PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
DECEMBER 2, 2010

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, December 2, 2010.

Closed Session
2:30 p.m. Property and litigation

Work Session

3:30 p.m.	Council questions/comments	
3:40 p.m.	Main Street early deliveries and anti-idling discussion	P. 4 - 18
4:20 p.m.	State legislative environmental update	P. 19 - 26
4:30 p.m.	*Budgeting for Outcomes* update	P. 27 - 50
5:50 p.m.	Break	

Regular Meeting
6:00 p.m.

I ROLL CALL

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

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

IV WORK SESSION NOTES AND MINUTES OF MEETING OF NOVEMBER 11, 2010
P. 51 – 60

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

1. Consideration of an appointment to the Public Art Advisory Board to fill an unexpired term to July 2011

2. Consideration of a Resolution of the City Council of Park City, Utah finalizing the terms and conditions of the issuance and sale of its Sales Tax Revenue Refunding Bonds, Series 2010 in the aggregate principal amount of not to exceed $2,300,000; and related matters
   (a) Public hearing P. 62 - 97
   (b) Action

VI ADDITIONAL DISCUSSION – AGENDA ITEMS

VII ADJOURNMENT

A Redevelopment Agency Meeting will convene.

PARK CITY REDEVELOPMENT AGENCY
SUMMIT COUNTY, UTAH
DECEMBER 2, 2010

I ROLL CALL

II PUBLIC INPUT

III MINUTES OF MEETING OF OCTOBER 14, 2010 P. 61

IV NEW BUSINESS

Consideration of a Resolution of the Board of Directors of the Redevelopment Agency of Park City, Utah, authorizing the execution and delivery of a Tax Increment Agreement in connection with the issuance by Park City, Utah, of its Sales Tax Revenue Bonds, Series 2010 in the aggregate principal amount of not to exceed $2,300,000; and related matters

P. 62 - 97

V ADJOURNMENT

A majority of City Council members may meet socially after the meeting. If so, the location will be announced by the Mayor. City business will not be conducted. Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the City Recorder at 435-615-5007 at least 24 hours prior to the meeting. Wireless internet service available in Marsac Building on Wednesdays and Thursdays – 4 p.m. to 9 p.m.

Posted: 11/29/10
See www.parkcity.org

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

December 2010

9 **Alex and Joe gone**
Market analysis and carrying capacity study metrics - JW
Acceptance of audit
Contract state lobbyist
Amendment to facility leases – Library and Education Center
Contract Modification No. 1 with Stanley Consultants for the Bonanza Drive Reconstruction Project in a form approved by the City Attorney for a not to exceed amount of $141,844.34

10 Holiday luncheon – Park City Ice Arena

16 657 Park Avenue recap and preservation practices
Debrief of Bonanza Road construction – *things learned*
BFO prioritization exercise
MFL – Holidays in Historic Park City - TY
Contract on a provider to update the Short Range Transportation Development Plan (work and action) - KC
2011 Insurance Placement – CL

23 **Holiday**

30 **Holiday**

January 2011

6 BFO prioritization exercise
Montage record of survey plat amendment – KW
Tower Club record of survey plat amendment – KW
LMC amendments - KW

13

20 **No meeting – Sundance premiere**

27

February 2011

3-4 Visioning Session

3 **No meeting**

10

17

24

Pending Items:

Board and commission training
Review of two year special event policy
U S Postal Service gang boxes in Old Town – MC

City Council
Staff Report

Subject: Main Street Early Deliveries and Anti-idling Ordinance Discussion
Author: Michael Kovacs, Diane Foster, and Tyler Poulson
Department: Executive Office and Sustainability
Date: December 2, 2010
Type of Item: Informational

Summary Recommendations:
Main Street Early Deliveries
Staff is requesting that City Council reaffirm the low priority, complaint-based enforcement of truck deliveries on Main Street. Staff is also requesting discussion on the issue of early Main Street deliveries, including hours of operation and violations of the City's noise ordinance.

Anti-Idling Ordinance
Staff recommends that City Council review the anti-idling ordinance listed in Exhibit A and direct staff to return to Council for formal adoption of the ordinance on December 16, 2010.

Topic/Description:
Staff is requesting that City Council discuss the issue of Main Street early deliveries and also consider a city-wide anti-idling ordinance as part of this Staff Report. These two topics are being presented together due to some overlapping concerns, such as noise created by idling vehicles.

Staff has drafted an anti-idling ordinance (Exhibit A) for consideration by City Council. This ordinance would prohibit the idling of vehicles within City limits, barring certain exceptions, and includes the possibility of a citation for repeat violators. This Staff Report details how such an ordinance would be structured and enforced while also mitigating the impacts to staff time. Staff believes that an anti-idling ordinance can clearly convey the environmental, economic, and health risks associated with vehicle idling while also accelerating the learning curve and local adoption of sensible vehicle fuel conservation practices.

Background:
Early Deliveries
A resident made a series of noise complaints, mostly due to idling trucks, in October about early deliveries taking place in Old Town prior to 7:00 a.m. (the time designated in the delivery truck parking code and the noise ordinance – Exhibits B & C). Police responded to the scene and delayed deliveries until 7:00 a.m. In one instance, Police cleared Old Town of all pre-7:00 a.m. deliveries that were taking place, and not just the truck that generated the complaint. Delivery truck companies began complaining that the 7:00 a.m. ordinance was unrealistic and that it pushed deliveries into peak morning traffic which then impacted businesses and people on the street. The companies have requested that the ordinance be amended, instead of just having a reduced enforcement priority. Delivery truck company representatives are expected to attend our Work Session.

Anti-Idling
Council has discussed anti-idling, and the potential for an ordinance, on various occasions in the past two years. During the October 29, 2009 Work Session, Council approved the passage

of an anti-idling resolution (Exhibit D) which was then formally adopted in November 2009. During 2010 Visioning, staff presented details on an ordinance proposal that included staff resources for active enforcement by Parking Services (Exhibit E). The Staff Recommendation in the current report does not include additional resources for enforcement. However, staff believes the proposed ordinance will still effectively deter unnecessary vehicle idling for reasons discussed in detail in the Analysis section.

Salt Lake City has created a draft anti-idling ordinance and recently completed a public comment period on their proposal. Salt Lake City Council plans on voting on their draft ordinance in the near future. Park City staff has reviewed the Salt Lake City proposal and incorporated some of their language and exceptions into our draft ordinance that is presented in Exhibit A. Given the mobile nature of vehicle emissions, ordinances passed in surrounding communities are expected to deliver benefits to citizens beyond the immediate political boundaries in which they are created and enforced. If an ordinance is adopted this month, Park City would become the first place in Utah to have such an idling ordinance.

Analysis:

Main Street Early Deliveries

The primary driver of complaints is the noise generated from deliveries. One way of mitigating noise is to require that trucks not idle their engines unless absolutely necessary.

Below is a list of existing state laws and local ordinances governing delivery trucks in Old Town. A number of these rules already restrict vehicle idling in certain instances:

1. Utah Code, Title 41, Chapter 6a, Section 1403. Motor Vehicle Left Unattended – Requirements. (Exhibit F) Quick Summary – You cannot leave an unattended vehicle running.

2. Park City Municipal Code, Title 9 Parking, Chapter 8 Deliveries & Short-term Use (9-8-3). (Exhibit B) Quick Summary – You cannot leave a delivery vehicle idling on Main Street or Swede Alley, but you may double park in certain areas to make deliveries between 7:00 a.m. and noon.

3. Park City Municipal Code, Title 6, Chapter 3, Noise ordinance, (6-3-8) (F) Loading Operations. (Exhibit C) Quick Summary – Loading/Unloading operations cannot start before 7:00 a.m.

4. Park City Municipal Code, Title 6, Chapter 3, Noise ordinance, (6-3-8) (Q) Standing Motor Vehicles. (Exhibit C) Quick Summary – Idling vehicles are subject to noise levels specified in (6-3-9).

A formal ordinance change process to change the delivery hours to make them earlier may reignite a bigger noise ordinance review that would pit business interests against residents. If Council wishes to surgically adjust only the sections relating to delivery operations, you will need to be insistent on not entertaining a broadening of the debate. Communicating a reduced enforcement priority is always an option, but our police already have a complaint-based low priority on this ordinance; so if complaints continue, police response will have to follow.

Anti-Idling Ordinance

Staff has been engaged in various education and outreach efforts since passage of the anti-idling resolution by City Council in November 2009. These efforts have included street signage, website content, and informational notices handed out by Police and Parking Services. Education and outreach activities have been supplemented by the efforts of Clean Air Park City (www.cleanairparkcity.org), a local non-profit that advocates for improvements in air quality through reduced vehicle idling and other emissions-reducing behaviors.

Despite conscious efforts to encourage reductions in vehicle idling, it remains clear to staff that idling issues persist in Park City. This issue is not simply due to tourist populations, but is also perpetuated by our resident and working populations. Staff believes this issue persists partly due to the lack of a clear signal conveying the negative environmental, economic, and health effects of vehicle idling (see draft ordinance in Exhibit A for examples of these negative impacts). An ordinance, it is believed, will explicitly communicate the undesirable externalities created by unnecessary vehicle idling and act as a catalyst for more robust social change. Similar to ordinances that prohibit littering or texting while driving, staff feels that an anti-idling ordinance has the potential to create new social norms without necessarily requiring aggressive enforcement efforts.

Staff's belief that a significant drop in vehicle idling can result from an ordinance, without aggressively issuing citations, has been informed through discussions with other communities that have an anti-idling ordinance in place. Park City staff has consistently heard a positive response when speaking with staff from some of the other municipalities listed in Table 1 about their ordinances. They mentioned that idling behaviors have changed in their communities due the ordinance and that stringent enforcement was not needed to encourage this change. The details in Table 1 reflect a small number of the growing number of communities that have passed an idling ordinance. The table also includes brief details on the ordinance proposed for Park City in this Staff Report.

Table 1. Examples of Anti-Idling Ordinances

City, County, or State	Idling Time Limit	Fine Amount	Vehicles Covered
State of Connecticut	3 Minutes	$100 - $500	All Vehicles
State of Massachusetts	5 Minutes	$100 - $25,000	All Vehicles
Ketchum, ID	3 Minutes	$100 - $300	All Vehicles
Aspen, CO	5 Minutes	$50 - $1,000	All Vehicles
Minneapolis, MN	3 Minutes	$200	All Vehicles
Burlington, VT	3 Minutes	$180	All Vehicles
St Louis, MO	5 Minutes	$100	All Vehicles
Atlanta, GA	15 Minutes	$500	Trucks & Buses
Chicago, IL	3 Minutes	$250	Diesel Vehicles
Park City, UT (Proposed)	3 Minutes	$100	All Vehicles

Enforcement and Administration

Enforcement of anti-idling ordinances is typically not a high priority, or high cost, for the Public Safety staff of municipalities that have passed them. Despite this, ordinances have been effective at communicating a publicly respected message on idling which has helped transform behavior and social norms in the communities in which they exist. Staff from Parking Services, Police, and Sustainability have discussed the potential for an ordinance in Park City and created a reporting and enforcement structure which would honor the existence of such a code, and allow for efficiently issuing citations, without requiring significant ongoing staff time resources.

This staff time resources estimate is based on the assumption that enforcement of idling infractions is low priority and complaint-based.

The ordinance proposed for Park City includes an “education first” mindset which allows for issuing a warning for any first-time violator. Oftentimes, a friendly verbal warning that such an ordinance exists will be sufficient to change behavior (particularly with out of town guests who are likely to be unfamiliar with this City code). In addition to the formal power Parking Services and Police would have to enforce the ordinance, other departments could be involved with communicating the code as they come across violations. Furthermore, a reporting form could be set-up on ParkCity.org that models the current citizen reporting page[1] for taxi violations and allows citizens to report idling infractions. A warning notice would be mailed out in response to online reports of idling and this information could be tracked to streamline future enforcement efforts. Citizens concerned with idling violations would be directed to the website for helping enforce the ordinance. Because standard protocol for first-time violators would include the mailing of a warning notice, staff would still be respecting the code while not being required to physically report to the scene of newly reported violations.

Table 2 lists the staff time resources and financial costs associated with the ordinance, as proposed. This table is similar to the details presented during Visioning 2010 (Exhibit E). The only change is the removal of the $15,000 for labor and equipment costs that would be required for 10 hours of proactive enforcement by Parking Services. Parking Services staff will enforce the anti-idling ordinance during their shift, but this will occur strictly within the context of their current day-to-day operations without a change in hours or number of staff.

Table 2. Anticipated Resource Requirements for an Anti-Idling Ordinance

Task	Staff Time	Additional Expenses	Department - Owner
Finalize Ordinance Language and Set-up Technology for Parking Services and Police to Allow Enforcement	30 Hours / One-time	None	Sustainability/ Legal / Parking Services / Police / Technology
Set-up Web-based Reporting Systems	15 Hours / One-time	Website system will be free and based on ParkCity.org	Police / Sustainability / I.T.
Creation of anti-idling warning / ticket (or modification of existing tickets)	10 Hours	Minimal	Parking Service / Police / Sustainability
Retrofit Existing 'Idle-Free City' Signage w/Sticker to Indicate an Ordinance	10 Hours / One-time	<$100 for Retrofit Stickers	Sustainability / Streets
Ongoing Ordinance Enforcement & Ticketing	<2 Hours / Week	None	Parking Services & Police
Ongoing Monitoring for Web-based Reporting System and Mailing Warning Notices	1 Hour / Week	Postage and Materials for Mailing Notices (5 / Week or 260 / Year) = $250 / Year	Police
TOTAL ONE-TIME, UPFRONT INVESTMENT	**65 Hours**	**$100**	**Sustainability / Parking Services / Police / Streets / Technology**
TOTAL ONGOING INVESTMENT	**<3 Hours / Week**	**$250**	**Parking Services / Police / Sustainability**

[1] Taxi Violation Reporting Page: http://www.parkcity.org/index.aspx?recordid=83&page=338

Exceptions in the Proposed Park City Ordinance
Similar to the existing "Idle-Free City" resolution for Park City (Exhibit D), the anti-idling ordinance draft includes numerous exceptions that allow sensible, or even absolutely necessary, situations for vehicle idling. Common exceptions in other cities' ordinances, such as low or high temperatures, have been included and more specific exceptions have also been incorporated to ensure that the ordinance is sensible and only calls for enforcement when unnecessary vehicle idling occurs. Exceptions for public safety requirements, such as idling needed to defrost windows and allow for safe driving conditions, have been included as well.

Sustainability staff worked with Police, Transit, and other City staff to include exceptions for idling that are required for day-to-day municipal operations. All exceptions in the ordinance would be listed alongside the proposed ParkCity.org idling reporting form to help inform citizens and limit the number of reports received when an exception allows necessary idling.

Questions for Council to consider:

1. Is Council interested in pursuing modifications to the delivery vehicle ordinance?

2. Is Council interested in pursuing a City-wide anti-idling ordinance?

3. If Council is not interested in pursuing an anti-idling ordinance at this time, does Council want to revisit the enforcement priority and/or enforcement methodology for the Ordinance Prohibiting the Excessive Idling of Delivery Vehicles on Main Street and Swede Alley?

4. Depending on how Council answers the aforementioned questions, staff may request a discussion around inconsistencies that arise from differences in enforcement priorities among the four existing laws and/or consideration of a new anti-idling law.

Department Review:
Sustainability, Public Safety, Parking Enforcement, Business Licensing, Legal, and the City Manager have reviewed this Staff Report and their commentary has been included.

Partner Review:
Staff has contacted Park City Mountain Resort, Deer Valley Resort, the Park City School District, and the Historic Park City Alliance to request feedback since these are the organizations most likely to be impacted by an anti-idling ordinance. If feedback is received by one or more of these entities before Work Session on December 2, staff will bring that feedback for Council review.

Alternatives (Delivery Trucks):

A. Approve (Staff Recommendation)
Staff is requesting direction from City Council on the issue of early Main Street deliveries, including hours of operation and violations of the City's noise ordinance.

B. Deny
Direct more active enforcement of the existing ordinances.

C. Modify
Direct staff to prepare an ordinance that adds delivery trucks to the exemptions under the noise ordinance and specifies earlier hours in delivery truck section of the parking code.

D. Continue the Item
Take more time to consider the matter.

E. Do Nothing
Allow staff to handle the issue within their discretion.

Alternatives (Anti-Idling):

A. Approve (Staff Recommendation)
Direct staff to return to City Council with a final draft of the anti-idling ordinance (Exhibit A) for formal adoption and implementation.

B. Deny
Do not adopt an anti-idling ordinance for Park City and request a break from recurring consideration of the item.

C. Modify
Direct staff to return to City Council with a final draft of an anti-idling ordinance that includes modifications in the ordinance language and/or enforcement methodologies, as directed by Council.

D. Continue the Item:
Direct staff to return to City Council at a future date for reconsideration of an anti-idling ordinance.

Significant Impacts:

Main Street Early Deliveries
Depending on Council direction, impacts vary from economic development issues to increased tensions between businesses and residential property owners and renters.

Anti-Idling Ordinance
If an anti-idling ordinance is adopted, staff time will be required to draft, implement, and enforce this new code. The requirements for implementation of the ordinance and ongoing enforcement are included in Table 2 of this Staff Report. Park City would become the first municipality in Utah to adopt an anti-idling ordinance and would join a growing number of communities across the country that have taken this step to protect the environment and public health, while also promoting the conservation of finite natural resources.

Consequences of not taking the recommended action:

Main Street Early Deliveries
Taking an approach alternative to the staff recommendation will require staff time dedicated to investigating and/or more proactively enforcing City code related to noise and delivery vehicles. Continuing this item has the potential to increase tensions between area residents and business owners.

Anti-Idling Ordinance
Park City Municipal will continue on the status quo path of educating on idling via the “Idle-Free City” resolution and through the existing ordinance (Exhibit B) that covers idling of delivery vehicles in the Main Street corridor. The frequency of unnecessary vehicle idling is expected to occur at, or near, the current rate. Encouraging behavioral changes, and educating on the harmful effects of idling, is anticipated to remain more challenging with a strictly voluntary measure relative to what an ordinance would allow.

Recommendation:

Main Street Early Deliveries

Staff is requesting that City Council reaffirm the low priority, complaint-based enforcement of truck deliveries on Main Street. Staff is also requesting discussion on the issue of early Main Street deliveries, including hours of operation and violations of the City's noise ordinance.

Anti-Idling Ordinance

Staff recommends that City Council review the anti-idling ordinance listed in Exhibit A and direct staff to return to Council for formal adoption of the ordinance on December 16, 2010.

Exhibits (Included):

Exhibit A – Draft Ordinance Prohibiting the Idling of Vehicles within Park City Limits

Exhibit B - Ordinance Prohibiting the Excessive Idling of Delivery Vehicles on Main Street and Swede Alley

Exhibit C - Health, Nuisance Abatement, and Noise City Code Relating to Motor Vehicles

Exhibit D - Park City's Idle-Free City Resolution

Exhibit E - 2010 Visioning Paper: Anti-Idling Ordinance

Exhibit F - Utah State Law Prohibiting the Idling of an Unattended Vehicle

Exhibit A – Draft Ordinance Prohibiting the Idling of Vehicles within Park City Limits

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Ordinance No. 10-

AN ORDINANCE AMENDING TITLE 9, PARKING CODE, OF PARK MUNICIPAL CITY CODE, PROHIBITING THE IDLING OF VEHICLES WITHIN CITY LIMITS.

WHEREAS, emissions from vehicle idling contribute significantly to air pollution, climate change and increased rates of cancer and heart and lung diseases which adversely affect the health, natural environment and economic well being of residents, guests and visitors of Park City; and

WHEREAS, petroleum-based fuels are nonrenewable and should be used wisely and not wasted; and

WHEREAS, idling a typical vehicle for longer than ten seconds consumes more fuel than restarting that vehicle, resulting in excessive emissions and wasted fuel; and

WHEREAS, Park City Municipal Code, 9-8-3, already provides that no delivery vehicle parked on Main Street or Swede Alley shall be parked with its engine left idling; and

WHEREAS, Utah State Code, 41-6a-1403, prohibits the idling of an unattended vehicle; and

WHEREAS, Park City Municipal Corporation presently has a Fuel Conservation and Anti-Idling Policy in place, encouraging efficient use of City vehicles to reduce operating costs and emissions; and

WHEREAS, reducing needless vehicle idling is in keeping with Park City's promotion as an eco-tourism destination and its affiliation with ICLEI (Local Governments for Sustainability); and

WHEREAS, the City Council desires to ensure that idling does not occur in idle-frequent locations such as school grounds, parking lots/garages, business centers, and ski resort parking lots and loading and unloading zones; and

WHEREAS, Clean Air Park City will, on its own and in partnership with Park City Municipal Corporation and other like-minded organizations, continue to educate residents, visitors, and guests of the dangers to the environment and health of citizens caused by the unnecessary idling of motor vehicles; and

WHEREAS, the City Council desires to take a proactive position on air pollution to protect the livability and viability of Park City and its residents, visitors and guests; and

WHEREAS, it is in the public interest that Park City residents, guests and visitors reduce vehicle emissions to protect the health, economy and natural environment of Park City and the surrounding area;

WHEREAS, City Council has previously demonstrated leadership on this issue by adopting an “Idle-Free Resolution” for Park City in November 2010; and

NOW, THEREFORE, BE IT ENACTED, by the City Council of Park City, Utah that:

1. AMENDMENT TO PARKING CODE - NO IDLING. No driver, while operating a vehicle within City limits, shall cause or permit a vehicle's engine to idle for more than three minutes, with exceptions for the following circumstances:

A. The vehicle is forced to remain motionless on a public road because of traffic conditions.

B. The vehicle is an emergency vehicle used in an emergency situation.

C. Vehicle idling is necessary for auxiliary power for law enforcement equipment, fire and water equipment, refrigeration units, loading/unloading lifts, well drilling, farming, battery charging, or is required for proper functioning of other equipment that is part of the vehicle.

D. Vehicle idling is necessary for repair or inspection of the vehicle.

E. The health or safety of a driver or passenger, including service animals, requires the vehicle to idle, including instances where the temperature is below 32 degrees F or above 90 degrees F. This exception also includes idling needed to operate window defrosters and other equipment necessary to promote safe driving conditions.

F. Vehicle idling is necessary for efficient operation of a turbo-charged heavy duty vehicle (e.g., buses) or to operate a vehicle within manufacturer's operating requirements. This includes building air pressure in an air brake system, among other requirements.

Vehicle idling under these exceptions should not violate Utah State Code, 41-6a-1403, which prohibits the idling of an unattended vehicle.

2. PENALTY. This ordinance is enforceable by issuance of a citation in the amount of $100.

3. EFFECTIVE DATE. This Ordinance shall take effect upon adoption by the City Council.

PASSED AND ADOPTED this ____ day of December 2010.

PARK CITY MUNICIPAL CORPORATION

____
Mayor Dana Williams

Attest:

____
Janet M. Scott, City Recorder

Approved as to form:

____
Mark D. Harrington, City Attorney

Exhibit B - Ordinance Prohibiting the Excessive Idling of Delivery Vehicles on Main Street and Swede Alley

Deliveries in the Main Street Core: Park City Municipal Code; Title 9 Parking Code; Chapter 8 Deliveries and Short-term Use (9-8-3)

9- 8- 3. DELIVERY VEHICLES IN THE MAIN STREET CORE.
All delivery vehicles parked on Main Street or Swede Alley shall observe the following restrictions:

(A) Delivery vehicles shall utilize the west side of Main Street during the hours from 7:00 a.m. to 12:00 noon, after which time no delivery vehicle shall be parked on Main Street. Delivery vehicles may utilize any parking space on the west side of Swede Alley from 7:00 a.m. to 4:00 p.m.
(B) Delivery vehicles may double park on the west side of Main Street from the hours of 7:00 a.m. to 12:00 noon, provided that: the double parked vehicle is in the course of an expeditious delivery, there is no other curb parking available, the double parked vehicle does not inhibit traffic flow or block a legally parked car from leaving the curb.
(C) Delivery vehicles shall utilize the loading zones on the west side of Swede Alley for deliveries to Main Street after the hour of 12:00 noon.
(D) No delivery vehicle shall park on the east side of Swede Alley.
(E) No delivery vehicle shall be parked in such a manner to impede the flow of traffic.
(F) No delivery vehicle shall be parked with its engine left idling.
(G) No delivery vehicle shall park on Park Avenue, between Heber Avenue and King Avenue, to make deliveries to a business with a Main Street address.
(Amended by Ord. No. 00-52)

Violations: Park City Municipal Code; Title 9 Parking Code; Chapter 2 Standard Parking Regulations (9-5-10)

9- 5-10. VIOLATIONS.
Parking any vehicle in a manner that is in conflict with the provisions of this Title is unlawful, and shall be punishable as an infraction as provided in the Park City Parking Code. In addition to enforcement by ticket, illegally parked vehicles are subject to towing.

Exhibit C - Health, Nuisance Abatement, and Noise City Code Relating to Motor Vehicles

Excerpts

(F) **LOADING OPERATION**. Loading, unloading, opening, or otherwise handling boxes, crates, containers, garbage containers, or other objects between the hours of 10 p.m. and 7 a.m.

(Q) **STANDING MOTOR VEHICLES**. Operating, causing, or permitting the operation of any motor vehicle or any auxiliary equipment attached thereto either in violation of or in such a way as to cause a disturbance in a residential zone for a consecutive period of fifteen (15) minutes or longer.

6- 3- 9. NOISE LEVELS.
The making and/or creating of excessive or unusually loud noise or sound within the City as identified in the following Subsection (A), or identified and measured in the manner prescribed in Subsection (B), or in violation of restricted hours as outlined in Subsection (C) is unlawful.

(A) On the public right-of-way or upon public property, from the source or device as to be plainly audible at a distance of fifty feet (50') or on private property, as to be plainly audible at the property line.

(B) The noise shall be measured at a distance of at least twenty-five feet (25') from the source of the device upon public property or within the public right-of-way or twenty-five feet (25') from the property line if upon private property, and shall be measured on a decibel or sound level meter of standard design and quality operated on the "A" weighing scale. A measurement of sixty-five (65) decibels shall be considered to be excessive and unusually loud.

(C) Hours of restriction are as follows:
Residential - 10 pm to 7 am Monday through Saturday
Not before 9 am Sunday
Commercial - 10 pm to 6 am- Monday through Saturday

6- 3-12. MOTOR VEHICLE NOISE.
No person shall operate or cause to be operated any motor vehicle unless the exhaust system is free from defects that affect sound reduction; equipped with a muffler or other noise dissipation device; and not equipped with any cut-out, by-pass or similar device.

Exhibit D - Park City's Idle-Free City Resolution

Resolution No. 33-09

ANTI-IDLING RESOLUTION FOR MOTORIZED VEHICLES IN PARK CITY, UTAH AND DECLARING PARK CITY, UTAH TO BE AN IDLE-FREE CITY

WHEREAS, emissions from vehicle idling contribute significantly to air pollution, climate change and increased rates of cancer and heart and lung diseases which adversely affect the health, natural environment and economic well being of residents, guests and visitors of Park City; and

WHEREAS, petroleum-based fuels are nonrenewable and should be used wisely and not wasted; and

WHEREAS, idling a typical vehicle for longer than ten seconds consumes more fuel than restarting that vehicle, resulting in excessive emissions and wasted fuel; and

WHEREAS, Park City Municipal Code, 9-8-3, already provides that no delivery vehicle parked on Main Street or Swede Alley shall be parked with its engine left idling; and

WHEREAS, Park City Municipal Corporation presently has a Fuel Conservation and Anti-Idling Policy in place, encouraging efficient use of City vehicles to reduce operating costs and emissions; and

WHEREAS, reducing needless vehicle idling is in keeping with Park City's promotion as an eco-tourism destination and its affiliation with ICLEI (Local Governments for Sustainability); and

WHEREAS, the City Council desires to ensure that idling does not occur in idle-frequent locations such as school grounds, parking lots/garages, ski resort premises and business centers; and

WHEREAS, Clean Air Park City will, on its own and in partnership with Park City Municipal and other like-minded organizations, continue to educate residents, visitors, and guests of the dangers to the environment and health of citizens caused by the unnecessary idling of motor vehicles; and

WHEREAS, the City Council desires to take a proactive position on air pollution to protect the livability and viability of Park City and its residents, visitors and guests; and

WHEREAS, it is in the public interest that Park City residents, guests and visitors reduce vehicle emissions to protect the health, economy and natural environment of Park City and the surrounding area;

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

1. NO IDLING GUIDELINES. Park City encourages residents, guests, visitors, town employees and other individuals within City limits to not exceed a one minute idling time in their gasoline or diesel-powered motor vehicles. Exceptions to these idling guidelines include the following:

A. The vehicle is forced to remain motionless on a public road because of traffic conditions.

B. The vehicle is an emergency vehicle used in an emergency situation.

C. Vehicle idling is necessary for auxiliary power for law enforcement equipment, refrigeration units, loading/unloading lifts, well drilling, and/or farming.

D. Vehicle idling is necessary for repair or inspection of the vehicle.

E. The health or safety of a driver or passenger requires the vehicle to idle, including instances where the temperature is below 32 degrees F or above 90 degrees F.

This Resolution is not enforceable by citation or fine. Compliance shall be strictly voluntary.

2. DECLARATION. The City Council hereby proclaims Park City to be an **Idle-Free City**.

3. NO IDLING/IDLE-FREE CITY SIGNS. Park City Municipal will partner with Clean Air Park City and others in the community to install "No Idling" signs and signs designating Park City as an "Idle-Free City" at appropriate places.

4. EFFECTIVE DATE. This Resolution shall take effect upon adoption by the City Council.

PASSED AND ADOPTED this 19th day of November, 2009.

Exhibit E - 2010 Visioning Paper: Anti-Idling Ordinance

Background:
On November 19, 2009 City Council adopted an 'Idle-Free City' resolution for Park City. Council directed staff to place signage throughout the City reminding drivers to turn off their vehicles when parked and 15 signs were ordered and recently posted around the City. City Council also previously directed staff to research enforcement options, and the associated resource requirements, for a potential anti-idling ordinance.

Park City currently has an anti-idling ordinance which prohibits the idling of delivery vehicles on Main Street and Swede Alley. The City also has an internal policy which prohibits the idling of City fleet vehicles, with some exceptions for Public Safety vehicles. State of Utah law prohibits the idling of an *unattended* vehicle.

Proposal:
Council expressed an interest in discussing the merits of an anti-idling ordinance during the 2010 Visioning session. The primary impetus for adopting an anti-idling ordinance, versus a resolution, would be the increased awareness and impact of community members knowing that idling is illegal in Park City. A result of greater awareness and enforcement would likely help protect public health by improving the environment and local air quality while also conserving finite fuel resources. An anti-idling ordinance would be another example of Park City demonstrating its commitment to protecting the environment and becoming a more sustainable resort community. Additionally, communities that have gone to anti-idling ordinances such as Ketchum, ID and Aspen, CO have received significant press attention from the adoption of an anti-idling ordinance.

Recognizing the myriad of priorities, outside of vehicle idling, for the Police Department, staff suggests that Parking Services act as the primary enforcer of an anti-idling ordinance. This responsibility would be in addition to their current obligations and may require additional resources to allow for active enforcement. Below is an outline of estimated resources for implementing and maintaining an anti-idling ordinance enforced by the Parking Services team:

Anticipated Resource Requirements for an Anti-Idling Ordinance			
Task	**Staff Time**	**Additional Expenses**	**Department - Owner**
Finalize Ordinance Language and Set-up Technology for Parking Services and Police to Allow Enforcement	30 Hours / One-time	None	Sustainability / Parking Services / Police / Technology
Ongoing Ordinance Enforcement & Ticketing	10 Hours / Week	$15,000 / Year in labor and equipment costs	Parking Services (Primary Enforcement Option)
Ongoing Ordinance Enforcement & Ticketing	<1 Hour / Week	None	Police (Not Primary Enforcement Option)
Set-up Web-based Reporting Systems	10 Hours / One-time	Website system will be free and based on ParkCity.org	Police / Sustainability / I.T.
Ongoing Monitoring for Web-based Reporting System and Mailing Warning Notices	1 Hour / Week	Postage and Materials for Mailing Notices (5 / Week, 260 / Year) = $200 / Year	Police
Retrofit Existing 'Idle-Free City' Signage w/Sticker to Indicate an Ordinance	10 Hours / One-time Expense	<$100 for Retrofit Stickers	Sustainability / Streets
TOTAL ONE-TIME, UPFRONT INVESTMENT	**50 Hours**	**$100**	**Sustainability / Parking Services / Police / Technology**
TOTAL ONGOING INVESTMENT	**12 Hours / Week; or 624 Hours / Year**	**$15,200 / Year**	**Parking Services / Sustainability**

Parking Services has expressed concerns with issuing citations directly to individuals, as opposed to leaving them on their vehicle which is typically done with parking meter violations. The penalty structure and manner in which citations are issued can be developed to alleviate some of this concern and garner broader public support. A theoretical penalty structure and some exceptions to an ordinance are included for reference below.

Penalty Structure for Violators:

- Warnings, not fines, issued for any violation occurring within the first six months of adoption of the ordinance
- Ongoing verbal warning policy for new tourists and visitors to Park City
- Warning or a $50 citation for other first-time violators

Exceptions to these penalty guidelines could include the following (per the current resolution):

A. The vehicle is forced to remain motionless on a public road because of traffic conditions.
B. The vehicle is an emergency vehicle used in an emergency situation.
C. Vehicle idling is necessary for auxiliary power for law enforcement equipment, refrigeration units, loading/unloading lifts, well drilling, and/or farming.
D. Vehicle idling is necessary for repair or inspection of the vehicle.
E. The health or safety of a driver or passenger requires the vehicle to idle, including instances where the temperature is below 32 degrees F or above 90 degrees F.

Impacts:

Enacting an anti-idling ordinance should result in decreased vehicle emissions and heightened public awareness of the negative health and environmental effects of idling. City resources will need to be deployed for implementation of such an ordinance and the expected one-time, upfront cost is $100 and 50 hours of staff time. The ongoing annual expenditures are forecasted to be $15,200 and 624 hours staff time per year (details in above table).

Regardless of how aggressively an anti-idling ordinance is enforced, staff feels there is value in adopting an ordinance due to the perceived consequences of such a law. Communities contacted that have existing anti-idling ordinances echoed this sentiment while also admitting to limited active enforcement on their part. Similar to how some citizens are swayed not to litter because of potential fine, this ordinance could significantly cut down on vehicle idling times and the resultant environmental pollution due to the perception of a penalty. However, not aggressively enforcing an ordinance may foster complaints from some community members. Staff feels it's critical to set-up a web-based idling complaint system to efficiently address these concerns and mail out warning notice to inform offenders of the City's ordinance.

NOTE: both the City Manager and City Attorney recommend that we allow more time for the resolution, and its voluntary measures, to be assimilated before considering an ordinance.

Alternatives:

1. Council could choose to pursue the anti-idling ordinance as presented
2. Council could direct staff to pursue an anti-idling ordinance, but with a structure other than what's presented
3. Council could direct staff to not pursue an ordinance

Next Steps:

1. Council determines direction and communicates that direction to staff
    a. If an ordinance is pursued, staff will return to Council at a later date with more details on when an ordinance can be implemented and how it will be financed and enforced
    b. If Council chooses Alternative 3, staff will continue to partner with Clean Air Park City to promote the current 'Idle-Free City' resolution, but will refrain from further research on an ordinance unless directed otherwise

Exhibit F - Utah State Law Prohibiting the Idling of an Unattended Vehicle

Utah Code; Title 41; Motor Vehicles

41-6a-1403. Motor vehicle left unattended -- Requirements.

(1) A person operating or in charge of a motor vehicle may not permit the vehicle to stand unattended without

(a) stopping the engine;

(b) locking the ignition and removing the key;

(c) placing the transmission in "park" or the gears in "low" or "reverse" if the vehicle has a manual shift; or

(d) effectively setting the brakes thereon.

(2) A person shall turn the front wheels to the curb or side of the highway when standing a vehicle on any perceptible grade.

Renumbered and Amended by Chapter 2, 2005 General Session

http://le.utah.gov/~code/TITLE41/htm/41_06a140300.htm

City Council
Staff Report

Subject:	**State Legislative Environmental Updates**
Author:	**Tyler Poulson**
Department:	**Sustainability**
Date:	**December 2, 2010**
Type of Item:	**Informational**

Summary Recommendations:
Staff recommends that City Council review the legislative updates presented and provide feedback, where needed. Staff also recommends that Council examine the draft resolution in Exhibit A, which supports the adoption of more energy efficient residential building codes by the State Legislature at the 2011 legislative session, and provide direction for staff to return with a final draft for adoption by the City Council before the 2011 Utah legislative session.

Topic/Description:
This Staff Report contains updates on three state-level legislative items with direct relevance to environmental sustainability. Most of the updates provided are informational in nature, but staff is seeking direction on a resolution (Exhibit A) which supports energy efficient residential building standards. The three legislative topics covered in this staff report are:

- 2009 IECC Residential Building Standards (Energy Conservation)
- Governor's 10-Year Strategic Energy Plan
- Electronics Recycling Program

Background:
Based on prior direction from Council, such as objectives in the Environmental Strategic Plan (see below), staff has been tracking and supporting legislative items with direct relevance to environmental sustainability in Park City. This support has been in conjunction with non-profit partners, such as Utah Clean Energy and Recycle Utah, and other local governments in Utah. A more detailed description of recent legislative items, and staff's involvement, is included in the Analysis section of this Staff Report.

<u>Related Objectives in the Environmental Strategic Plan</u>

- Objective 2.2: Increase Park City's community-wide recycling rates
- Objective 3.0: Support local organizations that educate the public, schools, other jurisdictions, professional associations, business and industry about reducing global warming pollution
- Objective 3.2: Strengthen the State Residential Energy Code through strongly advocating for state and national policies
- Objective 5.0: Ensure the Environmental Sustainability Plan keeps pace with technology, nation-wide trends and the community's collective interests

Analysis:

2009 IECC Residential Building Standards (Energy Conservation)

In partnership with the City's Interim Chief Building Official, Environmental Sustainability staff has been following discussions of the 2009 International Energy Conservation Code (IECC) for new residential construction in Utah. The 2009 IECC for commercial construction was adopted during the 2010 state legislative session, but the residential portion was not adopted at this time, partially due to lobbying efforts of the Home Builders Association of Utah.

Due to myriad environmental, financial, and social benefits, staff has been actively supporting the 2009 IECC. The City's Interim Chief Building Official regularly attends meetings and provides input in support of the more energy efficient code. Additionally, staff submitted written comments to the Utah Uniform Building Code Commission prior to their recent favorable recommendation for adoption of the 2009 IECC residential standards by the Legislature. Despite a positive endorsement from the Uniform Building Code Commission, the Business and Labor Interim Committee voted against adopting the 2009 IECC for residences during an interim session in October 2010.

The Home Builders Association of Utah remains an opponent to the IECC due to its additional energy-related requirements and upfront costs which would be rolled into the overall cost of a new residence. From a homeowner's perspective, the 2009 IECC provides a clear financial benefit from the first day of owning a home since the average monthly energy savings immediately outweigh the additional monthly costs that would be included in a mortgage. Furthermore, the additional costs for improved insulation and other conservation measures are paid back in 4-8 years while significant net savings continue to accrue over time. This conclusion on homeowner savings was corroborated by all eight cost-benefit analyses presented recently by a Utah Energy Ad Hoc Committee. Additional information on the 2009 IECC is included in Exhibit B in the form of a brief Fact Sheet.

In order to demonstrate continued support for adoption of the 2009 IECC by the state legislature, **staff recommends that City Council approve a resolution similar to the draft provided in Exhibit A**. This draft resolution was created with the support and expertise of Utah Clean Energy, a non-profit organization which advocates for energy efficiency and clean energy. Similar drafts of the resolution are being circulated to other local governments in Utah for their consideration. If Council direction is provided, staff will return later this month with a final draft of the resolution for adoption before the 2011 legislative session.

Governor's 10-Year Strategic Energy Plan

In June 2010, Governor Gary Herbert launched the formal planning process for the Utah Energy Initiative, including the creation of a 10-Year Strategic Energy Plan. With support from partners such as Utah Clean Energy, staff followed the development of this plan and provided comments prior to a November 2010 Public Comment deadline.

Staff's comments stressed the chief importance of energy conservation, energy efficiency, and renewable energy development in any strategic energy plan for Utah. Staff stressed the energy-savings potential offered by the 2009 IECC and also expressed support for ongoing demand-side management programs from our energy utilities. Additionally, staff recommended that negative externalities be accounted for when comparing the viability of different energy resources and that more holistic factors (e.g., environmental and social costs) are used when assessing the need for robust renewable energy development.

Staff plans to continue following the 10-Year Strategic Energy Plan until it is finalized and offer support for energy-saving and renewable energy components that set Utah, and thus Park City, on a more sustainable trajectory.

Electronics Recycling Program
The Utah Department of Environmental Quality (UDEQ) is drafting legislation to require a more comprehensive electronics recycling program in Utah. This legislation includes registration requirements and other duties on manufacturers, recyclers, collectors, and retailers of covered electronic devices. Recycle Utah has been actively involved in a stakeholder group which is providing commentary and guidance on the bill's language before it's finalized for consideration in the 2011 legislative session.

Due to the bill's close relevance to Council goals, such as recycling participation rates and water quality, staff has been tracking its progress. Staff will continue to stay informed on the bill, and provide support as necessary, but will primarily rely on the staff and expertise of Recycle Utah to guide this legislation through the stakeholder comment process.

Department Review:
Sustainability, Building, Legal, and the City Manager reviewed this Staff Report and their comments have been included.

Significant Impacts:
If Council agrees with the Summary Recommendation, a small amount of staff time will be required to finalize the draft resolution provided in Exhibit A. If approved, this resolution will build upon the existing support of more efficient energy codes in Utah and provide long-term environmental, financial, and social benefits.

Consequences of not taking the recommended action:
If Council does not wish to adopt a resolution in support of the 2009 IECC residential building standards, staff will still continue to support legislative items related to environmental sustainability. Depending on time constraints, this legislative support will continue unless alternative direction is provided by Council.

Recommendation:
Staff recommends that City Council review the legislative updates presented and provide feedback, where needed. Staff also recommends that Council examine the draft resolution in Exhibit A, which supports more energy efficient residential building codes on a state-level, and provide direction for staff to return with a final draft for adoption by the City Council before the 2011 Utah legislative session.

Attachments:
Exhibit A – Draft Resolution Expressing Support for the 2009 IECC Residential Building Standards in Utah

Exhibit B – 2009 IECC Residential Building Standards Fact Sheet

Exhibit A – Draft Resolution Expressing Support for the 2009 IECC Residential Building Standards in Utah

Resolution No. __-10

Resolution Supporting Adoption of the 2009 International Energy Conservation Code for Utah homes

WHEREAS, Utah's commercial and residential buildings use 42% of Utah's total energy; and

WHEREAS, energy efficiency is the cheapest, cleanest, and most plentiful energy resource available today; and

WHEREAS, according to state and national analyses, the 2009 International Energy Conservation Code (IECC) is expected to improve the energy efficiency of new homes by 10 to 17 percent; and

WHEREAS, the IECC is the most widely used model energy code for residential construction in the U.S., establishing efficiency baselines that are reviewed and updated every three years, and voluntarily adopted by over 40 states; and

WHEREAS, Utah has a history of regularly reviewing and adopting updated versions of the IECC, to be implemented and enforced by local jurisdictions; and

WHEREAS, Utah's commercial buildings are subject to the requirements of the most up-to-date 2009 energy code; and

WHEREAS, Utah's residential structures are still governed by the outdated 2006 energy code; and

WHEREAS, an extensive technical analysis was recently undertaken to identify the expected builder costs and energy cost savings if the 2009 IECC were adopted in Utah; and

WHEREAS, according to this analysis, the energy cost savings realized by Utah families is expected to exceed the incremental cost of implementing the updated code, resulting in a net financial savings for new Utah homeowners; and

WHEREAS, the cost to correct energy inefficiencies after construction is at least 5-times more than building homes efficiently from the start (and not every problem can be corrected after construction); and

WHEREAS, the 2009 IECC will strongly influence building practices in thousands of Utah homes expected to be built up until the succeeding 2012 IECC is adopted in Utah, making the success of adopting the 2009 IECC critical to the long-term energy cost savings for many Utah families; and

WHEREAS, the state's largest electric utility, PacificCorp, estimates that by 2018 it will be 1,500 megawatts – or two large power plants worth of energy – short of meeting Utah's electricity needs; and

WHEREAS, homes that are constructed in line with the updated 2009 IECC reduce the need for utility companies to build expensive new power plants and transmission lines that all Utahans pay for; and

WHEREAS, building energy efficient homes will help meet Utah's future energy demands; and

WHEREAS, adoption of the 2009 IECC is consistent with the recommendation by Utah's Uniform Building Code Commission on October 20, 2010; and

WHEREAS, the Uniform Building Code Commission's favorable recommendation included a delayed effective date of January 2012 to address concerns of Utah's building industry as well as an amendment to make it easier for builders to meet the energy code requirements; and

WHEREAS, the U.S. Conference of Mayors, the Utah Housing Coalition, the American Institute of Architects, Rocky Mountain Power, and Questar Gas have supported adoption of strong energy conservation codes as a critical strategy to a successful energy policy;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of Park City, Utah recognizes the important long-term energy and cost-savings benefits of adopting updated energy codes and urges the adoption of the residential provisions of the 2009 International Energy Conservation Code by the Utah Legislature during the 2011 General Session.

PASSED AND ADOPTED this ___ day of December 2010.

PARK CITY MUNICIPAL CORPORATION

____
Mayor Dana Williams

Attest:

____
Janet M. Scott, City Recorder

Approved as to form:

____
Mark D. Harrington, City Attorney

Exhibit B – 2009 IECC Residential Building Standards Fact Sheet

See Attached PDF File

2009 ENERGY CONSERVATION CODE ADOPTION FOR UTAH HOMES

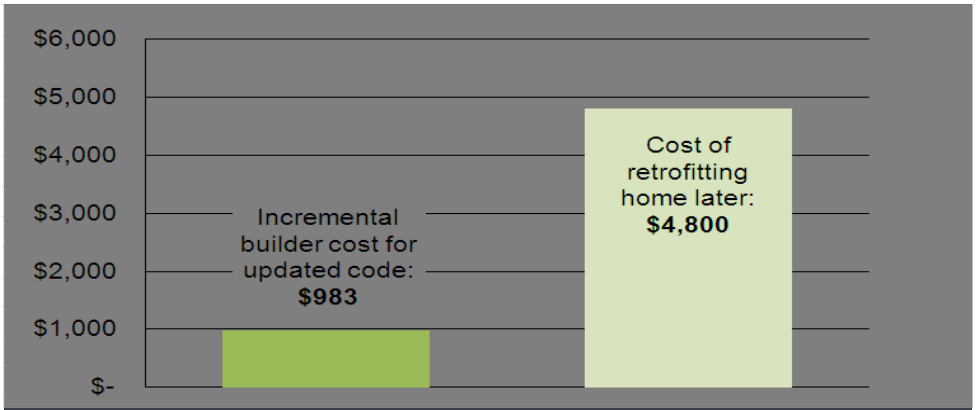
ENERGY CODES FACT SHEET

Energy efficiency and conservation are critical components of Utah's efforts to provide affordable energy, improve energy security and independence, diversify our energy resource base, and grow our economy. Improving the energy efficiency of buildings saves money and energy throughout the life of the building.

- Dr. Dianne R. Nielson, Governor's Energy Advisor
Letter to Uniform Building Code Commission (August 11, 2010)

WHAT ARE ENERGY CODES?

Energy codes are laws that establish minimum design and construction requirements for buildings. The International Energy Conservation Code (IECC) is the nation's model energy code, and is revised by building experts every three years. The most current 2009 IECC took effect for commercial buildings in July 2010; however the 2006 version of the energy code is still in effect for Utah homes, pending action by the Utah Legislature.



COMPARATIVE COST OF UPDATED ENERGY CODE VS. RETROFITTING HOMES LATER

(Energy Ad Hoc Analysis and Weatherization Program, 2010)

WHY PRIORITIZE 2009 ENERGY CODES FOR UTAH?

New homes can last for 100 years or more. The 2009 energy code ensures that new homes are built *smart from the start*. The new code incorporates energy-savings and verification at the time of construction, allowing homeowners reap the benefits for decades.

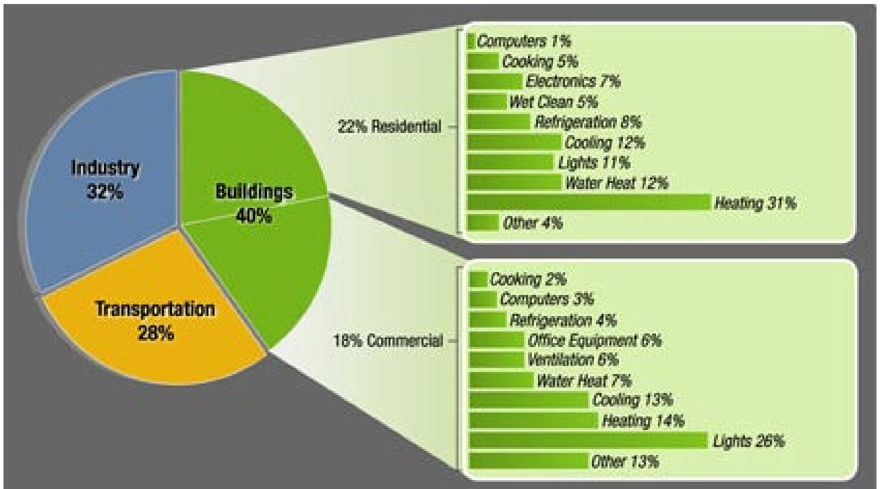
Benefits include:

- Energy bill reduction of $175 per year,
- Superior home construction,
- Reduced retrofit costs,
- Economic development and local job creation.

Adopting the latest energy codes is expected to add $983 to the cost of a new home, while **saving the average Utah new home owner $175 a year on energy bills**, beyond additional builder costs. Homeowner's would also be spared the high cost of retrofitting a home after it is built, an average of $4,800 – five times more than building in energy savings from the start.

FOR MORE INFORMATION

Matthew Meyer, *Provident Energy*: (801) 831-3926
Tyler Jarvis, *Energy Inspectors*: (801) 669-0319
Brent Ursenbach, *Salt Lake County Building Inspector*: (801) 381-1449
Paulette McGhie, *Utah Clean Energy*: (801) 363-4046



BUILDINGS USE 40% OF TOTAL US ENERGY

(U.S. Department of Energy, 2010)

MAJOR CHANGES IN 2009 IECC

Changes in the 2009 IECC rely on products and practices that are readily available on the market today, including:

- 50 percent high energy efficiency lighting for certain methods of construction
- Increased wall insulation
- A building envelope inspection or a "blower door" test is needed to find and stop energy leaks
- Air ducts must be located within insulated parts of the building or a "duct blaster" test be performed to prevent energy waste

In addition, a Utah-specific amendment was developed that **provides greater flexibility to Utah builders** in complying with the updated code. It will allow any building method (that includes the mandatory provisions of the 2009 code) as long as the home shows at least a 12 percent improvement in efficiency over the 2006 code.

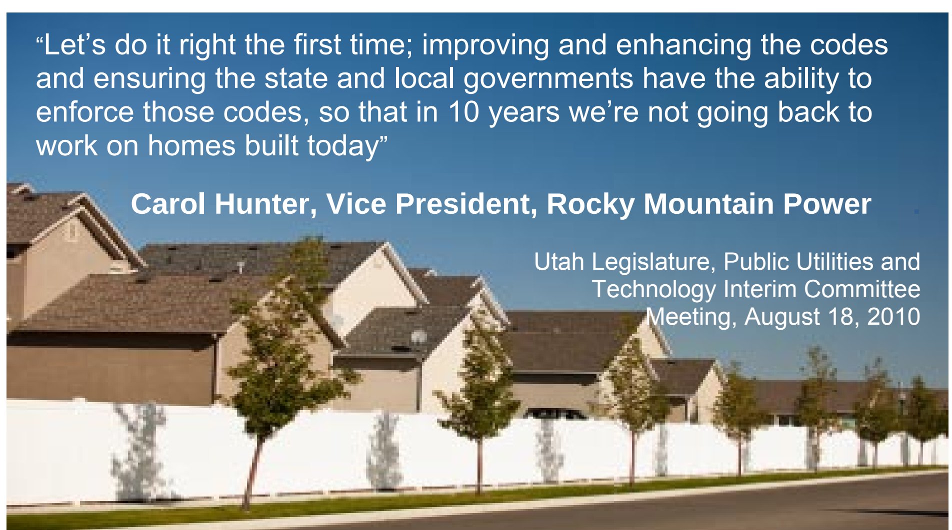
CODE ADOPTION CREATES CAREER OPPORTUNITIES IN UTAH

1. The 2009 IECC creates a partnership between builders, private sector contractors, and building inspectors - putting out-of-work contractors back to work.
2. Free training is currently being developed to provide low or no-cost training for Utah workers interested in careers, including residential energy assessors, which will help meet the provisions of the 2009 IECC and other programs.

UTAH FACES AN ELECTRICITY SHORTFALL: ENERGY CODES HELP MEET UTAH'S GROWING ENERGY NEEDS

PacifiCorp projects a system-wide shortfall of over 3,500 megawatts of electricity in 2018 – equivalent to the output of four large coal-fired power plants. Utah's share is about 1,500 megawatts (Rocky Mountain Power, Integrated Resource Plan, 2010)

Constructing energy efficient buildings not only saves Utah families money, but also reduces the need to build new, more expensive power plants to meet the rising electricity and gas demands, therefore putting an overall downward pressure on everyone's utility rates.



City Council
Staff Report

Subject:	**Budgeting for Outcomes Update**
Author:	**Bret Howser, Budget Officer**
Department:	**Budget, Debt, & Grants**
Date:	**December 2, 2010**
Type of Item:	**Informational/Discussion**

Summary Recommendations:
Staff recommends that Council hold a discussion and provide direction regarding the prioritization of City programs and services, including levels of service, in preparation for the FY 2012 budget process.

Topic/Description:
Budgeting for Outcomes

Background:
During the most recent budget process, discussion was held regarding the long-term sustainability of City services and service levels. The City identified concerns related to the property tax revenue stream, increased volatility in sales tax (both collections and state legislative amendments) and the lack of an inflationary component in property tax. The Budget Department prepared a detailed report which outlined that without a change of course, the City would not be able to provide the existing levels of service in the long run due primarily to the gradual loss of purchasing power in the property tax revenue stream over time. This report promoted a strategy stabilizing long term General Fund revenues and aligning them with long term projected expenditures, while preserving the fiscally conservative strategy of continuing to rely primarily on annual/short term sales tax surplus revenues for one time/short term capital project funding (CIP).

The City balanced the FY 2011 budget with reductions to staff performance bonuses, without a property tax increase and without incurring new debt for the Racquet Club. Staff committed to return in the fall with an expanded budget discussion, which would include a fairly rigorous prioritization process of all City services and capital initiatives as well as a discussion revisiting the City Council policy toward employee compensation.

On September 2, the Budget Department presented an expanded budget process to Council called Budgeting for Outcomes (BFO). The process was to be a more *zero-based* budgeting approach than the traditional *incremental* approach. It would closely resemble a Request for Proposal (RFP) process, with a Results Team made up of City staff creating Requests for Results (RFRs) related to each Council goal and departments submitting “bids” for City services, programs, capital, etc. related to each RFR at varying levels of service. In this fashion, all funds in the budget would have a direct link to Council goals and the community vision. The Results Team would perform preliminary prioritization and the process would culminate in a Council prioritization exercise leading up to and during Council Visioning. With a fuller understanding of all

City services and programs, levels of service, and their relationship to Council priorities, City Council could then revisit revenue and taxation policy and move toward developing a long-term funding plan for Council-directed levels of service. Council supported moving forward with the outlined process.

On October 14, Staff returned with further information regarding the use of performance measurement and benchmarking as it relates to BFO, as well as additional information on organizational culture and accountability in preparation for expanded discussion on the City's pay plan policy.

On November 4, Council discussed the City's pay philosophy. Staff will return in January with recommendations on how to proceed with Council policy direction.

On November 11, staff presented an update on the BFO process, including methodology, format for communicating information with Council, and timelines for moving forward. Council gave direction regarding the inclusion of specific benchmark data in the BFO materials.

The attached flow chart shows the progression of the process that was originally presented in September. Staff has kept the rigorous pace of this process and is on schedule. We are now at the Council Prioritization phase of the process.

Analysis:

<u>The Prioritization Process</u>

Beginning December 2, and then continuing on December 16 and January 6, Council will have an opportunity during the Council work session to review 131 responses submitted by City departments to the eight Requests for Results (RFR's) issued by the Results Team. The details of these responses, or bids, are included in the BFO Bid Packet delivered to Council under separate cover.

In order to facilitate the discussion during the limited time allotted, the Budget Department has created a BFO Prioritization Worksheet (attached) which displays all bids related to each Council goal, the departments proposing the program, the cost of the bid at the current level of service, a hypothetical reduced level of service, and an enhanced level of service, the total score given to the program by the Results Team, and a cost/benefit index (explained later in this report). The bids are listed under the Council goal in order of the recommended prioritization generated by the Results Team's scores. They are grouped by High Impact, Moderate Impact, and Low Impact, based on the relative score received (top 25% are high, middle 50% are moderate, and bottom 25% are low). Details on each program can be found in the Bid Packet which is attached under separate cover, and the page number where the program is located in the packet is included on the summary Prioritization Worksheet.

During the meeting on the 2nd, staff will ask Council to adjust the prioritization of programs within a Council goal as they see fit. This can be done by adjusting the lines that separate high/medium/low impact or moving whole programs up or down on the list. Staff will have an electronic version of the Prioritization Worksheet on the screen in work session which can be adjusted on the fly so Council can visually review these prioritization changes in real time.

Then Council should discuss the desired level of service for each program within the goal. It is important to note that the proposed reduced levels and enhanced levels are merely one look at possible increases or decreases in levels of service as opposed to an exhaustive list. It's meant to begin the conversation, and Council is encouraged to explore with staff the potential for variations to the proposed enhancements or reductions. The electronic worksheet will be equipped with the ability to select reduced or enhanced levels for individual programs and update the total cost for the Council goal on the fly.

Also, the proposed costs of service at varying levels (reduced, current, and enhanced) on the Prioritization Worksheet do not include associated fees for service. However, these fees are included on some of the bids themselves where it was the most pertinent to do so. This is important because, in some cases, if programs were to lose funding revenues may decrease. This is especially true for revenues associated with recreation (including golf, ice, tennis, etc) and perhaps some water programs. Not every service with an associated fee, though, would lose revenue if funding were cut. Demand for building inspection, for example, would likely remain the same despite the level of service offered by the building department.

In past budget processes, staff has included the net cost (or the amount of cost in excess of associated revenues) for budget options. In this BFO process, though, the Budget Dept determined it would be better to consider all programs purely on the basis of total expenses instead of net cost. In a way, it could be said that every program has revenues associated with it and is in fact a net-zero cost. The Budget Department thought it would be better to first determine the merits certain levels of expenditure for each program, and then having a revenue and taxation policy discussion to determine the best way to fund each activity, including sales tax vs. property tax, fees, cost-recovery levels, subsidization, etc.

Finally, Council has the opportunity to propose cuts of entire programs. If Council wishes to pursue this level of cut, staff recommends that this be done by reviewing programs at the bottom of the priority list within a Council goal and cutting from bottom up. However, Council may also consider cutting some programs which are not at the bottom of the priority list as well.

Through all of this, staff recommends that Council focus on the summarized Prioritization Worksheet during work session and turn to the Bid Packet only as necessary to answer detail questions. Department heads will be present during work session to address questions and give clarity to submitted bids.

As previously mentioned, there are in excess of 130 bids, and three Council work sessions in which to review them. For this reason, Council should expect to review the details of the bids prior to work session and limit discussion of bids to those they have concerns or questions about. Staff would also propose that Council focus on one Council goal at a time, beginning with Effective Transportation, Recreation, Open Space & Trails, and Regional Collaboration & Partnerships on December 2nd (45 total bids), proceeding with Open & Responsive Government to the Community (43 bids) on December 16th, and Quality & Quantity of Water, Preservation of Park City Character, Public Safety, and World Class Multi-Seasonal Resort Community on January 6th (43 total bids). If this schedule is followed, then Council need only review a third of the Bid Packet prior to each scheduled work session.

Proposed Schedule for Council BFO Discussion:

Date	Discussion Topic
Dec 2, 2010	Effective Transportation
	Recreation, Open Space & Trails
	Regional Collaboration & Partnerships
Dec 16, 2010	Open & Responsive Government to the Community
Jan 6, 2011	Quality & Quantity of Water
	Preservation of Park City Character
	Public Safety
	World Class Multi-Seasonal Resort Community
Council Visioning	Wrap-Up Prioritization & Level of Service Direction
	Revenue & Taxation Policy
	Long-Term Funding Strategy

Results Team Recommended Prioritization

The attached Prioritization Worksheet also serves as a staff recommendation for prioritization of City services. After bids were submitted and compiled by the Budget Department, the Results Team (which consisted of representatives from each of the City's self-managed teams) thoroughly reviewed each bid and scored them as would typically be done in an RFP process. For purposes of scoring, five criteria were used and each bid could receive up to five points within each criterion (25 points total per program per reviewer). The four key factors for each Council Goal along with the purchasing strategies identified in the RFR's made up the five scoring criteria within each Council Goal. No weighting was applied, and all scores were summed (with a maximum of 200 points possible). All programs were then sorted from high score to lowest score and a "bell curve" was applied, with the top 25% considered "High Impact" the middle 50% "Moderate Impact" and the bottom 25% "Low Impact".

Due to the fact that programs which fell under different Council goals were scored using different criteria (the key factors for the respective goals) it is important not to use the

Results Team's scores to compare programs across Council goals. Because programs could receive higher scores if they closely addressed multiple key factors within a goal, those programs which fell under a goal with more varied key factors (such as Recreation, Open Space, and Trails) were less likely to score high, and vice versa. Therefore, it is not as useful to compare a program score under one goal to a program score under another as it is to compare scores within a Council goal.

Taking this into account, staff recommends that when setting targets for cuts or enhancements, Council first prioritize which Council goal they intend to cut or enhance and then use the Results Team scores within that goal to help decide which programs to target, as opposed to comparing "Lower Impact" programs in separate Council goals.

To assist in choosing which Council goals to target for enhancements/cuts, staff is currently engaged in compiling a list of key indicators for each Council goal which can be benchmarked against the ICMA benchmarking group, and eventually the Resort Consortium. Council discussed on Nov 11 the potential for finding benchmarks for some key programs for use in the prioritization process. Staff suggested that Council identify which programs they wanted benchmarks for in early December, after receiving the bids, and staff could gather benchmarks during the process. An apparent majority of Council concurred with this approach. However, after reviewing some of the existing benchmarking data, staff is hopeful that some key benchmarks could be proposed at the Council goal level (as opposed to the program level) by the Dec 2, although that data was not available by the printing of this report.

<u>Cost/Benefit Analysis</u>

The last column on the Prioritization Worksheet provides a "Cost/Benefit Index". This figure is intended to give some sense of the value the City might get on additional investment in the program. Put simply, a high CB Index score indicates that the program delivers a relatively high value for a relatively low cost.

The CB Index is calculated by taking a ratio of the Results Team score for a program divided by the total score given to all programs over the program cost divided by the cost for all services. The CB Index is ***not*** a Return on Investment (ROI) figure. ROI seeks to report profit relative to cost. The CB Index does not measure profit in *dollar* terms, but rather value in *points* terms. Neither revenues nor profit are part of the CB Index framework as profit is generally not a goal of City programs.

The CB Index also serves as an illustration of the law of diminishing marginal returns. This economic principle holds that after a certain point, further investment in an activity provides less and less increased value. I like to use pizza as an analogy. There's a certain amount of satisfaction that's received from eating a slice of pizza. The amount of satisfaction received from eating a second slice of pizza is probably a little less than the first. And the third is not nearly as enjoyable as the second. By the time you eat your ninth piece of pizza, you're probably receiving close to zero satisfaction. The point is, while each slice of pizza costs the same amount, the value received from additional slices is diminished after a certain point. Our CB Index gives us an idea of when we've hit that point. In fact, as we increase spending on any given program, the CB Index will likely go down, which shows that the next dollar of investment will probably provide less value than the last, in line with the law of diminishing marginal returns.

As you'll see on the Prioritization Worksheet, program prioritization is independent of the CB Index score. Because the CB Index score is lower for programs with high cost, it is less useful as ranking tool, because a program might be vital despite high cost and vice versa. Instead, the CB Index should be utilized as a tool to help make decisions regarding further investment in a program. In other words, as Council mulls the decision to move to a reduced or enhanced level of service on a program, they should consider the CB Index. A low CB Index may indicate that the City has invested sufficiently and has reached a point of considerably diminished marginal returns (ie: if we invest more, we're not likely to get a whole lot of additional value for our dollar). A high CB Index may indicate that the program could stand some additional investment.

However, Council should be wary of the limitations of the CB Index. The Index only considers relative benefit as determined by subjective scoring in relation to relative cost. It does not consider other realities which should be weighed. A good example is the graffiti removal program. This program has a high CB Index, which makes sense since the program is pretty cheap and the absence of graffiti contributes significantly to Park City's character (all Banksy arguments aside). However, further investment in the program may not be warranted as there's not much graffiti to be removed, and that which does pop up is removed pretty quickly. So Council should use the CB Index as a tool to help make policy decisions, but be careful not to rely too heavily on it as it does not necessarily paint the whole picture.

Department Review:
Budget, Finance, HR, IT Team; Legal; City Manager

Alternatives:

A. Approve:

This item is for discussion. Council may provide direction as it pertains to prioritization of City programs and services and/or service levels for inclusion in the FY 2012 Recommended Budget. Final decisions will be made as part of the Council Adopted FY 2012 Budget in June, 2011.

B. Deny:

C. Modify:

D. Continue the Item:

E. Do Nothing:

Significant Impacts:

This item is for discussion. Council may provide direction as it pertains to prioritization of City programs and services and/or service levels for inclusion in the FY 2012 Recommended Budget. Final decisions will be made as part of the Council Adopted FY 2012 Budget in June, 2011.

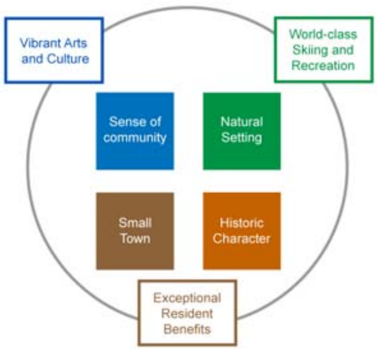
Consequences of not taking the recommended action:
This item is for discussion.

Recommendation:
Staff recommends that Council hold a discussion and provide direction regarding the prioritization of city programs and services, including levels of service, in preparation for the FY 2012 budget process.

Attachments:
A – BFO Flowchart
B – BFO Prioritization Worksheets
C – Request for Results Strategy Maps
D – BFO Bid Packet (under separate cover)

Budgeting for Outcomes (BFO) Flowchart

Community Vision



Council Goals 2010

- Preservation of Park City Character
- World Class Multi-Seasonal Resort Community
- Effective Transportation
- Quality & Quantity of Water
- Recreation, Open Space, & Trails
- Regional Collaboration & Partnership
- Open & Responsive Government to the Community

Revenue & Taxation Policy

Pay Plan Philosophy

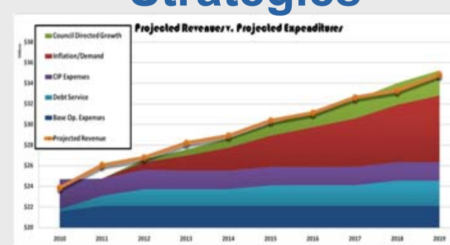
Service Level Prioritization

Goal: Preservation of Park City Character

Impact	Service	Provider	Outcome Level A	B	C	D
High	Affordable Housing	Sustainability	$150,000	$100,000	$50,000	$25,000
High	Historic Preservation	Planning Dept	$100,000	$75,000	$50,000	$25,000
Moderate	Downtown Projects	Capital/Debt	$1,000,000	$500,000	$250,000	$100,000
Moderate	Trash & Recycling	PW/Sustainability	$250,000	$100,000	$50,000	$25,000
Moderate	Public Art	Executive	$100,000	$75,000	$50,000	$25,000
Low	Free Popcorn Day	Budget Dept	$2,000,000	$750,000	$250,000	$15,000

Budget Process

Financing Strategies



POLICY

IMPLEMENTATION

34

Request for Results

Offers

Service:
Historic Preservation
Outcome Level: B
Result(s):
Architectural compatability in Historic Districts
Measure(s):
(1) Biennial Public Opinion Survey
(2) Biennial 3rd Party Expert Assessment
Cost:
Personnel - $60,000
Materials - $15,000
Total $75,000

Comparisons w/ other cities

Efficiencies - Process Engineering

Effective Transportation

	Program	Department	Page #		Reduced		Current		Enhanced	Total Points	Cost/Benefit Index
Higher Impact	Streets Snow Operations	STREET MAINTENANCE	2		$1,029,540	✓	$1,131,978		$1,234,415		0.48
	Street & Sidewalk Maintenance	STREET MAINTENANCE	3		$648,340	✓	$822,456		$1,095,103		0.59
	Parks Snow Operations	Multiple Departments	4		$310,215	✓	$379,659		$478,136		1.27
	Engineering Project Management	ENGINEERING	5		$167,969	✓	$182,489		$197,008		2.56
Medium Impact	Winter Transit Service	TRANSPORTATION OPER	6		$4,469,543	✓	$4,648,557		$5,120,135		0.10
	Street Lights/Signs	Multiple Departments	7		$281,529	✓	$334,920		$411,282		1.32
	Clean-up and Control	STREET MAINTENANCE	8		$190,336	✓	$209,192		$239,672		2.09
	Summer Transit Service	TRANSPORTATION OPER	9		$3,204,332	✓	$3,283,518		$3,550,924		0.13
	Parking Management	TRANSPORTATION OPER	10		$432,028	✓	$487,668		$543,309		0.80
	Urban Trails and Walkability	ECONOMY	11		$888,665	✓	$936,780		$1,730,165		0.41
	Transportation Management	TRANSPORTATION OPER	12		$215,356	✓	$270,356		$399,356		1.39
	Swede Alley Parking Structure	SWEDE ALLEY PARKING STRUCT.	13		$557,769	✓	$577,251		$596,676		0.64
Lower Impact	Park City Mobility (Paratransit)	TRANSPORTATION OPER	14		$221,516	✓	$226,035		$350,000		1.27

		Goal CBI
Goal Total Cost:	$13,490,859	0.41

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Recreation, Open Space, & Trails

Impact	Program	Department	Page #	Reduced		Current	Enhanced	Total Points	Cost/Benefit Index
Higher Impact	Trails (Backcountry)	ECONOMY	16	$16,822	✓	$35,305	$55,216	172	14.23
	Parks Trash Clean-Up	Multiple Departments	17	$81,568	✓	$105,730	$137,603	158	4.37
	Open Space	COMMUNITY & ENVIRONMENT	18	$3,912,404	✓	$3,922,191	$3,978,890	157	0.12
Medium Impact	Adult Programs - CITY RECREATION	CITY RECREATION	19	$326,535	✓	$365,823	$402,898	146	1.17
	Recreation Marketing	CITY RECREATION	20	$33,859	✓	$54,165	$62,859	141	7.60
	Park Amenities & Infrastructure	Multiple Departments	21	$75,293	✓	$99,478	$139,222	141	4.14
	Parks, Turf & Athletic Fields	Multiple Departments	22 - 23	$448,643	✓	$548,261	$647,449	134	0.71
	Quinn's Recreation Complex	Debt/CIP	24	$499,326	✓	$499,326	$524,326	125	0.73
	Golf Course Improvements	GOLF MAINTENANCE	25	$65,000	✓	$130,000	$195,000	123	2.76
	Youth Programs - CITY RECREATION	CITY RECREATION	26	$501,443	✓	$555,105	$610,616	122	0.64
	Golf Maintenance	GOLF MAINTENANCE	27	$591,481	✓	$679,863	$856,626	122	0.52
Lower Impact	Golf Management Operations	GOLF PRO SHOP	28	$339,229	✓	$376,920	$414,611	114	0.88
	Ice Operations	ICE FACILITY	29	$310,000	✓	$380,919	$445,000	110	0.84
	Youth Programs - ICE FACILITY	ICE FACILITY	30	$55,501	✓	$92,165	$106,829	103	3.26
	Rec Center Operations	CITY RECREATION	31	$381,173	✓	$420,875	$460,576	102	0.71
	Adult Programs - ICE FACILITY	ICE FACILITY	32	$97,092	✓	$113,242	$129,092	96	2.48
	Golf Pro Shop & Parking Acquisition	Debt	33	$172,352	✓	$172,352	$172,352	95	1.61
	Golf Shop Programs	GOLF PRO SHOP	34	$37,696	✓	$49,629	$54,591	92	5.41
	Programs - ICE FACILITY	ICE FACILITY	35	$130,163	✓	$168,863	$201,163	85	1.47
	Programs - TENNIS	TENNIS	36	$368,353	✓	$408,295	$447,701	85	0.61
	Tennis Pro Shop	TENNIS	37	$0	✓	$0	$110,000	84	0.00
	Cemetery	CITY RECREATION	38	$97,903	✓	$127,128	$170,769	83	1.91
	Tennis Operations	TENNIS	39	$85,057	✓	$89,808	$96,083	81	2.63
	Flowers/Holiday Lighting/Beautification	Multiple Departments	40	$219,941	✓	$298,284	$384,927	81	0.79
	Tennis Tournaments	TENNIS	41	$22,143	✓	$24,794	$27,273	79	9.31
	Golf Retail Operations	GOLF PRO SHOP	42	$128,086	✓	$141,872	$160,093	79	1.63
	Childcare	CITY RECREATION	43	$11,900	✓	$13,234	$14,500	78	17.22
	Ice Retail	ICE FACILITY	44	$26,000	✓	$46,712	$84,000	75	4.69

		Goal CBI
Goal Total Cost:	$9,920,338	0.90

Regional Collaboration & Partnerships

	Program	Department	Page #		Reduced		Current		Enhanced	Total Points	Cost/Benefit Index
Higher Impact	Legislative Liaison	CITY MANAGER	46		$53,338	✓	$67,328		$80,828	192	8.33
	Grant Administration	BUDGET, DEBT & GRANTS	47		$9,569	✓	$15,069		$20,508	161	31.21
Medium Impact	Business Improvement District	Non-Departmental	48		$58,391	✓	$58,391		$58,391	146	7.30
	Special Service Contracts	Non-Departmental	49		$358,973	✓	$358,973		$358,973	135	1.10

		Goal CBI
Goal Total Cost:	$499,761	3.71

Open & Responsive Government to the Community

	Program	Department	Page #	Reduced	Current		Enhanced	Total Points	Cost/Benefit Index
Higher Impact	Software Maintenance/Upgrades	TECHNICAL & CUSTOMER SERVICES	51	$147,656	✓	$167,656	$504,650	163	2.84
	Pay Plan Design/Administration	HUMAN RESOURCES	52	$56,356	✓	$66,751	$100,251	160	7.00
	Financial Services	FINANCE	53	$271,159	✓	$281,159	$281,159	160	1.66
	Council & Board Support	Multiple Departments	54	$298,152	✓	$308,830	$310,137	160	1.51
	Budget Preparation, Coordination, and Monitoring	BUDGET, DEBT & GRANTS	55	$85,096	✓	$97,189	$99,585	158	4.75
	Revenue/Resource Management	BUDGET, DEBT & GRANTS	56	$31,047	✓	$52,727	$59,885	156	8.64
	Network Support	TECHNICAL & CUSTOMER SERVICES	57	$202,577	✓	$269,892	$429,892	156	1.69
Medium Impact	Community Outreach and Citizen Engagement	Multiple Departments	58	$187,369	✓	$382,603	$427,391	154	1.18
	Systems Support	TECHNICAL & CUSTOMER SERVICES	59	$112,123	✓	$176,899	$276,899	152	2.51
	Website	TECHNICAL & CUSTOMER SERVICES	60	$21,707	✓	$21,707	$38,707	152	20.45
	Policy Creation & Implementation	Multiple Departments	61	$181,051	✓	$198,554	$253,555	152	2.24
	Performance Management	HUMAN RESOURCES	62	$226,356	✓	$399,863	$603,363	151	1.10
	Records Management	Multiple Departments	63	$206,647	✓	$295,108	$475,248	151	1.49
	Staff Support	CITY MANAGER	64	$186,416	✓	$205,446	$236,646	150	2.13
	Benefit Design/Administration	HUMAN RESOURCES	65	$43,000	✓	$53,159	$70,000	150	8.24
	Capital Budgeting	BUDGET, DEBT & GRANTS	66	$19,194	✓	$31,375	$34,348	149	13.87
	Debt Issuance	BUDGET, DEBT & GRANTS	67	$26,047	✓	$31,417	$59,577	148	13.76
	Analysis Resource	BUDGET, DEBT & GRANTS	68	$30,743	✓	$42,593	$49,250	148	10.15
	Customer Service/Front Desk	TECHNICAL & CUSTOMER SERVICES	69	$124,387	✓	$178,615	$182,175	147	2.40
	Support/Help Desk	TECHNICAL & CUSTOMER SERVICES	70	$122,878	✓	$229,797	$309,797	146	1.86
	Special Meetings	CITY MANAGER	71	$6,000	✓	$8,000	$15,000	144	52.58
	GIS	TECHNICAL & CUSTOMER SERVICES	72	$60,908	✓	$65,392	$316,392	141	6.30
	Venture Fund	CITY MANAGER	73	$20,000	✓	$25,000	$50,000	140	16.36
	Contracts/Grants	LEGAL	74	$61,309	✓	$64,715	$66,022	140	6.32
	Valuing Employees	HUMAN RESOURCES	75	$117,315	✓	$148,247	$151,247	139	2.74
	Accounting/Audit/Treasury	FINANCE	76	$287,494	✓	$297,494	$297,494	139	1.36
	Performance Measures and Benchmarking	BUDGET, DEBT & GRANTS	77	$14,693	✓	$26,031	$31,637	138	15.49
	City Recorder	CITY MANAGER	78	$81,485	✓	$89,962	$97,992	138	4.48
	Litigation	LEGAL	79	$69,031	✓	$73,559	$330,095	134	5.32
	Recruitment	HUMAN RESOURCES	80	$61,569	✓	$72,029	$102,895	132	5.35
	Employment Review	LEGAL	81	$47,747	✓	$51,411	$52,719	132	7.50
	Marsac Remodel	Debt	82	$18,181	✓	$18,181	$18,181	129	20.73
	Risk Management	LEGAL	83	$770,000	✓	$800,264	$837,964	128	0.47
	Asset Management/Replacement Program - CIP	BLDG MAINT ADM	84	$452,032	✓	$599,709	$719,000	125	0.61
	Public Works Facility	Debt	85	$18,181	✓	$18,181	$18,181	123	19.76
	General Legal Support	LEGAL	86	$51,369	✓	$55,097	$57,711	123	6.52
	Local, State, and Federal Employment Compliance	HUMAN RESOURCES	87	$118,142	✓	$118,142	$118,142	122	3.02
	Fleet Management & Maintenance	FLEET SERVICES DEPT	88	$2,800,144	✓	$2,947,192	$3,159,141	120	0.12
	Building Repairs and Maintenance	BLDG MAINT ADM	89	$230,334	✓	$282,922	$321,730	120	1.24
Lower Impact	Utilities	BLDG MAINT ADM	90	$392,942	✓	$413,166	$413,166	118	0.83
	City Bldg Inspections and Contract Supervision	BLDG MAINT ADM	91	$82,681	✓	$83,809	$112,081	118	4.11
	Short-Term Citywide Personnel	HUMAN RESOURCES	92	$82,500	✓	$94,392	$102,319	116	3.59
	Janitorial Services	BLDG MAINT ADM	93	$240,133	✓	$258,343	$367,266	111	1.26

		Goal CBI
Goal Total Cost:	$10,102,579	1.74

Quality & Quantity of Water

	Program	Department	Page #		Reduced		Current		Enhanced	Total Points	Cost/Benefit Index
Higher Impact	Water Quality	WATER OPERATIONS	95		$984,305	✓	$1,007,295		$1,353,902	180	0.52
	Distribution and Maintenance	WATER OPERATIONS	96		$2,166,646	✓	$2,451,990		$3,084,270	175	0.21
	Water Infrastructure	DEBT/CIP	97		$3,378,214	✓	$3,378,214		$5,178,214	171	0.15
Medium Impact	Water Project Management	WATER OPERATIONS	98		$212,402	✓	$329,647		$359,958	152	1.35
	Conservation	WATER OPERATIONS	99		$54,121	✓	$81,171		$115,866	149	5.36
	Water Service Orders	WATER OPERATIONS	100		$318,139	✓	$357,246		$409,922	147	1.20
	Water Rights/Water Projects	LEGAL	101		$87,186	✓	$90,243		$90,243	132	4.27
Lower Impact	Water Billing	WATER BILLING	102		$123,309	✓	$152,347		$191,033	119	2.28

		Goal CBI
Goal Total Cost:	**$7,848,154**	**0.46**

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Preservation of Park City Character

	Program	Department	Page #	Reduced		Current	Enhanced	Total Points	Cost/Benefit Index
Higher Impact	Long Range Planning	PLANNING DEPT.	104	$58,240	✓	$101,231	$180,275	168	4.85
	Historic District Design Review	PLANNING DEPT.	105	$135,240	✓	$164,393	$205,902	153	2.72
Medium Impact	Planning Application Review	Multiple Departments	106	$759,919	✓	$930,711	$1,125,415	149	0.47
	Graffiti Removal	STREET MAINTENANCE	107	$13,295	✓	$16,749	$20,454	145	25.29
	Permitting/Current Planning	PLANNING DEPT.	108	$68,102	✓	$77,225	$89,415	140	5.30
	Code Amendments	PLANNING DEPT.	109	$24,619	✓	$38,262	$51,790	135	10.31
	Old Town Street Improvements	Debt	110	$235,453	✓	$235,453	$1,705,453	130	1.61
	Carbon Reduction	COMMUNITY & ENVIRONMENT	111	$42,674	✓	$93,588	$187,176	122	3.81
Lower Impact	Library Technical Services	LIBRARY	112	$249,779	✓	$253,151	$274,847	119	1.37
	Library Circulation Services	LIBRARY	113	$245,181	✓	$265,057	$317,337	119	1.31
	Affordable Housing	COMMUNITY & ENVIRONMENT	114	$163,719	✓	$199,645	$259,258	119	1.74
	Library Adult Services	LIBRARY	115	$190,725	✓	$197,868	$247,091	118	1.74
	Customer Service - PLANNING DEPT.	PLANNING DEPT.	116	$146,367	✓	$178,615	$181,058	114	1.86
	Environmental Regulation/EPA	Multiple Departments	117	$194,903	✓	$300,629	$383,447	112	1.09
	Library Youth & Spanish Services	LIBRARY	118 - 119	$132,512	✓	$141,512	$161,937	108	2.23
	Leadership Program	Non-Departmental	120	$65,000	✓	$112,000	$125,000	103	2.69

		Goal CBI
Goal Total Cost:	$3,306,090	1.81

Public Safety

	Program	Department	Page #		Reduced		Current		Enhanced	Total Points	Cost/Benefit Index
Higher Impact	Patrol Operations	POLICE	122		$1,081,510	✓	$1,258,510		$1,694,564	187	0.43
	Emergency Management	POLICE	123		$81,300	✓	$100,000		$121,700	178	5.20
	Emergency Communications	COMMUNITY & ENVIRONMENT	124		$35,436	✓	$56,514		$75,438	171	8.84
	Public Safety Facility	DEBT	125		$307,627	✓	$307,627		$307,627	165	1.57
	Youth Services Officer	POLICE	126		$130,077	✓	$141,694		$153,311	162	3.34
	Community Support	POLICE	127		$403,825	✓	$447,325		$490,825	160	1.04
	Traffic Enforcement	POLICE	128		$579,036	✓	$670,655		$874,780	158	0.69
Medium Impact	Dispatch	COMMUNICATION CENTER	129		$466,071	✓	$504,642		$529,642	153	0.89
	Fire	BUILDING DEPT.	130		$42,020	✓	$84,039		$126,058	152	5.28
	DARE/Drug Education	DRUG EDUCATION	131		$23,695	✓	$23,695		$23,695	152	18.74
	State Liquor Enforcement	STATE LIQUOR ENFORCEMENT	132		$50,113	✓	$50,113		$50,113	145	8.45
	Inspections	BUILDING/ENGINEERING	133		$519,846	✓	$683,055		$857,375	143	0.61
	Code Enforcement	BUILDING DEPT.	134		$77,646	✓	$155,292		$232,938	142	2.67
	Crossing Guard	POLICE	135		$0	✓	$35,568		$71,136	136	11.17
	Business Licenses	FINANCE	136		$84,136	✓	$93,484		$102,832	125	3.91
	Criminal Prosecution	LEGAL	137		$154,994	✓	$183,478		$193,937	121	1.93

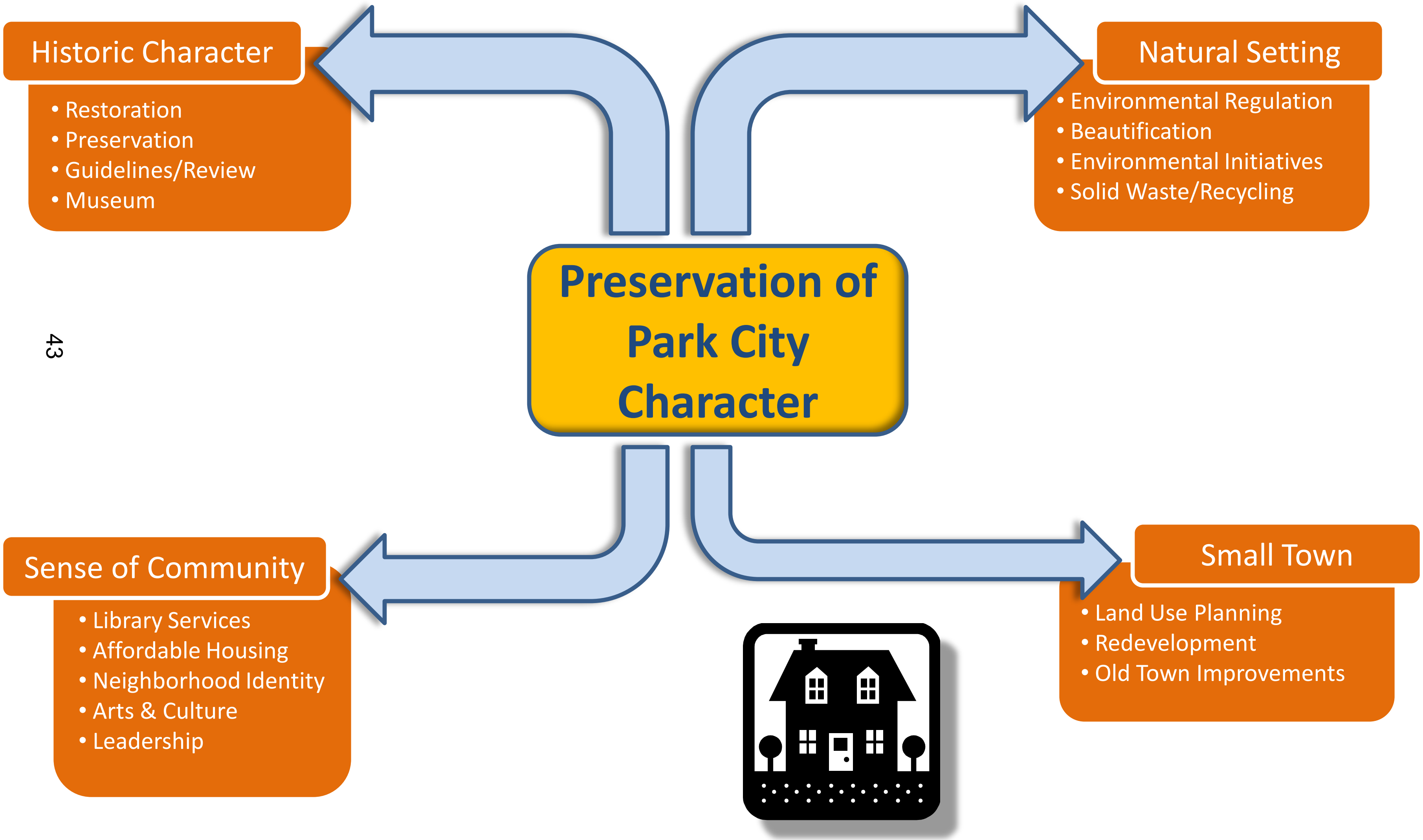
		Goal CBI
Goal Total Cost:	**$4,795,691**	**1.49**

World Class Multi-Seasonal Resort Community

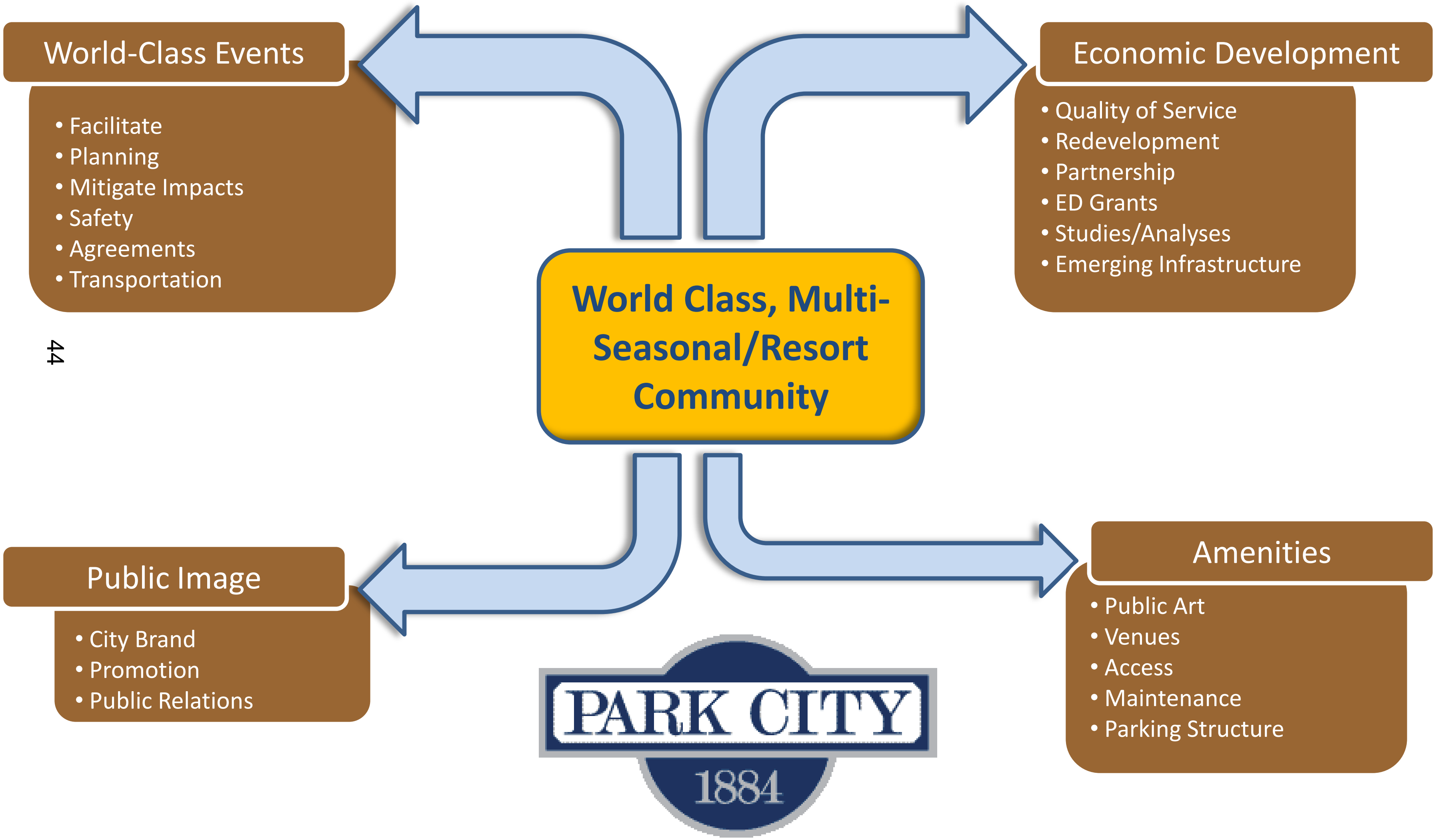
	Program	Department	Page #		Reduced		Current		Enhanced	Total Points	Cost/Benefit Index
Higher Impact	Special Events	Multiple Departments	139 - 140		$810,720	✓	$1,215,944		$1,323,918	188	0.45
	Economic and Re-development	ECONOMY	141		$601,390	✓	$677,025		$770,000	168	0.72
Medium Impact	RDA Improvements	Debt	142		$281,106	✓	$281,106		$1,500,000	137	1.42

		Goal CBI
Goal Total Cost:	$2,174,075	0.66

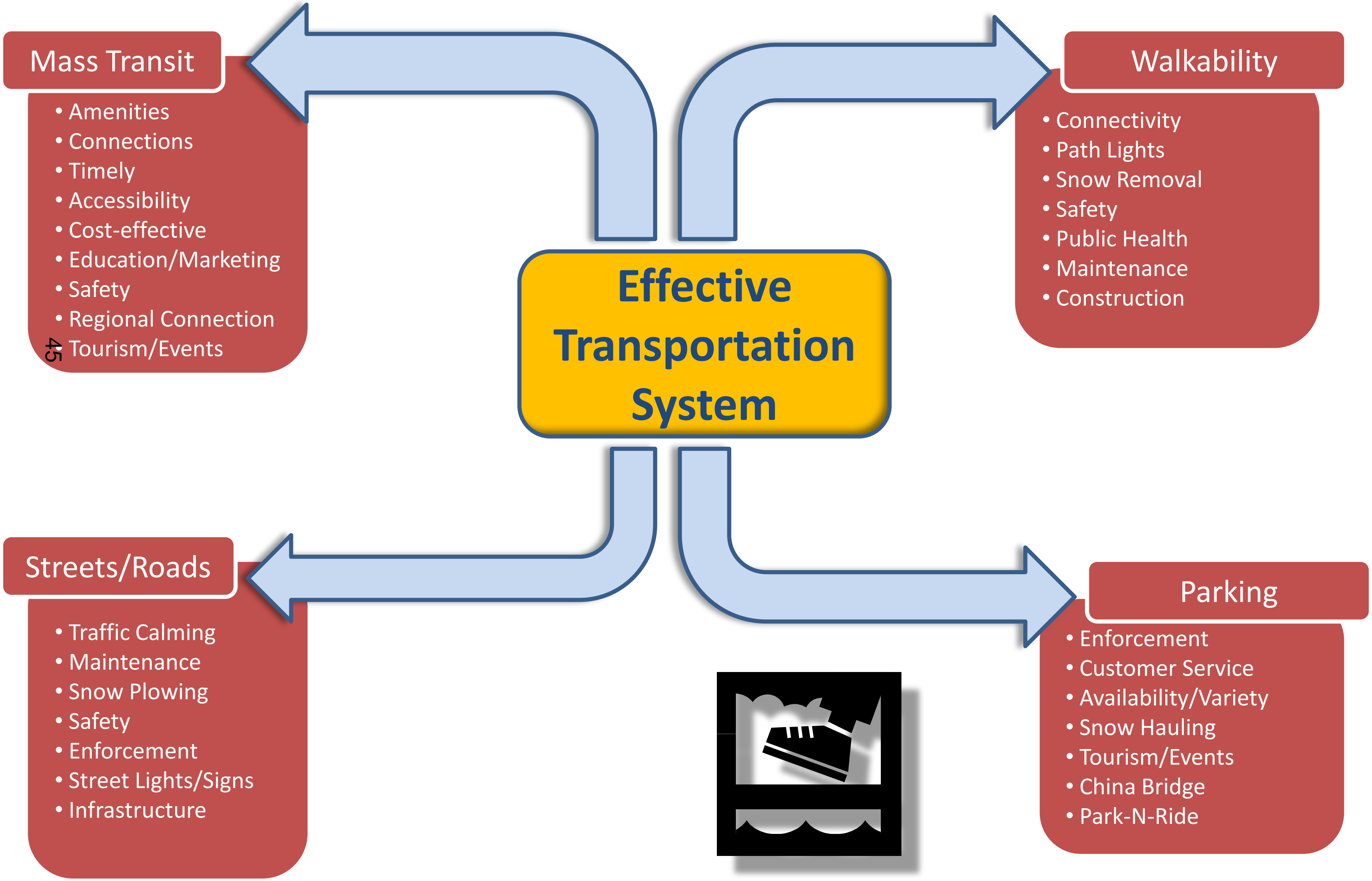
We want a community that retains those signature qualities that make Park City the place we choose to call home.



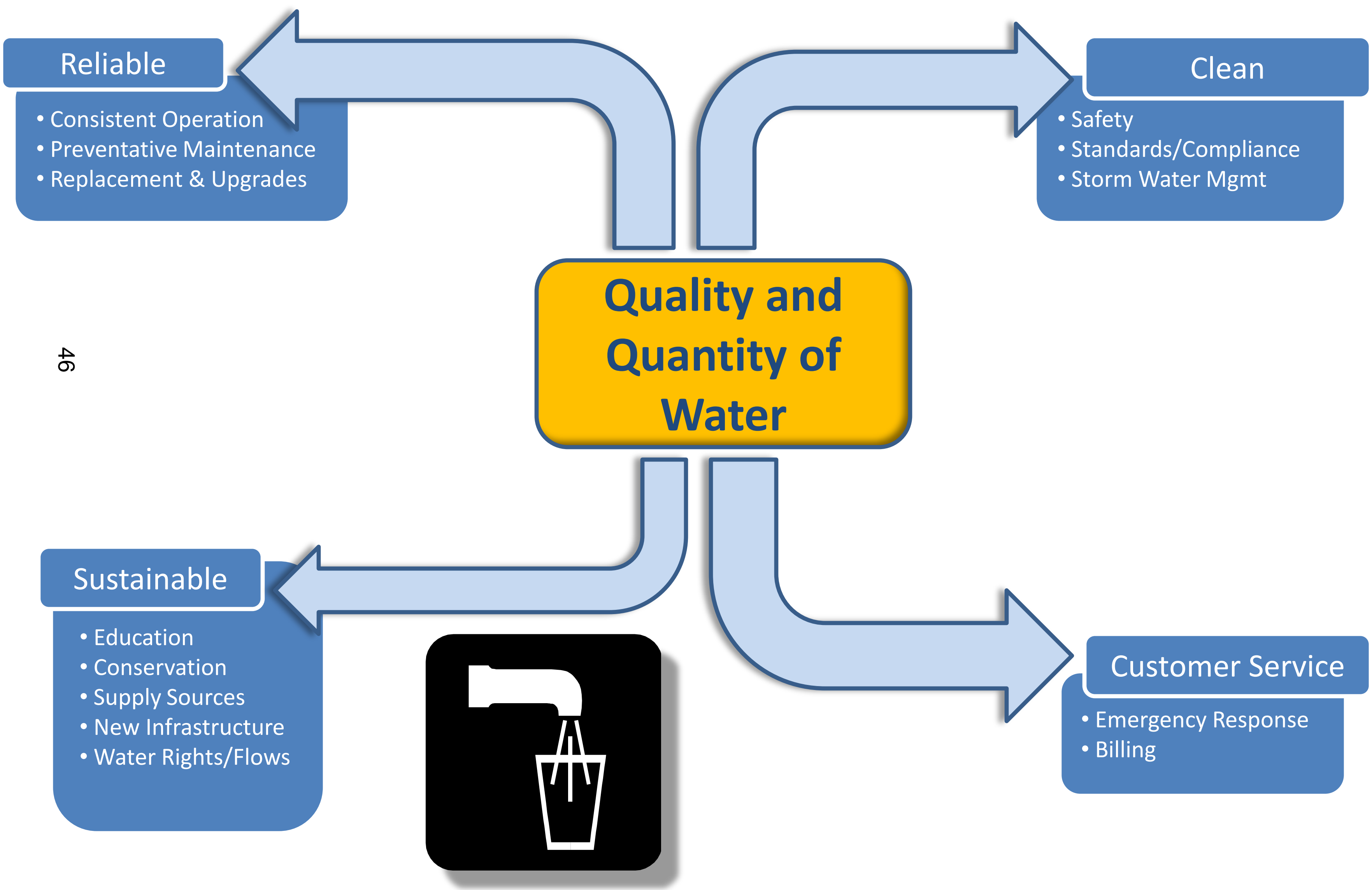
We want a world-class community that is competitive, supports entrepreneurs, creates jobs, and reinforces the economic environment of the community.



We want a transportation system that provides options, accommodates growth, and improves how residents and visitors live, work, and play.



We want clean, reliable, safe, and affordable water for the foreseeable future.



We want preservation of the natural environment while enjoying quality and affordable recreation that supports a healthy and active lifestyle for current and future generations.

Recreation, Open Space, and Trails

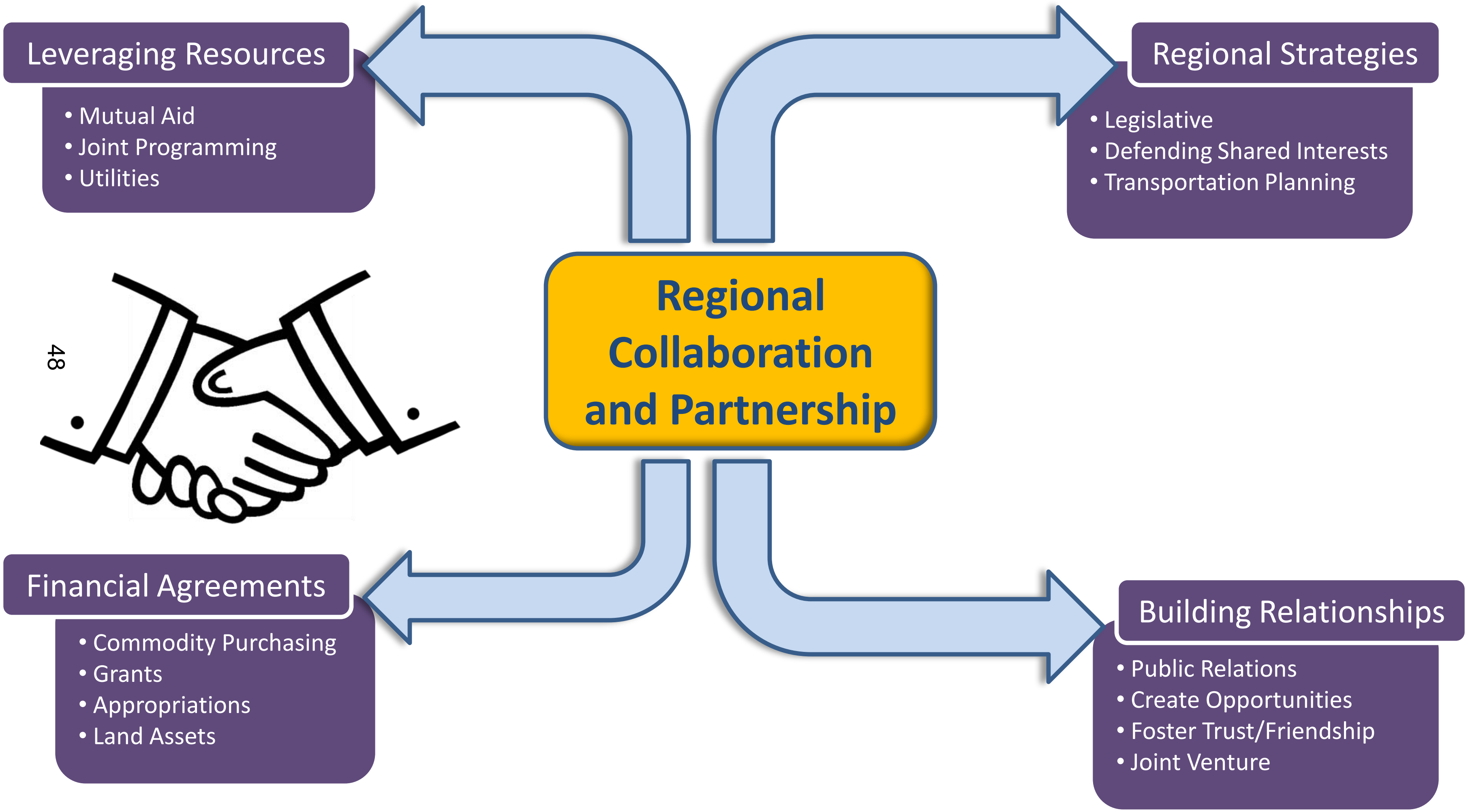
Open Space
- Acquisition
- Maintenance
- Preservation

Recreation
- Golf
- Ice
- Fitness
- Tennis
- Pool
- X-Country Ski
- Programs/Leagues
- Events/Tournaments

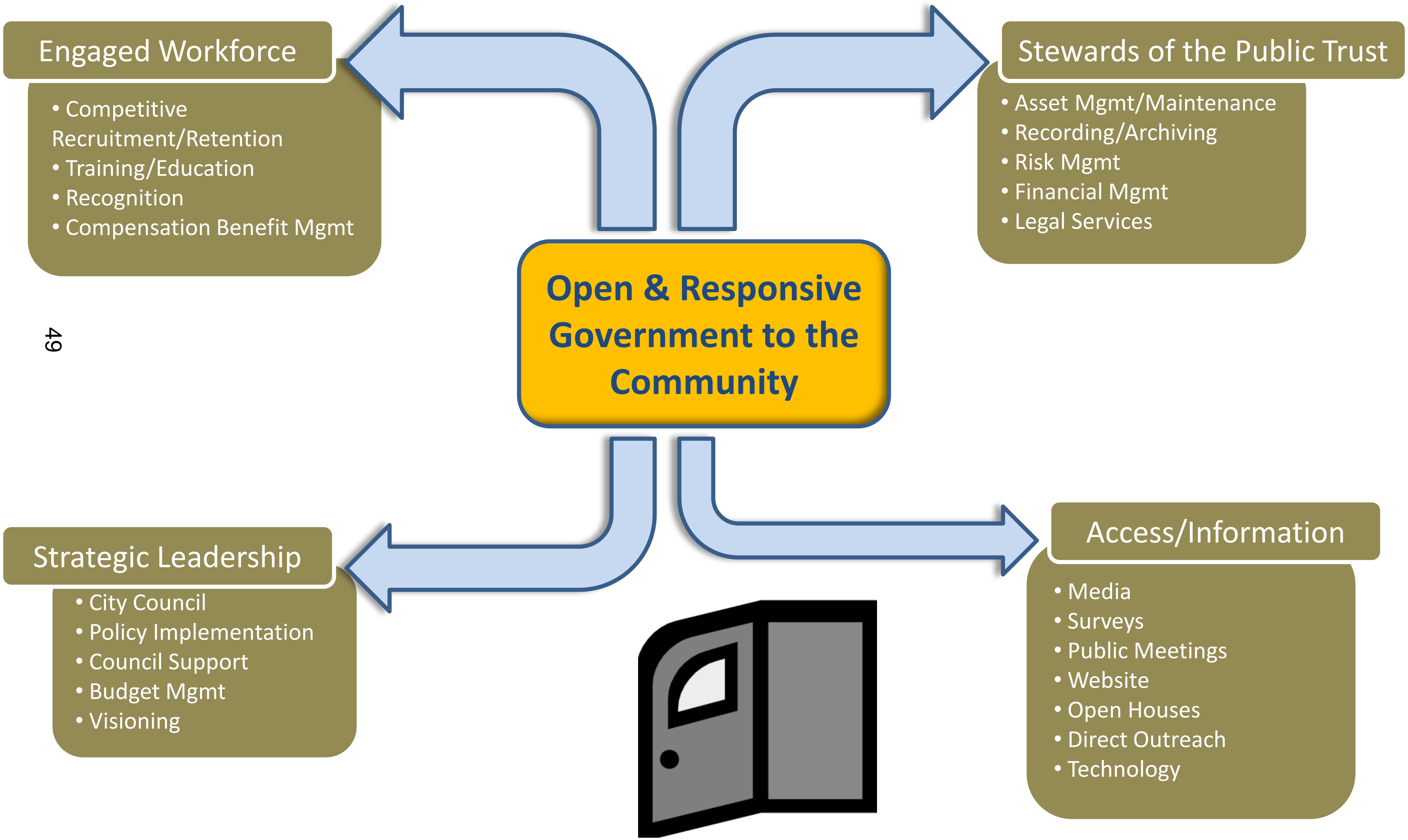
Trails
- Accessibility
- Good Condition
- Connectivity
- Amenities
- Diversity/Quantity
- Lighting/Safety

Parks
- Cemetery
- Playgrounds
- Neighborhood Parks
- Citywide/Regional Parks
- Athletic Fields
- Specialty Parks

We want a government that works together with regional partners to meet common objectives and efficiencies.



We want a government that seeks public involvement looks and sees innovative solutions while providing high quality and excellent value for the money.



We want a safe community that is prepared for and responds to emergencies.

Public Safety

Prevention
- Implementation
- Neighborhood Watch
- Patrol
- Community Oriented Policing
- Traffic Calming
- Merchant Phone Tree
- Law/Ordinance/Codes

Education
- DARE
- Youth Outreach
- Community Education

Response
- Traffic Enforcement
- Dispatch
- Code Enforcement
- Alcohol Enforcement
- Prosecution
- Records
- Investigation

Preparedness
- EOC
- CEMP
- Training (NIMS)
- Inter-Agency Cooperation
- Public Communication

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

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

Tom Bakaly, City Manager; Mark Harrington, City Attorney; Kathy Lundborg, Water Manager; Francisco Astorga, Planner; Kayla Sintz, Planner; and Bret Howser, Budget Manager

1. Council questions/comments. Alex Butwinski confirmed with members that the Art Advisory Board may take as long as it needs to select the appropriate piece of art for the Marsac Building and Council agreed. Liza Simpson stated that she attended the MCHT meeting and most of its projects are moving along although financing has been a challenge. The Planning Commission discussed TDRs at its meeting this week. Candace Erickson commented on the progress of street improvements on Holiday Ranch Loop and on a tour of The Montage. A community open house will be held the beginning of December. The Mayor discussed a press conference held in Salt Lake on alternative fuel month. He recognized Veterans Day and thanked all service men and women for their many sacrifices.

Water quality – Thaynes Canyon. Kathy Lundborg reported on samples tested during the week which revealed elevated metals, manganese, thallium and arsenic which occurred three years ago. The water has been flushed and is now clear but until the data is confirmed within state guidelines, the water quality advisory can not be lifted. The cause is unknown but it appears to relate to scaling on the pipes. Small earthquakes in the region also coincidentally happened in both instances. Public outreach was discussed.

Demolition of 657 Park Avenue. Planner Francisco Astorga stated that the City has been receiving comments about the recent demolition and he distributed information on the project to members. The demolition was approved in conjunction with a Historic District design review and a corresponding preservation plan to rehabilitate the structure by reconstruction. He referred to the most recent 2008 photograph which reflects the as-built condition and relayed that staff and the applicant worked toward the design of the1930 elevation. Several different options were explored including panelization but because of the scope involved, reconstruction was recommended. Mr. Astorga explained that the application was vested under the 1983 Historic District Design Guidelines and the corresponding Land Management Code. The applicant received approval in June 2009 for demolition and reconstruction. The preservation plan matches the home in a 1930 photograph which includes a bay window. Mr. Astorga indicated that a financial guarantee has been established in the amount of $154,000 in the event the project is not completed. The applicant received a building permit and the structure was raised on Monday.

Cindy Matsumoto asked about the point of public input, and Mr. Astorga explained that public comment under the old guidelines occurred at preliminary compliance of the guidelines. The Code provided that adjacent property owners be notified and that the property be posted for ten days. Ms. Matsumoto recalled discussions about the e-notify feature on the website notifying interested residents about Old Town projects. Candace Erickson also remembered this suggestion. Ms. Matsumoto felt that without some sort of notice that people feel blindsided. Mr. Astorga stated that staff can revisit the e-notify concept. Before demolition or building in the Historic District occurs, the property is posted with a sign, including the building permit. An additional sheet could be added relating to the Historic District design review, preservation plan and financial guarantee.

Ms. Matsumoto discussed interest in this property over the years and many felt relieved learning that a *preservation* plan was in place. *Preservation* plan does not typically denote demolition and then replication and to use the words *preservation plan* in a demolition action is misleading.

Planner Kayla Sintz explained that the new guidelines also recognize reconstruction as a form of preservation. The same result could have occurred under the new guidelines. Ms. Matsumoto again expressed that some individuals may not have rendered public input because of not fully understanding the preservation plan. She asked if there is an opportunity to appeal. Ms. Sintz responded that appeals can be filed when staff finds an application meets preliminary compliance with the guidelines. Mr. Astorga emphasized that under the old guidelines, only adjacent property owners have the right to appeal which has been extended to property owners within 200 feet. Noticing occurs twice, when the application is received and when the application receives preliminary compliance. Ms. Matsumoto felt that e-notification should be made available for people interested in obtaining information on Historic District building activities and a way to provide input. It was indicated that members could be provided with a list of applications vested under the old guidelines. Ms. Matsumoto felt that 200 feet is not very encompassing and there are many people in Old Town interested in these buildings. She reiterated her interest in staff implementing e-notification.

Liza Simpson clarified that discussions on e-notification began at the HPB level where members requested notification whether or not the Board was involved in the review of the project. If HPB members are receiving information on a monthly basis, the process could easily be converted into e-notification on a broader basis. The Council and all interested parties should know about demolitions before they happen. Mr. Astorga indicated that the day the demolition permit is authorized, a notice could be sent.

The Mayor pointed out that the new structure will also be relocated on the parcel and the significant inventory profile indicates that it has not been modified much. He strongly felt that the criteria on the list should be consistent with a recommendation to demolish. It is awkward when Council is unaware of the action beforehand. He requested a work session on the application of the Historic District Guidelines and it may be that the significant properties list needs to be tweaked.

Liza Simpson indicated that part of the problem with the 657 Park Avenue property is the level of deterioration of materials that allowed the owner to demolish and replicate, rather than restore. This is addressed in the new guidelines. Staff advised that the reconstructed building is anticipated to remain on the significant inventory list.

2. Budgeting for Outcomes. Bret Howser explained that staff has completed Phases 1 through 3 of Budgeting for Outcomes and Phase 4 deals with prioritization. The results team is working diligently on arriving at preliminary prioritization which will be presented on December 2. Three meetings are set aside for Council members to address prioritization in work session which will culminate in policy discussions during Council Visioning in February. The deliverable in December will be a master list, categorized by goal, and departmental offers or bids regarding current and enhanced levels of service. Council will have the opportunity to change priorities within each goal and/or level of service for each program or service. This includes capital, debt and all expenses related to any kind of outcome or result that the City produces.

The Visioning process will take this approach to the next step to develop long term financial projections and to adjust some of the assumptions if needed. Council will be able to address financial implications in the context of prioritization decisions. Mr. Howser explained that the results team focused primarily on key factors for all of Council's goals to demonstrate where all of the programs and services of the City factor in under goals. It was challenging but by assigning more definition to goals by creating key factors it became easier to illustrate service levels and costs. He felt this is an example of open and responsive government. Through a PowerPoint presentation he explained how departments are invited to bid on programs and services and what bids look like. Scope of service is presented in matrix form listing different aspects of the service. The results team will address the information to make sure it is clear before it goes to Council.

Ms. Matsumoto referred to the snow plowing example and asked if service levels are based on number of employees. Mr. Howser indicated that levels aren't exclusively set by the number of employees. Sometimes services are performed by part-time employees or contractors and situations vary by program. Costs for personnel, materials and supplies are identified and personnel costs would decrease with a reduced level of snow removal services. Enhanced service levels were explained. Mr. Howser assured members that the results team and managers will be available at the next work session to answer questions.

Joe Kernan stated that he is pleased with the Budgeting for Outcomes approach which will allow the City to respond quicker to changes in types or levels of services offered in the community. It may be helpful for members to address revenue and taxation issues now and discuss alternatives before the budget process. He wondered if services have kept up with inflation of departments and how often they have changed over the years. These are tough decisions and potential increases to property tax and sales tax should be discussed early in the process. Mr. Howser assured members that staff was not intending on recommending a last minute course of action. Revenue and taxation discussions will begin in February and should continue as long as needed. With regard to the December 2 work session, Mr. Kernan suggested that it would be helpful to have comparison information from other areas on levels of service. Mr. Bakaly stated that performance measures will be available and staff could work on benchmarks. Joe Kernan stated that it may just involve a phone conversation. Mr. Howser asked if he has key services in mind because there are 130 programs. Mr. Kernan recommended pulling a dozen functions to compare and Bret Howser suggested that when members see the bids on certain programs, comparables could then be identified. There is enough time in the process. Liza Simpson felt that some things will be relatively easy to benchmark and feels comfortable reviewing preliminary information first. Mr. Kernan liked the electronic update of costs and felt it would be beneficial to also have revenue sources. Bret Howser believed that revenue assumptions may also have to be adjusted.

For the benefit of Cindy Matsumoto, Mr. Howser explained that *current* costs match the approved budget amount for the current level of service. There is no inflationary factor. Mayor Williams expressed his support of the basic idea of Budgeting for Outcomes.

Mr. Howser pointed out that Incremental budgeting, which has been practiced by the City in previous years, is used for organizations that are growing rapidly and operating in an environment of expanding revenue streams. Liza Simpson thanked staff for its hard work and acknowledged that some departments were impacted more than others. Mr. Howser interjected that other organizations that have implemented something like Budgeting for Outcomes typically have four times our budget and resources and take a year to put it in place. City departments worked very hard and completed this exercise in an abbreviated amount of time. Alex Butwinski stated that this is exactly the type of information he wants. He acknowledged that some programs or services will be difficult to measure.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 11, 2010

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, November 11, 2010. Members in attendance were Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Matt Cassel, City Attorney; and Kayla Sintz, Planner.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

None.

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

1. Silver Queen Court - Tom Hurd, 4 Silver Queen Court, referred to his email sent to members regarding the poor engineering of the portion of the road accessing Silver Queen Court. The uneven pavement is prevalent throughout Thaynes Canyon and the streets need to be milled and resurfaced.

2. 657 Park Avenue demolition – John Stafsholt, 633 Woodside Avenue, stated that 657 Park Avenue and 637 Woodside Avenue have been completely demolished in the last few years in the same neighborhood. 657 Park Avenue was among six adjacent houses that predate incorporation in 1884 and the fire of 1898. This house was built prior to 1887 and was a historically significant structure and according to the historic significant building inventory, it had no additions and only minor alterations. He relayed that the partially poured concrete foundation was in good condition; the structure retained its historical form and was in its original location. The premise of the historically significant building inventory is that if there are any changes made to a building, it has to remain on the inventory. It can not remain on the inventory if it is brand new. The 1983 Code the project falls under and the new Historic District Guidelines even require a plaque to be put on the building of the day it was built and a 2010 date would seem to preclude it from qualifying on the significant inventory.

The 1983 Code does not allow reconstruction. The definition of reconstruction is the after process of reproducing by new construction the exact form and detail of a vanished building, structure, object, or part thereof as it appeared at a specific time. It doesn't allow you to make the building vanish; it is for an empty site. Mr. Stafsholt indicated that if anything is reconstructed, it must be in its original site and its original orientation and it must have adequate documentation. This building is now going to be moved, it is going to be reoriented for the reason of allowing a huge addition. It is also not going to be exactly reconstructed like it needs to be; it is going to be missing stairs that exist on the south side of the building, it is going to be missing the back; it is going to be over three times larger than the original building of 1,300 square feet. The new structure will be over 4,000 square feet. The original building was residential and the new building will be mixed use or commercial. Mr. Stafsholt emphasized that the use is different and there is going to be a minimum over 2,700 square feet of new commercial, and the use that is laid out is an office and an office use is not allowed in the front of the building on Park Avenue. He sees all these issues with calling this project a reconstruction when he doesn't feel a reconstruction is even allowed.

The only notification that happened was to three adjacent property owners on May 27, 2009 for a Historic District design review. The actual noticing to the three property owners read, "Project Description: HDDR of an addition to a historic building within the Historic Residential Medium Density District. Mr. Stafsholt emphasized that it is not an addition of an historic building and it's not in the HRM District. There was no Certificate for Appropriateness for Demolition (CAD) issued and there was no HPB approval for the demolition and both are required in the 1983 Code. The noticing requirements in the 1983 Code are much more stringent for CADs and require 14 days notice prior to the hearing of the HPB which didn't happen either to all owners within 300 feet rather than just the three owners. He felt this is a mix and match of the guidelines for the benefit of the developer. Implementation of the guidelines and the LMC needs more consistency.

He stated that this is a glaring example to the owner of High West Distillery who spent $3.5 million to try to do the right thing while his neighbor for $75.75 knocked down a building without notifying anybody. We need to try to do better and have more consistency. He recommended again requiring a CAD in the new guidelines. Reconstruction is allowed in the new guidelines but he felt that the associated demolition should have a higher level of notification. There are issues on this one. Only three people were told that there would be a design review on an addition.

Liza Simpson asked if the owner could take advantage of both sets of guidelines. Mark Harington believed the planning staff indicated that the project followed only the old guidelines but the Planning Department will have to provide a more complete follow-up with what was applied. He understood that the new guidelines were not applied. Francisco Astorga affirmed. Ms. Simpson pointed out that the old guidelines did not allow for reconstruction and Mr. Harrington stated that planning staff will have to explain its position more clearly to members.

Tom Bakaly indicated that it is likely that this will return to Council on December 16. The Mayor felt it would be helpful if staff would walk a project through the process as an illustration. In response to a comment, Kayla Sintz explained that the last updated list of current HDDR applications under review also have tag notes related to the associated review or guidelines. When one of those is approved, there is a condition of approval that identifies an exact date when a building permit has to be obtained, otherwise the approval is lost. Members could be provided a copy of that information and also reference approval dates. She believed the very first building permit under the new guidelines was issued this past month even though they have been adopted for awhile.

With no further comments, the public input session was closed.

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

1. Consideration of an Ordinance approving the 310 Park Avenue Subdivision Lots 31 and 32 of Block 11 of the Park City Survey, Park City, Utah – Kayla Sintz explained that there is an existing single family non-historic contemporary home built in 1995 that sits across multiple lot lines. This application would create a legal lot of record reflecting current ownership. The applicants have indicated there are no current plans for expansion but they could obtain a building permit for any kind of upgrades once the subdivision is approved.

Alex Butwinski felt it would be helpful to provide members with information on the allowable maximum square footage for the resulting footprint for these types of applications. The Mayor opened the public hearing and hearing no comments from the audience, closed the hearing. Liza Simpson, "I move we approve the subdivision for 310 Park Avenue based on the findings of fact, conclusions of law, and conditions of approval as found in the draft ordinance". Joe Kernan seconded. Motion unanimously carried.

2. Consideration of an Ordinance approving the Monarch Condominiums Record of Survey Plat located at 2169 Monarch Drive, Park City, Utah – Planner Kayla Sintz explained that the request is for a condominium record of survey for an existing legal duplex. The Prospector Subdivision currently allows duplexes as identified in the subdivision plat. The Planning Commission heard this item; there was continued public input and discussion regarding the parking pad encroachments into the City's right-of-way. Required parking includes two parking stalls per unit for a total of four and parking is currently accommodated on-site in the existing driveway. One of the original garages was converted into living space with parking on the existing driveway. The application initially requested two additional parking spaces for a total of six. Ms. Sintz described the location of the parking pad encroachment. Staff recommends a condition of approval which states that parking in that paved area is not allowed and the property would need to meet the requirements of the City Engineer and Planning Director to mitigate parking in the future. She again pointed out the scope of the City's right-of-way and the illegal encroachment of the parking pad.

Roger Stevens, co-owner, stated that this is the first duplex built on the cul-de-sac in 1978 and the pad area has been used for parking since then. This situation is no different from other duplexes in Prospector. Joe Kernan felt that the pad appears as if it's part of the driveway. Ms. Sintz explained that when an application is submitted, staff is required to make sure that the existing property complies with the LMC. The review revealed parking in the side yard setback area and in the City's right-of-way which is prohibited. Parking spaces must also meet the minimum dimensions provided in the Code. The request was to include the parking pad as part of the condominium plat which is contrary to the Code. One of the purpose statements for the single family zone is to require a streetscape design minimizing impacts on existing residents and a plan that reduces architectural impacts of the vehicle. Staff must ensure that applications meet the requirements of the LMC and follow the purpose statements for the zone. Discussion ensued on keeping options open for reuse of the parking pad or tearing it out.

Alex Butwinski felt that a condition of approval should require that the parking pad be removed. He understood that the concrete pad was installed in 2005 and despite the practice of parking in the right-of-way, the applicant is requesting a change to the plat. Mr. Butwinski favored supporting the original intent of the zone and getting back to that rather than granting exceptions. Roger Stevens believed he is being penalized because he is doing a conversion rather than building something new. He doesn't feel it is harmful to the neighborhood. Mr. Butwinski emphasized the difficulty of regulating the parking pad if it remains. Mr. Stevens understood the City Engineer will make the final decision but tearing it out seems foolish.

Matt Cassel stated in many instances, these violations are not caught until there is an application for modifications to the property. The permit process is being changed to help catch some of these situations. The Mayor stated that he doesn't care how long the pad has been there, it doesn't make it okay and it should be taken out as part of the approval. Joe Kernan pointed out the number of properties not meeting the Code and asked if there are other tools to deal with violations. Matt Cassel noted that most violations are flagged when an application is submitted for review. Joe Kernan did not feel this is fair unless everyone is asked to remove improvements in the rights-of-way. Mayor Williams felt this is a bigger discussion.

Mark Harrington explained that this issue is a matter of level of priority. Council is not affirmatively approving the property's continued violation of the Code. This is entirely different than not surveying every single lot in every subdivision for current compliance. We're affirmatively representing and finding this property to be in compliance with the Code when Council approves the ordinance. He felt it important to consider the additional benefit Council is providing the owners with the ability to sell two units separately, which may result in impacts. Two separate occupancies and sale of the units may increase parking demand. The theory is to have current compliance.

He stated that converting garages into living space in Prospector was a big issue in the 1980s and 1990s. There were discussions about requiring them to be removed but also arguments about loss of equity and subsequent purchasers not knowing they were illegal at time of purchase. These situations can become very complicated. He emphasized that affirmatively granting additional property rights to the owners requires findings in compliance of the Code. The owners have the outlet of going to the Board of Adjustment to address hardships or equity issues. If the parking pad is allowed, he recommended that the decision be made with a clear understanding of the bigger ramifications.

Discussion ensued on the use of the common sewer lateral and Kayla Sintz explained that the HOA would be responsible for the utility. Ms. Sintz clarified that Condition #4 is unchanged from the ordinance Planning Commission reviewed providing that the pad may be reused and not torn out as long as it is not used for parking. The Mayor opened the public hearing; there were no comments from the audience and the public hearing was closed.

Mr. Butwinski again expressed that Condition #4 should address removing the parking pad. Alex Butwinski, "I move that we approve the Monarch Condominium Record of Survey Plat, located at 2169 Monarch Drive, subject to the findings of fact, conclusions of law and conditions of approval, modifying Condition #4 that the paved area in the City's right-of-way should be taken out (illegal area in the north side yard)". Cindy Matsumoto seconded.

Joe Kernan didn't feel that removing the parking pad will be a benefit to the neighborhood and will have a negative impact because of expense. He favored a more flexible condition. Mark Harrington explained that one available solution in the future is to amend the Code to permit it so that Council can approve these types of applications affirmatively. Mr. Kernan stated that he would rather keep options flexible, review them and decide if the Code should be amended. Liza Simpson acknowledged an instance in Old Town where a new owner was required to pull out a paved area that had replaced landscaping in the original approval and had no idea that the pad was illegal. She felt the fair thing to do is to require that they are torn out.

Mark Harrington suggested that the last sentence in Condition #4 be replaced with *the illegal paved area in the north side yard shall be removed*. Motion carried.

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

V ADDITIONAL DISCUSSION – AGENDA ITEMS

VI ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 3:30 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Joan Card, consultant; Jason Christensen, Legal Intern; Diane Foster, Sustainability Manager; Jon Weidenhamer, Economic

Development Director; and Mark Harrington, City Attorney. Alex Butwinski, "I move to close the meeting to discuss property and litigation". Liza Simpson seconded. Motion carried unanimously. The meeting opened at approximately 5 p.m. Liza Simpson, "I move to open the meeting". Candy Erickson seconded. Motion unanimously carried.

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

Prepared by Janet M. Scott, City Recorder

PARK CITY REDEVELOPMENT AGENCY
SUMMIT COUNTY, UTAH
OCTOBER 14, 2010

I ROLL CALL

Chairman Dana Williams called the regular meeting of the Redevelopment Agency to order at approximately 6:30 p.m. at the Marsac Municipal Building on Thursday, October 14, 2010. Members in attendance were Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, Executive Director and Mark Harrington, City Attorney.

II PUBLIC INPUT

None.

III MINUTES OF MEETING OF JUNE 17, 2010

Candace Erickson, "I move we approve the minutes of the meeting of June 17th". Liza Simpson seconded. Motion unanimously carried.

IV NEW BUSINESS

Consideration of a Contract with Design Workshop for Phases III – V of the Lower Park Avenue Redevelopment Authority Action Plan, to be shared with Park City Municipal Corporation, in the amount of $57,618, in a form approved by the City Attorney – There was no discussion on this item; the City Council approved this item earlier. See regular City Council meeting minutes.

Liza Simpson, "I move we approve a Contract with Design Workshop for Phases III – V of the Lower Park Avenue Redevelopment Authority Action Plan, to be shared with Park City Municipal Corporation, in the amount of $57,618, in a form approved by the City Attorney". Candace Erickson seconded. Motion unanimously carried.

V ADJOURNMENT

With no further business, the regular meeting of the Redevelopment Agency was adjourned. The meeting for which these minutes were prepared was noticed by posting at least 24 hours in advance and by delivery to the news media two days prior to the meeting.

Prepared by Janet M. Scott, Secretary

City Council Staff Report

Subject: 2010 Sales Tax Revenue Bond Final Resolution
Author: Nate Rockwood
Department: Budget, Debt, & Grants
Date: Dec, 2 2010
Type of Item: Legislative

Summary Recommendations:
Staff recommends that Council hold a public hearing and approve the attached final bond resolution related to the sale of $1,495,000 of 2010 Series Sales Tax Revenue bond for refinancing of the Series 1998 RDA tax increment revenue bond.

Topic/Description:
Sales Tax Revenue Bond Final Resolution

Background:
In 1998 the Redevelopment Agency of Park City issued its Tax Increment Revenue Bonds, Series 1998 (Lower Park Avenue Project Area) in the amount of $7,000,000 to finance the cost of certain land and property acquired by the RDA, as well as infrastructure improvements, including curb and gutter, street paving, landscaping and other costs relating to transportation, communications and recreation facilities. The Bonds are repaid from incremental property taxes generated in the Lower Park Avenue Project Area. The Bonds were originally rated A- by Standard & Poor's but are now rated A+. The remaining principal amount of $2,655,000 is scheduled to be repaid over the next six years. The average interest rate on the outstanding Series 1998 Bonds is 5.01%, which is quite a bit above the current market. The Series 1998 Bonds may be prepaid at any time without penalty.

Staff and the City's financial adviser recommend that the City refinance the Series 1998 RDA Bonds with a sales tax revenue pledge as the primary security. RDA tax increment will still be used to pay debt service. This pledge of stronger security will likely boost the rating on the new bonds, make them more marketable and reduce the new interest rate paid, which will increase the savings achieved in the refinancing. We estimate that the City can sell new sales tax revenue refunding bonds at an average rate of less than 1.75%. This refinancing will reduce the bond payments by over $150,000 per year and achieve net present value savings of over $250,000, which is over 12% of the new financing amount. That is an extraordinarily large savings for such a short bond. The new bond amount is estimated to be $2,015,000.

On October 21, 2010, Council approved a Parameters Resolution in preparation to issue no more than $2,300,000 in Sales Tax Revenue bond during 2010. Public notice was published in the Park Record on October 23, 2010, and October 30, 2010 announcing a public hearing which will be held on December, 2, 2010. The public notice initiated a 30 day period in which interested parties may contest the legality of the resolution or the bonds.

Analysis:
The bonds will be issued through a negotiated sale with George K. Baum & Company acting as underwriter and marketing the bonds. The borrowed funds would be repaid over 5 years beginning in June 2012 with some interest payment accrued back to FY 2011. The debt service payment would be roughly $220,000 a year. An anticipated debt service schedule is included in Attachment A.

This bond issuance will be rated by Standard & Poor's. The rating will be available for council's consideration on December 2.

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

> FOR THE PURPOSE OF REFINANCING THE COST OF CERTAIN LAND AND IMPROVEMENTS ORIGINALLY FINANCED WITH BONDS OF THE REDEVELOPMENT AGENCY

Staff will move forward with the pricing of the bonds on Thursday, December 2. At that time, final details of the bond, the True Interest Cost, and debt structure will be prepared for consideration by Council on the evening of December 2. Should Council approve the final bond resolution, staff will move forward to close on the bond sale on or around Dec 9, 2010.

The RDA will enter into a reimbursement agreement with the City for repayment of the Series 2010 bonds (Attachment B). Consequently, we expect no city revenues to actually be used to repay the Series 2010 bonds.

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

Alternatives:

A. **Approve:**
B. Staff recommends that Council hold a public hearing and approve the attached final bond resolution related to the sale of $1,495,000 of 2010 Series Sales Tax Revenue bond for refinancing of the Series 1998 RDA tax increment revenue bond.
C. **Deny:**
The RDA would continue to make payments according to the Series 1998 bond debt service schedule. The City and RDA will not realize cost saving associated with refunding the bond.
C. **Modify:**
Staff does not recommend modifying the resolution as the terms as written are favorable to Park City.
D. **Continue the Item:**

This would impact the bond schedule in regards to public notice and public hearings and would potential delay the sale of the bond.

E. Do Nothing:

This would have a similar impact as B.

Significant Impacts:

The final bond resolution is the final step in a bond issuance. This bond issuance is not anticipated in the FY 2011 budget; however, an agreement between Park City and the Redevelopment Agency of Park City will be established to cover the cost of the new debt payments. RDA tax increment will still be used to pay debt service.

Consequences of not taking the recommended action:

The RDA would continue to make payments according to the Series 1998 bond debt service schedule. The City and RDA will not realize cost saving associated with refunding the bond.

Recommendation:

Staff recommends that Council approve the attached parameters resolution related the proposed 2011 Series Sales Tax bond issuance.

Attachments:

A – Anticipated Debt Service Schedule
B – City Final Bond Resolution
C – RDA Tax Increment Agreement Resolution
D – Tax Increment Agreement

Redevelopment Agency of Park City, Utah
Tax Increment Revenue Bonds, Series 1998
Lower Park Avenue Project Area

Calc. Date: 12/08/10

Date	Principal due 6/15	Coupon	Interest	Total Bond Costs
12/08/10				
12/09/10			$62,494.40	
06/15/11	$465,000	4.500%	$64,649	$592,144
12/15/11			$54,187	
06/15/12	$400,000	4.600%	$54,187	$508,374
12/15/12			$44,987	
06/15/13	$415,000	4.700%	$44,987	$504,974
12/15/13			$35,234	
06/15/14	$435,000	5.125%	$35,234	$505,469
12/15/14			$24,088	
06/15/15	$460,000	5.125%	$24,088	$508,175
12/15/15			$12,300	
06/15/16	$480,000	5.125%	$12,300	$504,600
	$2,655,000		$468,735	$3,123,735
	Avg. rate:	5.748%		
	Avg. Life:	9.97		

Refunded as Sales Tax Revenue Bonds, Series 2010

	Refunding Principal	New Rate	Interest	FY Total	PV Savings @ 1.59%	FY Savings
12/08/10					-$1,209,839	
12/15/10					$62,475	
06/15/11			$20,414.17	$20,414	$505,053	$571,730
12/15/11	$285,000	2.50%	$19,650.00		-$246,442	
06/15/12			$16,087.50	$320,738	$427,657	$187,636
12/15/12	$295,000	2.50%	$16,087.50		-$257,704	
06/15/13			$12,400.00	$323,488	$430,036	$181,486
12/15/13	$300,000	2.00%	$12,400.00		-$264,192	
06/15/14			$9,400.00	$321,800	$435,790	$183,669
12/15/14	$310,000	2.00%	$9,400.00		-$277,056	
06/15/15			$6,300.00	$325,700	$444,705	$182,475
12/15/15	$315,000	4.00%	$6,300.00		-$285,331	
06/15/16				$321,300	$450,995	$183,300
	$1,505,000		$128,439.17	$1,633,439	$216,149	$1,490,296
					14.36%	-$1,209,839
						$280,457

Sources & Uses

New Principal	$1,505,000
Premium	$52,860
Old Reserve	$681,654
Bond fund	$640
Cash	$529,649
	$2,769,804
Refund Old Bonds	$2,717,494
New Reserve	$0
Costs of Issuance	$50,205
Misc, rounding	$2,105
	$2,769,804

Park City, Utah

December 2, 2010

The City Council (the "Council") of Park City, Utah (the "Issuer"), met in public session at the regular meeting place of the Council in Park City, Utah, on this 2nd day of December, 2010, at the hour of 6:00 p.m. with the following members of the Council being present:

Dana Williams	Mayor
Alex Butwinski	Councilmember
Candace Erickson	Councilmember
Joe Kernan	Councilmember
Cindy Matsumoto	Councilmember
Liza Simpson	Councilmember

Also present:

Thomas Bakaly	City Manager
Janet M. Scott	City Recorder
Polly Samuels McLean	Assistant City Attorney

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this December 2, 2010 meeting, a copy of which is attached hereto as Exhibit A.

The City Recorder noted that pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, a notice of public hearing with respect to the issuance of the Issuer's proposed Sales Tax Revenue Bonds, Series 2010, in the principal amount of not to exceed $2,300,000 was (i) published twice, the first publication being not less than fourteen (14) days prior to this hearing, in The Park Record, a newspaper of general circulation within the Issuer, (ii) posted on the Utah Public Notice Website (http://pmn.utah.gov) on October 22, 2010 and (iii) posted on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, on October 23, 2010. The hearing was then opened to all members of the public desiring to give input with respect to the issuance by the Issuer of its Sales Tax Revenue Bonds.

After all members of the public desiring to give input, with respect to the issuance by the Issuer of its Sales Tax Revenue Bonds, had provided such input, the public hearing was closed.

Thereupon, the following resolution was introduced in written form, discussed in full, and pursuant to motion made by Council Member ____________________ and seconded by Council Member ____________________ adopted by the following vote:

AYE:

NAY:

RESOLUTION __________

A RESOLUTION OF THE CITY COUNCIL OF PARK CITY, UTAH (THE "ISSUER") FINALIZING THE TERMS AND CONDITIONS OF THE ISSUANCE AND SALE BY THE ISSUER OF ITS SALES TAX REVENUE REFUNDING BONDS, SERIES 2010 (THE "SERIES 2010 BONDS") IN THE AGGREGATE PRINCIPAL AMOUNT OF $____________________; AUTHORIZING THE EXECUTION BY THE ISSUER OF A SECOND SUPPLEMENTAL INDENTURE OF TRUST, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING AND APPROVING AN OFFICIAL STATEMENT; AUTHORIZING AND APPROVING A PURCHASE CONTRACT; RATIFYING AND APPROVING THE USE OF A PRELIMINARY OFFICIAL STATEMENT; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED BY THIS RESOLUTION; PROVIDING A SEVERABILITY CLAUSE; REPEALING RESOLUTIONS AND ORDERS IN CONFLICT; PROVIDING AN EFFECTIVE DATE; AND RELATED MATTERS.

WHEREAS, the Redevelopment Agency of Park City, Utah (the "RDA") has previously issued its Tax Increment Bonds (Lower Park Avenue Redevelopment Project Area), Series 1998 (the "RDA Bonds") in the principal aggregate amount of $7,000,000 for the purpose of financing the costs of land acquisition, parking, recreation and other public improvements on behalf of Park City, Utah (the "Issuer"); and

WHEREAS, the Issuer desires to use the proceeds of the Series 2010 Bonds (as defined below), among other things, to (i) refund the RDA Bonds and (ii) pay issuance expenses related to the issuance of the Series 2010 Bonds; and

WHEREAS, pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (together, the "Act"), the City Council (the "Council") of the Issuer has authority to issue its Sales Tax Revenue Refunding Bonds, Series 2010 in the aggregate principal amount of $________________ (the "Series 2010 Bonds") for the purposes set forth above; and

WHEREAS, the Series 2010 Bonds will be issued pursuant to the Act, a General Indenture of Trust, dated as of March 1, 2005, as previously amended and supplemented (the "General Indenture"), as further amended and supplemented by a Second Supplemental Indenture of Trust (the "Second Supplemental Indenture" and collectively with the General Indenture, the "Indenture") dated as of December 1, 2010, each between the Issuer and the Zions First National Bank, as trustee (the "Trustee"), in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B; and

WHEREAS, by Resolution adopted October 21, 2010 (the "Parameters Resolution"), the Council approved the issuance of the Series 2010 Bonds, established parameters therefore and directed the publication of a "Notice of Public Hearing and Bonds to be Issued"; and

WHEREAS, pursuant to the Parameters Resolution and provisions of the Act, a public hearing (the "Hearing") with respect to the issuance of the Series 2010 Bonds, in the principal amount of not to exceed $2,300,000 was held on the date hereof, following Notice published twice, the first publication being not less than fourteen (14) days prior to the hearing in The Park Record, a newspaper of general circulation within the geographic jurisdiction of the Issuer; and

WHEREAS, pursuant to the Parameters Resolution, the Issuer has heretofore prepared and distributed a Preliminary Official Statement dated ______________, 2010 (the "Preliminary Official Statement") with respect to the Series 2010 Bonds; and

WHEREAS, the Council desires to ratify the use and distribution of the Preliminary Official Statement, a copy of which is attached hereto as Exhibit C, in connection with the issuance and sale of the Series 2010 Bonds; and

WHEREAS, the Council desires to approve a Final Official Statement in substantially the form attached hereto as Exhibit D, with respect to the Series 2010 Bonds and other documents relating thereto; and

WHEREAS, the Council has determined that the Bond Purchase Contract with George K. Baum & Company (the "Underwriter"), dated the date hereof (the "Purchase Contract") for the purchase of the Series 2010 Bonds is acceptable and in the best interest of the Issuer, a copy of which is attached hereto as Exhibit E; and

WHEREAS, the Issuer desires to sell the Series 2010 Bonds to the Underwriter upon the terms set forth in said Purchase Contract; and

WHEREAS, the Series 2010 Bonds shall be payable solely from the Revenues and other moneys pledged therefor in the Indenture, and shall not constitute or give rise to a general obligation or liability of the Issuer or constitute a charge against its general credit or ad valorem taxing powers:

NOW THEREFORE, IT IS HEREBY RESOLVED by the City Council of Park City, Utah, as follows:

Section 1. The terms defined or described in the recitals hereto shall have the same meanings when used in the body of this Resolution.

Section 2. All actions heretofore taken (not inconsistent with the provisions of this Resolution), by the Issuer and by the officers of the Issuer directed toward the issuance and sale of the Series 2010 Bonds, are hereby ratified, approved and confirmed.

Section 3. The Second Supplemental Indentures in substantially the form attached hereto as Exhibit B, is in all respects hereby authorized and approved, and the Mayor and City Recorder are hereby authorized and directed to execute and deliver the same on behalf of the Issuer.

Section 4. For the purpose of (i) refunding the Refunded Bonds, and (ii) paying costs of issuance associated with the Series 2010 Bonds, the Issuer hereby authorizes the issuance of the Series 2010 Bonds which shall be designated "Sales Tax Revenue Refunding Bonds, Series 2010".

Section 5. The Issuer hereby authorizes the issuance of the Series 2010 Bonds in the aggregate principal amount of $_______________. The Series 2010 Bonds shall bear interest, shall be dated, shall be issued as fully registered Bonds, shall mature on the dates and in the amounts and be subject to redemption, all as provided in the Indenture.

Section 6. The form, terms and provisions of the Series 2010 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Indenture. The Mayor and City Recorder are hereby authorized and directed to execute and seal the Series 2010 Bonds and to deliver said Bonds to the Trustee for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 7. The appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2010 Bonds in accordance with the provisions of the Indenture.

Section 8. The Issuer hereby ratifies and reaffirms the utilization of the Preliminary Official Statement in the form attached hereto as Exhibit C in the marketing of the Series 2010 Bonds, and hereby approves the final Official Statement in substantially the form attached hereto as Exhibit D. The Mayor is hereby authorized to execute the final Official Statement evidencing its acceptance by the Issuer.

Section 9. The Series 2010 Bonds shall be sold to the Underwriter in accordance with the Purchase Contract presented to the Issuer. Said Purchase Contract in the form attached hereto as Exhibit E is hereby authorized and approved, and the Mayor and City Recorder are hereby authorized to execute said Purchase Contract on behalf of the Issuer.

Section 10. Upon their issuance, the Series 2010 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2010 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2010 Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its ad valorem taxing powers.

Section 11. The appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein including, without limitation, an agreement with the RDA to reimburse the Issuer for debt service costs of the Series 2010 Bonds.

Section 12. After the Series 2010 Bonds are delivered by the Trustee to the Underwriter, and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Series 2010 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 13. The form of the Second Supplemental Indenture and Official Statement and the other documents authorized and approved hereby are authorized and approved with such additions, modifications, deletions and changes thereto (within the parameters of the transactions as presented to the City Council) as may be deemed necessary or appropriate and approved by the Mayor, whose execution thereof on behalf of the Issuer shall conclusively establish such necessity, appropriateness and approval with respect to all such additions, modifications, deletions and changes incorporated therein.

Section 14. The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking, a copy of which is attached to the Official Statement. In the event the Issuer fails to comply with the Continuing Disclosure Undertaking, any Bondholder may take the remedial actions set forth therein.

Section 15. In accordance with the provisions of Section 11-14-21 of the Act and the Parameters Resolution, the Issuer Recorder has caused a "Notice of Public Hearing and Bonds to be Issued" to be published twice, the first publication being not less than fourteen (14) days prior to the Hearing, in The Park Record, a newspaper having general circulation in the Issuer, and has caused a copy of the Resolution (and all exhibits thereto) to be kept on file in the office of the Issuer Recorder for public examination during regular business hours at least thirty (30) days from and after the date of publication thereof.

Section 16. In accordance with the Act, the City Council called the Hearing to receive input from the public with respect to the issuance of the Series 2010 Bonds, which Hearing was held on the date hereof.

Section 17. It is hereby declared that all parts of this Resolution are severable, and if any section, clause or provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, clause or provision shall not affect the remaining sections, clauses or provisions of this Resolution.

Section 18. All resolutions, orders and regulations or parts thereof heretofore adopted or passed which are in conflict herewith are, to the extent of such conflict, hereby repealed. This repealer shall not be construed so as to revive any resolution, order, regulation or part thereof heretofore repealed.

Section 19. This Resolution shall take effect immediately upon its approval and adoption.

PASSED, APPROVED AND ADOPTED this 2nd day of December, 2010.

(SEAL)

Mayor

ATTEST:

City Recorder

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)

____
Mayor

ATTEST:

____
City Recorder

STATE OF UTAH)
: ss.
COUNTY OF SUMMIT)

I, Janet M. Scott, the duly appointed and qualified City Recorder of Park City, Summit County, Utah do hereby certify according to the records of said City Council in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the City Council held on December 2, 2010, including a resolution (the "Resolution") adopted at said meeting and that said minutes and Resolution are officially of record in my possession.

I further certify that the Resolution, with all exhibits attached, was deposited in my office on December 2, 2010.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said City, this 2nd day of December, 2010.

____
City Recorder

(SEAL)

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Janet M. Scott, the undersigned City Recorder of Park City, Utah (the "City"), do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the December 2, 2010 public meeting held by the City as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the City's principal offices on __________________ 2010, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to The Park Record on __________________, 2010, at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be published on the Utah Public Notice Website (http://pmn.utah.gov) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2010 Annual Meeting Schedule for the City Council (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the City Council of the City to be held during the year, by causing said Notice to be (i) posted on January 4, 2010 at the principal office of the City Council, (ii) provided to at least one newspaper of general circulation within the geographic jurisdiction of the City on January 4, 2010 and (iii) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 2nd day of December, 2010.

____
City Recorder

(SEAL)

SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2

NOTICE OF 2010 ANNUAL MEETING SCHEDULE

EXHIBIT B

SECOND SUPPLEMENTAL INDENTURE

(See Transcript Document No. ___)

EXHIBIT C

PRELIMINARY OFFICIAL STATEMENT

(See Transcript Document No. __)

EXHIBIT D

OFFICIAL STATEMENT

(See Transcript Document No. __)

<u>EXHIBIT E</u>

PURCHASE CONTRACT

(See Transcript Document No. __)

Park City, Utah

December 2, 2010

The Board of Directors of the Redevelopment Agency of Park City, Utah (the "Board"), met in regular public session at 445 Marsac Avenue, in Park City, Utah, on December 2, 2010, at the hour of 6:00 p.m., with the following members of the Board being present:

Chair
Boardmember
Boardmember
Boardmember
Boardmember
Boardmember

Also present:

Executive Director
Treasurer
Secretary

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, there was presented to the Board a Certificate of Compliance with Open Meeting Law with respect to this December 2, 2010, meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in writing, was fully discussed, and pursuant to motion duly made by Boardmember ___________ and seconded by Boardmember ________________, adopted by the following vote:

AYE:

NAY:

The resolution was then signed by the Chair and recorded in the official records of the Redevelopment Agency of Park City, Utah. The resolution is as follows:

RESOLUTION _______________

A RESOLUTION OF THE BOARD OF DIRECTORS (THE "BOARD") OF THE REDEVELOPMENT AGENCY OF PARK CITY, UTAH (THE "AGENCY") AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX INCREMENT AGREEMENT IN CONNECTION WITH THE ISSUANCE BY PARK CITY, UTAH (THE "CITY") OF ITS SALES TAX REVENUE BONDS, SERIES 2010 IN THE AGGREGATE PRINCIPAL AMOUNT OF $________ (THE "SERIES 2010 BONDS"); AND RELATED MATTERS.

WHEREAS, the Agency has been established by the City for the purpose of developing and redeveloping certain areas within the City in order to accomplish the purposes of the Redevelopment Act; and

WHEREAS, the City and the Agency have previously authorized the establishment of the Lower Park Avenue Redevelopment Project Area (the "Project Area") pursuant to a redevelopment plan adopted by the City and the Agency; and

WHEREAS, the Agency has previously issued the Redevelopment Agency of Park City, Summit County, Utah Tax Increment Bonds (Lower Park Avenue Redevelopment Project Area), Series 1998 (the "RDA Bonds") to finance the costs of land acquisition and public improvements on behalf of the City in the Project Area (the "Project") and has pledged the tax increment revenues received by the Agency from the Project Area pursuant to the Redevelopment Act (the "Tax Increment Revenues") to the payment of the RDA Bonds; and

WHEREAS, in order to achieve a debt service savings, the City intends to issue its Sales Tax Revenue Bonds, Series 2010 (the "Series 2010 Bonds") for the purpose of (a) refinancing the Project and refunding the RDA Bonds, and (b) paying costs of issuance in connection with the issuance and sale of the Series 2010 Bonds; and

WHEREAS, in consideration of the agreement of the City to refinance the RDA Bonds, the Agency is willing to pledge its tax increment revenues to the City to reimburse the City for the principal and interest it pays on the Series 2010 Bonds, pursuant to a Tax Increment Agreement between the Agency and the City (the "Tax Increment Agreement"), dated as of December 1, 2010; a copy of which is attached hereto as Exhibit B, and

WHEREAS, the Board desires to authorize the execution and delivery of the Tax Increment Agreement; and

NOW, THEREFORE, it is hereby resolved by the Board as follows:

Section 1. Terms defined in the foregoing recitals hereto shall have the same meaning when used in this Resolution.

Section 2. The Tax Increment Agreement in the form attached hereto as Exhibit B is hereby authorized and approved, and the Chair and Secretary are hereby authorized to execute said Tax Increment Agreement on behalf of the Agency.

Section 3. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board and by the officers of the Agency directed toward the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 4. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

APPROVED AND ADOPTED this December 2, 2010.

REDEVELOPMENT AGENCY OF PARK CITY, UTAH

(SEAL)

By:__________________________________
Chair

ATTEST:

By:__________________________________
Secretary

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

____
Chair

ATTEST:

____
Secretary

(SEAL)

STATE OF UTAH)
: ss.
COUNTY OF SUMMIT)

I, ________, the duly appointed and qualified Secretary of the Board of Directors of the Redevelopment Agency of Park City, Utah (the "Board"), do hereby certify, according to the records of said Board in my official possession, that the above and foregoing constitutes a true and correct copy of excerpts from the minutes of a regular public meeting of the Board of Directors of the Redevelopment Agency of Park City, Utah, held on December 2, 2010, including a resolution adopted at said meeting, as said minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said Agency, this December 2, 2010.

(SEAL)

By:____________________________
Secretary

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, _______, the undersigned Secretary of the Board of Directors of the Redevelopment Agency of Park City, Utah (the "Board"), do hereby certify, according to the records of the Board in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time, and place of the December 2, 2010, public meeting held by the Board, as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the Board on December __, 2010, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Park Record on December __, 2010, at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be published on the Utah Public Notice Website (http://pmn.utah.gov) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2010 Annual Meeting Schedule for the Board (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the Board to be held during the year, by causing said Notice to be (i) posted on _______, 2010 at the principal office of the Board, (ii) provided to at least one newspaper of general circulation within the geographic jurisdiction of the Board on _______, 2010 and (iii) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 2nd day of December, 2010.

____
Secretary

(SEAL)

SCHEDULE 1

NOTICE OF MEETING

EXHIBIT B

TAX INCREMENT AGREEMENT

(See Transcript Document No. __)

TAX INCREMENT AGREEMENT

This TAX INCREMENT AGREEMENT (the "Agreement") is entered into as of December 1, 2010, by and between PARK CITY, UTAH, a municipal corporation and political subdivision of the State of Utah (the "City"), and the REDEVELOPMENT AGENCY OF PARK CITY, SUMMIT COUNTY, UTAH (the "Agency"), a redevelopment agency established under the Limited Purpose Local Government Entities-Community Development and Renewal Agencies, Title 17C, Chapter 1, Utah Code Annotated 1953, as amended (the "Redevelopment Act").

W I T N E S S E T H:

WHEREAS, the Agency has been established by the City for the purpose of developing and redeveloping certain areas within the City in order to accomplish the purposes of the Redevelopment Act; and

WHEREAS, the City and the Agency have previously authorized the establishment of the Lower Park Avenue Redevelopment Project Area (the "Project Area") pursuant to a redevelopment plan adopted by the City and the Agency; and

WHEREAS, the Agency has previously issued the Redevelopment Agency of Park City, Summit County, Utah Tax Increment Bonds (Lower Park Avenue Redevelopment Project Area), Series 1998 (the "RDA Bonds") to finance the costs of land acquisition and public improvements on behalf of the City in the Project Area (the "Project") and has pledged the tax increment revenues received by the Agency from the Project Area pursuant to the Redevelopment Act (the "Tax Increment Revenues") to the payment of the RDA Bonds; and

WHEREAS, in order to achieve a debt service savings, the City intends to issue its Sales Tax Revenue Bonds, Series 2010 (the "Series 2010 Bonds") for the purpose of (a) refinancing the Project and refunding the RDA Bonds, and (b) paying costs of issuance in connection with the issuance and sale of the Series 2010 Bonds; and

WHEREAS, in consideration of the agreement of the City to refinance the RDA Bonds, the Agency is willing to pledge the tax Increment Revenues to the City to reimburse the City for the principal and interest it pays on the Series 2010 Bonds; and

WHEREAS, the City and the Agency have found and determined that the payment of Tax Increment Revenues (a) is a corporate purpose that will promote redevelopment and economic and community development and the health, safety, and welfare of the City and its inhabitants, and (b) is in the best interest of the City and its inhabitants:

NOW, THEREFORE, in consideration of the mutual promises, the covenants contained herein, and other good and valuable consideration the receipt of which is acknowledged, the parties hereto agree as follows:

Section 1. The City agrees that upon issuance of the Series 2010 Bonds it will use the net proceeds of such Series 2010 Bonds to (a) refinance the Project and refund the RDA Bonds and (b) pay costs of issuance of the Series 2010 Bonds.

Section 2. Attached as an Exhibit hereto is the debt service schedule for the Series 2010 Bonds. The Agency agrees to pay an amount equal to the debt service directly to the City on or prior to each payment date for the Series 2010 Bonds. The Agency covenants to take such other action as it lawfully may take to assure that Tax Increment Revenues equal to said Payment Amount are remitted by the Agency to the City pursuant to this Agreement.

Section 3. Pursuant to the Redevelopment Act, the Agency hereby agrees to pay the City Tax Increment Revenues sufficient to pay the debt service on or before the date on which said moneys are due and owing during each year until the Series 2010 Bonds are paid in full, which payment shall be on a parity with any obligations of the Agency payable from Tax Increment Revenues that the Agency has outstanding or may issue in the future.

The Agency hereby agrees and covenants that it will not incur any obligations payable from Tax Increment Revenues on a priority to the payment of the Tax Increment Revenues hereunder.

Section 4. Nothing contained in this Agreement shall be construed to create a general obligation liability of the Agency.

Section 5. This Agreement shall be effective upon the date it is executed by both parties and filed with the keeper of the records of each party, and will remain in effect as long as the Series 2010 Bonds remain outstanding.

Section 6. This Agreement shall be governed by the laws of the State of Utah.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first written above.

PARK CITY, UTAH

(SEAL)

By:___________________________________
Mayor

ATTEST:

By:___________________________________
City Recorder

APPROVED AS TO FORM AND COMPLIANCE
WITH APPLICABLE LAW:

By:___________________________________
City Attorney

REDEVELOPMENT AGENCY OF
PARK CITY, SUMMIT COUNTY, UTAH

(SEAL)

By:___________________________________
Chair

ATTEST:

By:___________________________________
Secretary

APPROVED AS TO FORM AND COMPLIANCE
WITH APPLICABLE LAW:

____
Redevelopment Agency Attorney

EXHIBIT

DEBT SERVICE SCHEDULE