree that the Deliverables do not constitute real property or fixtures, regardless of the manner in which the Deliverables are installed. The Parties further agree that title to the Deliverables is and shall at all times remain with Proterra for all purposes. Accordingly, Proterra has and will continue to retain throughout the term of this Agreement all benefits as the sole and exclusive owner of the Deliverables (subject to the right of Customer to use the Deliverables during the Term as provided for below in this Agreement), including without limitation, the rights to all incentives with respect to the Equipment and to all tax depreciation and amortization and other benefits associated with ownership of the Equipment, and Proterra shall be solely liable for any taxes attributable to ownership of the Deliverables.

(b) EXCEPT FOR THE RIGHTS EXPRESSLY GRANTED TO CUSTOMER IN THIS AGREEMENT AND IN THE LIMITED OPERATIONAL GUARANTY, CUSTOMER EXPRESSLY (I) DISCLAIMS AND WAIVES ANY RIGHTS IT MAY HAVE AT LAW OR IN EQUITY WITH RESPECT TO ANY OF DELIVERABLES, INCLUDING ANY CLAIMS FOR BREACH OF WARRANTY (OTHER THAN THE LIMITED OPERATIONAL GUARANTY) AND (II) DISCLAIMS ANY WARRANTY (OTHER THAN THE LIMITED OPERATIONAL GUARANTY) WITH RESPECT TO ANY OF THE DELIVERABLES, EXPRESS OR IMPLIED OR OTHERWISE ARISING AS A MATTER OF LAW OR OTHERWISE.

(c) In addition to and not in limitation of the other covenants provided in Article VII, Customer agrees not to grant or allow any Liens on any of the Deliverables.

Section 3.2 Proprietary Rights; License.

(a) All Proprietary Rights in and to the Deliverables shall at all times remain the sole and exclusive property of Proterra. Customer acknowledges that it may learn certain proprietary information due to its possession of the Deliverables and/or receipt of the Services and agrees that such information shall be deemed Proterra's confidential information and Customer's use thereof shall be in accordance with Section 13.7.

(b) Proterra hereby grants to Customer, during the Term, a limited, non-exclusive, royalty-free license under Proterra's Proprietary Rights solely as necessary to make use of the Deliverables in connection with the operation of the Buses and to receive the Services, in each case solely in connection with use of the Deliverables and receipt of the Services as contemplated under this Agreement.

Section 3.3 Customer Obligations Regarding the Deliverables.

(a) Customer shall provide security for the Buses and the Deliverables at the same level it provides for its own personal property of similar value.

(b) Customer shall, upon becoming aware, notify Proterra immediately of any issues or potential issues affecting any of the Deliverables of which Customer becomes aware, including any evidence of malfunction or potential threat to any of the Deliverables.

(c) Customer shall not, nor shall it permit any of its contractors, employees or other agents to, directly or indirectly, alter, tamper with, damage, misuse, modify or change in any way, or move, remove, repair or attempt to move, remove or repair, any of the Deliverables, or utilize any charging unit other than the Charging Units to charge any of the Batteries, in each case, without Proterra's prior written consent. Further, Customer shall not remove, tamper with or alter in any way any labels or markings on any of the Equipment or other Deliverables without Proterra's prior written consent.

Section 3.4 Damage to Deliverables. If Customer, its contractors, employees or other agents damage or misuse any of the Deliverables, Customer shall be liable to Proterra for the cost of all required repairs and replacements to the Deliverables, including all costs in connection with diagnosing the Deliverables. Any amounts payable by Customer pursuant to this Section 3.4 shall be due within thirty (30) days of Customer's receipt of any corresponding invoice from Proterra.

ARTICLE IV **PROPERTY AND STORAGE SITE**

Section 4.1 Access Rights. Customer hereby grants to Proterra, its subcontractors and agents the right and/or license to access the Buses, the Property and the Storage Site for purposes of installing, maintaining, repairing, replacing and/or removing the Deliverables, in each case solely during Customer's normal business hours or as otherwise mutually agreed between the Parties. For clarity, the foregoing access rights include access to any Interconnection Facilities to the extent necessary or required for Proterra to provide any of the Services. Customer further consents and agrees that Lender shall be granted access to the Buses, the Property and the Storage Site for the purpose of inspecting and/or, following any breach or event that gives rise to a right of termination of this Agreement in favor of Proterra pursuant to Article X or any termination of this Agreement, de-installing, rendering inoperable and/or removing any of the Deliverables during Customer's normal business hours or as otherwise mutually agreed between the Parties.

Section 4.2 Maintenance. At all times during the Term, Customer shall maintain the Buses, the Property and the Storage Site, in a clean and safe condition free of any obstructions or hazards that may endanger any of the Deliverables or otherwise impede Proterra's (or its subcontractor's or agent's) ability to safely perform the Services.

Section 4.3 Change in Conditions. Customer shall promptly notify Proterra of any material plans to alter the Buses, the Property or the Storage Site or to change its operations at the Property or the Storage Site that could impact the operation or maintenance of any of the

Deliverables. Notwithstanding the foregoing, Customer shall provide Proterra at least thirty (30) days' notice prior to implementing any such changes; provided, however, that any changes (other than those necessary to address emergency, safety or structural concerns) which could damage or otherwise adversely impact the operation, repair, replacement, removal or maintenance of any of the Deliverables or otherwise impede Proterra's (or its subcontractor's or agent's) ability to safely perform the Services shall be subject to Proterra's prior written consent.

ARTICLE V

SERVICES

Section 5.1 Condition Precedent. Notwithstanding anything in this Agreement to the contrary, Proterra's obligation to commence the provision of any Services hereunder shall be contingent upon execution and delivery of the Sales Contract by the parties thereto.

Section 5.2 Installation.

(a) Proterra shall install the Equipment and other Deliverables on the Buses on or prior to the Commencement Date. In the case of any required installation of any Deliverables on or following the Commencement Date, Customer shall make available to Proterra the Buses and a mutually satisfactory lay-down and staging area for such installation, and shall provide to Proterra all information reasonably requested by Proterra to safely, efficiently and effectively accomplish such installation.

(b) Proterra shall provide Customer with reasonable advance notice of any required installation of any Deliverables after the Commencement Date, which notice shall provide reasonable detail regarding the proposed installation schedule and expected approximate timing for completion.

(c) Customer acknowledges and agrees that Proterra may from time to time install on the Buses or the Equipment, at its sole cost and expense, battery monitoring equipment in furtherance of and for purposes of providing the Services or otherwise for Proterra's internal purposes.

(d) Proterra shall be liable for all costs and expenses associated with its installation of the Deliverables.

Section 5.3 Maintenance, Repair and Replacement.

(a) During the Term, Proterra shall maintain the Deliverables in good working condition, which may include installing, replacing, repairing or removing certain equipment, components or other hardware to or from any part of the Deliverables; provided, however, that Proterra shall have no obligation to upgrade the Batteries or expand the energy storage capacity of the Batteries beyond that specified in Exhibit A and in the Limited Operational Guaranty unless mutually agreed by the Parties in writing. Customer acknowledges and agrees that Proterra shall have the right at any time and from time to time to replace and substitute any of the Batteries or other Deliverables, irrespective of whether such Batteries or other Deliverables are then operational, so long as any such replacement or substituted Batteries (i) meet or exceed the specifications for the Batteries as set forth in Exhibit A attached hereto and otherwise is in

compliance with the terms of the Limited Operational Guaranty, or (ii) meets any other specifications as mutually agreed to by the Parties in writing.

(b) In the event of any malfunction or failure of the Deliverables during the Term, (i) Proterra shall respond within three (3) business days following notification thereof by either Proterra's remote monitoring systems or by Customer, and (ii) Proterra shall use commercially reasonable efforts to either repair or replace such Deliverables and to return the Deliverables to good working condition within ten (10) days following such notification, provided that Proterra shall be under no obligation to replace any Deliverables that in its sole judgment are capable of repair. All such maintenance, repair and/or replacement shall be conducted in accordance with applicable laws, including Environmental Laws.

(c) Proterra shall have the sole and exclusive responsibility for maintaining, repairing and replacing the Deliverables during the Term.

Section 5.4 Refurbishment/Replacement of Batteries. Proterra shall be responsible for refurbishing or replacing the Batteries in its sole discretion from time to time in order to bring the Batteries back to good working condition and to the same standards indicated in Exhibit A attached hereto and in the Limited Operational Guaranty. Once Proterra determines the Batteries must be replaced and/or refurbished, the Parties shall prepare a mutually agreeable schedule for completion of the required refurbishment and/or replacement of the Batteries provided for above in this Section 5.4.

Section 5.5 Interruptions. The operation of the Buses may be interrupted as necessary in order to install, maintain, repair, replace or remove any of the Deliverables or otherwise perform the Services under this Agreement. Proterra shall coordinate with Customer to determine a schedule for any such interruptions, and Proterra shall use reasonable efforts to attempt to minimize any such disruptions to Customer, and Customer shall reasonably cooperate with Proterra in such efforts, it being acknowledged and agreed by Customer that the Services provided for herein will be conducted during normal business hours (unless otherwise agreed to in writing by Proterra).

Section 5.6 Subcontracting. Proterra may subcontract the provision of any Services hereunder, including removal of any Deliverables, to any Affiliate or third party; provided, that Proterra shall at all times remain responsible for the performance of the Services.

ARTICLE VI **COMPENSATION**

Section 6.1 Service Fees.

(a) Base Service Fees. In consideration of the Services to be provided hereunder during the Term, Customer shall pay to Proterra the following service fees (each such service fee referred to herein individually as a "Base Service Fee" and collectively as the "Base Service Fees") on a per Bus basis for each of the Buses:

(i) by no later than the Commencement Date, Customer shall pay Proterra a service fee in the amount of [Two Hundred Eighty-Eight Thousand and Six Hundred and Fifty Dollars and No Cents (\$288,650.00)]**[Note: this amount is subject to adjustment**

if Proterra is responsible for payment of any sales taxes or property taxes in Utah in respect of any of the Equipment] for each Bus;

(ii) by no later than the first business day of the first Renewal Term occurring after the Effective Date, Customer shall pay Proterra a service fee in the amount of One Hundred and Twenty Thousand Dollars and No Cents (\$120,000) for each Bus; and

(iii) by no later than the first business day of the second Renewal Term occurring after the Effective Date, Customer shall pay Proterra a service fee in the amount of Eighty Thousand Dollars and No Cents (\$80,000) for each Bus.

(b) Additional Service Fees. If during any annual period of twelve (12) consecutive months during the Term (each an "Annual Period"), with the first such Annual Period commencing on the Commencement Date and each Annual Period thereafter commencing on the date next preceding the end date of the immediately preceding Annual Period, the annual mileage of any Bus exceeds Ninety Thousand Two Hundred Sixty miles (90,260) ("Annual Base Miles"), then Customer shall pay to Proterra an additional service fee (which shall be in addition to the Base Service Fees), equal to Fifty Cents (\$0.50) per mile per Bus in excess of the Annual Base Miles ("Mileage Service Fee Adjustment"), which fee shall be due and payable annually as provided in Section 6.1(c) below. The Base Service Fees may also be increased through mutual written agreement of the Parties ("Agreed Service Fee Adjustment"). Any such Service Fee Adjustments are intended to compensate Proterra for anticipated additional Equipment servicing costs, but the payment thereof shall not impair the ability of Proterra to assert and recover on any indemnity claims under Section 8.2 for any additional damages, liability or costs to Proterra arising from the misuse of the Equipment by Customer or for any failure by Customer to at any time adhere to the Acceptable Use Parameters.

(c) Each Base Service Fee shall be due and payable by Customer to Proterra by no later than the payment dates for such fee specified above in clauses (i), (ii) and (iii) of Section 6.1(a). Any Mileage Service Fee Adjustment applicable to any Bus for any Annual Period shall be due and payable by Customer to Proterra annually by no later than the fifth (5) business day after the end of each Annual Period (or, if this Agreement is terminated prior to the end of any such Annual Period, within five (5) business days following such termination date). Any Agreed Service Fee Adjustment shall be due and payable on the dates specified by the Parties in the written agreement evidencing such fees relate, with the payment by Customer to Proterra of all such Base Service Fees and Service Fee Adjustments to be made by deposit of funds or wire transfer to the following account of Proterra (or to such other account as Proterra may notify Customer in writing at any time on or after the date of this Agreement):

Name on Account:_____

Name of Bank:_____

Account Number: _____

ABA #:_____

[PROTERRA ACCOUNT INFORMATION TO FOLLOW]

(d) Proterra shall provide to Customer with an invoice for each Service Fee, provided that the failure of Proterra to so provide such invoice shall not relieve Customer of its obligation to pay all Service Fees when due. In the event Customer disputes in good faith any invoiced amount in respect of a Mileage Service Fee Adjustment, Customer shall pay the undisputed portion of such invoice by the due date notwithstanding such Dispute. Following the resolution of any Dispute pursuant to Article XII, Customer shall make outstanding payments, if any, within twenty (20) days of such resolution.

Section 6.2 Payments Free of Withholding; Setoff. All payments in respect of the Service Fees shall be made free of any withholding, deduction or setoff by Customer, all of which are hereby waived. Customer agrees to deliver to Proterra any customary tax forms as requested in order to ensure payments are made free of withholding.

Section 6.3 Taxes. Each Party will be responsible, as required under applicable law, for identifying and paying all taxes and other governmental fees and charges (and any penalties, interest and other additions thereto) that are imposed on that Party upon or with respect to the transactions and payments under this Agreement; provided, however, that if any state or local taxes, other governmental fees or charges (other than any income taxes applicable to Proterra) are now or hereafter imposed upon Proterra as a result of this Agreement, the transactions and payments contemplated hereunder, such taxes, fees and charges shall be paid by Customer promptly following written notice by Proterra to Customer of the imposition of any such taxes, fees or charges. Each Party agrees to reasonably cooperate with the other to enable each to more accurately determine its own tax liability and to minimize such liability to the extent legally permissible, provided that nothing herein shall require either party to disclose its tax returns to the other Party.

ARTICLE VII

REPRESENTATIONS, WARRANTIES, AND COVENANTS

Section 7.1 Mutual. Each Party represents, warrants and covenants to the other Party that: (a) it is a legal entity, duly organized, validly existing, and in good standing; and (b) the execution, delivery and performance of this Agreement (i) is within its powers, (ii) has been duly authorized by all requisite action, (iii) is legal, valid, binding and enforceable against it, except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, and other similar laws affecting creditors' rights generally, and (iv) will not violate any law, rule, regulation, agreement, lease, contract or other document to which it is a party or by which any of its assets may be bound or affected.

Section 7.2 By Proterra. Proterra further represents, warrants and covenants to Customer that the Services will be performed in accordance in all material respects with applicable laws, including Environmental Laws.

Section 7.3 By Customer. Customer further represents, warrants and covenants to Proterra that:

(a) it is the sole and exclusive owner of the Buses, the Charging Units, the Property and the Storage Facility or has otherwise obtained all rights and authorizations necessary to

permit Proterra to perform the Services during the Term (including after the Term with respect to removal of the Equipment) and shall, upon Proterra's request, provide copies of any documents evidencing such rights and authorizations;

(b) the Buses and the Storage Site are free of any Hazardous Materials as of the Effective Date, and Customer will not introduce any Hazardous Materials to the Buses or the Storage Site at any time during the Term;

(c) Customer will at all times during the Term (i) continue to display the Proterra logo and name on the Buses and Charging Units in the form provided by Proterra to Customer, and (ii) comply with any and all required training and certification of its bus drivers, and all operation and maintenance guidelines regarding the Buses and/or the Charging Units, in each case as set forth in or required pursuant to the applicable Sales Contract.

Section 7.4 Subject to Appropriation.

(a) The Parties understand and agree that any payment obligation of Customer hereunder, whether direct or contingent, shall extend only to funds appropriated by Customer's governing body for the purpose of this Agreement, and Customer represents and warrants to Proterra that (i) funds have been duly appropriated by it in respect of the Service Fee payable on the Commencement Date, and (ii) it is not using any federal funds or grants (including, without limitation, any funding under the Fixing America's Service Transportation (Fast) Act or any grants under the United States Department of Transportation's Federal Transit Administration Low or no-Emission (Low-No) Bus Competitive Grant Program), to pay any Service Fees. Proterra acknowledges that (i) Customer does not, by this Agreement, irrevocably pledge present cash reserves for payments in future fiscal years, and (ii) this Agreement is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the Customer.

(b) Customer and the responsible financial officer of Customer shall do all things lawfully within their respective power to obtain and maintain funds from which the Service Fees may be made, including making provision for such Service Fees to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Customer and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.

(c) If this Agreement is terminated for non-appropriation of funds, Customer agrees, to the extent permitted by law, that Customer will not expend funds for the purchase or use of equipment performing functions similar to those performed by the Equipment for a period of ninety (90) days following such termination of this Agreement.

Section 7.5 Additional Covenants. Customer further covenants and agrees as follows:

(a) Use of Equipment, Buses and Charging Units. Customer shall (i) use the Buses solely to provide municipal bus transportation services within the service area of Park City Transit in Park City, Utah and Summit County, Utah, (ii) observe and adhere to the operating procedures, warranties and guidelines with respect to the Buses and the Charging Units as issued by Proterra and furnished by Proterra to Customer in connection with this Agreement and/or the Sales Contract, and (iii) comply at all times with all other the Acceptable Use Parameters.

(b) Ownership; Confidentiality. Title to and ownership of the Deliverables shall at all times be and remain in the name of Proterra, and Customer shall have no right of property therein, except the right during the Term to use the Deliverables in accordance with the terms of this Agreement. All intellectual property relating to the Deliverables and all other intellectual property of Proterra is and shall remain the sole property of Proterra, and Customer shall not infringe upon, misappropriate, disclose, use (other than as expressly permitted in this Agreement) or reverse engineer any such intellectual property or Deliverables. The terms of this Agreement and all information of Proterra shall be held by Customer, its employees, officers, directors, agents, and representatives in strict confidence, and Customer shall take all reasonable precautions to prevent the terms of this Agreement and any such proprietary, confidential, or sensitive information of Proterra received thereby from being divulged to any entity or person for any purpose other than as reasonably necessary to perform this Agreement or as required by law. Customer, its employees, officers, directors, agents and representatives shall only use such proprietary, confidential, or sensitive information of Proterra strictly in connection with the performance of this Agreement and for no other purpose.

(c) Inspection. During the term of this Agreement, Proterra shall have the right to inspect all Deliverables, the Buses and the Charging Units during normal business hours upon prior reasonable notice. Customer agrees to make available to Proterra upon request any and all (i) records, logs and other reports produced by it or any third party in respect of the Deliverables, the Buses or the Charging Units and/or the operation, maintenance and utilization thereof, and (ii) accident/incident reports produced by it or any third party in respect to the Deliverables, the Buses or the Charging Units.

(d) Alteration. Customer shall not, directly or indirectly, modify, repair, move, remove, alter, add to or otherwise tamper with (or allow any other party to modify, repair, move, remove, alter, add to or otherwise tamper with) the Equipment in any manner without Proterra's prior written consent; provided, however, that the foregoing shall not preclude Customer from taking all reasonable action necessary in response to emergency or safety issues with respect to the Buses, the Property or the Storage Facility. Any modifications, alterations, or additions to the Equipment that are approved by Proterra shall become and remain the property of Proterra. Customer shall not remove any labels or insignias affixed to the Equipment by Proterra. Further, Customer shall not, directly or indirectly, alter or add (or allow any other party to alter or add) to the Charging Units or the Buses in any way which does or could reasonably be expected to have a material adverse impact on the operation (including, without limitation, storage capacity and battery life) of the Equipment, in each case, without the prior written approval of Proterra.

(e) Damage to, Theft or Destruction of the Equipment. If all or any part of the Deliverables is at any time lost, stolen, destroyed, or damaged (whether occasioned through the fault of Customer or otherwise, Customer will give Proterra prompt notice of such event. Customer shall be responsible for any and all loss, theft, destruction and damage to the Deliverables during the Term or otherwise at any time that the Deliverables are installed on the Buses, in each case, to the extent resulting from any misuse of the Deliverables by Customer or failure to comply with any Acceptable Use Parameters, and/or Customer's failure to otherwise comply with its covenants and other obligations in respect of the Deliverables, the Charging Units or the Buses as set forth in this Agreement, excluding ordinary wear and tear within the operational parameters set forth herein. To the extent Customer is responsible for any such loss,

theft, destruction or damage as provided in the immediately preceding sentence (i) Customer will promptly and in any event within thirty (30) days after such event, pay Proterra for the replacement value of such Deliverables (in the case of any loss, theft or destruction) or for the costs of repair (in case of any damage that is capable of repair by Proterra), in each case as reasonably determined by Proterra and invoiced to Customer, (ii) Proterra shall be under no obligation to replace, substitute or repair any such Deliverables until receipt of such payment from Customer, and all Service Fees will continue to apply and be due and payable at all times from and after the date hereof unless and only to the extent that the Buses become inoperable as a result of a failure by Proterra to provide Batteries that meet the Limited Operational Guaranty (in which case such fee shall be reduced proportionally to the extent of any Bus or Buses that become so inoperable as a result of such failure by Proterra), (iii) to the extent Customer receives any insurance proceeds under any insurance policies of Customer required under Article XI covering the Equipment, such proceeds will be retained by Customer if and only to the extent Customer has paid Proterra the invoiced replacement value or repair costs, as applicable, as required in the immediately preceding clause (i), and if Customer fails to make any such payment, such insurance proceeds shall be paid over by Customer to Proterra to the extent of such unpaid replacement value or repair costs, and (iv) no such loss, theft, destruction, or damage to any Deliverables will impose any obligation on Proterra under this Agreement, and this Agreement will continue in full force and effect regardless of such loss, theft, destruction, or damage, provided that Proterra shall be under no obligation to replace, substitute or repair any such Deliverables until receipt of payment from Customer of the invoiced replacement value or repair cost as provided above.

ARTICLE VIII

INDEMNIFICATION

Section 8.1 By Proterra. Proterra shall defend, indemnify and hold harmless Customer, its Affiliates and its and their officers, directors, employees, agents, successors and assigns from and against all Losses to the extent incurred under any third-party claim, suit, action or proceeding (each, a “Claim”) resulting from:

- (a) bodily injury (including death) or damage to real or tangible personal property to the extent caused by the willful or grossly negligent acts of Proterra;
- (b) Proterra’s breach of any of its obligations under Article V or Section 7.2;
- (c) Proterra’s breach of its confidentiality obligations hereunder; and
- (d) Any claim by a third party that the Equipment, as installed and maintained by or on behalf of Proterra, infringes, misappropriates or otherwise violates any such third party’s Proprietary Rights.

Section 8.2 By Customer. In addition to and not in limitation of the indemnity provided for in Section 7.5(e), Customer shall defend, indemnify and hold harmless Proterra, its Affiliates and its and their officers, directors, employees, agents, successors and assigns from and against all Losses to the extent incurred under any Claim resulting from:

(a) bodily injury (including death) or damage to real or tangible personal property (including damage to any of the Deliverables) caused by Customer's use, storage, maintenance, repair or operation of any of the Buses, the Charging Units or the Deliverables, excluding (i) ordinary wear and tear with respect to the Deliverables as used within the Acceptable Use Parameters set forth herein, (ii) any such loss, theft, destruction or damage to the extent caused by Proterra;

(b) Customer's breach of any of its obligations under Article III, Article IV, Article VI, or Article VII, any misuse of the Equipment by Customer, or any failure by Customer to adhere to the Acceptable Use Parameters, and

(c) Customer's breach of its confidentiality obligations hereunder.

Section 8.3 Indemnification Procedures. The Party seeking indemnification hereunder shall promptly notify the indemnifying Party in writing of any Claim and cooperate with the indemnifying Party at the indemnifying Party's sole cost and expense. The indemnifying Party shall immediately take control of the defense and investigation of such Claim and shall employ counsel of its choice to handle and defend the same, at the indemnifying Party's sole cost and expense. The indemnified Party's failure to perform any obligations under this Section 8.3 shall not relieve the indemnifying Party of its obligations under this Article VIII except to the extent that the indemnifying Party can demonstrate that it has been materially prejudiced as a result of such failure. The indemnified Party may participate in and observe the proceedings at its own cost and expense.

ARTICLE IX **LIMITATION OF LIABILITY**

Section 9.1 Disclaimer of Certain Damages. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, REGARDLESS OF THE FORM OF ACTION AND REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE OR WHETHER A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. PROTERRA'S CUMULATIVE LIABILITY UNDER THIS AGREEMENT SHALL NOT EXCEED THE AGGREGATE AMOUNT PAID BY CUSTOMER TO PROTERRA UNDER THIS AGREEMENT, EVEN IF A TERM OF THIS AGREEMENT FAILS OF ITS ESSENTIAL PURPOSE.

ARTICLE X **TERMINATION: EFFECT OF TERMINATION AND EXPIRATION**

Section 10.1 Termination for Cause. Either Party may terminate this Agreement, or suspend its performance hereunder, if the other Party (the "Defaulting Party"):

(a) commits a material breach of this Agreement and such breach is not cured within thirty (30) days following notice thereof or breaches in any material respect any of its representations and warranties in Article VII; provided, however, that (i) any breach of Section

3.3(c) shall not be subject to any opportunity to cure, (ii) any breach of Section 6.1 by Customer must be cured within three (3) business days, (iii) breaches affecting a Party's Confidential Information or Proprietary Rights, to the extent curable, must be cured within a five (5) day period, and (iv) any breach by Proterra as a result of a Lender's exercise of its rights under Section 13.10 shall be subject to the cure period set forth in Section 13.10; or

(b) (i) becomes insolvent or the subject of any proceedings under any bankruptcy, insolvency or liquidation laws, which proceedings are not resolved favorably to the Defaulting Party or dismissed within sixty (60) days, (ii) makes a general assignment for the benefit of creditors, (iii) ceases conducting business in the normal course or (iv) has a material portion of its assets attached (each of the foregoing events in the immediately preceding clauses (i) through (iv) being referred to as a "Bankruptcy Event").

Section 10.2 Termination without Cause. Neither Party may terminate this Agreement without cause at any time during the Term, except that Customer may terminate this Agreement for convenience (a) at any time after the Commencement Date and prior to the commencement of the first Renewal Term upon at least 90 days' prior written notice to Proterra, (b) at any time after the commencement of the first Renewal Term and prior to the commencement of the second Renewal Term upon at least 90 days' prior written notice to Proterra, and (c) at any time after the commencement of the second Renewal Term and prior to the end of the Term upon at least 90 days' prior written notice to Proterra.

Section 10.3 Termination for Non-Appropriation of Funds. This Agreement shall terminate upon the expiration of the Initial Term or any Renewal Term of this Agreement upon the failure of Customer to appropriate funds sufficient to pay the Service Fees for the Services contemplated hereunder for the ensuing Renewal Term; provided that such termination shall not relieve Customer of its obligations to pay Proterra any outstanding Service Fees for any period in which Services have been rendered prior to such termination. Customer shall notify Proterra in writing of any such non-allocation of funds at the earliest date possible and in any event at least thirty (30) days prior to the expiration of the Initial Term or the Renewal Term then in effect.

Section 10.4 Additional Termination. Proterra shall have the right, in its sole discretion, to terminate this Agreement if any of the following events occur:

(a) Customer fails to pay in full the purchase price for the Buses and the Charging Units when due in accordance with the terms of the applicable Sales Contract or otherwise fails to comply with the terms of the Sales Contract;

(b) Customer discontinues the use of the Buses;

(c) all of the Buses are stolen, lost or destroyed; or

(d) the Buses, the Charging Units and/or Equipment are operated or utilized in a manner (as determined by Proterra in good faith based upon its monitoring data or other information available to it) during the Term that does not comply with the acceptable use parameters as set forth on Exhibit C hereto ("Acceptable Use Parameters").

Section 10.5 Effects of Termination or Expiration.

(a) If (i) this Agreement expires, (ii) Customer or Proterra terminates this Agreement for cause pursuant to Section 10.1, (iii) Customer terminates this Agreement pursuant to Section 10.2, (iv) this Agreement terminates pursuant to Section 10.3, or (v) this Agreement terminates pursuant to Section 10.4, then, in each case, Proterra shall uninstall the Deliverables from the Buses and take back possession and custody of the Deliverables in accordance with a schedule to be mutually agreed between the Parties, but in no event more than forty-five (45) days (or such later date as may be agreed to in writing by the Parties) following such expiration or termination. Proterra shall be liable for all costs and expenses in connection with the foregoing uninstallation and removal if the Agreement expires or Customer terminates the Agreement pursuant to Section 10.1 as a result of a breach by Proterra or a Bankruptcy Event in respect of Proterra. Customer shall be liable for all costs and expenses in connection with the foregoing uninstallation and removal if the Agreement is terminated by Proterra pursuant to Section 10.1 as a result of a breach by Customer or a Bankruptcy Event in respect of Customer, or if the Agreement terminates pursuant to Section 10.4. Customer agrees to fully cooperate with Proterra in such uninstallation and removal, to turn over to Proterra all Deliverables in its possession, and to grant Proterra access to the Buses and the Storage Facility as necessary to accomplish such uninstallation and removal. Customer acknowledges and agrees that Proterra shall have the right to render the Batteries inoperable (which may be done either remotely or by direct access to the Batteries) at any time following (i) any termination or expiration of this Agreement, (ii) any failure by Customer to timely pay any Service Fees when due so long as such failure is continuing, or (iii) the occurrence and during the continuance of any other event that gives Proterra the right to terminate this Agreement.

(b) Within thirty (30) days following the expiration or termination of this Agreement, Customer shall pay to Proterra all outstanding Service Fees accrued prior to such expiration or termination.

Section 10.6 No Prejudice. Termination of this Agreement pursuant to its terms, in whole or in part for any reason, shall not affect any liabilities or obligations of either Party arising before such termination or out of events causing such termination, or any damages or other remedies to which a Party may be entitled under this Agreement, at law or in equity.

Section 10.7 Survival. The provisions of this Agreement which, by their nature and content, are intended, expressly or impliedly, to continue to have effect notwithstanding the termination or expiration of this Agreement shall survive and continue to bind the Parties, including Article I, Article VIII, Article IX, Article XII, Article XIII, Section 3.1, Section 3.2(a), Section 3.3 (for so long as any of the Equipment remains on any of the Buses), Section 3.4, Section 6.2, Section 6.3, Section 7.5, Section 10.5, Section 10.6, and this Section 10.7.

ARTICLE XI **INSURANCE**

Section 11.1 Insurance Requirements of Proterra. At all times during the Term, Proterra shall maintain, at its sole cost and expense, the following insurance coverage and shall, upon Customer's request, furnish to Customer a certificate evidencing such coverage:

(a) commercial general liability insurance, including contractual liability, with a per-occurrence limit of not less than One Million Dollars (\$1,000,000) for bodily injury and/or property damage;

(b) statutory workers' compensation insurance to the full limit of liability required by applicable law;

(c) employer's liability insurance with a minimum limit of One Million Dollars (\$1,000,000) per occurrence; and

(d) commercial automobile liability insurance on all owned, non-owned and/or hired vehicles with minimum coverage of at least One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury and/or property damage.

Section 11.2 Insurance Requirements of Customer. At all times during the Term, Customer shall maintain, at its sole cost and expense:

(a) commercial general liability insurance, including contractual liability, with a per-occurrence limit of not less than One Million Dollars (\$1,000,000) for bodily injury and/or property damage; and

(b) Customer will, at Customer's sole cost, cause casualty insurance, public liability insurance, and property damage insurance to be carried and maintained on the Buses, the Charging Units and the Equipment, with all such coverages in respect of the Equipment to be in such amounts sufficient to cover the value of the Equipment at the commencement of this Agreement, and to be in such forms, to cover such risks, and with such insurers, as are acceptable to Proterra. Customer will cause Proterra to be the named insured on such policies as its interest under this Agreement may appear with respect to the Equipment. Insurance proceeds from insurance policies relating to casualty and property damage losses in respect of the Equipment will, to the extent permitted by law, be payable to Proterra. Customer will deliver to Proterra copies of the policies or evidences of insurance satisfactory to Proterra, if any, together with receipts for the initial premiums before the Equipment is installed on the Buses. Any renewal policies in respect of the above required insurance, together with receipts showing payment of the applicable premiums, will be delivered to Proterra at least thirty (30) days before termination of the policies being renewed. By endorsement upon the policy or by independent instrument furnished to Proterra, such insurer will agree that it will give Proterra at least thirty (30) days' written notice prior to cancellation or alteration of any policy covering the Equipment.

(c) workmen's compensation insurance covering all employees working on, in, or about the Buses or the Charging Units, and will require any other person or entity working on, in, or about the Equipment or the Charging Units to carry such coverage.

Customer shall, upon Proterra's request, furnish to Proterra a certificate evidencing such coverages.

Section 11.3 Additional Requirements. Each Party shall promptly provide to the other Party written notice of any material changes to, and at least thirty (30) days prior written notice of any

proposed cancellation of, the insurance policies required herein to be carried by the respective Party.

ARTICLE XII

DISPUTE RESOLUTION

Section 12.1 Dispute Resolution Procedure. Any dispute, controversy or claim arising out of, relating to or in connection with this Agreement (or the breach or validity thereof) or the performance of the Services hereunder (each, a “Dispute”), shall be resolved in the manner described in this Article XII.

Section 12.2 Escalation of Disputes.

(a) All Disputes shall be initially referred to the appropriate manager/supervisory level personnel for resolution. If such personnel are unable to resolve such Dispute within ten (10) days (or such longer period as the Parties may mutually agree in writing) after referral of the matter to them, then either Party may request in writing that the Dispute be escalated.

(b) Promptly after receipt of written notice of escalation by either Party pursuant to Section 12.2(a), the Parties shall submit the Dispute to the appropriate senior management of the Parties for resolution. If senior management is unable to resolve the Dispute within five (5) business days (or such longer period as the Parties may mutually agree in writing) from the date such Dispute was submitted for consideration, then either Party may litigate such Dispute in the courts provided for in Section 13.6 hereof.

Section 12.3 Injunctive Relief. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each Party will have the right to apply at any time to a judicial authority for appropriate injunctive relief (or other interim or conservatory measures).

ARTICLE XIII

MISCELLANEOUS

Section 13.1 Interpretation. All Section and Exhibit references herein are to Sections and Exhibits of this Agreement. The Section headings in this Agreement are for reference purposes only and may not be construed to modify or restrict any of the terms of this Agreement. This Agreement will be deemed to have been written by both Parties. Unless the context requires otherwise, (a) “including” (and any of its derivative forms) means including but not limited to, (b) “may” means has the right, but not the obligation to do something and “may not” means does not have the right to do something, and (c) “will” and “shall” are expressions of command, not merely expressions of future intent or expectation.

Section 13.2 No Construction Against Drafting Party. The Parties acknowledge that each of them and their respective counsel have had the opportunity to review this Agreement and that this Agreement shall not be construed against any party merely because this Agreement or any of its provisions have been prepared by a particular party.

Section 13.3 Entire Agreement. This Agreement, together with the Schedules and Exhibits attached hereto, constitutes the entire agreement between Proterra and Customer with respect to the subject matter hereof, superseding any prior agreement or representation, oral, electronic, or written.

Section 13.4 Amendment; Modification; Waiver. This Agreement may not be modified or amended, except in a writing signed by duly authorized representatives of both Parties. No waiver of any breach or provision of this Agreement will be binding unless it is in a writing signed by a duly authorized representative of the waiving Party. The waiver, or failure to enforce, any right resulting from any breach or provision of this Agreement will not be deemed a waiver of any right relating to a subsequent breach, any other provision or any other right hereunder.

Section 13.5 Severability. If for any reason a court of competent jurisdiction finds any provision of this Agreement to be unenforceable, that provision of the Agreement will be enforced to the maximum extent permissible so as to implement the intent of the Parties, and the remainder of the Agreement will continue in full force and effect.

Section 13.6 Governing Law; Venue; Consent to Service of Process; Waiver of Jury Trial.

(a) This Agreement will be governed by and interpreted in accordance with the laws of the State of South Carolina, without regard to any conflicts of laws principles.

(b) OTHER THAN AS NECESSARY TO ENFORCE ANY FINAL JUDGMENT, AWARD, OR DETERMINATION (INCLUDING, WITHOUT LIMITATION, ANY ACTION FOR REPLEVIN IN RESPECT OF ANY OF THE DELIVERABLES BROUGHT BY PROTERRA), ANY ACTION BROUGHT PURSUANT TO OR IN CONNECTION WITH THIS AGREEMENT OR ANY DISPUTE (AS DEFINED ABOVE) SHALL BE BROUGHT ONLY IN THE STATE OR FEDERAL COURTS LOCATED IN GREENVILLE, SOUTH CAROLINA, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMIT TO THE PERSONAL JURISDICTION AND WAIVE ANY OBJECTIONS TO VENUE OF SUCH COURTS.

(c) THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, (I) ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN ANY COURT REFERRED TO IN SECTION 13.6(B), AND (II) THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT. EACH PARTY IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 13.12. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO OR THERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

(d) THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVE ALL RIGHTS TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTES UNDER THIS AGREEMENT.

Section 13.7 Confidentiality.

(a) Each Party shall keep confidential and shall not use, make available or disclose any Confidential Information of the other Party. Notwithstanding the foregoing, Confidential Information may be disclosed on an as needed basis to Affiliates, personnel, subcontractors and/or agents of the receiving Party as required for the purpose of fulfilling the receiving Party's obligations under this Agreement, including as required to provide or receive the Services. Each Party shall ensure that any Confidential Information it discloses in accordance with this Section 13.7(a) is treated as confidential by the person or entity to whom it is disclosed and shall require such person or entity to enter into a confidentiality agreement which imposes confidentiality obligations no less protective of the Confidential Information than those imposed under this Agreement.

(b) The provisions of this Section 13.7 shall not apply to any Confidential Information which: (i) is or becomes commonly known within the public domain other than by breach of this Agreement or any other agreement that the disclosing Party has with any party; (ii) is obtained from a third party who is lawfully authorized to disclose such information free from any obligation of confidentiality; (iii) is independently developed without reference to any Confidential Information; or (iv) is known to the receiving Party without any obligation of confidentiality prior to its receipt from the disclosing Party.

(c) Nothing in this Section 13.7 shall prevent either Party from disclosing Confidential Information where it is required to be disclosed by judicial, administrative, governmental or regulatory orders; provided, however, that each Party shall, if legally permitted, give the other Party prior notice, as soon as possible, of such required disclosure so as to enable the other Party to seek relief from such disclosure requirement or to take measures to protect the confidentiality of the disclosure.

(d) The receiving Party shall immediately inform the disclosing Party in the event that it becomes aware of the possession, use or knowledge of any Confidential Information of the disclosing Party by any person or entity not authorized to possess, use or have knowledge of such Confidential Information and shall, at the request of the disclosing Party, provide such reasonable assistance as is required by the disclosing Party to mitigate any damage caused thereby.

(e) Failure by a Party to comply with this Section 13.7 shall constitute a material breach of this Agreement.

Section 13.8 Independent Contractors. It is understood and agreed that the status of Proterra shall be that of an independent contractor. It is not intended, nor shall it be construed, that Proterra or Proterra's employees, agents, or subcontractors are employees or officers of Customer for any purpose whatsoever. Proterra is responsible for the operational management, errors and omissions of Proterra's employees, agents, and subcontractors. Without limiting the

foregoing, Proterra understands and acknowledges that Proterra and Proterra's employees, agents and subcontractors: a) are not entitled to workers' compensation benefits through Customer; b) are not entitled to unemployment insurance benefits unless unemployment compensation coverage is provided by Proterra or some other entity besides Customer; and c) are obligated to pay federal and state taxes on any monies earned pursuant to this Agreement. Furthermore, it is understood and agreed that nothing in this Agreement is intended, or shall be construed, to constitute a joint venture between the Parties.

Section 13.9 Assignment; Successors and Assigns. Customer may not assign this Agreement, by contract, operation of law or otherwise, without the prior written consent of Proterra. Proterra may assign this Agreement or any of its rights and obligations under this Agreement to any Affiliate or third party upon written notice to Customer, and Proterra may further collaterally assign this Agreement and/or any of its rights hereunder in favor of Proterra's Lender. Any attempted assignment in violation of the foregoing shall be null and void. All provisions of this Agreement by and for the benefit of the Parties shall bind and inure to the benefit of their respective successors and permitted assigns.

Section 13.10 Lender Rights; Third Party Beneficiary. Customer acknowledges that Proterra may at any time grant to any third-party lender ("Lender") a lien on or security interest in all or any part of the Deliverables, its rights under this Agreement (including any rights to payment of Service Fees or other amounts). Accordingly, upon receipt of a written notice from Lender certifying that an event of default under the applicable loan agreement, credit agreement or security agreement between Proterra and Lender has occurred (a) upon demand by Lender that Customer make payment of Service Fees or other amounts payable by Customer hereunder directly to Lender, Customer shall comply with all such requests, and such notice or direction shall not constitute grounds for termination of this Agreement, and (b) Customer hereby grants Lender the right and/or license to access the Buses and the Storage Facility to (i) inspect the Deliverables during reasonable times and upon reasonable notice, and (ii) remove any or all of the Deliverables, in the case of any material breach by Customer of its obligations under this Agreement that gives Proterra the right to terminate this Agreement pursuant to Article X (taking into account all grace and cure periods), any other event that results in a termination of this Agreement or any expiration of this Agreement. It is expressly agreed between the Parties that (a) Lender is and shall be a third-party beneficiary under this Section 13.10. Upon request by Proterra or Lender, Customer agrees to execute and deliver to Lender an acknowledgment agreement with respect to the rights of Lender described above.

Section 13.11 Force Majeure. If either Party is prevented from performing one or more of its non-monetary obligations under this Agreement due to a Force Majeure Event, the Party unable to perform shall promptly notify the other Party in writing specifying in reasonable detail the nature of the Force Majeure Event and its expected duration. The affected Party shall use commercially reasonable efforts to avoid or overcome the Force Majeure Event with the least possible delay. The obligations of the affected Party shall be reduced or suspended during the continuance of the Force Majeure Event; provided, that such obligations shall be reduced only to the extent that the adverse effects of the Force Majeure Event cannot be mitigated by the affected Party's diligent efforts. If a Force Majeure Event is anticipated to prevent a Party from performing its obligations under this Agreement for a period of three (3) months or more, the Parties shall meet to determine the appropriate course of action.

Section 13.12 Notices. All notices to be given under this Agreement will be made in writing and mailed or delivered by registered or certified mail, return receipt requested to the following addresses until either Party gives written notice to the other Party specifying a different address:

(a) if to Customer:

[INSERT ADDRESS] Attention:

(b) if to Proterra:

[INSERT ADDRESS] Attention:

Section 13.13 Further Assurances. Each Party shall execute and deliver instruments and assurances and do all things reasonably necessary and proper to secure all necessary Approvals in a timely manner and to otherwise carry out the terms of this Agreement.

Section 13.14 Counterparts. This Agreement may be executed in any number of counterparts, each of which will constitute an original and all of which will be considered one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (i.e., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 13.15 Manner of Payment. All payments required to be made by Customer under this Agreement will be made in cash, by certified or cashier’s check, or by other manner acceptable to Proterra.

[Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF, each of the undersigned Parties has caused its duly authorized representative to execute this Battery Services Agreement as of the date first above written.

PROTERRA INC

**[PARK CITY MUNICIPAL
CORPORATION]**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A

EQUIPMENT

[Description of Batteries to follow from Proterra]

EXHIBIT B

LIMITED OPERATIONAL GUARANTY FOR BATTERIES

Proterra guarantees to Customer that the Batteries will (a) be free from defects in materials, workmanship, manufacture and design (the “Performance Guaranty”), and (b) have an aggregate capacity (expressed as a percentage of the nominal capacity of the Batteries) of equal to or greater than 70% of the original usable capacity of such Batteries as measured by Proterra at any and all times during the Term, in each case (the “Capacity Guaranty”); provided that in each case under the immediately preceding clauses (a) and (b) the Batteries are operated under the approved use conditions set forth in Appendix A attached hereto (the “Approved Use Conditions”).

This foregoing Performance Guaranty and Capacity Guaranty shall not apply to or cover:

1. Batteries that have not been operated in accordance with the Approved Use Conditions;
2. Any failure predominantly caused by misuse or abuse of the Batteries by Customer or breach by Customer of any of its covenants in Section 7.5;
3. Any failure caused by accidental or intentional damage, blunder, or negligence of any party other than Proterra and Proterra’s affiliates, employees, contractors and representatives; and
4. Any changes or deterioration that do not affect the functionality of the Batteries.

Proterra shall have no liability or obligation to Customer under this Limited Operational Guaranty other than to replace or substitute any such Battery not meeting the above Performance Guaranty and/or Capacity Guaranty with another Battery that meets the above Performance Guaranty and Capacity Guaranty in accordance with the terms of the Battery Services Agreement between Proterra and Customer (the “Agreement”). EXCEPT EXPRESSLY AS SET FORTH IN THE LIMITED OPERATIONAL GUARANTY AND IN THE AGREEMENT, PROTERRA EXPRESSLY DISCLAIMS ANY OTHER WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, AS TO THE QUALITY OR PERFORMANCE OF THE BATTERIES.

APPENDIX A

APPROVED USE CONDITIONS

[NOTE: THIS APPENDIX IS SUBJECT TO REVIEW AND CONFIRMATION FROM PROTERRA ENGINEERING TEAM]

The Batteries shall be used in accordance with the Battery Services Agreement between Customer and Proterra, as well as in accordance with the following use conditions:

Operating SOC Range	From 20% to 90%SOC; 20%SOC is defined as 2.15V Open Circuit Voltage (OCV), 90%SOC is defined as 2.51V OCV.
Storage SOC Range	From 20% to 90%SOC; 20%SOC is defined as 2.15V Open Circuit Voltage (OCV), 90%SOC is defined as 2.51V OCV.
SOC Range Exception	SOC may fall below 20%SOC, but greater than 10%SOC, up to 10 times within a 5 year period.
Operating Temperature Range	Operating temperature, as output from the CMU, must occur in the range from -30degC to 35degC not less than 90% of the operating time and in the range from 35degC to 40degC not more than 10% of the operating time.
Storage Temperature Range	Storage temperature, as output from the CMU, must occur in the range from -30degC to 45degC. (Proterra recommends that temperature be kept below 40degC in order to maximize battery life.)
Maximum Charging Current	170A
Maximum Discharging Current	120A
Maximum Cell Voltage	2.7V when charge rate is from 120A to 170A. 2.51V OCV when charge rate is below 120A.
Condensation	No condensation or liquid on the Products shall be visible with the naked eye.

Capacity Measuring Procedures for Capacity Guaranty

No.	Procedure	Condition (Ambient temp: 25degC +/- 2degC)
1	Cell balancing in 2P12S module	Condition at the end of cell balancing: The voltage difference between cells in the module must be no more than 10mV
2	Charging Rate	Step down charging in the order shown below (1) 40A/module (Cut off voltage : 2.7V) (2) 20A/module (Cut off voltage : 2.7V) (3) 8A/module (Cut off voltage : 2.7V) (4) 4A/module (Cut off voltage : 2.7V) (5) 2A/module (Cut off voltage : 2.7V)
3	Rest Time	60 min

EXHIBIT C

ACCEPTABLE USE PARAMETERS

Customer covenants and agrees to adhere to the following Acceptable Use Parameters:

- Annual mileage per Bus not to exceed the Annual Bus Miles.
- Customer to use the Buses solely to provide municipal bus transportation services within the service area of Park City Transit in Park City, Utah and Summit County, Utah
- Customer to observe and adhere to the operating procedures, warranties and guidelines with respect to the Buses and the Charging Units as issued by Proterra and furnished by Proterra to Customer in connection with this Agreement and/or the Sales Contract

[Proterra to confirm any other Parameters]



1 Whitlee Court, Greenville, SC 29607
Phone (864) 438-0000
Fax (864) 281-1894
www.proterra.com

May 6, 2016

Mr. Blake Fannesbeck
Public Works Director
Public Works - Transit Bus
1053 Ironhorse Drive
Park City, UT 84060-1480

Subject: Letter of Support for Park City Transit's Low-No Program Application

Dear Mr. Fannesbeck:

Proterra Inc (Proterra) is pleased to provide this letter of support to Park City Transit (PCT) in support of PCT's proposed capital acquisition and deployment of zero-emission transit buses and associated charging infrastructure in response to FTA's FY 2016 Low or No Emission Bus Program (Low-No Program).

PCT's proposed project will deploy six (6) zero-emission, fast-charge Proterra Catalyst FC battery-electric buses on a BRT style route connecting Kimball Junction Transit Center and the Old Town Transit Center. The project also includes the acquisition and installation of charging infrastructure to recharge the batteries both on-route and at the PCT maintenance depot. Participation in the Low-No Program will help PCT to reduce emissions and lower the total cost of ownership of its transit fleet. The deployment of zero-emission buses is an important contribution to efforts to improve air quality in PCT.

Of special interest to Proterra is PCT's commitment to using the FTA allowed battery-leasing approach to purchasing these vehicles. Leasing batteries allows PCT to spend less up front capital funding while also protecting battery performance for the useful life of the vehicle. Additionally, this project will prove out the notion that operational savings from lower maintenance and fuel costs will easily cover the monthly lease payments for the batteries. If this project is funded, it could provide an example for all transit agencies in North America that battery-leasing is a way to deploy electric buses faster with less capital funds.

As the market leader of battery-electric buses in North America, Proterra brings considerable experience and reliability to the project as the bus OEM partner selected by PCT. Proterra has worked hand-in-hand with transit agencies across North America to develop their battery-electric transit fleet and would gladly welcome Park City to the list of progressive communities that are incorporating zero-emission vehicles while providing critical transportation services to its citizens.

The maturity of Proterra's battery-electric technology is evidenced by Proterra buses logging more than 2 million miles in revenue service and eliminating the consumption of more than 460,000 gallons of fuel, amounting to over 8.5 million pounds of Greenhouse Gas emissions prevented by the more than 60 vehicles delivered in North America. Proterra pledges its full support of Park City's mission to provide environmentally-friendly, Altoona-tested transportation to the citizens of Park City, Utah.

Proterra looks forward to partnering with PCT on this project.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Popple", is written over a horizontal line.

Ryan Popple
Chief Executive Officer



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

Staff recommends that the City Council holds a public hearing and considers entering into an Encroachment Agreement, in a form approved by the City Attorney, with Harry L. Bibb, Jr. and Joan C. Engram-Bibb for the purpose of reconstructing and maintaining retaining walls and surrounding landscaping on Park City property at the Park City Golf Club near 2217 Three Kings Court.

Respectfully:

Ashley Scarff,

City Council Staff Report



PLANNING DEPARTMENT

Subject: Encroachment Agreement for Retaining Walls and Landscaping on Park City Municipal Property for the benefit of 2217 Three Kings Court
Author(s): Ashley Scarff, Planning Technician
Date: January 12, 2017
Type of Item: Legislative

Summary Recommendations

Staff recommends that the City Council holds a public hearing and considers entering into an Encroachment Agreement, in a form approved by the City Attorney, with Harry L. Bibb, Jr. and Joan C. Engram-Bibb for the purpose of reconstructing and maintaining retaining walls and surrounding landscaping on Park City Golf Club property near 2217 Three Kings Court.

Background

On June 16, 2016, the owners of 2217 Three Kings Court applied for a Building Permit to complete an exterior remodel of their home, to include siding and veneer work only.

On July 6, Building Department Staff placed a stop work order at the property upon discovering that demolition which was not listed in the approved scope of work attached to the Building Permit had been completed. This included the partial demolition of an existing deck.

The following day, the applicant submitted a new Building Permit application to cover the demolition of the deck. At this time, it was found that a portion of the existing deck fell within the boundary of the Park City Golf Club, which shares a property line with 2217 Three Kings Court. The deck has since been rebuilt entirely within private property, but there are also railroad tie retaining walls and landscaping that encroach onto the golf course, which the owner would like to rebuild and continue to maintain (Exhibits A & B).

It was at this time that Building Department staff presented the encroachment issue to the Planning Department, which completed a comprehensive review of the situation and found that there are no recorded documents at Summit County that acknowledge the encroachment. No documents could be found on file at the City that reference past permits for construction of improvements within the encroachment area. Due to appearance and age, it is assumed that improvements within the encroachment area (approximately 1,800 sf) were likely constructed in the 1970s, with property owners maintaining them ever since. On August 4, 2016, staff issued a Building Permit that approved all proposed improvements within private property—those on City property may be completed if the encroachment agreement is approved by Council and recorded.

Analysis

For this situation, staff recommends that the City enter into an encroachment agreement with the Bibbs, as the Golf Department has indicated that they take no issue with the existing encroachment, and there are minimal negative impacts that could result from such a secluded encroachment that has been in existence for so long.

As included in Exhibit C of this report, the Draft Encroachment Agreement, the agreement shall only cover the replacement of existing railroad tie retaining walls with stone retaining walls, as well as some landscaping, to the north of 2217 Three Kings Court, as outlined. The encroachment is not transferable to other properties, but runs with the land (the land may change ownership). In addition, the City may require the removal of all improvements for any reason with a 90 day notice, and may revoke the agreement at any time.

Policy Considerations for the Future

There may be other similar, undocumented encroachments throughout the City. Staff is working to develop a clear policy to present to Council regarding encroachments. Current practice for Building and Planning staff includes identifying potential encroachments during the building permit process (permitting for new construction or remodeling; code enforcement inspections). In addition, Sustainability staff has been surveying multiple open space parcels per year for the purposes of implementing defensible space projects and identifying existing encroachments. The current policy is laissez-faire, unless the encroachment negatively affects operations of the Golf and/or Recreation Departments. When discovered, the City has either required removal of the encroachment, or required owners to enter into an encroachment agreement. Under state law, the owners have no claim to an encroachment on City property.

Thus far, the following process has been used to evaluate encroachment situations and recommendations to Council:

1. Observe/research the physical extent, age, and permitting history of the encroachment.
2. Determine if a previous agreement is recorded with Summit County;
 - If no agreement is in place, notify land owner of encroachment.
3. Determine the physical and environmental impacts of the encroachment based on existing land designations (zoning, land use, conservation easements, etc.).
4. Make a recommendation; **either**:
 - Notify land owner and remove encroachment at their expense; **OR**
 - Legitimize encroachment by recommending agreement to City Council.

If Council decides that staff needs to take a more aggressive approach to identifying and reconciling existing encroachments on public lands, significant time and resources would need to be dedicated to surveying and reviewing City-owned parcels.

There is also an option to require compensation for use of the public lands. The requirement for compensation (or removal) of the encroachment would be based upon the size, type and permanent nature of the encroachment, impact to public uses, impacts to opens space and parks, and impacts to neighbors who may not have encroached onto City property. Staff will develop and bring forward a more refined policy in the future for Council's consideration.

Department Review

This project has been reviewed by the Building, Engineering, Planning, Sustainability, Executive and Legal Departments. All concerns raised have been addressed and incorporated herein.

Alternatives

A. Approve the Request:

Approving the encroachment will allow the Bibbs, property owners, to move forward with reconstruction of the retaining walls, revegetation of the site, and ongoing maintenance within the area of encroachment. This is staff's recommendation;

B. Deny the Request:

Denying the encroachment will mean that the Bibbs will not be allowed to reconstruct the retaining walls, revegetate the site, or maintain any improvements within the area of encroachment, and would need to remove all existing physical encroachments;

C. Continue the Item:

If the Council desires more information about the encroachment, the item may be continued;

D. Do Nothing:

This would have the same effect as denying the request for the encroachment.

Significant Impacts

There are no immediate significant fiscal or environmental impacts that arise from the recommended action. Planning Staff has consulted with Vaughn Robinson, Park City Golf Manager, regarding this application and no concerns were raised.

Consequences of not taking the Suggested Recommendation

If the encroachment agreement is not approved, the Bibbs will not be able to reconstruct the retaining walls and complete associated landscaping within the area of encroachment. It will be up to Council to determine whether the existing improvements will need to be removed from municipal property.

Recommendation

Staff recommends that the City Council holds a public hearing and considers entering into an Encroachment Agreement, in a form approved by the City Attorney, with Harry L. Bibb, Jr. and Joan C. Engram-Bibb for the purpose of reconstructing and maintaining retaining walls and surrounding landscaping on Park City Golf Club property near 2217 Three Kings Court.

Exhibits

Exhibit A – Conditions Existing Prior to Summer 2016 Improvements

Exhibit B – Proposed Conditions with Encroachment Area Outlined

Exhibit C – Draft Encroachment Agreement

Exhibit D – Photo of Affected Area

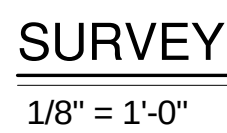


Exhibit B - Proposed Conditions with Encroachment Area Outlined

Architectural landscape/paving plan for Parcel TH-2-19, Lot 19 (Entry No. 130671). The plan shows the proposed conditions for the landscape and paving, including the encroachment area outlined in red. The plan includes various features such as the 1 1/2 frame dwelling, existing and proposed retaining walls, slopes, and various landscape elements like trees, shrubs, and lawn. The plan also shows the surrounding lots, including Lot 18 and Lot 20, and the adjacent street, Three Kings Court. The plan includes a north arrow and a scale of 1/8" = 1'-0".

Parcel TH-2-19
LOT 19 (ENTRY NO. 130671)

1 1/2 FRAME DWELLING
NO. 2217

THREE KINGS COURT

ARCHITECTURAL
LANDSCAPE/PAVING PLAN

1/8" = 1'-0"

1	NEW TRENCH DRAINS
2	NATURAL STONE PAVING
3	NEW CONCRETE
4	LANDING AND STEPS CONSTRUCTED OF BOARDER STONES
5	GRAVEL
6	NEW GROUND COVER LANDSCAPING
7	NATURAL STONE RETAINING WALL
8	GAS BARBEQUE, PROVIDE NEW GAS LINE
9	CUSTOM HOT TUB PARTIED RECESS AT NATURAL STONE PATIO, NATURAL STONE SURROUND
10	NATURAL STONE RETAINING WALLS AT EXISTING WINDOW WELL
11	NEW BLACK PAINTED STEEL HANDRAIL/ GUARDRAIL
12	EXISTING HOSE BIB
13	NEW HOSE BIB
14	REMOVE AND RELOCATE EXISTING NATURAL STONE
15	LAWN
16	NEW GAS LINE AND FIRE BURNER
17	EXISTING BAY WINDOW SHOWN DASHED
18	EXISTING LANDSCAPING TO REMAIN
19	NEW OUTDOOR LANDSCAPE LIGHTING
20	NEW TREX DECKING AT SECOND LEVEL ABOVE GARAGE, SHOWN DASHED
21	NEW BENCH SHOWN DASHED
22	RELOCATED EXISTING NATURAL STONE
23	EXISTING GAS METER
26	3' SOFFIT ABOVE
27	TURF BLOCK

	PAVING PLAN KEYED NOTES
1	NEW TRENCH DRAINS
2	NATURAL STONE PAVING
3	NEW CONCRETE
4	LANDING AND STEPS CONSTRUCTED OF BOARDER STONES
5	GRAVEL
6	NEW GROUND COVER LANDSCAPING
7	NATURAL STONE RETAINING WALL
8	GAS BARBEQUE, PROVIDE NEW GAS LINE
9	CUSTOM HOT TUB PARTIED RECESS AT NATURAL STONE PATIO, NATURAL STONE SURROUND
10	NATURAL STONE RETAINING WALLS AT EXISTING WINDOW WELL
11	NEW BLACK PAINTED STEEL HANDRAIL GUARDRAIL
12	EXISTING HOSE BIB
13	NEW HOSE BIB
14	REMOVE AND RELOCATE EXISTING NATURAL STONE
15	LAWN
16	NEW GAS LINE AND FIRE BURNER
17	EXISTING BAY WINDOW SHOWN DASHED
18	EXISTING LANDSCAPING TO REMAIN
19	NEW OUTDOOR LANDSCAPE LIGHTING
20	NEW TREX DECKING AT SECOND LEVEL ABOVE GARAGE, SHOWN DASHED
21	NEW BENCH SHOWN DASHED
22	RELOCATED EXISTING NATURAL STONE
23	EXISTING GAS METER
26	3' SOFFIT ABOVE
27	TURF BLOCK

PRESCOTT MUJR ARCHITECT	•	171 WEST PIERPONT AVE.	•	SALT LAKE CITY, UTAH 84101	•	TEL: 801.521.9111	FAX: 801.521.9158
-------------------------	---	------------------------	---	----------------------------	---	-------------------	-------------------

SHEET NO. A0.1C	DATE: 08.09.18	THESE DOCUMENTS ARE IN THE POSSESSION OF THE ARCHITECT AND SHALL REMAIN THE PROPERTY OF THE ARCHITECT. NO USE OF RE-PRODUCED OR DERIVED DOCUMENTS SHALL BE PERMITTED UNLESS AUTHORIZED IN WRITING BY THE ARCHITECT. WITH APPROPRIATE COMMENTARY, COPY RIGHT © 2016	BIBB RESIDENCE 2217 THREE KINGS COURT PARK CITY, UT 84080	ARCHITECTURAL LANDSCAPE
DRAWN BY: DL		PROJECT NO.: 16014		

NOT FOR CONSTRUCTION

ENCROACHMENT AGREEMENT

_____ (street address)

THIS AGREEMENT is made by and between PARK CITY MUNICIPAL CORPORATION (City) and Harry L Bibb, Jr. and Joan C. Engram-Bibb (Owner(s)) to set forth the terms and conditions under which the City will permit the Owner to build, maintain, and use certain improvements within the City property at 2217 Three Kings Court, Park City, Utah. Subject to the following terms and conditions of this agreement, Owner shall have the right to construct and maintain a retaining wall and surrounding landscaping within the City property, as defined below.

1. This encroachment agreement shall be appurtenant to the following described property: Lot 19 in the Thaynes Canyon Subdivision No. 2, Tax Identification Number TH-2-19 ("Bibb Property").

This agreement is not transferable to other property, but is freely transferable with the title to this lot. The license and conditions as stated in the agreement, are binding on the successors in title or interest of Owner(s). **Owner(s) shall attach a current title report as part of this application.**

2. The improvements permitted within the City property shall consist of a retaining wall and surrounding landscaping located north side of the Bibb Property and the golf course ("City Property"). Attach a scaled drawing, labeled as ATTACHMENT 'A', showing the improvements on the City Property and the location of all related elements, on 8 ½ "x 11" or 11"x 17" paper. No future modifications to the improvements may be made without prior written permission from Park City Municipal Corporation.

3. The City may, at some future date, elect to make improvements to the City Property and/or to install utilities (or allow such installation by franchised utilities) or require all encroachments to be removed. To the extent that any improvements or utility work requires the removal, relocation, replacement, and/or destruction of the improvements the Owner(s) may have been using within the City Property, the Owner(s) waives any right to compensation for the loss of improvements and loss of the use of the improvements on the City Property and/or change in the grade and elevation of the street. This waiver of compensation, in the event the improvements are removed for any reason whatsoever in the sole determination of Park City, is the consideration given for the granting of this encroachment permit.

4. Prior to installing City improvements in, along or adjacent to the City Property or installing utilities in a manner that will require the removal or relocation of the improvements, the City will endeavor to give the Owner(s) sixty (60) days notice, in which time the Owner(s) shall make adjustments and remodel the improvements as necessary to accommodate the changes in the street width, utilities, and-or grade at the Owner(s) cost. Park City and its franchised utilities will attempt to save as much of the Owner(s) improvements as possible but in no way guarantees any salvage value whatsoever.

5. No permanent right, title, or interest of any kind shall vest in the Owner(s) in the City Property by virtue of this agreement. The property interest hereby created is a revocable license, and not an easement or other perpetual interest. No interest shall be perfected under the doctrines of adverse possession, prescription, or other similar doctrines of law based on adverse use, as the use hereby permitted is entirely permissive in nature. The City may require removal of the improvements for any reason with 90 days' notice.

6. The Owner(s) or his/her successor shall maintain the improvements on the City Property in a good state of repair at all times, and upon notice from the City, will repair any damaged, weakened, or

failed sections. The Owner(s) agree(s) to hold the City harmless and indemnify the City for any and all claims which might arise from third parties, who are injured as a result of the Owner's use of the City Property for private purposes, or from the failure of the Owner's improvements.

7. This agreement shall be in effect until the license is revoked by the City. Revocation shall be effected by the City regarding a notice of revocation with the Summit County Recorder and sending notice to Owner or the Owner's successor.

DATED this _____ day of _____, 20____

PARK CITY MUNICIPAL CORPORATION

Jack Thomas
City Mayor

Attest: _____

Owner's Signature

Owner's Name (Printed)

Mailing Address

email address or phone number

Owner's Signature

Owner's Name (Printed)

Mailing Address

email address or phone number

STATE OF UTAH)
 ss
COUNTY OF SUMMIT)

On the ____ day of _____, 20____, _____
_____ personally appeared before me _____ who, being first
duly sworn and upon oath, and in full recognition of the penalty for perjury in the State of Utah, did
acknowledged to me that she/he is the Owner(s) of the property or, if the Owner(s) is a Corporation, that
she/he is an authorized representative of the Corporation, and that she/he signed the foregoing instrument
on their behalf.

Notary Public

STATE OF UTAH)
 ss
COUNTY OF SUMMIT)

On the ____ day of _____, 20____, _____
_____ personally appeared before me _____ who, being first
duly sworn and upon oath, and in full recognition of the penalty for perjury in the State of Utah, did
acknowledged to me that she/he is the Owner(s) of the property or, if the Owner(s) is a Corporation, that
she/he is an authorized representative of the Corporation, and that she/he signed the foregoing instrument
on their behalf.

Notary Public





DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

Staff received a First Amendment Event Application on December 15, 2016 for the Women's March for American Park City. The initial application stated an expected 400 participants which led staff to believe the event would be qualified as a Level 2 Event which could be approved administratively by staff.

Recent changes in the event including national marketing have led staff to believe this First Amendment Event will attract between 1,000 to 3,000 attendees and therefore is qualified as a Level 3 Event which requires the approval of City Council as according to section [4-8-4-C-4](#) of the Park City Municipal Code.

Respectfully:

Michelle Kellogg, City Recorder



City Council Staff Report

Subject: First Amendment Event Approval
Author: Jenny Diersen, Special Event Coordinator
Department: Special Events Department
Date: January 12, 2017
Type of Item: Administrative

Summary Recommendation

Staff recommends City Council review and approve the Women's March for American Park City Level Three First Amendment Event to be held on Saturday, January 21 from 9:00 a.m. to 11:00 a.m. with set up from 7:00 a.m. to 9:00 a.m. and breakdown to be completed by noon, based on findings of the fact, conditions of approval and conclusions of the law in a form approved by the City Attorney's Office.

Executive Summary

Staff received a First Amendment Event Application on December 15, 2016 for the Women's March for American Park City. The initial application stated an expected 400 participants which led staff to believe the event would be qualified as a Level 2 Event which could be approved administratively by staff.

Recent changes in the event including national marketing have led staff to believe this First Amendment Event will attract between 1,000 to 3,000 attendees and therefore is qualified as a Level 3 Event which requires the approval of City Council as according to section [4-8-4-C-4](#) of the Park City Municipal Code.

The Problem

Staff received a First Amendment Event Application for the Women's March for American Park City on December 15th and based on the application, believed the event would qualify as a Level 2 Event which would be administratively approved by staff. Recent changes and national marketing of the event has led staff to believe the event now qualifies as a Level 3 event.

This event is not part of the Sundance Film Festival though Sundance is aware of the activities that are proposed. Due to the timing of this event during Sundance Film Festival time period, it has also increased the national media attention and celebrity exposure of this event.

Background

- Staff received a First Amendment Event Application on December 15, 2016 for the Women's March for American Park City. (Exhibit A)
- Staff has been working with the applicant, Cindy Levine, regarding logistics, safety and security for the event.

- Staff anticipates an estimate of 1,000 to 3,000 people will be in attendance for the Women's March for American Park City.
- There is a rolling road closure associated with this event. The event will begin at the Brew Pub Parking Lot. From there, participants will march down Main Street to Heber Avenue. They will turn right on Heber Avenue and culminate in the Flagpole Parking Lot. (Exhibit B)
- Parking will be removed from the Flagpole Parking Lot on Saturday, January 21 from 6 a.m. to noon. This lot will be noticed for parking removal during the above stated times on Friday, January 20th.
- The Applicant has agreed to work in coordination with the City to ensure adequate off-site parking and traffic circulation in the vicinity of the event. The applicant will encourage participants in the event to carpool, walk and take transit to the event.
 - Depending on the size of the event, there may be temporary closures of Swede Alley associated with the event in order to ensure the safety of the public.
 - Staff will coordinate with the applicant to ensure that if transit operations are modified, they have the ability to stay on schedule and continue to have access to routes during this time.
 - Staff continues to coordinate with the applicant to find auxiliary parking areas for attendees outside of the Old Town/Main Street core.
- This event has made national headlines including in the Hollywood Reporter, New York Daily news.
- The Sundance Film Festival has been made aware of this event and believes that the proposed route will have the least impact on Festival operations.
- HPCA has been made aware of this event. Staff and HPCA continue to coordinate to ensure that the event has the least impact to Main Street.

Analysis

Staff finds Women's March, First Amendment Event Permit is an activity conducted for the purpose of expressing political, social, religious or other views protected by the First Amendment of the United States Constitution and Article 1, Section 15 of the United States Constitution, including speechmaking, marching, demonstrating and debating public issues:

- 1) On City property;
- 2) Necessitating a partial street closure; and
- 3) Creating impacts on services and transportation arising from the size of the event.

Staff recommends approval as the application meets the requirements of the Municipal Code Title 4, Chapter 8, in accordance with the attached findings in Exhibit C. The applicant worked proactively with staff to mitigate impacts and meet the code criteria.

Department Review

Due to the timeline to execute this report, only the Special Events, Economic Development, and Legal Departments reviewed this report.

Though Public Safety and Transportation Planning Departments have not reviewed this report, they have been involved with coordination regarding this event.

Alternatives for City Council to Consider

- 1. Recommended Alternative:** This is staff's recommendation.
Staff recommends City Council review and approve the Women's March for American Park City Event to be held on Saturday, January 21 from 9:00 a.m. to 11:00 a.m. with set up from 7:00 a.m. to 9:00 a.m. and breakdown to be completed by noon, based on findings of the fact, conditions of approval and conclusions of the law in a form approved by the City Attorney's Office.
- 2. Modify Alternative:**
City Council could modify the approval of the Women's March for American Park City Event to be held on Saturday, January 21. Staff would need specific feedback on proposed findings and/or event changes on how to proceed with the event.
- 3. Denial Alternative:**
City Council could deny the approval of the Women's March for American Park City Event to be held on Saturday, January 21. Staff would need specific feedback regarding how to proceed with the event.

Attachments

- A Women's March for American Park City First Amendment Event Application.
- B Site Plan for the Women's March for American Park City First Amendment Event
- C DRAFT Findings for the Women's March for American Park City First Amendment Event.

Print

Submit

Special Event Permit Application

You must save the PDF first, then open from computer, complete and submit.

APPLICATIONS DO NOT CONSTITUTE AS A PERMIT.
PERMITS ARE APPROVED BY THE SPECIAL EVENTS DEPARTMENT OR CITY COUNCIL IN WRITING AFTER COMPLETE APPLICATIONS ARE REVIEWED UNDER PARK CITY MUNICIPAL CODE 4-8.

Applications for Special Event Permits are due no later than 90 days (Level 3), 60 days (Level 2), or 30 days (Level 1) prior to an event. Incomplete applications cannot be reviewed. Applications submitted after the deadlines as described above may be denied. More information can be found at www.parkcity.org or by contacting specialevents@parkcity.org.

IF YOU HAVE QUESTIONS, OR WOULD LIKE TO SCHEDULE A MEETING BEFORE SUBMITTING YOUR APPLICATION, PLEASE CONTACT:

Tommy Youngblood	tommy.youngblood@parkcity.org	435.615.5187	Jenny Diersen	jenny.diersen@parkcity.org	435.615.5188
-------------------------	--	---------------------	----------------------	--	---------------------

APPLICATION FEES & EXPENSES

Level Three Special Event Permit	\$160.00
Level Two Special Event Permit	\$80.00
Level One Special Event Permit	\$40.00

- Application Levels are determined by the Special Events Department after reviewing complete applications.
- Additional fees for other City Services will be estimated and provided to the applicant upon receipt of a complete application.
- Applicants may incur additional expenses from other City, County or State jurisdictions.
- Fee Reductions for some City Services are considered bi-annually. Fee Reduction Applications are due on:
- **April 1**, for events July 1 – December 31; and **October 1**, for events January 1 – June 30.

AS THE APPLICANT YOU UNDERSTAND & AGREE TO THE FOLLOWING: (Check all that you understand and agree to)

- ☒ To insure prompt and accurate processing of your application, ensure that ALL support materials and documentation accompany your application. Failure to do so will constitute an incomplete application and may delay review and approval processes. I understand a complete application shall include this application completed, with traffic and transportation plan, contingency plan – including operations plan, emergency plan, weather conditions and residential and notification outreach plan; site plan and permission of use for properties.
- ☒ Park City Municipal Corporation requires a certificate of insurance in an amount to be determined by the City Attorney's Office. Submitting incomplete application information may delay the ability to determine the amount required. The amount of insurance required by the City Attorney's office is final and the applicant shall be required to submit proof of coverage including naming Park City Municipal Corporation, 445 Marsac, P.O. Box 1480, Park City, Utah 84060 as additionally insured prior to the start of any event activity.
- ☒ After the application is evaluated, the applicant will be responsible for providing proof that I have obtained other permits as necessary from City, County or State agencies, as well as the application fee amount based on the Level of event.
- ☒ I understand that as the applicant, I will assume and reimburse the City for any and all costs and expenses determined by Park City Municipal Corporation. Park City Municipal Corporation may require a deposit to cover such expenses. I may incur costs from other departments or other jurisdictional agencies. I understand I can request an estimate of City Services for the event upon submitting a complete application, and that should I choose to, I can request a reduction of fees for some services as pertains to Park City Municipal code 4-8-9 through the bi-annual fee reduction application and process.
- ☒ I understand I am able to request a meeting with the Special Events Department prior to submitting an application and that this application does not constitute as a valid permit. I understand that permits are approved by the Special Events Department or City Council in writing after complete applications are reviewed under Park City Municipal Code 4-8.

APPLICANT AND SPONSORING ORGANIZATION INFORMATION

NAME OF EVENT: **Women's March for American Park City**

FIRST TIME EVENT:	☒ Yes ☐ No	ANNUAL EVENT:	☐ Yes ☒ No	IF ANNUAL, HOW MANY YEARS:	
-------------------	---	---------------	---	----------------------------	--

ANNUAL EVENT THAT WILL BE THE SAME AS LAST YEAR:	☐ Yes ☒ No
--	---

ANNUAL EVENT THAT WILL HAVE CHANGES FROM LAST YEAR:	☐ Yes ☒ No
---	---

NAME OF APPLICANT (FIRST & LAST): **Cindy Levine**

TITLE / POSITION: **volunteer**

BUSINESS / ORGANIZATION NAME: **Impact Partner**

IS BUSINESS / ORGANIZATION A REGISTERED NON-PROFIT	☐ Yes, a copy of IRS paperwork is attached ☒ No
--	--

MAILING ADDRESS OR BUSINESS / ORGANIZATION: **50 West Broadway, Suite 1125**

CITY, STATE, ZIP: **Salt Lake City utah 84101**

PHYSICAL ADDRESS OF BUSINESS / ORGANIZATION: **50 West Broadway, Suite 1125**



Park City Municipal Corporation

Special Event Permit Application

Special Events Department
City Hall, Third Floor
445 Marsac Avenue
P.O. Box 1478
Park City, Utah 84060
specialevents@parkcity.org

CITY, STATE, ZIP: Salt lake city utah 84101										
PHONE (PRIMARY): 4359019124					PHONE (SECONDARY):					
EMAIL: cindy@intriguedbc.com										
BUSINESS / ORGANIZATION WEBSITE: impactpartnersfilm.com										
SOCIAL MEDIA LINKS:										
DAY OF EVENT PRIMARY CONTACT										
ON-SITE DAY OF PRIMARY CONTACT NAME (FIRST & LAST): Cindy Levine										
ON-SITE DAY OF PRIMARY CONTACT CELL PHONE: 435-901-9124										
ON-SITE DAY OF PRIMARY CONTACT EMAIL: cindy@intrigueuedbc.com										
PUBLIC EVENT INFORMATION										
WEB SITE FOR PUBLIC EVENT INFORMATION: facebook page in the making										
PHONE NUMBER FOR PUBLIC EVENT INFORMATION: na										
EMAIL ADDRESS FOR PUBLIC EVENT INFORMATION: na										
Overall event description is attached as a separate document, with the contingency plan and is submitted with the application.										
EVENT LEVEL DETERMINATION										
THE EVENT WILL INCLUDE THE FOLLOWING ACTIVITIES: (Check all that apply)										
☐ FESTIVAL / FAIR	☐ PARADE	☐ SKI / SNOW BOARD	☐ RUN	☐ BIKE	☒ WALK	☐ TRAIL USE	☐ CONCERT	☐ CULINARY	☐ FILMING	
☐ ARTS & CULTURE EVENT		☐ HOLIDAY CELEBRATION		☐ RECREATION / SPORTING EVENT			☐ OTHER:			
THE EVENT WILL INVOLVE THE USE OF: (Check all that apply)										
☒ MAIN STREET	☐ RESORT PROPERTY	☐ SCHOOL DISTRICT PROPERTY	☐ PRIVATE PROPERTY	☐ CITY PARKS	☐ CITY FIELDS	☐ CITY FACILITY RENTAL	☐ RESIDENTIAL AREAS	☐ PARK CITY LIMITS	☐ MULTI-JURISDICTION	☐ AMPLIFIED SOUND
THE TARGET MARKET FOR THIS EVENT IS: (Check all that apply)										
☐ YOUTH / FAMILIES	☐ ADULTS	☐ LOCAL	☐ STATE-WIDE	☒ REGIONAL	☐ NATIONAL	☐ INTER NATIONAL	☐ SPECTATORS	☐ PARTICIPANTS	☐ OTHER:	
THIS EVENT WILL: (Check all that apply)										
☐ LIMIT # OF PARTICIPANTS		☒ BE FREE FOR SPECTATORS		☒ BE FREE FOR PARTICIPANTS		☐ INCLUDE VENDORS OR SPONSOR		☐ BE FREE AND OPEN TO THE PUBLIC		
☐ LIMIT # OF SPECTATORS		☐ CHARGE ADMISSION FOR SPECTATORS		☐ CHARGE PARTICIPANTS		☐ NOT INCLUDE VENDORS OR SPONSOR		☐ BE A PRIVATE EVENT		
THIS EVENT WILL BE HELD: (Check all that apply)										
EVENT DATE(S):										
☐ MONDAY	☐ TUESDAY	☐ WEDNESDAY	☐ THURSDAY	☐ FRIDAY	☒ SATURDAY	☐ SUNDAY				
☐ WEEKLY		☐ MONTHLY		☐ SERIES		☐ ONE DAY				
NUMBER OF EVENT(S): 1					# OF CONSECUTIVE DAYS: 1					



Park City Municipal Corporation

Special Event Permit Application

Special Events Department
City Hall, Third Floor
445 Marsac Avenue
P.O. Box 1478
Park City, Utah 84060
specialevents@parkcity.org

ONE DAY EVENT HOUR(S)			
EVENT HOUR(S): 9am		OPENING TIME: 9am	EVENT ENDS: 10:30
EVENT SET-UP DATE: TBD -		BREAK-DOWN DATE: 1/21/16	
SET-UP TIME(S):		BREAK-DOWN TIME(S): 10:30	
MULTIPLE DAY EVENT HOUR(S) – If different for each date			
DAY:	DATE:	OPENING TIME:	EVENT ENDS:
EVENT SET-UP DATE:		BREAK-DOWN DATE:	
SET-UP TIME(S):		BREAK-DOWN TIME(S):	
DAY:	DATE:	OPENING TIME:	EVENT ENDS:
EVENT SET-UP DATE:		BREAK-DOWN DATE:	
SET-UP TIME(S):		BREAK-DOWN TIME(S):	
DAY:	DATE:	OPENING TIME:	EVENT ENDS:
EVENT SET-UP DATE:		BREAK-DOWN DATE:	
SET-UP TIME(S):		BREAK-DOWN TIME(S):	
DAY:	DATE:	OPENING TIME:	EVENT ENDS:
EVENT SET-UP DATE:		BREAK-DOWN DATE:	
SET-UP TIME(S):		BREAK-DOWN TIME(S):	
DAY:	DATE:	OPENING TIME:	EVENT ENDS:
EVENT SET-UP DATE:		BREAK-DOWN DATE:	
SET-UP TIME(S):		BREAK-DOWN TIME(S):	
DAY:	DATE:	OPENING TIME:	EVENT ENDS:
EVENT SET-UP DATE:		BREAK-DOWN DATE:	
SET-UP TIME(S):		BREAK-DOWN TIME(S):	
INCLIMATE WEATHER INFORMATION:			
DAY:	DATE:	OPENING TIME:	EVENT ENDS:
EVENT SET-UP DATE:		BREAK-DOWN DATE:	
SET-UP TIME(S):		BREAK-DOWN TIME(S):	
☐ No inclement weather date is required, and the event will be held rain or shine. I understand the event may be cancelled or postponed by the city due to hazardous or damaging conditions			
EVENT ATTENDANCE (Complete all that apply)			
IF ANNUAL EVENT:			
TOTAL EVENT ATTENDANCE OF PREVIOUS YEAR:		TOTAL DAILY EVENT ATTENDANCE OF PREVIOUS YEAR:	
ALL APPLICANTS MUST COMPLETE THE FOLLOWING SECTION (NEW OR ANNUAL EVENTS)			
ESTIMATED # OF PARTICIPANTS: 300-400		ESTIMATED # OF VENDORS:	
ESTIMATED # OF SPECTATORS: na		ESTIMATED # OF VOLUNTEERS: 20	
ESTIMATED # OF STAFF:		ESTIMATED DAILY ATTENDANCE:	
ESTIMATED HIGHEST TOTAL ATTENDANCE AT ONE TIME:		ESTIMATED TOTAL ATTENDANCE OF ENTIRE EVENT:	
I anticipate the event to have an attendance of 500 or more people and understand, as the applicant, I may be required to obtain a mass gathering permit from summit county: http://www.summitcountyhealth.org/			



Park City Municipal Corporation

Special Event Permit Application

Special Events Department
City Hall, Third Floor
445 Marsac Avenue
P.O. Box 1478
Park City, Utah 84060
specialevents@parkcity.org

SIDEWALK & STREET USE (circle and complete all that apply)

THE EVENT WILL HAVE:

STREETS

☒	STREET CLOSURE MAP IS ATTACHED		CLOSURE SIGN / MARKING				
☐	ROLLING CLOSURE	☐	PARTIAL CLOSURE	☐	FULL CLOSURE	☐	NO CLOSURE
NAMES OF STREETS TO BE CLOSED:				TIMES: (START / END OF CLOSURE)			
Main Street, Heber Ave, time portion of Swede Alley (portion)				START: 9am		END: 10:30 am	
to parking lot				START:		END:	
				START:		END:	
				START:		END:	

REASON FOR CLOSURE: gathering in Brew pub lot, marching from top of Main to Heber ave, take a right and then take another right on Swede ave and into the parking lot

SIDEWALKS

☐	SIDEWALK CLOSURE MAP IS ATTACHED		CLOSURE SIGN / MARKING				
☐	PARTIAL CLOSURE	☐	FULL CLOSURE	☐	NO CLOSURE	☐	CROWD CONTROL PLAN
ADDRESS:							
ADDRESS OF CLOSURE: (FROM / TO)				TIMES: (START / END OF CLOSURE)			
FROM:		TO:		START:		END:	
FROM:		TO:		START:		END:	
FROM:		TO:		START:		END:	
FROM:		TO:		START:		END:	

REASON FOR CLOSURE: marching

TRAILS

☐	TRAIL COURSE MAP IS ATTACHED	☐	COURSE / SIGN MARKING INFORMATION IS ATTACHED
NAMES OF TRAILS TO BE USED:			

PARADE

ASSEMBLY AREA:	DISBANDING AREA:	# OF PARADE ATTENDEES:	
PARADE IS:			
☐ WALKING ONLY	☐ VEHICLES & WALKING	☐ VEHICLES ONLY	☐ WILL HAVE ANIMALS

OTHER PARADE INFO:



Park City Municipal Corporation

Special Event Permit Application

Special Events Department
City Hall, Third Floor
445 Marsac Avenue
P.O. Box 1478
Park City, Utah 84060
specialevents@parkcity.org

CITY PARKING FACILITIES REQUEST						
GENERAL PARKING (Where will you be directing event attendees to park cars?)						
HOW MANY PARKING SPACES DOES THE EVENT NEED? public trans		AT HIGHEST POINT?				
☐	☐	☐	☐			
MAIN STREET	CHINA BRIDGE	FLAGPOLE LOT	BREW PUB LOT			
☐	☐	☐	☐			
SANDRIDGE PARKING LOTS	PARK AVENUE	CITY PARK	MAWHINNEY LOT			
☐	☐	OTHER: car pooling				
QUINNS LOT		RICHARDSON FLATS				
WILL THE EVENT PROVIDE TRANSPORTATION SERVICES TO THE EVENT FROM PARKING AREAS?:			YES ☒ NO ☐			
ADA PARKING AVAILABLE?:			YES ☒ NO ☐			
THE EVENT WILL REQUIRE PARKING REMOVAL?:			YES ☐ NO ☒			
The event will require parking removal as indicated below, and I will complete a special use of public parking application as required with the Park City Parking Services Department						
NAME OF AREA OR STREETS:** we will promote ride share and buses		BETWEEN:				
TIME – START / END:		REASON (what/who):				
NAME OF AREA OR STREETS:		BETWEEN:				
TIME – START / END:		REASON (what/who):				
NAME OF AREA OR STREETS:		BETWEEN:				
TIME – START / END:		REASON (what/who):				
NAME OF AREA OR STREETS:		BETWEEN:				
TIME – START / END:		REASON (what/who):				
TRANSPORTATION						
WILL THE EVENT PROVIDE ALTERNATIVE TRANSPORTATION OPTIONS?						
☐	☐	☐				
BUS	BIKE	WALK				
THE APPLICANT IS PROVIDING SHUTTLE OR BUS TRANSPORTATION OUTSIDE OF THE CITY'S SCHEDULE. THE APPLICANT HAS PROVIDED BUS DROP OFF AREA ON THE SITE MAP ATTACHED WITH THIS APPLICATION.						
NAME OF TRANSPORTATION PROVIDER / COMPANY:						
PHONE:		EMAIL:				
THE APPLICANT IS PROVIDING BIKE TRANSPORTATION AT THE EVENT. WE HAVE PROVIDED BIKE PARKING AREAS ON THE SITE MAP WITH THIS APPLICATION.						
WE ARE PROVIDING WALKING AS AN OPTION TO ATTEND THE EVENT. WE HAVE PROVIDED WALKING PATH IDEAS ON THE SITE MAP WITH THIS APPLICATION.						
ADDITIONAL TRANSPORTATION INFORMATION:						
PUBLIC FACILITY USE						
CHECK ALL THAT APPLY:	☐	MINERS HOSPITAL AT CITY PARK	☐	PARK CITY LIBRARY MEETING ROOMS	☐	JIM SANTY AUDITORIUM
	☐	SOPUTH CITY PARK	☐	CITY PARK COVERED BBQ AREA	☐	CITY PARK GAZEBO / STAND
	☐	CITY PARK SOFTBALLFIELD	☐	CITY PARK RUGBY FIELD	☐	SKATE PARK AT CITY PARK
	☐	QUINN'S SPORTEX FIELDS	☐	ROTARY PARK	☐	SCHOOL DISTRICT FIELDS
	☐	DIRT JUMP PARK	☐	PARK CITY ICE ARENA	☒	OTHER: public parking lot across from gateway



Park City Municipal Corporation

Special Event Permit Application

Special Events Department
City Hall, Third Floor
445 Marsac Avenue
P.O. Box 1478
Park City, Utah 84060
specialevents@parkcity.org

TEMPORARY STRUCTURES & FLAMMABLE MATERIALS

I UNDERSTAND ALL TEMPORARY STRUCTURES AND FLAMMABLE MATERIALS MUST BE APPROVED BY THE PARK CITY BUILDING DEPARTMENT. SUCH INSPECTIONS WILL REQUIRE A FIRE/BUILDING PERMIT TO BE SUBMITTED 10 DAYS BEFORE THE EVENT, AS WELL AS AN INSPECTION THE DAY OF THE EVENT.

☐	☐	☐	☐	☐
TEMPORARY BLEACHERS	INFLATABLES	CANOPIES	TEMPORARY BADGES	TEMPORARY LIGHTING
TENTS 10X10 OR UNDER		HOW MANY: 2-3?		
TRAILER		HOW MANY:		
STRUCTURES OVER 6 FEET TALL		PURPOSE: tent to protect speakers		HOW MANY: 2
DOES EVENT HAVE ELECTRICAL NEEDS?:		☒ YES ☐ NO	DOES EVENT REQUIRE USE OF GENERATORS? ☒ YES ☐ NO	
WILL YOU BE REQUESTING PERMITS FOR FIREWORKS?:		☐ YES ☒ NO		
WILL THE EVENT REQUIRE THE USE OF FLAMMABLE MATERIALS, FUELS OR GASSES?:		☐ YES ☒ NO		
NAME SUCH MATERIALS:				

WASTE MANAGEMENT AND RECYCLING

THE EVENT WILL PROVIDE ITS OWN GARBAGE CANS AND WASTE MANAGEMENT.						
THE EVENT WILL PROVIDE ITS OWN DUMPSTERS, WHICH IS INDICATED ON THE SITE MAP.						
THE EVENT WILL USE THE CITY'S GARBAGE CANS AND WASTE MANAGEMENT, REQUIRING ADDITIONAL FEES.						
THE EVENT WILL USE THE CITY'S DUMPSTERS, REQUIRING ADDITIONAL FEES.						
THE EVENT WILL HIRE A COMPANY AND PROVIDE RECYCLING SERVICES FOR THE FOLLOWING MATERIALS:						
☐	☐	☐	☐	☐	☐	☐
PLASTIC	PAPER	ALUMINUM	GLASS	CARDBOARD	COMPOST	OTHER
☒ THE EVENT WILL UTILIZE CITY RESTROOM FACILITIES (List areas of city restroom facilities below:						
THE EVENT WILL BRING ITS OWN RESTROOMS AND SANATARY STATIONS. (May be required by Summit County Health Department or Park City Building Department)						
WILL ANIMALS BE AT THE EVENT?:		☐ YES ☒ NO	IF YES, PLEASE DESCRIBE TYPE OF ANIMALS AND WASTE PLANS			
TYPES OF ANIMALS:						
I HAVE INCLUDED THE PLACEMENT OF THE ANIMALS IN THE SITE MAP OR LINE UP IN THE CONTINGENCY PLAN						
WILL DOGS BE ALLOWED AT THE EVENT?:		☐ YES ☒ NO	☐ LEASHED	☐ UNLEASHED		
WASTE MANAGEMENT PLAN HAS BEEN DESCRIBED IN THE CONTINGENCY PLAN ATTACHED TO THIS APPLICATION.						

FOOD & MERCHANDISE SALES

I UNDERSTAND THAT ALL VENDORS MUST OBTAIN A PARK CITY BUSINESS LICENSE. ALL VENDORS SERVING FOOD OR DRINKS MAY BE REQUIRED TO OBTAIN A FOOD SERVICE OR FOOD HANDLERS PERMIT FROM SUMMIT COUNTY.				
WILL THERE BE SALE OF MERCHANDISE?:			☐ YES ☒ NO	
WILL THERE BE COMPLIMENTARY FOOD?:			☐ YES ☒ NO	
WILL THERE BE SALE OF FOOD?:			☐ YES ☒ NO	
WILL THERE BE ALCOHOL FOR SALE?:			☐ YES ☒ NO	
☐	☐	☐		
BEER	WINE	LIQUOR		

I HAVE CONTACTED THE PARK CITY FINANCE DEPARTMENT REGARDING REQUIREMENTS FOR BEER & LIQUOR



Park City Municipal Corporation

Special Event Permit Application

Special Events Department
City Hall, Third Floor
445 Marsac Avenue
P.O. Box 1478
Park City, Utah 84060
specialevents@parkcity.org

☒ I UNDERSTAND THAT THE UTAH DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL (UDABC) MAY REQUIRE OTHER PERMITS.

WILL FOOD ITEMS BE PRE-PACKAGED?: ☐ YES ☐ NO

WILL FOOD ITEMS BE COOKED ON SITE?: ☐ YES ☐ NO

☒ I UNDERSTAND THAT IF COOKING IS ONSITE, A PARK CITY BUILDING/FIRE PERMIT MAY BE REQUIRED.

WILL FOOD ITEMS BE PREPARED OFFSITE?: ☐ YES ☐ NO

DESCRIBE ITEMS:

TEMPORARY SIGNS

WILL THERE BE TEMPORARY SIGNS AT THE EVENT?: ☐ YES ☐ NO

I HAVE ATTACHED A SIGN PLAN DESCRIBING THE CONTENT, SIZES AND LOCATIONS IN THE CONTINGENCY PLAN.

SAFETY - SECURITY

☒ THE EMERGENCY AND SECURITY PLAN HAS BEEN ATTACHED IN THE OPERATIONS PLAN, INCLUDING CROWD CONTROL, ACCESS, FIRST AID. AFTER REVIEW OF THIS APPLICATION, REQUIREMENTS FOR EMTS, FIRE AND POLICE SERVICES WILL BE DETERMINED AS PART OF THE CONDITIONS OF APPROVAL OF THIS EVENT. THE SPECIAL EVENTS DEPARTMENT WILL BE ABLE TO GIVE THE APPLICANT AN ESTIMATE OF SUCH CITY SERVICE REQUIREMENTS.

THE EVENT WILL REQUIRE LAW ENFORCEMENT SERVICES BEYOND ROUTINE PERIODIC PATROL.

☒ THE EVENT WILL NOT REQUIRE LAW ENFORCEMENT SERVICES BEYOND ROUTINE PERIODIC PATROL.

COMMUNICATION NEEDS

WILL THERE BE INSTALLATION OF AN ANTENNA FOR COMMUNICATION NEEDS?: ☒ YES ☐ NO

INSTALLATION OF AN ANTENNA FOR COMMUNICATION IS INDICATED IN THE SITE PLAN WITH SPECIFICATIONS.

MARKETING OF EVENT

PROPER MARKETING OF YOUR EVENT IS VITAL TO ITS SUCCESS. PLEASE CONTACT THE PARK CITY CHAMBER FOR ADDITIONAL INFORMATION AND ASSISTANCE: www.visitparkcity.com

I HAVE CHOSEN TO LIST INFORMATION REGARDING MY EVENT ON THE PARK CITY CHAMBER'S WEBSITE.

☒ I HAVE CHOSEN NOT TO LIST INFORMATION REGARDING MY EVENT ON THE PARK CITY CHAMBER'S WEBSITE.

WHO IS THE TARGET MARKET FOR THIS EVENT?: **Men and Women of all ages**

WHERE IS THE TARGET MARKET FOR THIS EVENT?: (choose all that apply)

☐

LOCAL

☒

REGIONAL

☐

NATIONAL

☐

INTERNATIONAL

WILL THIS EVENT BE FILMED AND TELEVISED?: (choose all that apply) ☐ YES ☐ NO

☒

LOCAL

☒

REGIONAL

☒

NATIONAL

☐

INTERNATIONAL

PLEASE LIST ALL ADVERTISEMENT INCLUDING MEDIA COVERAGE, NEWSPAPER AND MAGAZINES:

MEDIA (RADIO/TV): **unknown at this time**

NEWSPAPER: **unknown at this time**

MAGAZINES:

OTHER:

PLEASE SELECT RANGE OF MARKETING BUDGET: **\$100 - \$500**

☐

\$100 OR UNDER

☐

\$100 - \$500

☐

\$500 - \$1,000

☐

\$1,000 - \$2,500

☐

ABOVE \$2,500



Park City Municipal Corporation

Special Event Permit Application

Special Events Department
City Hall, Third Floor
445 Marsac Avenue
P.O. Box 1478
Park City, Utah 84060
specialevents@parkcity.org

APPLICANT AGREEMENT & SIGNATURE

I, the undersigned representative, have read the rules and regulations with reference to this application and am duly authorized by the organization to submit this application on its behalf. The information contained herein, including supporting documentation is complete and accurate.

Name (Printed):	Cynthia Levine	
Signature:	cynthia levine	Date: 12/15/16

Women’s March - EVENT TIMELINE

Saturday January 21, 2017

(T) - Tentative

- 7:00 am

PD Officers Briefing at North Marsac Lot
- 7:30 am

PD Officers on Post
- 8:00 am

People start arriving for parade
- 8:30 am(T)

Closure of Swede Alley Traffic and facilitate people to get to Brew Pub Lot
 - First diversion – Swede & Heber / Swede & Main and blocking of exits from CB and 4th street to swede.
- 9:00 am (T)

Parade scheduled to begin from Brew Pub Lot
 - Second Diversion – stop traffic entering Swede from DV drive.
 - Stop traffic at Main & Heber
 - Reroute Transit from Heber (T)
- 10 -10:30am (T)

Parade Ends at Flagpole Lot
- Reopen CB exits and 4th Street (T)
- **if crowd overflows onto swede, CB and 4th may have to remain closed or traffic diverted south.
- 10:30 - ?

Speeches, etc. to end of event

1000 people have confirmed. The size of crowd may necessitate closure of Swede to accommodate until event is over. Transit will need access and exit from Roundabout

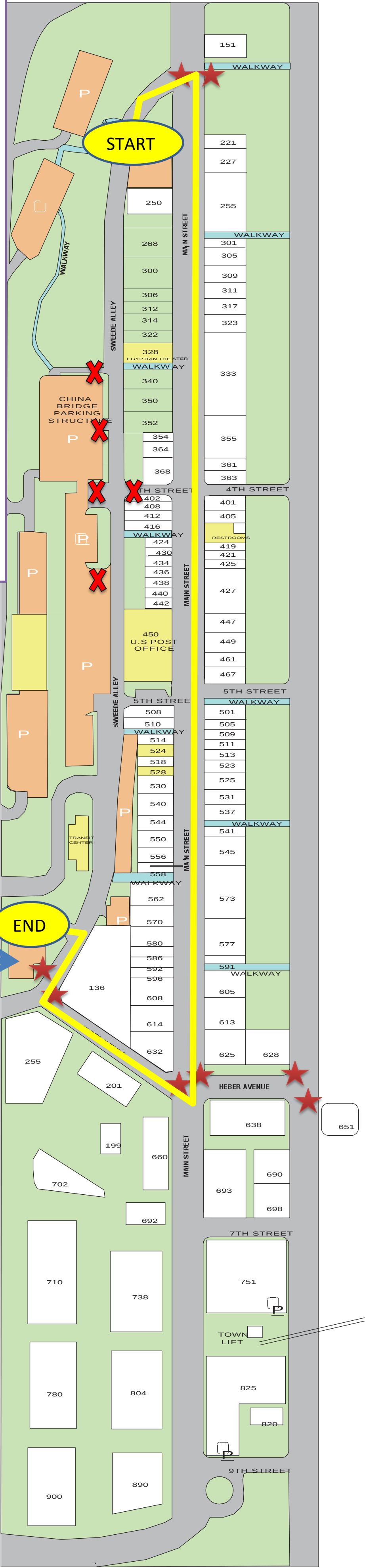
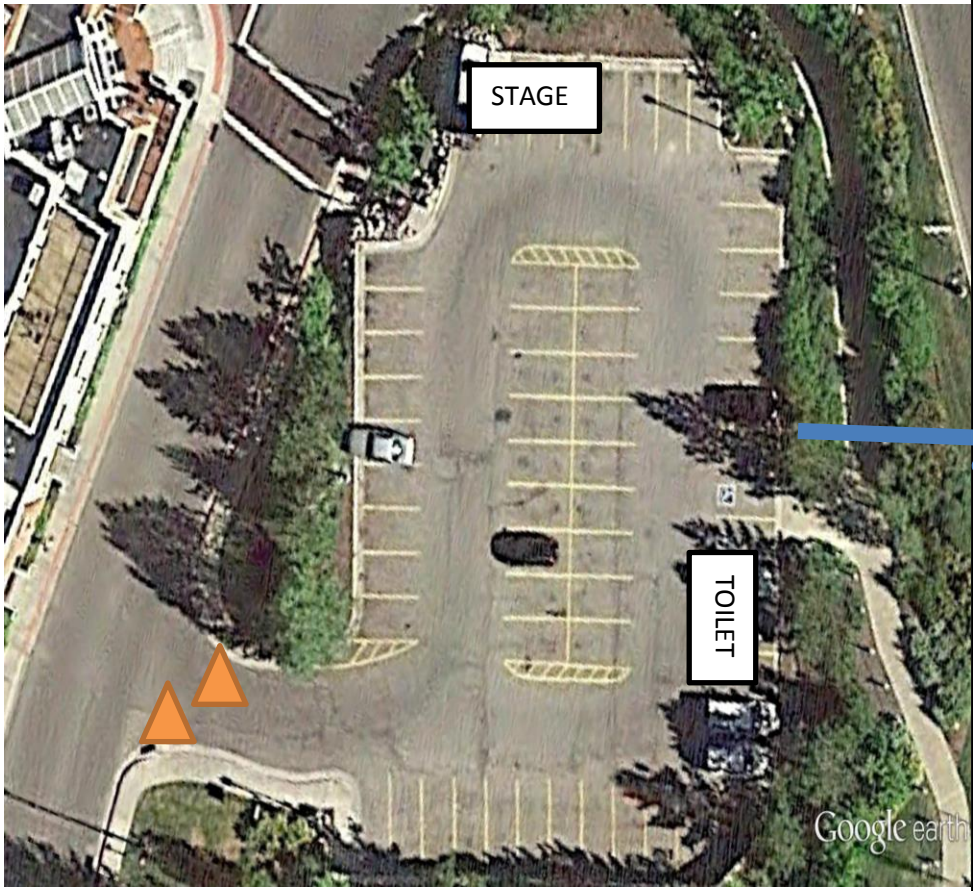
- ★

POLICE OFFICERS/CARS - 8 officers
- ▲

BARRICADES – Type 1
- ✖

CLOSE EXITS FROM CHINA BRIDGE
- ✖

CLOSE ONE WAY ON 4TH FROM MAIN TO SWEDE





FIRST AMENDMENT SPECIAL EVENT PERMIT

Type of License: Level 3 First Amendment Event
Event Name: Women's March
Event Date(s): Saturday, January 21, 2017
Event Location: Main Street Area – Brew Pub Parking Lot, Main Street, Heber Avenue & Flagpole Parking Lot
Licensee: Impact Partners
Contact Person: Cindy Levine
Approved By: City Council of Park City
Approval Date: Thursday, January 12, 2017

The City Council of Park City has approved the First Amendment Event Permit for the Women's March to begin at the Brew Pub Parking Lot and end at the Flagpole Parking Lot on the following days and times: Saturday, January 21, 2017 from 9:00 a.m. to 11:00 a.m. Set up for this event shall be between 7:00 a.m. and 9:00 a.m., break down for this event is to be complete by 12:00 p.m. noon on Saturday, January 21, 2017. This First Amendment Event Permit has been issued under the authority described within the Park City Municipal Code Section 4-8 based on the following Findings of Fact, Conclusions of Law, and Conditions of Approval.

Findings of Fact:

1. Women's March will begin at the Brew Pub Parking Lot and end at the Flagpole Parking Lot on the following days and times: Saturday, January 21, 2017 from 9:00 a.m. to 11:00 a.m. Set up for this event shall be between 7:00 a.m. and 9:00 a.m., break down for this event is to be complete by 12:00 p.m. noon on Saturday, January 21, 2017.
2. Staff has determined the application to be licensed as First Amendment Event under the Park City Municipal Code Section 4-1-1.48. There are temporary, rolling street closures and use of City property restrictions associated with this approval.
3. The conduct of the First Amendment Event will not substantially interrupt or prevent the safe and orderly movement of public transportation or other vehicular or pedestrian traffic in the area of the venue. No portion of the event will obstruct sidewalks or public rights-of-ways. Public transportation and other vehicular and pedestrian traffic in the area will be interrupted for a minimal amount of time.
4. The concentration of persons, vehicles, or animals will not duly interfere with the movement of police, fire, ambulance and other emergency vehicles on the streets or with provision of other public health and safety services.
5. The size and scope of the event will require the need for City police, fire or other services. However, Police, fire, or other essential public employees will not be diverted from their normal duties to protect the remainder of the City from the impacts of this event.
6. The event is expecting 1,000 to 3,000 attendees. This includes participants, spectators, volunteers, staff and vendors. The event will not unduly interfere with the movement of

police, fire, ambulance, and other emergency vehicles on the streets or with the provision of other public health or safety services.

7. Due to the anticipated attendance and type of event there will not be an imminent possibility of violent disorderly conduct likely to endanger public safety or cause significant property damage.
8. Woman's March submitted their initial application on December 15, 2016; There are other Special Event Permits that has been granted for Saturday, January 21, 2017.

DATE	EVENT	A – Geographic Separation	B - Proposed Time & Duration	C – Anticipated Attendance
January 19 through January 29, 2017	Sundance Film Festival	Throughout Park City, Summit County	All Day – 8 a.m. to midnight	48,000 over 10 days
January 21	Women's March	Main Street Area – Brew Pub Parking Lot, Main Street, Flagpole Parking Lot	9:00 a.m. – 11:00 a.m.	1,000 – 3,000

9. This is the application submitted by Cindy Levine of Impact Partners. Cindy Levine has been working with City Staff to ensure that all conditions of the event will be met. The Applicant has demonstrated an ability and willingness to conduct the event pursuant to the terms and conditions of the Park City Municipal Code and has never failed to conduct a previously authorized event in accordance with the law or the terms of a license, or both.
10. As according to section 4-8-9 of the Park City Municipal Code, City Service Fees associated with this event have been waived.
11. Staff finds Women's March, First Amendment Event Permit is an activity conducted for the purpose of expressing political, social, religious or other views protected by the First Amendment of the United States Constitution and Article 1, Section 15 of the United States Constitution, including speechmaking, marching, demonstrating and debating public issues on City property. This event may not include solicitations or activities which propose a commercial transaction, race, rally, parade or event using motor vehicles and bicycles or footraces.

Conclusions of Law:

1. The application is consistent with the requirements of the Park City Municipal Code, Title 4, Chapter 8.

Conditions of Approval:

1. The Applicant shall provide all required permits required by federal, state and local agencies, along with any associated fees.
2. The Applicant shall ensure that all activities abide by the laws and parameters set forth by Standards for License Approval section 4-8-5.
3. The Applicant shall provide monitors for crowd control and safety, in addition to, any other services or facilities necessary to ensure compliance with City noise, sign or other applicable ordinance(s).

4. The Applicant has agreed to provide monitors for crowd control and safety, in coordination with the City to ensure sufficient number of traffic controllers and signs, barriers and traffic devices.
5. The Applicant has agreed to provide safety, health and sanitation equipment and services and facilities to ensure that the First Amendment Event will be conducted without creating unreasonable negative impacts to the area with due regard for safety and the environment.
6. The Applicant has agreed that there will be no distribution of handbills literature, or other printed matter to passersby or place them on cars, buildings, driveways, doorways or porches.
7. The Applicant has agreed to work in coordination with the City to ensure adequate off-site parking and traffic circulation in the vicinity of the event. The applicant will encourage participants in the event to carpool, walk and take transit to the event.
8. The Applicant provides a schedule of events, and provides access to any site for purposes of Code enforcement as outlined by Park City Municipal Code 4-8-11.
9. The Applicant will work with Staff in order to ensure that any safety, health, or sanitation equipment, and services or facilities reasonably necessary to ensure that the event will be conducted with due regard for safety are provided and paid for by the Applicant.
10. The Applicant shall require that all persons it is responsible for (participants, volunteers, spectators, and others) use the area in a safe and responsible manner. The applicant shall be liable for any damage resulting to the use area, including streets, buildings, signs, restrooms, benches and other improvements adjacent to the trails by either the applicant or the persons it is responsible for. All tents, stages, temporary structures, signs and trash shall be collected, packed out, and disposed of properly immediately following the event.
11. Applicants shall provide, upon application of a Special Event Permit, proof of liability insurance in the amount of three million dollars (\$3,000,000) or more as may be required by the Special Events Manager or the City Attorney's Office, and shall further name Park City Municipal Corporation as an additional insured. All applicants shall further indemnify the City from liability occurring at the event, except for any claim arising out of the sole negligence or intentional torts of the City or its employees.
12. In the event of extreme weather, health, safety or welfare concerns or other scheduling conflict due to unforeseen circumstances, the City reserves the right to cancel an event at any time. The applicant has chosen to forgo a weather date for the event.

APPROVED this Thursday the 12th day of January, 2017.

PARK CITY MUNICIPAL CORPORATION

City Manager, Diane Foster

Attest:

City Recorder,

Approved as to form:

Mark D. Harrington, City Attorney



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

Executive Summary

City Council should consider the acquisition of the UDOT surplus property located at 3821 East Highway 248, in the amount of \$255,000 to construct the proposed Public Utilities (PUB) facility.

- The \$255,000 purchase price is based on the appraisal procured by UDOT and provided to the City as the asking price.
- UDOT has approved and signed the Real Estate Purchase Contract (REPC)

Respectfully:

Heinrich Deters, Trails and Open Space Program Manager

City Council Staff Report



Subject: SR-248 UDOT Surplus Property
- Real Estate Purchase Contract
Author: Heinrich Deters
Department: Sustainability
Date: January 12, 2017
Type of Item: New Business- Property Acquisition

Summary Recommendation

Staff requests Council approve the purchase of the Utah Department of Transportation (UDOT) Surplus property located at 3821 East Highway 248, in the amount of \$255,000 (Attachment I- Signed REPC) (Exhibit A- Map)

Executive Summary

City Council should consider the acquisition of the UDOT surplus property located at 3821 East Highway 248, in the amount of \$255,000 to construct the proposed Public Utilities (PUB) facility.

- The \$255,000 purchase price is based on the appraisal procured by UDOT and provided to the City as the asking price.
- UDOT has approved and signed the Real Estate Purchase Contract (REPC)

Acronyms

UDOT	Utah Department of Transportation
PCMC	Park City Municipal Corporation
REPC	Real Estate Purchase Contract

Background

- The City owns several acres of land adjacent to SR-248, which is often referred to as Baingo-Wortley or the Gordo Parcels.
- The City annexed several of these parcels into city-limits under the Recreation Open Space (ROS) zone, with the caveat that a future public works facility would likely be developed at that location.
 - [City Council Meeting Oct. 30, 2014- Page 86](#)
 - [City Council Meeting Minutes- Oct. 30, 2014](#)
- Public Utilities Department has discussed this item, several times with Council and is proceeding with the acquisition of some UDOT property, to meet the proposed design criteria.
- UDOT has identified the property as 'surplus' and processed the city's request to acquire by having it appraised and presenting the appraised 'fair market' offer, which is mandatory under state code. An appraisal denoted \$255,000 as fair market.

- On June 30th, Council approved an offer based on the appraisal in the amount of \$255,000 for the parcel in a closed session. Subsequently, the City signed the REPC later that day.
- On December 13, 2016 UDOT accepted the City's offer.

Analysis

Current Status

- The Public Utilities Department finds that this parcel, which is just over half an acre or 25,464 square feet, is vital for the capacity and efficiency of the proposed facility.
- UDOT is beholden to the process mandated by State Code for disposition of their property and does not utilize the standard Real Estate Purchase Contract form.
- **The City signed the REPC and 'offer' on June 30, 2016.** Even though the City signed a REPC, it is not considered as a formal commitment until the City Council ratifies the REPC in an open and public meeting.
- The City did provide earnest money as part of this transaction.
- This property included a 'first right of refusal' to the previous owner based on the process under which UDOT acquired the property.
- The agreement denotes an 'as is' purchase of the property and does not warrant against any conditions as outlined in Sections 9 & 10.
- **The 'first right of refusal' issue has been resolved, and UDOT Accepted the offer from the city.**
 - **The due diligence period of 45 days has started.**
- The property is being sold 'as is' by UDOT per their policy and transferred via a 'Quit Claim' Deed. (Exhibit B)

Due Diligence and Closing

- Staff has completed a phase I environmental assessment, which provides protection under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA)
 - *The assessment did not provide any material points to negate Council moving forward with the acquisition.*
- The City has acquired a Title Report for the property.
 - *The report does not indicate material aspects which negate Council moving forward with the acquisition.*
- The 'Quit Claim Deed' denotes the following conditions:
 - *No Billboards and/or junkyards are allowed on the property*
 - *UDOT reserves the right to develop the adjoining property for highway purposes which may impact air, light, view and visibility to the parcel.*
- *Section 21 of the agreement reserves the City the ability to cancel the contract for any reason prior to closing.*
- UDOT does not participate in closing costs associated with any transaction, thus, the city will be required to cover the Title insurance and any minimal additional costs.

Department Review

This report has been reviewed by the Public Utilities Department, City Attorney's Office and Executive Department.

Funding Source

Funding for this project is available in the adopted FY 16 and FY 17 CIP budget for this project.

Exhibit A- Map

UDOT Surplus Property Acquisition



Attachment I- Signed Real Estate Purchase Contract

Purchase Contract for the Utah Department of Transportation

This is a legally binding contract. If you desire legal or tax advice, consult your attorney or tax advisor.

The Buyer Park City Municipal Corporation offers to purchase the Property described below from the Utah Department of Transportation. Park City Municipal Corporation will not be providing Earnest Money as part of this contract.

PROPERTY ADDRESS: 3821 East Highway 248 Park City, UT.

1 Also described as a portion of UDOT Parcel (s) # 14:STO and further described in Exhibit A.

2. **WATER RIGHTS.** No Water Rights / Shares are included in this sale.

3. **PURCHASE PRICE.** The purchase price for the Property is: **\$255,000**

4. **APPRAISAL.** This offer X is _____ is not contingent upon the Buyer obtaining an appraisal on the Property.

5. **FINANCING.** This offer _____ is X is not contingent upon the Buyer securing a loan on the property.

6. **ADDITIONAL TERMS.** There _____ are X are not addenda to this Contract containing additional terms. If there are, the terms of the following addenda are incorporated into this Contract by this reference: Addendum No. _____

7. **CLOSING.** This transaction shall be closed on or before **45 days after acceptance**. UDOT will designate the Title Company (**no split closings**). Possession shall be at time of recording and Buyer's portion of the property taxes shall be prorated as of closing. If applicable, Buyer agrees to take the Property subject to existing leases.

8. **SURVEY.** UDOT will not accept a revised legal description. If the buyer chooses to contract with an outside company for a survey it will be the responsibility of the surveyor to work with the county to change the legal description after closing.

9. **SELLER DISCLOSURES, WARRANTIES AND REPRESENTATIONS.** Buyer understands that Seller acquired the Property for road purposes and makes no representation concerning the condition of the Property. Buyer agrees to accept the Property in "as is" condition, including any hidden defects or environmental conditions affecting the Property, whether known or unknown, whether such defects were discoverable through an inspection or not. Buyer acknowledges that Seller, its agents and representatives negates and disclaims any

representation, warranties, promises, covenants, agreements or guarantees, implied or express, in respect to the following:

9.1 The conformity of the property to any zoning, land use or building code requirements or compliance with any laws, rules or ordinances of state and local government; and

9.2 The closing of this sale shall constitute acknowledgement by the Buyer that they had the opportunity to retain an independent, qualified professional to inspect the Property and that condition of the Property is acceptable to the Buyer.

9.3 Buyer agrees that the Seller shall have no liability for any claims or losses the Buyer or assigns may incur as a result of defects that may now or hereafter exist on the property.

10. CONDITION OF PROPERTY. Buyer hereby accepts the Property in the condition existing as of the date of the execution hereof, subject to all applicable zoning, municipal, county, state, and federal laws, ordinances and regulations governing and regulating the use of the Property. Buyer acknowledges that neither the Department nor any agent of the Department has made any representation or warranty with respect to the condition of the Property or the suitability thereof for the conduct of Buyer, nor has UDOT agreed to undertake any modification, alteration or improvement to the Property. Buyer agrees to accept the Property in its presently existing conditions "as is," and that the Department shall not be obligated to make any improvements or modifications thereto. Buyer represents and acknowledges that it has made a sufficient investigation of the conditions of the Property existing immediately prior to the execution of the purchase agreement and is satisfied that the Property are fully fit physically and lawfully for Buyer's desired use.

11. ANTIQUITIES. It is understood and agreed that all treasure trove and all articles of antiquity in or upon the subject lands are and shall remain the property of the State of Utah. The Buyer shall report any discovery of a "site" or "specimen" to the Division of State History in compliance with the provisions of Sections 9-8-304, 305, 306 and 307, Utah Code Annotated (1953), as amended and take such action as may be required for the protection of said "site" or "specimen."

12. VENUE. In any action brought to enforce the terms of this Agreement, the Parties agree that the appropriate venue shall be the Third Judicial District Court in and for Summit County.

13. AUTHORITY OF SIGNERS. If Buyer is a corporation, partnership, trust, limited liability Company, or other entity, the person executing this Contract on its behalf warrants his or her authority to do so and to bind Buyer and Seller.

14. COMPLETE CONTRACT. This contract together with its addenda, and any attached exhibits, constitutes the entire Contract between the parties and supersedes and replaces any and all prior negotiations, representations, warranties, understandings or contracts between the parties. This Contract cannot be changed except by written agreement of the parties.

15. DISPUTE RESOLUTION. The parties agree that any dispute, arising prior to or after Closing, related to this Contract MAY (upon mutual agreement of the parties) first be submitted

to mediation. If the parties agree to mediation, the dispute shall be submitted to mediation through a mediation provider mutually agreed upon by the parties. Each party agrees to bear its own costs of mediation.

16. ATTORNEY FEES AND COSTS. In the event of litigation or binding arbitration to enforce this Contract, the prevailing party shall be entitled to costs and reasonable attorney fees. However, attorney fees shall not be awarded for participation in mediation.

17. DEFAULT. Both parties agree that the liquidated damages will be limited to 100% of the Earnest Money Deposit. Liquidated damages shall not include costs of suit for specific performance.

18. FAX TRANSMISSION. Facsimile transmission of a signed copy of this Contract, any addenda, or counteroffers shall be the same as an original.

19. RISK OF LOSS. All risk of loss or damage to the property shall be borne by the Seller until Closing.

20. BUYER ACKNOWLEDGEMENTS:

20.1 Real property is transferred by a Quit Claim Deed not a Warranty Deed. Buyer has reviewed the map and the Quit Claim Deed for deed restrictions.

20.2 Buyer understands that State property is likely to have multiple offers. All property is sold contingent upon the previous owner's first right of refusal and final disposal approval from UDOT. UDOT reserves the right to reject all offers.

20.3 Property is not sold by tax id or sidwell number. State owned property is sold by project and parcel number referenced by the state road. Any reference to the county parcel number will be crossed out and State Road number will be inserted.

20.4 Buyer acknowledges and agrees that the Property is sold "as is". No other provisions, statements or disclosures regarding the condition shall be treated as a warranty of any kind.

21. CONTINGENCIES & DUE DILIGENCE

21.1 FINANCING & APPRAISAL. Buyer shall have until NA (date) to complete and remove these conditions.

21.2 DUE DILIGENCE PERIOD. Buyer shall have until 45 days after acceptance (date) to complete any due diligence and/or any desired approvals.

21.3 EARNEST MONEY. Buyer shall have until NA (date) to cancel this contract for any reason including the contingencies listed above and be eligible to receive a refund of the Earnest Money Deposit.

22. REPRESENTATION. (Please print legibly) Buyer is represented by

NA (agent)
_____(phone) in behalf of

NA
_____(Broker) for

NA
_____(Brokerage). This information is required in case the Seller has questions concerning the offer. If there is no agent, please put none or N/A.

23. OFFER TO PURCHASE AND TIME FOR ACCEPTANCE. Buyer's offer is based on the above terms and conditions. Seller shall have three weeks from offer presentation to accept or counter the offer.

BUYER'S SIGNATURE:

6/30/16  
Date Name Diane Foster, City Manager

Buyer's Information: (Please print)

Name: Park City Municipal Corporation
Address: PO Box 1480
City / State / Zip: Park City, UT 84060
Phone: 435-615-5202 Email: hdeters@parkcity.org

X ACCEPTANCE: Seller accepts this offer based on the terms and conditions specified above.

_____ **COUNTER OFFER:** Seller presents to the buyer Counter Offer # _____

 REJECTION: Seller rejects this offer in total.

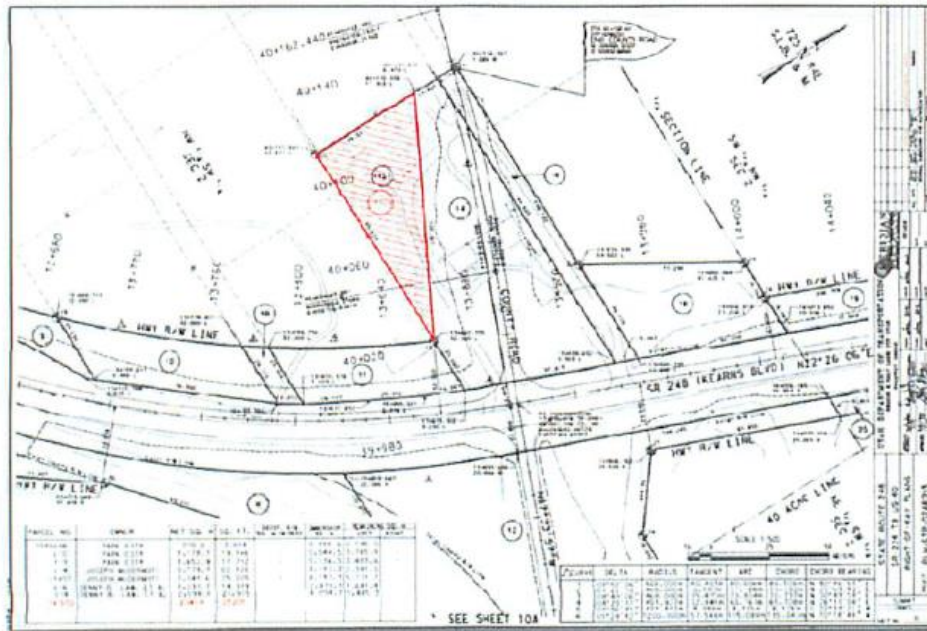
Seller's Information: (Please print)

Name:	Utah Dept of Transportation / Property Management Section		
Address:	4501 South 2700 West		
	Box 148420 / 4 th Floor		
City / State / Zip	Salt Lake City, UT 84114		
Contacts:	Brad Daley	801-633-6250	bdaley@utah.gov

Exhibit A

Property is .585 acre or approximately 25,464 square feet of Summit County Parcel number SS-95-A-X and further identified in the two exhibits below.

UDOT Project Map



UDOT Aerial Project Map



Exhibit B- Quit Claim Deed

WHEN RECORDED, MAIL TO:
Utah Department of Transportation
Right of Way, Fourth Floor
Box 148420
Salt Lake City, Utah 84114-8420

Quit Claim Deed

Summit County

Parcel No. 14:STQ

Project No. PLH-STP-0248(2)3

Affecting Tax No. SS-95-A-X

The UTAH DEPARTMENT OF TRANSPORTATION, by its duly appointed Director of Right of Way, Grantor, of Salt Lake City, County of Salt Lake, State of Utah, hereby QUIT CLAIMS to Park City a Municipal Corporation, Grantee, at Park City, County of Summit, State of Utah, Zip 84060, for the sum of Ten (\$10.00) Dollars, and other good and valuable considerations, the following described tract of land in Summit County, State of Utah, to-wit:

A tract of land in fee being the remainder of an entire tract of property situate in the NW1/4SW1/4 Section 2, T. 2 S., R. 4 E., S.L.B. & M. The boundaries of said tract of land are described as follows:

Beginning at the Southwest corner of said entire tract, which corner is 70.104m (230.00 ft) S. 0°09'00" E. and 179.497m (588.90 ft) East and 60.960m (200.00 ft) South of the West Quarter corner of said Section 2; and running thence North 49.531m (162.50 ft) along the west boundary line of said entire tract; thence S. 62°35'33" E. 107.620m (353.03 ft) to a point 32.000m (104.99 ft) perpendicularly distant westerly from the control line of said project; thence West 95.524m (313.40 ft) to the point of beginning as shown on the official map of said project on file in the office of the Utah Department of Transportation. The above described tract of land contains 2,365.7 square meters (25,464 square feet or 0.585 acre) in area, more or less.

(Note: to obtain distances in feet, divide above metric distances by 0.3048. Multiply above square meters by 10.764 to obtain square feet.)

Continued on Page 2
UDOT RW-05UD (12-01-03)

Signs, Billboards, outdoor Advertising structures, or advertising of any kind as defined in Title 23 United States Code, Section 131, shall not be erected, displayed, placed or maintained upon or within this tract, EXCEPT signs to advertise the sale, hire or lease of this tract or the principal activities conducted on this land.

The grantor reserves rights to use the abutting state property for highway purposes and excludes from this grant any rights to air, light, view and visibility over and across the abutting state property. The Grantee is hereby advised that due to present or future construction on the adjacent highway including but not limited to excavation, embankment, structures, poles, signs, walls, fences and all other activities related to highway construction or which may be permitted within the Highway Right of Way that air, light, view and visibility may be restricted or obstructed on the above described property.

Together with and subject to any and all easements, rights of way and restrictions appearing of record or enforceable in law and equity.

Junkyards, as defined in Title 23 United States Code, Section 136, shall not be established or maintained on the above described tracts of lands.

IN WITNESS WHEREOF, said UTAH DEPARTMENT OF TRANSPORTATION has caused this instrument to be executed this _____ day of _____, A.D. 20 ____, by its Director of Right of Way.

STATE OF UTAH	)	UTAH DEPARTMENT OF TRANSPORTATION
	) ss.	
COUNTY OF SALT LAKE	)	By _____
		Director of Right of Way

On the date first above written personally appeared before me, _____, who, being by me duly sworn, did say that he is the Director of Right of Way, and he further acknowledged to me that said instrument was signed by him in behalf of said UTAH DEPARTMENT OF TRANSPORTATION.

WITNESS my hand and official stamp
the date in this certificate first above written.

Notary Public



DATE: January 12, 2017

TO HONORABLE MAYOR AND COUNCIL

The applicant is requesting a Subdivision for the purpose of combining all property including: PC-261-BX, PC-263-X, PC-264-X, PC-264-IX, PC-564-X, PC-564-X, PC-563-X, PC-563-AX, PC-566-X, PC-571-X, PC-572-B of Blocks 21 and 70 of the Park City Survey into Lot 1 and Parcel PC-272-B of Blocks 21 and 70 into Lot 2.

There is an existing non-historic commercial restaurant (the Wasatch Brew Pub) on the property and a parking lot that holds 52 parking spaces. The applicant wishes to combine the parcels and lots in order to create two platted lots of record, namely Lot 1 for a City owned Public Plaza and Lot 2 for the Wasatch Brew Pub. This subdivision plat also solidifies access easements for Lot 2 (The Wasatch Brew Pub). The subdivision will effectively clean up parcels, partial lots, City Right of Ways and provide appropriate access easements that will memorialize the area.

On December 14, 2016, the Planning Commission forwarded a positive recommendation to the City Council; the vote was unanimous (6-0). See Exhibit F - December 14, 2016 Planning Commission meeting Minutes.

Respectfully:

Makena Hawley, Planner I

City Council Staff Report



Subject: Main Street Plaza Subdivision
Author: Makena Hawley, City Planner
Project Number: PL-16-03217
Date: January 12, 2017
Type of Item: Legislative – Plat Amendment

Summary Recommendations

Staff recommends the City Council hold a public hearing for the Main Street Plaza Subdivision, located at 220 & 250 Main Street, and consider continuing the requested application to February 16, 2017 in order for additional research on easements and licenses to be recorded on the plat.

Description

Applicant: Park City Redevelopment Agency and Schirf Brewing Company
Location: 220 & 250 Main Street
Zoning: Historic Commercial Business (HCB) District and Historic Residential (HR-2) District
Adjacent Land Uses: Commercial, Treasure Mountain Inn, Wasatch Brew Pub, Single-family residential, vacation rentals 205 Main St. Town Homes
Reason for Review: Planning Commission review and recommendation to City Council

Summary of Proposal

The applicant is requesting a Subdivision for the purpose of combining all property including: PC-261-BX, PC-263-X, PC-264-X, PC-264-IX, PC-564-X, PC-564-X, PC-563-X, PC-563-AX, PC-566-X, PC-571-X, PC-572-B of Blocks 21 and 70 of the Park City Survey into Lot 1 and Parcel PC-272-B of Blocks 21 and 70 into Lot 2.

There is an existing non-historic commercial restaurant (the Wasatch Brew Pub) on the property and a parking lot that holds 52 parking spaces. The applicant wishes to combine the parcels and lots in order to create two platted lots of record, namely Lot 1 for a City owned Public Plaza and Lot 2 for the Wasatch Brew Pub. This subdivision plat also solidifies access easements for Lot 2 (The Wasatch Brew Pub). The subdivision will effectively clean up parcels, partial lots, City Right of Ways and provide appropriate access easements that will memorialize the area.

On December 14, 2016, the Planning Commission forwarded a positive recommendation to the City Council; the vote was unanimous (6-0).