PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 19, 1998

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, November 19, 1998.

AGENDA

Work Session - City Council Chambers - Lower Level

3:00 p.m.	Swearing-in of Police Officer
3:10 p.m.	Council questions and comments
3:30 p.m.	Capital project management
4:45 p.m.	Review of regular meeting
	Silver Pointe call-up
	Other questions/comments
5:30 p.m.	Dinner break

Regular Meeting - City Council Chambers - Lower Level

6:00 p.m.

I ROLL CALL

II PUBLIC INPUT

III COMMUNICATIONS FROM COUNCIL AND STAFF

IV WORK SESSION NOTES AND MINUTES OF MEETING OF NOVEMBER 5, 1998

V CONSENT AGENDA

1. Ordinance amending Title 5, Chapter 6 of the Municipal Code of Park City regarding the adoption of retention schedules for each record series maintained by Park City Municipal Corporation pursuant to the Utah Governmental Records Access and Management Act

2. Resolution adopting retention schedules for each record series maintained by Park City Municipal Corporation pursuant to the Utah Governmental Records Access and Management Act

3. Resolution amending Resolution No. 29-97 by approving and authorizing the execution of proposed amendments and addenda to the Mountainland Association of Governments Interlocal Cooperation Agreement

4. Resolution of the City Council of Park City consenting to and approving the financing by the Redevelopment Agency of Park City, Utah of certain public improvements within the Lower Park Avenue Redevelopment Project Area; declaring that such improvements are of benefit of said Project Area; and related matters

VI OLD BUSINESS

Call-up of Planning Commission approval of Silver Pointe Project, 11-unit Master Planned Condominium Development and improvement to Rossi Hill, 501 Rossi Hill Drive between Ontario Avenue and Rossi Hill Drive, Block 62 and the Slipper Parcel - applicants Richard Dudley and Craig Masters

VII ADJOURNMENT

A Redevelopment Agency meeting will convene

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 26, 1998

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah **will not hold** its regularly scheduled meeting on November 26, 1998.

Posted: 11/16/98

PARK CITY WORK SESSION NOTES
SUMMIT COUNTY, UTAH
NOVEMBER 19, 1998

Present: Mayor Brad Olch; Council members Hugh Daniels; Roger Harlan, Shauna Kerr; Chuck Klingenstein; and Paul Sincock

Toby Ross, City Manager; Lloyd Evans, Chief of Police; Jerry Gibbs, Public Works Director; Pace Erickson, Parks and Golf Course Superintendent; Tom Bakaly, Finance Manager; Kent Cashel, Accountant; Mark Harrington, Deputy City Attorney; and Meg Ryan, Planner

Paul Lanspery, Ch2MHill; and Scott Bosworth, consultant

1. **Swearing-in of Police Officer.** Chief Lloyd Evans introduced Jeffrey Moore and added that another Officer will be sworn in on December 3. Additionally, the Department has hired four new Reserve Officers. The oath of office was administered by the Mayor.

2. **Council questions and comments.** Roger Harlan requested that half of the Rail-Trail be plowed so that people can also snow-shoe and ski and the Public Works Director indicated that it will not substantially increase workload. There was discussion that many people use it for recreation and as a pedestrian route. Chuck Klingenstein emphasized that this is a paved surface and the City should offer another way to get around, other than on the streets. The City Manager added that there should be an adequate arrangement with Mountain Trails Foundation and the State Parks Department. The length proposed is from the kiosk to Wyatt Earp Drive. There was discussion about the ability to accommodate both recreation and pedestrian needs, and the dark-colored asphalt contributing to melting the snow. It was decided to remand this idea to the Mountain Trails Foundation to determine the feasibility of the proposal. There was discussion about scheduling a social event with SLOC after January.

Roger Harlan reported that the Parks and Recreation Board discussed considering the use of City Park for an ice skating facility and the Board asked for Council direction. Paul Sincock explained that the Utah Speed Skating Association is losing its skating arena for at least one season and requested that Park City consider an experimental ice sheet. He attended a meeting with staff and the Association and it was apparent that the City doesn't have a budget for this project. There was a subsequent meeting with user groups and it was made clear that the City has a field, but doesn't have resources for the program, but would consider it if there is a proposal addressing liability insurance, bond for damage, and an operation budget. Mr. Sincock explained that they would like to get this underway by the end of the year and suggested that it be discussed at a City Council work session to determine if there is any interest before staff and the Parks and Recreation

Board spend time on the details. Pace Erickson, Parks and Golf Course Superintendent, explained that the ice sheet two years ago was unsuccessful because staff didn't know anything about thermal dynamics. Mr. Sincock believed that this group knows a lot about ice. In response to a question from Shauna Kerr, Mr. Harlan indicated that the reaction from the Parks and Recreation Board was "luke warm" as there wasn't much information available at the meeting. The Board requested Council direction. The Mayor felt that there would be no loss to the City by giving the group the field and water. There was discussion about public use. Shauna Kerr felt that this experiment may take too much staff time. If this is just a training facility it may create problems with expectations by the public for use. They may need to find a more shielded area. Paul Sincock believes the City could make a policy on the amount of public use. It was the consensus of Council to have this proposal further reviewed by the Parks and Recreation Board. Mr. Harlan added that the City Park proposal has been forwarded.

Ms. Kerr discussed a Monday meeting with State Engineer Bob Morgan and that the information should be passed along to the County Commissioners. She thanked Hope Bleecker for preparing grant information for the County. The City Manager discussed preliminary plans for a January retreat. Myles Rademan stated that community meetings will be held on Monday, December 7 at the Park Meadows Country Club and Monday, December 14 at the Miners Hospital at 6:30 p.m. Roger Harlan suggested sending letters to the Deer Valley home owners. Jerry Gibbs reported that the City received approval on summer usage of Theriot Springs from the State Engineer.

3. **Capital project management.** The City Manager explained that Tom Bakaly, Finance Manager, has spearheaded this project over the past two months. He introduced Paul Lanspery, a consultant for Ch2MHill from Seattle. Kent Cashel was instrumental in the financial information and Mark Christensen was responsible for the animation and graphics.

Toby Ross specified an outline of topics for the meeting and pointed out that during last year's budget process, staff requested additional project management help. As alternatives were explored, it became clear that staff needed to calibrate what it was doing to know what kind of person or group to retain for that purpose. Additionally Council authorized long range financial planning in its priorities, which is one component. This will provide the basis for the City's CIP that will run out past the Olympics and will be the principle focus of the discussion during this year's budget process.

One important factor is the amount of capital projects and expected spending is significantly higher in this five year period than in any previous period. Over the last five year period, it was about $28 million and it's now close to $100 million. Mr. Ross continued that the City does not currently have committed financial resources that are sufficient to undertake that level of a program or the in-house management capacity. The projects that are of concern requiring policy direction are for the most part at their earlier stages and subject to a variety of determinations. There will be on-going operation and maintenance requirements for this level of capital program that needs

to be factored into the budget and impacts on project review and inspection, including boards and commissions. There will be increased operating requirements anticipated independent of the CIP relating to the Olympics. The City Council will have to address significant staffing and financial trade-offs as the resources of all types are not readily apparent to make this happen. However, staff feels there are ways but there will be trade-offs. Critical decisions need to be made early or the projects will not proceed. Mr. Ross explained that there are about 150 CIP projects, ranging from small and technical projects to major construction projects. These have been reduced to 42 projects and the committee evaluated those in an attempt to establish priorities or provide some additional information on that priority. After that process, they still felt that the focus had not been finely enough honed and divided those 42 projects into a group defined as routine or established and a group of 15 which will be the focus today. Those 15 will require clear policy direction and hard decisions from the Council. The 15 projects are listed by priority according to criteria, which the committee agreed upon. There is no correlation with the ranking and the actual availability of funding. It is a starting point and not a conclusion. Toby Ross stated that the City has the capacity today to deal with more projects at the beginning stages than we have to really undertake full construction. When it is time for construction there will have to be a focus on the priorities and strategies for addressing moving on to other projects, when projects fall out. Staff will be providing Council alternative strategies to accomplish that.

Finance Manager Tom Bakaly explained that most of the 15 projects are in their early stages. The Old Town stairs and the trails master plan are projects that are furthest along with regard to completing phases. Kent Cashel reiterated that from 1994 to 1998, the City spent approximately $28 million on construction related CIP expenditures and going forward to the years 1999 to 2003, approximately $79 million is budgeted in construction related CIP projects. This represents significant growth which results in financial and staffing impacts. There are a variety of sources which carry with them differing levels of restriction of what that money can be spent on. The existing twenty sources have been defined in three categories. Dedicated sources are linked by either a regulatory restriction or a contractual agreement to a single or particular project, i.e., federal grant for intermodal center. Restricted funds are not restricted to a single or particular project, but are linked to a group or class of projects, i.e., Class C road funds. Discretionary sources allow the greatest degree of freedom in the City's ability to move them to and from projects, i.e., transfer from General Fund. He referred to a table listing the projects and corresponding funding sources. Nearly all of the projects have little financial expenditure to date and now is a good time to revisit their prioritization. Mr. Cashel explained that secured funding sources carry a high degree of certainty, i.e., RDA monies, impact fees, water service fees, approved bond issues, and secured federal grants. Examples of unsecured funding sources are unapproved bond issues, unawarded federal grants, and transfers from the General Fund which require surpluses. Hillside Avenue and Meadows Drive have secured funding while some projects have a small percentage of secured funding. Tom Bakaly continued that with the bond, there is about $12 million for open space and parks secured. In summary, the 15 projects comprise about half of the entire CIP costs at about $51.7 million. Future federal grants represent about $6 million for the intermodal transit centers. Unsecured funds and

future federal grants create a funding gap of approximately $26 million for the identified 15 projects.

Paul Lanspery, consultant, explained that capital projects are considered in hard and soft costs. Hard is the physical infrastructure that is actually built and soft is the project management responsibilities. The industry captures that into three categories: management and administration; design costs; and construction and contract administration. The soft costs are established in a range of about 18% to 29%. However, a small project with a fairly small budget may prompt 29% or more in soft costs. Because most projects are in their early stages, it is estimated that from 1999 to 2000, the City will be spending in the high 20% to low 30% in soft costs. Mr. Lanspery explained that for cities the size of Park City, in-house project management resources is a shared responsibility of approximately 30 people. Most of the staff focuses on project management and administration; there is some limited design and construction management services. Approximately those 30 people spend 14,000, equating to about 6.4 full-time staff, at a cost of $400,000 annually. Backing out land costs associated for the projects, staff arrived at a number of $63 million. Average project management design would be about $6.3 million, project management and administration $5 million, and construction management at $3.1 million. Existing resource base calculated over that five year period is about $2 million. The gap can be closed through a series of organizational alternatives which will be presented at a future meeting.

Tom Bakaly pointed out that focusing on the capital may have some impacts on the operating side of the upcoming budget. There is not sufficient funding or the staff capacity to complete all of the projects identified in the CIP, and especially the 15 major projects in a three to five year time frame. However, the City Council is at a point were prioritization will help in meeting goals. It is proposed to come back within the next couple of months with alternatives to bridge the gap. He explained that one alternative is to reduce the quantity of projects or scale down the projects and re-prioritize like funded projects. Council could increase funding for projects and staffing by raising taxes, fees, changing other existing revenue sources, or creating new ones. An allocation from operational costs could be dedicated to the CIP side. Council will also be provided with a list of critical dead lines for decisions. Hugh Daniels noted that the methodology used by staff is good and was appreciative that projects were reduced to 15. In response to a question from Mr. Daniels, Mr. Bakaly explained that the small and technical projects are being examined separately. Typically the CIP is appropriated by $2 million to $4 million, but if these projects are to be accomplished in the next three to five years, there needs to be a developed plan to secure funding over time. Mr. Harlan pointed out that there is a potential that federal dollars may not materialize, and asked if there is a strategy for not investing too many soft dollars. Mr. Bakaly stated that the City needs to look at its past successes; the City has $5 million for the Old Town intermodal center and a letter of no prejudice for the Snowcreek site. Toby Ross added that if there is interest in seeking and securing federal funds, there are considerable associated soft costs.

Paul Sincock felt the presentation was excellent and has a high confidence in the methodology, however, he pointed out that the Council might have arrived at a different

prioritization of the projects. Mr. Ross felt it would be identical if the same criteria was used, but there will be a series of alternatives presented that may highlight distinctions. The Old Town stairs project was discussed, and the City Manager expressed that there may be federal funding for the completion of this project, and deferring it to past the Olympics, means the federal funding will not be forthcoming. Stairs, trails, transit centers, and perhaps some of the Main Street revitalization projects have potential for federal funding. There are also projects that may be funded by private participation. Shauna Kerr asked if there is a time line on spending impact fees. Ms. Hoffman responded that impact fees generally must be spent within six years of collection, but there is a revolving fund in each impact fee category and the City is current on its expenditure of impact fees. Projects must fall into the same category to be funded by a specific impact fee. There was discussion about the golf course pro shop, and Mr. Ross felt that there will be a better understanding of projects when a critical path analysis is completed. There was discussion about separating the parking structure and intermodal improvements from the Main Street revitalization project. Hugh Daniels stated that he is not inclined to support tax increases but all things need to be considered. To him, public safety and leveraging federal funds are important to him. The unfunded $26 million needs to be scaled back as much as possible through different methods and Council needs to agree on prioritizing projects. Chuck Klingenstein stated his preference to have private participation secured before the Olympics. The Mayor interjected that sometimes that is not possible and many projects occur after the Olympic Games. Mr. Klingenstein felt that $500,000 is worth a lot more today than later. The City Manager believed staff could come back in January with clear distinctions regarding impacts and organizational effects, and it is hoped to obtain a clear direction from Council on strategy preference so that the proposed budget in May includes the process. Roger Harlan complimented staff on its efforts.

4. Review of regular meeting.

GRAMA legislation. In response to a question from Shauna Kerr, Mark Harrington indicated that a retention schedule will be available at Marsac and the Library. Each department will also have a copy. He recognized the work of intern Addison Larreau on this project.

RDA bond. Tom Bakaly stated that there will be a net interest cost to the City for this debt issuance of about 4.6% which is a very strong rate. By way of comparison, last year for the Main Street bond, the rate was 4.8%. This is a $7 million bond, which will be a source for some of the capital projects, but is mainly a source of funding for the land acquisitions made in the area. There was also a A- from S&P which is also strong and the result of the School District subordinating its position. Shauna Kerr suggested sending a thank-you to the District. A G Edwards, who has an expansive sales force, underwrote the bond.

Staff comments. Pat Putt commented on the progress of the draft of the Land Management Code amendments. He commended the Legal Department and planning staff on their efforts. The Planning Commission will be holding a pubic hearing on December 2. Tom Bakaly

introduced Scott Bosworth who is Park City's federal funding consultant in Washington D. C. Mr. Bosworth commented that he was involved in part of the intermodal center process and will pursue discretionary funds in the appropriations process. Transportation received high prioritization this year. He relayed that his effectiveness is based on being familiar with Park City's needs. Mayor Olch stated that he believes Park City will benefit from representation in Washington.

Silver Pointe call-up. Meg Ryan stated that there was input from staff and the applicant at the last meeting and understood that Council would be inviting public input tonight. Staff is looking for further direction from the Council. The Mayor invited questions and comments from the Council.

Hugh Daniels understood that the HDC would review the HR-1 portion of the project and felt that since it is an MPD that the entire project be reviewed. Meg Ryan relayed there are HDC design guidelines on the other parcel. With regard to the Estate/RM parcel, it was explained that the house is 2,400 square feet plus the garage and meets the setbacks. Roger Harlan asked if there were code violations relating to the 14-unit plan and if not, what drove the density reduction. Ms. Ryan explained that the MPD process sets forth 19 criteria including site planning, traffic/circulation, neighborhood compatibility, and visual impacts, etc. Based on that criteria, staff didn't believe that the 14-unit plan was the best site plan. Mr. Harlan believed this gets into a "grey area" because of personal feelings. Ms. Ryan agreed that the 19 criteria are not "black and white" but used in the context of planing a site design. Mr. Harlan read an excerpt from the LMC regarding MPDs and emphasized the word, "adverse" impacts, and pointed out that it is a subjective word. Ms. Ryan explained that the professional staff and Planning Commission would probably describe considerable paving and erosion as adverse impacts. Public input is also considered in the process for MPDs.

Chuck Klingenstein felt that the MPD process was appropriate but didn't see where the most sensitive portion of the site, Block 62, is being preserved. He understood that the goal is to transfer the density from the sensitive portion to the Slipper Parcel. Meg Ryan explained that staff looked at this and throughout the planning process, but the Planning Commission differed from staff from that perspective. The final approval was for distribution on both sites. Mr. Klingenstein pointed out that this does not fall in the Sensitive Lands Area, but considers the area sensitive and feels that there is view corridor intrusion. He agrees with staff on moving the density. Ms. Kerr believes this was a goal of staff and to a certain degree, it happened. The result is that the density determination somewhat drove the process and part of this review, is making a finding with regard to a density determination so that the standards of the MPD can be applied. She felt that the number is less than 11 and didn't feel that starting with a high number like 13, was appropriate. There was discussion about a determination of 20 units counted from the plat map. Ms. Kerr also didn't feel it was appropriate to determine density through square footage calculations. Chuck Klingenstein pointed out that guidelines also provide that units should be clustered in the most developable and least visually sensitive portions of the site with common open space corridors. He continued that Block 62 should have the least amount of intrusion as the Slipper Parcel has already been disturbed.

Ms. Kerr continued that the Planning Commission erred by putting the density on the most sensitive portion and the presumption in numbers is erroneous. Mr. Harlan pointed out that the applicant has permitted rights with the 25' x 90' lots; Ms. Kerr felt the applicant should pursue that option. Mr. Harlan emphasized that this approach is far more obtrusive than this proposal with the potential of Block 62 at 16 units and the Slipper Parcel at 4 units. Ms. Kerr felt there is a question of building the roads and developing the lots as configured. Mr. Harlan stated that the 14-unit project is a good compromise given the potential of the two parcels. Paul Sincock agreed and stressed that the applicant went through the planning process, applied for an MPD when they didn't want to, and did everything the staff and Planning Commission requested. This looks like a good project, and he is trying to understand the problem. Chuck Klingenstein pointed out the visual impacts from Deer Valley Drive and asked Mr. Sincock if that bothered him. Paul Sincock responded that many things bother him as he looks at the development in town, but in terms of property rights and this project, he finds that the staff and the Planning Commission reached a reasonable conclusion. He would rather have it open space, but the City is not prepared to buy it. In response to a question from Shauna Kerr, Mr. Sincock believed that 14 was an appropriate reduction as a part of the MPD process. He agreed with Mr. Harlan that the applicant could develop many small single family houses. With regard to the view corridor, Mr. Harlan pointed out that there are many structures already there, and it would be inequitable if this parcel couldn't be developed, because of private property rights. Chuck Klingenstein argued that he didn't suggest to keep it open, but rather to transfer density. Mr. Harlan argued that the topography has been lowered; the structure closest to Deer Valley Drive is limited to 20 feet, and he felt at some point, something needs to be allowed. Shauna Kerr felt that if five units were reduced to one, there would be less disturbance. Paul Sincock noted there are far less curb cuts with this proposal, and although it may look like more pavement, there is less disturbance to the road and it is hidden behind existing houses. It is their property, and as long as the project meets the LMC, it is their privilege to develop it. He continued that even if there is a reduction in density, the project can still be viewed from Deer Valley Drive. Mr. Klingenstein disagreed and insisted that there should be a density transfer to the Slipper Parcel as much as possible. Mr. Harlan stressed that even one unit will be visible and intrusive on Block 62 and would not accomplish that goal. Ms. Kerr felt there are many ways to site one home there without much disturbance. Hugh Daniels expressed that he will comment after he hears public input. Toby Ross reiterated that public input is scheduled at 6 p.m. and Council can continue to deliberate after that occurs.

Ms. Kerr asked if number of units on the Slipper Parcel were ever discussed. Ms. Ryan explained that staff asked to minimize curb cuts, provide shared driveways, and increase setbacks between structures which resulted in the existing site plan. The desired product type also resulted in the final plan.

See regular meeting minutes.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 19, 1998

I ROLL CALL

Mayor Pro Tem Chuck Klingenstein called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, November 19, 1998. Members in attendance were Hugh Daniels, Roger Harlan, Shauna Kerr, Chuck Klingenstein, and Paul Sincock. Mayor Brad Olch was excused. Staff present were Toby Ross, City Manager; Meg Ryan, Planner; and Jodi Hoffman, City Attorney.

II PUBLIC INPUT

The Mayor Pro Tem invited public input.

Paid Parking Program - Rick Anderson, owner of Eating Establishment Restaurant, stated that one year ago he testified when the City Council was considering the implementation of the paid-parking program. At that time, he supported the recommendation of the Main Street Merchants and Restaurant Associations, to limit paid parking to Main Street only, and not include Swede Alley and China Bridge. After a year's experience with the program, he is more convinced that this would have been the correct decision. Paid parking has had a negative impact on his business and customer visits in 1998 are down from 1997 which is contrary to the five year trend of increased customer visits from year to year. Visits were down from 1997 during the months that paid parking was in effect and visits were up during the previous year during months paid parking was not in effect. Reports from other businesses are mixed, but he believes that the more moderately priced stores have experienced more negative downturns than other stores, because of more price conscious customers. With paid parking, the Main Street merchants are turning their backs on the local customer. He conducted his own survey which revealed that 90% of locals drive and park there, and are opposed to paid parking on Main Street by a 4:1 margin, and opposed to paid parking in Swede Alley by 5:1. Of over 400 customer responses, 133 customers indicated they visited Main Street less often than when paid parking was in effect. Only 11 of the 421 said they visited more often because of paid parking. Paid parking is failing to achieve what he understood the objective to be; to bring more customers to Main Street. He suggested that Swede Alley and the China Bridge Parking Structure be free parking with a public relations program aimed at the local customer. The meters from these areas could be installed as additional meters on Main Street, which will help solve complaints that they are sparsely located and hard to find.

Mr. Anderson continued that he understood the City Manager to say during an interview that paid parking was implemented as a means to manage parking shortages than as a means to generate revenue. Parking shortages on Swede Alley and China Bridge can be just as

effectively managed with a four hour parking limit beginning at 2 p.m. and extended to 10 p.m. during the peak winter and summer seasons. The studies by the City's consultant have shown that parking shortages occur during peak evening hours that are largely caused by Main Street employees taking up spaces in Swede Alley and China Bridge. A four hour limit until 10 p.m. would serve as an effective deterrent for employees using Swede Alley and China Bridge during those times. There could also be a pass system allowing each Main Street business with limited passes during peak seasons. With free parking in Swede Alley and China Bridge, year-round parking on Main Street could be enforced. Lost revenues from Swede Alley meters could be replaced with year-round revenues from Main Street. Mr. Anderson emphasized that paid parking, as it now exists, is failing in its attempt to bring more customers to Main Street. The system is confusing due to seasonal variations and customers don't find it to be user friendly. Paid parking discriminates against more moderately priced stores and the more price conscious customer. Main Street merchants are finding themselves at a competitive disadvantage for the local customer. In response to questions from Paul Sincock about building a parking garage, Rick Anderson stated that he supports the project and envisioned paid parking to retire the bond.

SR248 Project - Ed Brophy, resident, stated that the eastbound shoulder area will be two feet narrower than the westbound shoulder and feared the wider width on the westbound side will tempt people to pass cars on the right into the school district area. He felt this is a safety hazard for our children and urged the Council to talk to UDOT. Chuck Klingenstein felt there should not be break-down lanes the entire length of a highway, and is looking forward to the December 3 Council meeting addressing the design of SR248.

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

III COMMUNICATIONS FROM COUNCIL AND STAFF

Paul Sincock expressed concern about parking on both sides of the access road to the north lot of the Marsac Building for plowing snow and emergency access. The City Manager explained the narrowest section will be signed for "no parking".

IV WORK SESSION NOTES AND MINUTES OF MEETING OF NOVEMBER 5, 1998

Hugh Daniels disclosed that he will abstain from voting as he was not in attendance. Shauna Kerr, "I move approval". Paul Sincock seconded. Motion carried.

Hugh Daniels	Abstention
Roger Harlan	Aye
Shauna Kerr	Aye
Chuck Klingenstein	Aye
Paul Sincock	Aye

V CONSENT AGENDA

Shauna Kerr, "I move approval of Consent Agenda Items 1 through 4". Hugh Daniels seconded. Motion unanimously carried.

1. Ordinance amending Title 5, Chapter 6 of the Municipal Code of Park City regarding the adoption of retention schedules for each record series maintained by Park City Municipal Corporation pursuant to the Utah Governmental Records Access and Management Act - See staff report.

2. Resolution adopting retention schedules for each record series maintained by Park City Municipal Corporation pursuant to the Utah Governmental Records Access and Management Act - See staff report.

3. Resolution amending Resolution No. 29-97 by approving and authorizing the execution of proposed amendments and addenda to the Mountainland Association of Governments Interlocal Cooperation Agreement - See staff report.

4. Resolution of the City Council of Park City consenting to and approving the financing by the Redevelopment Agency of Park City, Utah of certain public improvements within the Lower Park Avenue Redevelopment Project Area; declaring that such improvements are of benefit of said Project Area; and related matters - See staff report and work session notes.

VI OLD BUSINESS

Call-up of Planning Commission approval of Silver Pointe Project, 11-unit Master Planned Condominium Development and improvement to Rossi Hill, 501 Rossi Hill Drive between Ontario Avenue and Rossi Hill Drive, Block 62 and the Slipper Parcel - applicants Richard Dudley and Craig Masters - See work session notes. Planner Meg Ryan explained that at the last meeting the MPD process conducted by the Planning Commission for the 11-unit approved project was discussed. Block 62 is located in the HR-1 District and the remainder of the project is located in the Estate and RM zone. At that meeting, staff explained the criteria used and the applicants gave a presentation. The Mayor Pro Tem opened the meeting to public input.

Mary Wintzer, 320 McHenry Street, explained that the reason the neighbors are unhappy with the Planning Commission's decision is the reality of the applicants' ability to actually build the number of units stated they could build. Staff determined five units could be built on Block 62 and a variance would have to be obtained for one house on the Slipper Parcel. The neighbors were not happy when an MPD was approved. The greenbelt was scarred and the density was almost doubled. She described the owner-occupied single family nature of the area and the incompatibility

of the project. She does not feel that the neighborhood is taking away property rights. The project was turned down 18 years ago and has never been an easy fit. She encouraged consideration of staff's lower based density rather than a higher based density that the developer naturally is interested in. Ms. Wintzer asked about the neighborhood's property rights with regard to safety, quality of life, and open space. The project is welcomed with decreased density, and ideally all single family. Roger Harlan asked if five units on Block 62 are acceptable. Ms. Wintzer explained that during the course of meetings, they spoke to the fact that it would be financially better for the developers to put the five units from Block 62 onto the Slipper Parcel, and put the one house on Block 62. However, no one spoke to this proposal.

Richard Dudley, representing Willow Ranch Development Company, stated that they have heard from Ms. Wintzer in eight public hearings, and her proposals have ranged from put it all on Block 62 to this new proposal tonight. He emphasized that there are five people opposed to the project and nine people in support of it, who were adjacent or below the property and would be impacted by traffic. He can't understand why residents above the project on a dead-end street are so opposed. That neighborhood down-zoned itself to only allow single family and Mr. Dudley didn't understand the incompatibility issue or the traffic concerns. This project has never been submitted to the Planning Commission, other than 18 years ago, when a determination was rendered regarding the RD Zone from the Estate Zone in the Slipper Parcel and Council has a copy of the letter. He continued that density was moved off Block 62 and over into the Slipper Parcel, and it protected all of the trees on Provo and any vegetation on McHenry and the whole northeast corner of Block 62 where three or four units were proposed. He believes they have been sensitive to the impacts and have arrived at a plan that they would like a favorable vote to move forward with.

Mary Wintzer commented that when the HRL Zone was proposed and approved for her neighborhood, there were no nightly rentals included, but later learned that in 1987, it was overturned without their knowledge. She argued that Jonathon Stein spoke to putting one single family on Block 62 and five units on the Slipper Parcel. She emphasized that she represents the Rossi Hill Home Owners Association. The State Condominium Ownership Act requires that "neither the public nor any person will be materially injured by the proposed plat amendment", which is their bone of contention. Even though they live on a dead-end street and don't look at the project, everyone will use the same road which is barely one and a half lanes in the winter and they are concerned about the potential dangerous situation of 22 rental cars on that road.

With no further comments, the Mayor Pro Tem closed the public hearing.

Hugh Daniels stated that he appreciated the comments by the 10, and the public and believes that using the MPD process was appropriate, and the applicants should be commended for following that route. He disagreed with the density determination; staff's six to fourteen units is a broad range, and a reasonable compromise in his mind is ten. The visual aspects should be taken into account and while this plan is improved, more density should be placed on the Slipper Parcel.

He would prefer a couple of single family units on Block 62. With regard to neighborhood compatibility, there are mixed uses in the area and it is appropriate to have mixed types of housing. He reiterated his preference that the whole project be reviewed by the HDC or at least maintaining the guidelines. Mr. Daniels felt that the Planning Commission erred in a couple of areas and would support a lower density overall, and more density on the Slipper Parcel than on Block 62.

Shauna Kerr believed the Planning Commission erred on the density determination. The appropriate density is probably seven or eight units. One house could work on Block 62 and she would support transferring additional density on the Slipper Parcel. She does not support putting the existing density on Block 62 and supports a redetermination of the density allocation into a lower number.

Paul Sincock relayed that the applicants initially approached the City with substantially more units on Block 62 and two units on the Slipper Parcel. The City asked that they do an MPD which was agreed to and he does not feel that the Planning Commission erred in the density determination. Eleven units are okay, and Mr. Sincock felt that "packing" the Slipper Parcel with most of the density will be detrimental to the area with regard to the overall design of the area and the quality of the project.

Roger Harlan didn't feel it appropriate that this project go through the HDC, and emphasized that the Council must show where the Planning Commission's density determinations are not valid. He is not convinced that a lower density is right, and felt that Block 62 meets the criteria of the LMC. While Council may not like a project, he did not feel the Council could override the principles by which the guidelines are established. He reiterated, that if we had our druthers, there would be nothing there, but it doesn't work that way. The Planning Commission's designation of five units on Block 62 and the units on the Slipper Parcel meet the intent of the LMC. The criteria for MPDs is subjective and just because we don't like something doesn't make it "adverse" as mentioned in the LMC, and he doesn't feel it has met that test.

Chuck Klingenstein stated that he has not changed his mind. The goal of the MPD is to allow design flexibility in development and this project was headed in the right direction but didn't quite make it far enough. One of the purposes is to preserve the scenic features of open areas and the potential of density transfers between zoning. He felt that density could be transferred from Block 62 to the Slipper Parcel but doesn't know what that "hard" number is until he sees a new site plan. Shauna Kerr asked if he meant 11 units or a lower number. Mr. Klingenstein did not feel that the density was firmly established during the process and should be determined with tools of good site design, rather than grabbing a number out of the air. In response to a question from Paul Sincock, the City Attorney advised that the applicants could withdraw their plan and start over again. Paul Sincock pointed out that the applicants could probably obtain 11 units on Block 62 with lot line adjustments and one house on the Slipper Parcel. The proposal of decreasing density and transferring units from Block 62 may prompt the applicants to revert to the original plan which is

much less favorable. Shauna Kerr emphasized that the applicants must obtain approval for lot line adjustments, and didn't believe 11 units would be allowed.

Chuck Klingenstein asked Mr. Dudley if he would be willing to provide another plan. Mr. Dudley indicated that they have already done that and referred to the 14 unit plan where there were eight units in the Slipper Parcel. The Planning Commission asked that the eight driveways be reduced which resulted in the 13 unit plan with a common interior street for garages. They have explored all of this which has been reviewed by staff and the Planning Commission and required a lot of time. The City Council is experiencing the same problem as the Planning Commission with regard to the density allocation and he is still baffled that the direction of the LMC to determine density is totally being ignored. Planner Meg Ryan interjected that these iterations reflect the developers' plans and there are many other potential options. Chuck Klingenstein again asked if Mr. Dudley would be willing to present another plan. Mr. Dudley stated they don't know what to design, because the number of units is unknown for the best design. He asked why they should entertain an MPD at all and is inclined to make the application on what they wanted in the first place which is 11 units on Block 62. If he is turned down by the City, it will be arbitrary an capricious as the Code is very specific in the HR-1 Zone and the area is not in the Sensitive Lands Area. Someone will have to demonstrate to him why he can't obtain a lot line adjustment and why he can't use McHenry or Provo Avenues for utilities. Ms. Kerr stated that Hugh Daniels' and her numbers are probably nine or ten; Mr. Dudley argued that the units don't fit on the Slipper Parcel with the setbacks and other required site improvements, i.e., garage doors. Ms. Kerr referred to the 13-unit plan and discussed a strategy. Richard Dudley believed that the call-up occurred because of the issue of density, and will take a legal challenge or if that is not successful, chose another iteration. Ms. Kerr couldn't understand how he could leave nine units on the table. Mr. Dudley relayed his issue that the density determination range is not referenced in the LMC, and has asked staff repeatedly to define the density. This was determined at 14 units. Mr. Klingenstein argued that it was a range. Mr. Dudley stated that is his point, how is range relevant and described the method of determining density in the HR-1 Zone. They never intended to build 20 units, but that is what the Code indicates, and no one wants to admit it.

The Mayor Pro Tem asked staff how they determined the range. Meg Ryan indicated that they disagreed with the application and the range is the result of a logical approach, i.e., if the road improvements occurred on Block 62, here are the possibilities. The common sense approach by staff was looking at the plat and determining a maximum of 13 on Block 62 and one with a variance on the Estate parcel and applying the 19 criteria to a site plan; there was no finite density analysis. The staff did not agree with the analysis the applicants submitted. The City Manager explained that the 19 criteria applied to the site plan determines a density and there is no mechanism that can abstractly determine a number. In ideal circumstances, the maximum may be reasonable, but this area is not ideal as there are slope, vegetation, and mixed zoning issues. Toby Ross acknowledged that there are differences of opinion among Council members as there were with the Planning Commission members regarding an acceptable site plan. Mr. Ross understood that Mr.

Dudley is not interested in presenting another iteration, and recommended that Council arrive at approval or denial; there probably is not much point to continuing the matter.

Mr. Dudley stated that on two separate occasions, they met with the City's legal counsel about a density determination. The first was 14 units and there was no low range and the second meeting was a final determination by the two City attorneys at 14 units with a donation of three and a settlement to 11 units of density. He feels very strongly that the only transfer possible to the Slipper Parcel would be one unit off of Block 62, but the visual impact will not be different. He is not comfortable with zoning by personal wish and desire rather than following the Code.

Shauna Kerr, "I move that we recess to closed session". Hugh Daniels seconded. Motion carried.

Hugh Daniels	Aye
Roger Harlan	Aye
Shauna Kerr	Aye
Chuck Klingenstein	Aye
Paul Sincock	Nay

The Council convened in closed session for approximately 20 minutes. Hugh Daniels, "I move to open the meeting". Shauna Kerr seconded. Motion unanimously carried.

Hugh Daniels stated that he is not certain of the right number but does not feel that the 19 criteria for an MPD have been met. Shauna Kerr felt that the buildings should be sited in the least sensitive area and this has not been accomplished with this plan. Further there is no entitlement to density in the Estate Zone and as a part of the MPD, and concessions should be made in both the transferring and receiving zones. The 19 criteria have not been met dealing with the sensitivity of the site with regard to the hillside, the cuts and fills, and Block 62 could be better designed. She didn't feel that the goals of the MPD have been accomplished at this point with the density and agreed with Mr. Daniels' comments. The primary goal of mitigating the sensitive site has not been accomplished.

Chuck Klingenstein reiterated that the plan was headed in the right direction, but wants to make sure it is the best plan. Block 62 is the most sensitive area and he would like to see the density on the Slipper Parcel and doesn't know what that will look like. There was discussion about adequately exploring a more sensitive approach and Ms. Kerr expressed that she is interested in working with the applicants. Hugh Daniels felt it is in the applicants' court and didn't feel that Mr. Dudley is interested in that option.

Mr. Sincock pointed out that using the formula in the LMC, there could be 34,000 to 35,000 square feet of construction and the total square footage approved by the Planning

Commission is 25,100 square feet. The plan for Block 62 consists of three physical structures for five units and that is what will be seen. On the Slipper Parcel, there are three structures, plus a fourth structure on the side, which are duplex units, and the development "reads" as though it has seven structures, not 11 or 14 units. Reducing Block 62 by one or two units, is not going to reduce the number of structures and the visual impact will be identical. This call-up is an exercise in futility as this been thoroughly reviewed by the staff and Planning Commission. He can understand why the applicants are reluctant to design a new plan. Mr. Sincock reiterated that tweaking the plan will not change it visually and strongly urged Council to support the Planning Commission's approval.

Roger Harlan agreed that duplexes look like one structure and Mr. Sincock has made a good point. He referred to the Code that structures should be clustered in the most developable and least visually sensitive portions of the site with common open space corridors. He maintains that this is a subjective issue and feels that the application has met the criteria of the LMC.

Mr. Dudley asked Council members Daniels, Klingenstein and Kerr what should be moved off Block 62 because it doesn't meet the criteria of Chapter 10. Ms. Kerr responded that it is visually sensitive from views from the belt route. Mr. Dudley stated that it can't be seen until the viewpoint from the Marriott and only for about 300 yards. The duplex and the single family home behind it are already visible. It is as if Council is not trusting the photos and the engineering site plans in the packet. He explained that they don't know what to move, how much, or just go guess and there is no substantive direction from Council. Ms. Kerr added that the size of the structures increase the visibility and if it were reduced, the visibility will be decreased. Mr. Dudley argued that they are smaller than what is already visible in front of them.

Shauna Kerr, "Based on the comments of Councilman Sincock, I move that we uphold the Planning Commission". Paul Sincock seconded. Motion carried.

Hugh Daniels	Nay
Roger Harlan	Aye
Shauna Kerr	Aye
Chuck Klingenstein	Aye
Paul Sincock	Aye

VII ADJOURNMENT

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

* * * * * * * *

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 6:30 p.m. Members in attendance were Hugh Daniels, Roger Harlan, Shauna Kerr, Chuck Klingenstein, and Paul Sincock. Mayor Olch was absent. Staff present were Toby Ross, City Manager; Mark Harrington, Deputy City Attorney; and Jodi Hoffman, City Attorney. Shauna Kerr, "I move to recess into closed session (litigation)". Hugh Daniels seconded. Motion carried.

Hugh Daniels	Aye
Roger Harlan	Aye
Shauna Kerr	Aye
Chuck Klingenstein	Aye
Paul Sincock	Nay

The meeting opened at approximately 6:40 p.m.

* * * * * * * *

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

Prepared by Janet M. Scott

PARK CITY SUMMIT COUNTY UTAH CORPORATE Seal MARCH 1, 1884

Janet M. Scott

Janet M. Scott, City Recorder

PARK CITY
1884

COUNCIL AGENDA REPORT

DATE: November 19, 1998
DEPARTMENT: Administrative Services
AUTHOR: Tom Bakaly, Finance Manager
TITLE: Capital Improvement Program (CIP) Planning & Prioritization Process
TYPE OF ITEM: Informational

SUMMARY RECOMMENDATIONS: While no formal action is recommended at this time, staff requests that City Council provide input and direction about the information presented and the recommendations.

DESCRIPTION:

A. Topic: Capital Improvement Program (CIP) Prioritization Analysis

B. Background:

A major theme of City Council discussion during the FY 1998-99 Budget Process (last Spring) related to capital projects and staff's capacity to effectively manage those projects in light of their day-to-day responsibilities. At the recommendation of the City Manager, the City Council added a position to the budget to assist with the project management of capital projects.

In the course of searching for a suitable project manager, staff came to the conclusion that hiring an additional person would be premature. Rather, staff determined to take a look at the City's Capital Improvement Program (CIP) budget and develop a more comprehensive plan to manage the City's CIP. The City hired the engineering firm of CH2MHILL to assist with prioritizing and planning the CIP budget. This CIP planning effort is consistent with the City Council's high priority goal of "Financial Planning" for 1999. Staff has been discussing with City Council the need to prioritize its programs and projects in the face of limited staff and funding resources. The CIP planning process will be the first step in these prioritization efforts as the two-year budget process for FY 1999-00 and 2000-01 approaches in the next few months. In May of 1999, the City's Capital Improvement Program goals will need to be balanced in the context of ongoing operational demands and the Olympic Budget.

The City currently has a 5 year CIP program that is adopted each year as part of the budget process. The City's strategy has been to include all contemplated projects in the CIP budget. Funds are actually appropriated only for the upcoming fiscal year. In June of 1998 the City Council appropriated funds for FY 1998-99 (July 1, 1998 - June 30, 1999). If funds are not available for a particular project within a fiscal year, then the budgeted funds are usually moved to the next fiscal year. Consistent with the City's capital financing and debt management budget policies (page 33 of the budget document), the City uses a combination of pay-as-you-go and long term financing strategies.

The pay-as-you-go strategy has worked well the last few years as the City has benefited from the economic boom experienced by Utah and the Park City community. Excess fund balance has been used to fund projects. Increased operating budget costs and a "leveling off" of the economic upturn will limit the City's ability to use excess fund balance for capital projects in the future. In addition, the City's operating and maintenance budgets are beginning to feel the impacts of more buildings, streets, and trails.

The City has been an active debt issuer in the last couple of years. The two redevelopment project areas have been the recent focus of land and property acquisition. While Redevelopment Agency (RDA) funds were used for projects on a pay-as-you-go basis, those funds have now been pledged in the form of debt obligations for the acquisition of land and property.

In addition to a changing economic climate, the City is also facing increased demands on staff resources. City Council has recognized this fact and has authorized some additional staff resources. The upcoming Olympics have exacerbated this issue by imposing a 2002 deadline upon many of the projects the City wishes to accomplish.

In light of all of these issues, staff has set out to develop a financial plan for the next 5 years. The CIP planning and prioritization process described in this report and in detail in the attached technical report is the first step in that process. The implementation of City Council policy in the context of funding limitations, staffing limitations and operating vs capital fund trade-offs will be a common theme as we approach the beginning of the next century.

The conclusion of the CIP planning and prioritization process so far is that the City does not currently have the resources (staff & funds) to complete all of the City Council high priority CIP projects within the desired Pre-Olympic time frame. If City Council is comfortable with the assumptions of the attached analysis, staff will return in the next few months with alternatives the City can use to "bridge the gap" in funding and staff resources. It is not staff's intention that City Council will solve this complex and dynamic issue on the night of November 19, 1998. Rather, it is staff's hope that City Council will provide insight and direction on the analysis and the framework for possibly "bridging the gap."

C. <u>Analysis</u>:

The following analysis section of the staff report is a summary of the findings from the attached technical report. Working with the engineering firm of CH2MHILL, the City set out to review its Capital Improvement Program. Attached to this staff report is a detailed technical report. The existing CIP budget adopted in June of 1998 is the basis of that analysis. As described above,

the City's CIP really only prioritizes and appropriates funds for one year, even though it is a 5 year plan. The City's 5 year CIP budget consists of roughly 150 projects and totals about $100 million. In addition, out past the 5 year time horizon is $18 million in "unscheduled" projects.

Many of the projects in the 5 year CIP are routine in nature and have dedicated or restricted funding. An example of this would be the pavement management program that is funded with Class C Road Funds (gas tax). Staff initially decided to remove those projects and the list was reduced to 43 "major" projects. The rationale behind this strategy was that the other 107 projects were small in scale and did not necessarily require policy or funding prioritization. Staff then decided to develop criteria and relevant weights for ranking and prioritizing the projects. The criteria were developed in consultation with CH2MHILL and are as follows:

Criteria	Description and Relevant Questions	Weight
Policy	Is there City Council or advocacy group support?	0.80
Time line	Is the project time sensitive or Olympic related?	1.00
Funding	Is funding identified and with reasonable assumptions?	1.00
Dependence	Does the project need to be completed before others?	0.50
Complexity	Are there historical, environmental, and compatibility issues?	0.50
Investment	How far along is the project?	0.50

The CIP subcommittee consisting of Rick Lewis, Jerry Gibbs, Bob Johnston, Eric Dehaan, Linda Cook, and Tom Bakaly then met with Toby Ross and specific project managers to rank and prioritize the 43 major projects. The process favored projects that had already been started or had funding identified. Staff experimented with some of the weights for each criterion, and the weighting revealed few insights.

From the list of 43 projects, staff then identified 15 significant projects that required further policy direction. The projects in order of their ranking are:

1) Old Town Stairs	2) Woodside	3) Snow Creek Intermodal
4) Lower Park Avenue	5) Old Town Intermodal	6) Trails Master Plan
7) Open Space	8) Downtown Main St.	9) City Park Improvements
10) Parking Structure	11) Water Source	12) Affordable Housing
13) Golf/Pro Shop	14) Hillside	15) Meadows Drive

These 15 projects total approximately $51 million and comprise over half of the CIP budget.

Time frame: In order to assess our ability to complete these projects, we had to determine what stage each project was in. This would give us some insight into staffing and funding demands for the future. Many of the 15 projects are in the conceptual planning stages which demands a greater amount of project management from City staff. Also, a key component of being able to complete a project in the next 3-5 years will depend upon its complexity. In assessing

complexity, there are certain factors such as historical district projects, environmental issues, constituent involvement and reliance upon outside funding that will impact the expected time frame of the project. By comparing each project's current time frame status, complexity, investment, and inter-project dependence we may be able to identify some projects that could be delayed or scaled down if necessary. Conversely, we might identify some projects that could be combined to create economies of scale.

Funding Limitations: Through our analysis, we identified that for these 15 projects, there is a funding gap of approximately $26 million. This means that even if you assume that federal funding for the Main Street Transit Center will be realized, there is about $26 million of unsecured funding needed to complete these 15 projects. The 15 projects are eligible for different types of funding sources. Therefore, it is important to understand how each project is funded because there will be limitations to shifting funding from one project to another. The Meadows Drive project demonstrates this point. The project may not be a high priority project for City Council, but it is funded with impact fee revenues. Therefore, the City's impact fee study would need to be amended to switch funding for that project to another eligible road project. RDA projects have similar limitations. If City Council wished to postpone the Woodside project for example, those funds would need to be spent on other road projects (impact fees) or general projects within the RDA such as the Main Street Parking Structure.

Staffing Limitations: As part of our analysis, we assessed our current staff capacity for CIP projects. Across all departments, we have the annual equivalent of about 6.4 full-time employees dedicated to project management. This translates to roughly $360,000 per year or $1.85 million over 5 years. Using industry standards for project management, we determined that for the 15 projects, $3.4 million would be needed for project management and $5 million would be needed for all of the CIP projects. Further exacerbating this "gap" is the fact that many of the 15 projects will need to be completed in the next 3 years in order to receive federal funding. Increasing existing staff time spent on CIP projects will mean that operational responsibilities will need to be decreased. For example, if Public Works is expected to build two transit centers and a parking structure in the next three years, it may not be possible for them to implement a regional transit plan.

Conclusion: If City Council expects to complete all of the 15 identified projects within the next 3-5 years, there are significant funding and staff resource gaps that must first be addressed.

D. Departmental Review:

Participants in the overall analysis of this issue have included the CIP Committee, departmental project managers, CH2MHILL and the City Manager's Office.

ALTERNATIVES:

1) Do nothing at this time and address identified issues in the context of the annual budget process

2) Modify study assumptions and strategies and request staff to report back findings

3) Accept the basic study assumptions, comment on recommendations to "bridge the gap," and request staff to return with alternatives to "bridge the gap" - Staff Recommendation

SIGNIFICANT IMPACTS:

The City does not currently have the funding and staffing resources to complete the 15 major projects within the next 3-5 years.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION:

Preliminary analysis has identified a significant gap between the resources required to implement the CIP and the resources available. Staff believes that the recommended course of action will permit the most timely and systematic determination of CIP policy. Other alternatives are likely to delay policy determination.

RECOMMENDATION:

1) Provide staff with comments/input about overall prioritization analysis

2) Direct staff to develop tools/strategies to "bridge the gap." Staff would return in January with alternatives for prioritizing and completing the projects. Examples of possible strategies are:

Reduce the Quantity of Projects

Scale Down Scope of High Priority projects (Trails and Stairs)

Defer or delay projects until a later date

Eliminate projects

Re-prioritize routine projects to allow for completion of "high policy" projects

Policy issues concerning reinvestment in current infrastructure

Re-prioritize "like" funded projects (RDA Projects)

Increase Funding

Grants
Taxes
Fees
Private Sector Interaction
General Obligation Debt
Other Debt alternatives - Operating Fund Impacts

Enhance Operating Fund Involvement in CIP Funding

Devote Operating Resources (General Fund Transfer & Staff Resources) to CIP

PARK CITY
1884

DATE: November 12, 1998
DEPARTMENT: Legal
AUTHOR: Addison Larreau, Clerk
TITLE: Adoption of the 1998 Utah Municipal General Records Retention Schedule, prepared by the Utah Department of Administrative Services, Division of Archives and Records Service, with amendments.
TYPE OF ITEM: Administrative

SUMMARY RECOMMENDATION: Adopt the resolution approving the 1998 Utah Municipal General Records Retention Schedule, prepared by the Utah Department of Administrative Services, Division of Archives and Records Service, with amendments. Adopt the ordinance striking the adoption of the 1990 retention schedule from the Municipal Code, and providing for the adoption of a schedule by resolution.

A. Background: The Municipal Code currently adopts the 1990 Utah Municipal General Records Retention Schedule. To update this schedule, staff is recommending that the Council adopt the 1998 Utah Municipal General Records Retention Schedule ("Attachment A") prepared by the Utah Department of Administrative Services, Division of Archives and Records Service, with amendments as outlined in Attachment B (collectively the "Schedule"). The Schedule is necessary under the Government Records Access and Management Act ("GRAMA") to manage the City's record keeping. The Schedule essentially defines "records" maintained by the City, classifies the records (protected, private or public) and sets forth a retention period for each record.

B. Analysis: Once adopted, the Schedule must be followed by the City. The Legal Department sent each section of the Schedule to the applicable department to request changes as necessary for current operations. Managers or record keepers were asked to add or delete schedules and modify time frames for retention and classifications. The changes were then reviewed by the Legal Department.

C. Department Review: All departments.

ALTERNATIVES:

A. Adopt the Schedule: This is the recommended action.

B. Deny Staff's Request: The 1990 Schedule would remain in effect until the Council adopts a new schedule. This schedule is outdated and does not mirror preferred record retention practices by the departments.

C. Ask Staff for More Information: Should the Council desire further information, the Council should ask staff for more information regarding the text of the proposed amendments.

SIGNIFICANT IMPACTS: The amendments and new schedule clarify record retention standards and address the retention of several record series not contemplated by the 1990 Schedule.

CONSEQUENCES OF NOT GRANTING MAG'S REQUEST FOR APPROVAL: The 1990 Schedule is outdated and does not mirror preferred record retention practices by the departments.

RECOMMENDATION: Adopt the ordinance and resolution adopting the 1998 Utah Municipal General Records Retention Schedule, prepared by the Utah Department of Administrative Services, Division of Archives and Records Service, with amendments.

Ordinance No. 98-___

AN ORDINANCE AMENDING TITLE 5, CHAPTER 6 OF THE MUNICIPAL CODE OF PARK CITY REGARDING THE ADOPTION OF RETENTION SCHEDULES FOR EACH RECORD SERIES MAINTAINED BY PARK CITY MUNICIPAL CORPORATION PURSUANT TO THE UTAH GOVERNMENTAL RECORDS ACCESS AND MANAGEMENT ACT.

WHEREAS, the Utah State Legislature did enact the Government Records Access and Management Act (GRAMA) which became effective as of July 1, 1992; and

WHEREAS, GRAMA governs the management of and public access to the government records of the State of Utah and all of its political subdivisions; and

WHEREAS, GRAMA is applicable to Park City Municipal Corporation as a political subdivision of Utah; and

WHEREAS, the City Council deems it important to promote the public's right of easy and reasonable access to unrestricted public records; and

WHEREAS, the City Council deems it important to provide guidelines for both disclosure and restrictions on access to government records, which are based on the equitable weighing of the pertinent interests and which are consistent with nationwide standards of information practices; and

WHEREAS, GRAMA provides that any political subdivision that does not enact its own ordinance setting forth the retention schedules of the records of its jurisdiction shall be bound by the state provisions contained in GRAMA; and

WHEREAS, the City Council deems it in the best interest of Park City Municipal Corporation to adopt its own ordinance setting forth the retention schedules of the records of its jurisdiction, consistent with the administrative needs of the City;

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

SECTION 1. AMENDMENT. The following section of Title 5 of the Park City Municipal Code is hereby amended to read as follows:

TITLE 5 - GOVERNMENT RECORDS ACCESS AND MANAGEMENT ACT (GRAMA)

CHAPTER 6 - RECORDS RETENTION SCHEDULES

5-6-1. ADOPTION OF RECORDS RETENTION SCHEDULES

The City shall adopt by resolution retention schedules for each record series pursuant to the Utah Municipal General Records Retention Schedule ~~of 1990~~, prepared by the Utah Department of Administrative Services, Division of Archives and Records Service, with amendments and exclusions as necessary.

SECTION 2. EFFECTIVE DATE. This Ordinance shall become effective upon publication.

PASSED AND ADOPTED this __ day of _____, 1998.

PARK CITY MUNICIPAL CORPORATION

_____
Mayor Bradley A. Olch

Attest:

_____
Janet M. Scott, City Recorder

Approved as to form:

_____
Mark D. Harrington, Deputy City Attorney

RESOLUTION NO._____-98

A RESOLUTION ADOPTING RETENTION SCHEDULES FOR EACH RECORD SERIES MAINTAINED BY PARK CITY MUNICIPAL CORPORATION PURSUANT TO THE UTAH GOVERNMENTAL RECORDS ACCESS AND MANAGEMENT ACT.

WHEREAS, the Utah State Legislature did enact the Government Records Access and Management Act (GRAMA) which became effective as of July 1, 1992; and

WHEREAS, GRAMA governs the management of and public access to the government records of the State of Utah and all of its political subdivisions; and

WHEREAS, GRAMA is applicable to Park City Municipal Corporation as a political subdivision of Utah; and

WHEREAS, the City Council deems it important to promote the public's right of easy and reasonable access to unrestricted public records; and

WHEREAS, the City Council deems it important to provide guidelines for both disclosure and restrictions on access to government records, which are based on the equitable weighing of the pertinent interests and which are consistent with nationwide standards of information practices; and

WHEREAS, GRAMA provides that any political subdivision that does not enact its own ordinance setting forth the retention schedules of the records of its jurisdiction shall be bound by the state provisions contained in GRAMA; and

WHEREAS, the City Council deems it in the best interest of Park City Municipal Corporation to adopt its own ordinance setting forth the retention schedules of the records of its jurisdiction, consistent with the administrative needs of the City;

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

SECTION 1. RECORD RETENTION SCHEDULE ADOPTED. The 1998 Utah Municipal General Records Retention Schedule, prepared by the Utah Department of Administrative Services, Division of Archives and Records Service, attached hereto as Attachment A, is hereby adopted, with the changes contained in Attachment B, both of which are incorporated herein.

SECTION 2. EFFECTIVE DATE This resolution shall become effective upon adoption and

shall remain in effect until amended or repealed by resolution.

PASSED, ADOPTED, AND APPROVED the __ day of _____, 1998.

_____
Bradley A. Olch, Mayor

Attest:

_____
Janet M. Scott
City Recorder

Approved as to form:

_____
Mark D. Harrington, Deputy City Attorney

Attachment A

UTAH

MUNICIPAL GENERAL RECORDS RETENTION SCHEDULE

1998

prepared by the

Utah Department of Administrative Services

Utah State Archives and Records Service

February 1998

TABLE OF CONTENTS

Preface i

Acknowledgments ii

Introduction 1

General Records Retention Schedules for All Municipal Agencies

Schedule 1 Administrative Records 8
Schedule 2 Bonds and Bonding Records 28
Schedule 3 Budget Records 34
Schedule 4 Fixed Asset Record 40
Schedule 5 General Accounting Records 43
Schedule 6 Licensing Records 57
Schedule 7 Maintenance Records. 60
Schedule 8 Payroll Records 67
Schedule 9 Personnel Records 77
Schedule 10 Purchasing Records 98
Schedule 11 Risk Management Records 105
Schedule 12 Special Assessment Records 109

General Retention Schedules for Specific Municipal Departments

Schedule 13 Airport Records 112
Schedule 14 Animal Control Records 119
Schedule 15 Attorneys' Records 126
Schedule 16 Building Inspection Records 133
Schedule 17 Cemetery Records 140
Schedule 18 Clerk's Records 145
Schedule 19 Parks and Recreation Records 156
Schedule 20 Planning and Zoning Records 164
Schedule 21 Police Department Records 174
Schedule 22 Public Utilities Records 199
Schedule 23 Public Works Records 217
Schedule 24 Redevelopment Records 237
Schedule 25 Library Records 246
Schedule 26 Fire Department Records 257

Appendixes

1. State Records Committee Approval of the *Utah Municipal General Retention Schedule 1998* 272

2. What is a Records Officer? 274
3. How do I Schedule Records Which Do Not Appear on the General Schedule? 276
4. Why and How Do I Classify Records? 284
5. What Records Should Be Microfilmed? 290
6. How Do I Destroy Obsolete Records? 292
7. What Do I Do With Permanent Records? 294

Indexes

Title Index 296
Subject Index 308

The full text of the Schedule is on file in the City Recorder's Office, and incorporated herein.

Attachment B

Changes to The 1998 Utah Municipal General Records Retention Schedule

Schedule 1: Administrative Records

1) Acknowledgment Files (Page 9): Omit as non-applicable to the City.

2) City Histories (Page 10): Omit as non-applicable to the City.

3) Feasibility Studies (Page 13): Retention: Retain for 3 years after completion of study and then destroy.

4) Housekeeping Records (Page 16): Retention: Retain for 1 year or until no longer needed and then destroy.

5) Internal Committee Records (Page 17): Retention: Retain for 1 year or until administrative need ends and then destroy.

6) Working Papers (Page 27): Retention: Retain for 3 years after project completion and then destroy.

Schedule 2: Bonds and Bonding Records

(No additions, changes, or omissions.)

Schedule 3: Budget Records

(No additions, changes, or omissions.)

Schedule 4: Fixed Asset Records

(No additions, changes, or omissions.)

Schedule 5: General Accounting Records

(No additions, changes, or omissions.)

Schedule 6: Licensing Records

(No additions, changes, or omissions.)

Schedule 7: Maintenance Records

(No additions, changes, or omissions.)

Schedule 8: Payroll Records

(No additions, changes, or omissions.)

Schedule 9: Personnel Records

1) Personnel Requisition and Analysis Files (Page 91): Omit as non-applicable to the City.

2) Position Description Files (Page 92): Retention: Record copy: Retain for 3 years after position is abolished or description is superseded and then destroy.

3) Pre-employment Health Records (Page 93): Retention: Retain for 5 years for regular employees and 3 years for temporary employees and then destroy.

4) Pre-employment testing (Page 93): Retention: retain for 3 years, or the period required by applicable federal law, or until administrative need ends, whichever is longer, and then destroy.

5) Promotional Testing (Page 94): Omit as non-applicable to the City.

6) Teaching Aids Training Records (Page 96): Omit as non-applicable to the City.

Schedule 10: Purchasing Records

(No additions, changes, or omissions.)

Schedule 11: Risk Management Records

1) Medical and Dental Insurance Record Files (Page 108): Description: These files contain

medical and dental records submitted by municipal employees afforded medical/dental benefits and/or retirement benefits. They contain current medical/dental plan enrollment documents and other medical/dental plan documents.

Retention: Retain until separation or retirement of employee and then transfer to personnel file to be retained according to personnel file retention schedule.

Primary classification: Private: UCA 63-2-302(1)(b) (1997)

Schedule 12: Special Assessment Records

(No additions, changes, or omissions.)

Schedule 13: Airport Records

(Park City does not maintain this type of record, therefore this section is omitted in its entirety.)

Schedule 14: Animal Control Records

(Park City does not maintain this type of record, therefore this section is omitted in its entirety.)

Schedule 15: Attorneys' Fees

1) Formal Legal Opinions (Page 129): Description: These are the formal legal opinions written by City Attorneys in response to requests received from citizens of Park City or members of the public in the course of municipal business. They are necessary to maintain consistency of opinion in related matters. They show date of opinion, advice or opinion, and name of requesting party.

2) Informal Legal Opinions (Page 130): Description: These are the informal legal opinions written by city attorneys in response to requests received from various municipal departments in the course of municipal business. These attorney/client communications contain legal advice or opinions. They show date of opinion, advice or opinion, and name of requesting office or department.

Primary Classification: Protected.

3) Routine Lawsuit Case Files (Page 131): Primary Classification: Protected.

4) Significant Lawsuit Case Files (Page 132): Primary Classification: Protected.

5) Attorney Work Files (Additional Record): Description: These are attorney support files, e.g. for contracts, requests for city projects, research memorandum. They contain attorney work product, notes and other attorney/client correspondence.

Retention: Permanent. May be transferred to State Archives.
Primary Classification: Protected.

6) Electronic Attorney Files (Additional Record): Description: These are all attorney records that are in electronic form. These files include attorney computer work product, attorney/client correspondence, attorney and Legal Department e-mail, and all electronic back-up files of the Legal Department.

Retention: Permanent or until administrative need ends.
Primary Classification: Protected.

Schedule 16: Building Inspection Records

1) Non-Residential Building Plans (Page 137): Retention: Permanent or until administrative need ends.

2) Public Buildings Building Plans (Page 138): Retention: Permanent or until administrative need ends.

3) Financial Guarantees (Additional Record): Description: These are guarantees in the form of letters of credit, escrows or cash to the City to provide assurance that required site work will be completed on all new construction projects.

Retention: Retain for 7 years in accordance with other financial documents, and then destroy.
Primary Classification: Private.

4) Fire Investigation Files (Additional Record): Description: These are files that contain cause and origin investigations on fires that occur in Park City. The Fire Marshall/Building Inspector conducts investigations to determine if there was criminal intent.

Retention: Criminal cases should be retained permanently; cause and origin files should be retained 7 years and then destroy.
Primary Classification: Criminal Cases - Protected; Cause and origin files - Public.
Secondary Classification: Criminal Cases - Public.

Schedule 17: Cemetery Records

1) Interment Reports (Page 143): Omit as non-applicable to the City.

2) Interment/Disinterment Registers (Page 143): Description: These registers are contained on a database which cross-references with the plotbook.

3) Receipt Books (Page 144): Omit as non-applicable to the City.

Schedule 18: Clerk's Records

1) Council Agenda (Page 148): Retention: Retain with minutes permanently.

2) Council Business Files (Page 148): Retention: Retain as back-up with minutes permanently.

3) Election Canvasses (Page 151): Retention: Permanent or until accepted by resolution, and then destroy.

4) Proof of Publication Records (Page 154): Retention: Retain for 6 years and then destroy, unless filed with an ordinance or resolution in which case, permanent.

Schedule 19: Parks and Recreation Records

1) Recreation Program Files (Page 159): (Include a reference to "Play Magazine" in the third sentence of the record description.)

2) Recreational Activity Release Records (Page 159): (Omit "medical insurance company" from the last sentence of the record description.)

3) Supervisor's Daily/Weekly Reports (Page 163): Omit as non-applicable to the City.

Schedule 20: Planning and Zoning Records

1) Aerial Photographic Maps (Page 166): Retention: Retain 10 years and then destroy.

2) Conditional Use Permit Records and Indexes (Page 167): Retention: Approved: Permanent; Withdrawn or denied: 10 years and then destroy.

3) Planned Unit Development Case Files (Page 169): Retention: Approved: Permanent; Withdrawn or denied: 10 years and then destroy.

4) Site Review Planning Records (Page 171): (Rename "Building Permit Records".)

5) Subdivision Review Case Files (Page 172): Retention: Approved: Permanent; Withdrawn or denied: 10 years and then destroy.

6) Sign Files (Additional Record): Description: These files document applications for sign permits. These permits allow businesses to identify themselves in a clear and distinct manner under the parameters of the Park City Municipal Code, Title 12 - Signs. They contain the application form, plans detailing the sign with color samples and installation details, location of sign on the building and a building permit application. A master sign plan is required for multi-tenant buildings, and each individual tenant is required to obtain a separate permit.

Retention:

Master sign plans - permanent; individual signs under a master sign plan - until the business ceases to exist, and then destroy.

Individual signs - until business ceases to exist.

Primary Classification: Public.

7) Historic District Review Files (Additional Record): Description: These files document the design review of new structures, or additions to existing historical structures located in the Historic District to endure compliance with the Historic Design Guidelines. These cases are reviewed by the Community Development Department and the Historic District Commission. They include the original application, site plan, topographical plan, building elevation, floor plans and building sections, photographic panoramic view of the property, photographs of all existing buildings on-site, adjacent lots, and a streetscape elevation for the project side of the street. These files also include staff reports and minutes of Historic District Commission meetings documenting the design review.

Retention: Retain 5 years after completion of the structure and then destroy.

Primary Classification: Public.

8) Certification of Appropriateness for Demolition of Historic Structure Files (Additional Record): Description: These files document the application for demolition of historic structures. The application contains the application and supporting documentation, including the Determination of Historic Significance application which must have been reviewed and approved by the Community Development Department and Historic District Commission.

Retention: 5 years and then destroy.

Primary Classification: Public.

9) Determination of Historical Significance Files (Additional Record): Description: These files document the application for a Determination of Historical Significance. This determination must be made by the Community Development Department and Historic District Commission prior to submittal of a Certificate of Appropriateness for Demolition application. These files contain the application and supporting documentation as required by LMC Section 4.13(a).

Retention: Permanent if structure is determined to be significant.

Retain 5 years if structure is determined to be insignificant (incorporated into the CAD files) and then destroy.

Primary Classification: Public.

Schedule 21: Police Department Records

1) Arrest Reports (Page 175): Retention: If misdemeanor, retain for 5 years if not part of case file, and then destroy; If felony, retain for 10 years if not part of a case file then destroy; If homicide, permanent.

Primary Classification: Protected.
Secondary Classification: Public: Initial Contact Report (UCA 63-2-301(2)(g) (1997)).

2) Bicycle Registrations (Page 176): Retention: Permanent.

3) Case Reports (Page 176): Primary Classification: Protected.

4) Chemical Analysis Records (Page 177): Retention: As part of the arrest file, retain according to the arrest file schedule.

Primary Classification: Protected.

5) Civil Process Records (Page 177): Description: (Strike the description of the record, keeping only the first sentence and adding, "These are kept in a log book and contain the name of those served, the date and the date of service. Copies of the civil papers are returned to the court for retention.")

6) Criminal History Records (Page 179): Omit because this information is included in arrest report files and retained as part of that record.

7) Daily Radio Log (Page 180): Retention: Retain for 2 years and then destroy.

8) Dispatch tape Recordings (Page 181): Retention: Retain for 2 months and erase provided questionable actions have been transferred to cassette tapes.

9) DUI Reports (Page 182): Retention: These are part of arrest file and are retained according to the arrest file retention schedule.

10) Expungements (Page 183): Omit as non-applicable to the City.

11) Felony Investigation Case Files (Page 184): Retention: Retain for 5 years after case closed and then destroy; if an arrest was made, place in the arrest file and retain for 10 years.

12) Fingerprint Cards (Page 185): Retention: Retain with arrest file and retained according to the arrest file retention schedule.

13) Impounded Vehicle Reports (Page 187): Retention: Retain for 3 years, or 1 year if a snow tow impoundment, if not part of case file and then destroy.

14) Misdemeanor Case Files (Page 190): Retention: Retain for 5 years after case closed and then destroy; if an arrest was made, then place in arrest file and retain according to the arrest file retention schedule.

15) National Crime Information Center Records (Page 191): Retention: Retain for 5 years with case report.

16) Teletypes (Page 195): Retention: Retain for 1 month or until obsolete, administrative need ends, or until expunged from system, whichever comes first and then destroy.

17) Uniform Crime Report Files (Page 197): Retention: Retain 2 years and then destroy.

Schedule 22: Public Utility Records

(No additions, changes, or omissions.)

Schedule 23: Public Works Records

1) Master Festival Event License File (Page 232): Move to new Schedule 27: Special Event Records.

Description: These applications are completed by persons requesting licenses to hold special events (i.e., film crews, races, parades) on the municipal right-of-way. They include application number;. . . date to appear on city council agenda if necessary;. . .

Retention: Retain for 5 years after event or until administrative need ends and then destroy.

2) Special Events Permits (Page 232): Move to new Schedule 27: Special Event Records.

Schedule 24: Redevelopment Records

(No additions, changes, or omissions.)

Schedule 25: Library Records

1) Interlibrary Loan Records (Page 250): Description: These records document the lending and

borrowing of library materials through the interlibrary loan network. They include interlibrary loan forms, computer searches, related correspondence and memoranda. The interlibrary loan forms include patron's name, telephone number, description of material being requested (author, title, publisher, publication date), status indication (overdue, lost, out-of-print), indication of search strategy, date material provided, and date material to be returned.

2) Lost Library Materials and Refund Receipts (Page 252): Retention: Retain for 2 years and then destroy.

3) Patron Requests (Page 253): Retention: Retain until request is filled, ILL is attempted or request is denied and then destroy.

4) Registration Records (Page 254): Retention: Retain for 4 years after expiration or becoming inactive and then destroy.

5) Statements (Additional Record): Description: Statements are records of unreturned materials. They include patron name, identification number or barcode, address, and a list of unreturned items with their identifying barcode and replacement cost.

Retention: Retain for 5 years, until items are returned, or until paid for and then destroy.
Primary classification: Private.

6) Daily Sign-in Sheets (Additional Record): Description: Library daily sign-in sheets are sheets which patrons sign prior to using various library resources located at the library building. These sign-in sheets include but are not limited to: Internet Sign-in Sheets, Word Processing Sign-in Sheets, Microfilm Sign-in Sheets, and Study Room Sign-in Sheets.

Retention: Retain for one day or until administrative need ends and then destroy.
Primary Classification: Private.

Schedule 26: Fire Marshall Records

(This schedule 26 was originally titled "Fire Department Records"; the City does not maintain a Fire Department, however, the City does have a Fire Marshall, who may maintain certain records.)

1) Activity Report (page 258): Omit as non-applicable to the City.

2) Bicycle Registrations (page 258): Omit as non-applicable to the City.

3) Business Inspection Records (page 259): Omit as non-applicable to the City.

4) Dispatch Logs (page 259): Omit as non-applicable to the City.

5) Dispatch Tape Recordings (page 260): Omit as non-applicable to the City.

6) Emergency Medical Equipment Maintenance Records (page 260): Omit as non-applicable to the City.

7) Emergency Services Billings (page 261): Omit as non-applicable to the City.

8) Equipment Run Logs (page 261): Omit as non-applicable to the City.

9) Exposure Reports (page 262): Omit as non-applicable to the City.

10) Fire Rune Reports (page 263): Omit as non-applicable to the City.

11) Hose Test Reports (page 264): Omit as non-applicable to the City.

12) Hydrant Maintenance Card Files (page 264): Omit as non-applicable to the City.

13) Hydrant Maintenance Inventories (page 265): Omit as non-applicable to the City.

14) Pump Test Records (page 266): Omit as non-applicable to the City.

15) Questionable Cases Dispatch Recordings (page 267): Omit as non-applicable to the City.

16) Supervised Fire Drill Reports (page 267): Omit as non-applicable to the City.

17) Tank Applications and Permit Records (page 268): Omit as non-applicable to the City.

18) Unapproved Tank Applications (page 268): Omit as non-applicable to the City.

19) Utah Emergency Medical Services Incident Report (page 269): Omit as non-applicable to the City.

Schedule 27: Special Event Records

1) Master Festival Event License File (Page 232): Description: These applications are completed by persons requesting licenses to hold special events (i.e., film crews, races, parades) on the municipal right-of-way. They include application number;. . . date to appear on city council agenda if necessary;. . .

Retention: Retain for 5 years after event or until administrative need ends and then destroy.

General: Citywide Records

(The following are record types that are not included in the "Utah Municipal General Records Retention Schedule 1998", but that the City currently maintains and therefore are to be retained as follows:)

1) Electronic Mail (Additional record): Description: These records are electronic communications sent from one city employee to another city employee. The contents are general communications intended to facilitate intra- and interdepartmental communication and should not contain original records of any type, although copies of other records may be attached.

Retention: 30 days or until administrative need ends and then destroy.

Primary Classification: Public, unless originating from or directed to Legal Department attorneys or staff.

2) Inter- and Intra-departmental Memorandum (Additional Record): Description: These are memorandum-formatted documents that may, among other things, request information, announce meetings and events, share general information and respond to requests with general information. This category of documents does not include those originating or directed solely to Legal Department attorneys or staff. These may be used as cover sheets to other records that have separate retention schedules, but are not to be considered as containing other records with separate retention schedules.

Retention: 30 days or until administrative need ends and then destroy.

Classification: Public.

PARK CITY
1884

DATE: November 12, 1998
DEPARTMENT: Legal
AUTHOR: Addison Larreau, Clerk
TITLE: Resolution Adopting Proposed Amendments and Addenda To The Interlocal Cooperation Agreement (Mountainland Assoc. of Governments)
TYPE OF ITEM: Administrative

SUMMARY RECOMMENDATION: Adopt the resolution approving the proposed amendments and addendum to the Mountainland Association of Governments Interlocal Cooperation Agreement (the "Agreement") between Park City and the Mountainland Association of Governments ("MAG").

A. Background: Park City had been associated with MAG for several years prior to passing in June 1997 a resolution approving and authorizing the execution of the Agreement. The Agreement clarifies the powers and authority of MAG and grants to MAG the ability to own and operate facilities from which to provide services to members. MAG was organized to provide services in the areas of government administration, planning and zoning, transportation planning, health care, social services, economic development, workforce assistance, travel and tourism, aging and adult services, and other services and functions as allowed by statute. The proposed amendments and addendum in question were forwarded to MAG members, including Park City, in accordance to the terms of section 9 (Amendments) of the Agreement.

B. Analysis: Pursuant to the Agreement, MAG has submitted to all member governments a list of proposed amendments and addenda to the Agreement. Each proposed change or addition to the Agreement, and the effect of each change or addition, are individually summarized below:

(A) Addition of a paragraph to section 1, (Effective Date; Duration). This addition identifies the effective date of the Agreement; this will serve as a reference point for the 50 year term limit currently contained in section of the Agreement.

(B) Addition of paragraphs to the end of section 5 (Method of Termination). This addition specifies that upon termination of MAG, funds from sources which have requested return of assets upon termination will be returned and that all remaining assets of MAG will be liquidated and the proceeds distributed equally among all then current MAG members. This addition will give a more precise understanding as to the right to distribution of assets upon the termination of MAG.

(C) Addition of a paragraph to the end of section 6 (Addition of Other Members). This addition states that copies of all addenda adding additional members to MAG (and support materials to such addenda) will be distributed to all existing members after the adoption of the addenda by MAG's Executive Council. This addition is intended to keep MAG members informed as to the addition of new members.

(D) Section 14(a) (General Powers) contains a typographical error which would be corrected by this amendment; this does not change the content of section 14(a), but rather simply corrects a grammatical error in section 14(a).

(E) Addition to section 14(c) to clarify that not only does MAG have the authority under the current section 14(c) to borrow money and incur indebtedness and issue notes and other obligations payable, but in additionally has the authority "to repay and retire the said indebtedness from available operating funds, grant funds, contracts, and contributions from participating jurisdictions or agencies." This clarifies that MAG has the authority to pay debts and identifies from which existing fund sources it may draw to pay these debts; this does not create any additional fiscal obligations on Park City or MAG's other members.

The proposed amendments and addendum comply with the Interlocal Cooperation Act and benefit Park City by clarifying Park City's rights as a member of MAG and MAG's powers and authority under the Agreement.

C. Department Review: Legal

ALTERNATIVES:

A. Grant MAG's Request for Approval: The City Council could grant MAG's request that the City approve the proposed amendments and addenda. This is the recommended action.

B. Deny MAG's Request of Approval: Park City could deny MAG's request.

C. Contact MAG for More Information: Should Park City desire further information, the City Attorney could contact MAG for more information regarding the text of the proposed amendments and addenda and/or the procedure by which approval or disapproval should be evidenced.

SIGNIFICANT IMPACTS: There appear to be no negative impacts associated with the City approving the proposed amendments and addenda. On the contrary, by doing so Park City would be showing continuing support of MAG and would stand to receive several benefits upon the adoption of the proposed amendments and addenda. These benefits include the clarification of Park City's rights as a member of MAG, and the clarification of MAG's powers and authority under the Agreement.

CONSEQUENCES OF NOT GRANTING MAG'S REQUEST FOR APPROVAL: If Park City wishes to withdraw support from MAG, refusal to approve the proposed amendments and addenda would be a first step in severing Park City's relationship with MAG. It is likely that a representative of MAG would contact the City Attorney seeking a reason for refusal and hoping for

a reconciliation, however, continued nonsupport in view of potentially overwhelming support by other members would likely lead to the termination of Park City's membership in MAG.

RECOMMENDATION: Because the proposed amendments and addenda comply with the Interlocal Cooperation Act and benefit Park City as a member of MAG, the City Council should approve the proposed amendments and addenda.

RESOLUTION NO._____-98

A RESOLUTION AMENDING RESOLUTION NO. 29-97 BY APPROVING AND AUTHORIZING THE EXECUTION OF PROPOSED AMENDMENTS AND ADDENDA TO THE MOUNTAINLAND ASSOCIATION OF GOVERNMENTS INTERLOCAL COOPERATION AGREEMENT.

WHEREAS, the City Council adopted Resolution 29-97, which approved and authorized the execution of the Mountainland Association of Governments Interlocal Cooperative Agreement; and

WHEREAS, the City did execute the Mountainland Association of Governments Interlocal Cooperative Agreement on December 18, 1997; and

WHEREAS, the Executive Council of the Mountainland Association of Governments has identified several areas in which the Interlocal Cooperative Agreement may be made more accurate, more clear, or more efficient; and

WHEREAS, the Executive Council of the Mountainland Association of Governments has proposed amendments and addenda to the Interlocal Cooperative Agreement which address these areas in which the Interlocal Cooperative Agreement may be made more accurate, more clear, or more efficient; and

WHEREAS, the City Attorney's Office has approved the proposed amendments and addenda as to form;

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

SECTION 1. PROPOSED AMENDMENTS AND ADDENDA APPROVED. The City Council approves and authorizes the Mayor to execute the attached Exhibit A, Amendments and Addenda to the Mountainland Association of Governments Interlocal Cooperation Agreement.

SECTION 2. RESOLUTION 29-97 AMENDED. Resolution 29-97 is amended to include the amendments and addenda contained in the attached Amendments and Addenda to the Mountainland Association of Governments Interlocal Cooperation Agreement, as of the date that document is executed by the Mayor.

SECTION 3. EFFECTIVE DATE This resolution shall become effective upon adoption and shall remain in effect until amended or repealed by resolution.

PASSED, ADOPTED, AND APPROVED the ___ day of _____, 1998.

_____
Bradley A. Olch, Mayor

Attest:

_____
Janet M. Scott
City Recorder

Approved as to form:

_____
Mark D. Harrington, Deputy City Attorney

AMENDMENTS AND ADDENDA
to the
MOUNTAINLAND ASSOCIATION OF GOVERNMENTS
INTERLOCAL COOPERATION AGREEMENT

Pursuant to Section 9, "Amendments," of the Interlocal Cooperation Agreement relating to Mountainland Association of Governments, the following amendments and addenda to the Interlocal Cooperation Agreement (the "Agreement") by, between and among Alpine City; American Fork City; Cedar Fort; Cedar Hills; Charleston; Coalville; Elkridge; Francis; Genola; Goshen; Heber City; Henefer; Highland; Kamas; Lehi; Lindon; Mapleton; Midway; Oakley; Orem; Park City; Payson; Pleasant Grove; Provo; Salem; Santaquin; Spanish Fork; Springville; Vineyard; Wallsburg; Woodland Hills; Summit County; Utah County; Wasatch County; relating to Mountainland Association are adopted.

[A] The following paragraph is added to the end of Section 1 of the Agreement:

> The effective date hereof is August 4, 1997, the date this Agreement was executed by the Chairperson of the Executive Council of Mountainland Association of Governments.

Exhibit A

47

[B] The following paragraphs are added to the end of Section 5 of the Agreement.

Upon termination of Mountainland Association of Governments, it will

(1) Return all assets to the funding sources which have provided such assets, as required by funding agreements and regulations, and as requested by such funding sources; and

(2) Dispose of all remaining assets by liquidation and distribute the proceeds of such liquidation to each of its member entities in equal fractional amounts based upon the fraction derived by dividing one (1) by the number of member entities at such termination.

[C] The following paragraph is added to the end of Section 6 of the Agreement:

Copies of the Addenda adding additional member entities to Mountainland Association of Governments, together with copies of the resolutions of such entities by which they have joined, shall be distributed to all existing member entities after adoption of the Addenda by the Executive Council.

[D] Section 14(a) of the Agreement contains a typographical error. The phrase "necessary to convenient" in the last clause of Section 14(a) should read "necessary or convenient." Section 14(a) is amended to read, in its entirety, as follows:

> (a) To adopt, amend and repeal rules, bylaws, and regulations, policies, and procedures for the regulation of its affairs and the conduct of its business, to sue and be sued in its own name, to have an official seal and power to alter that seal at will, and to make and execute contracts and all other instruments necessary or convenient for the performance of its duties and the exercise of its powers and functions under the Interlocal Cooperation Act.

[E] Section 14(c) of the Agreement is amended to read, in its entirety, as follows:

> To borrow money and incur indebtedness and issue notes or other obligations payable and to repay and retire the said indebtedness from available operating funding, grant funds, contracts, and contributions from participating jurisdictions or agencies.

IN WITNESS WHEREOF, the parties have signed and executed these Amendments and Addenda to the Mountainland Association of Governments Interlocal Cooperation Agreement, after resolutions duly and lawfully passed, on the dates listed below:

DATED:_____

MOUNTAINLAND ASSOCIATION OF GOVERNMENTS

_____

Chairperson of Executive Council

PARK CITY: AUTHORIZED BY RESOLUTION NO._____, AUTHORIZED AND PASSED ON THE _____ DAY OF _____, 1998.

_____
Mayor

ATTEST:_____
_____(office)

APPROVED AS TO FORM AND COMPATIBILITY
WITH THE LAWS OF THE STATE OF UTAH:

_____
CITY ATTORNEY

PARK CITY
1884

REDEVELOPMENT AGENCY BOARD AGENDA REPORT

DATE: November 19, 1998
DEPARTMENT: Administrative Services
AUTHOR: Tom Bakaly, Finance Manager
TITLE: Final Bond Resolution - Lower Park Avenue Redevelopment Agency Bonds, 1998 Series
TYPE OF ITEM: Legislative/Administrative

SUMMARY RECOMMENDATIONS: The Park City Redevelopment Agency and the City Council should consider and approve the respective Final Bond Resolutions relating to the issuance of Park City Redevelopment Agency Tax Increment Revenue Bonds, 1998 Series (Lower Park Avenue Project Area). The proceeds from these bonds may be used to finance a portion of the City's share of the "Snow Creek" Transit Center, City Park Improvements, Trails Master Plan Implementation, reimbursement of land acquisitions in the project area and other capital improvement projects.

DESCRIPTION:

A. Topic: Consideration and adoption of a resolution that does the following: 1) Approves the sale and issuance of Park City Redevelopment Agency Tax Increment Revenue Bonds, 1998 Series (Lower Park Avenue Project Area); 2) Establishes the amount, length to maturity, and interest rates of the bonds and; 3) Authorizes the City Manager and Finance Manager to facilitate the closing of the bond issuance which includes executing closing documents and the purchase agreement.

B. Background:

Through the Utah Neighborhood Development Act, the City Council created the Redevelopment Agency (RDA) in 1977 and its second project area (Lower Park Avenue) was formed in 1990. By statute, the City Council sits as the Board of Directors (Board) of the RDA.

The Board is charged with the responsibility of eliminating conditions of blight existing in the Redevelopment Project Area. The Board has the authority to acquire, develop, administer and sell or lease property. This includes the right to issue bonds and expend their proceeds.

Property tax revenue from that area for the first year was calculated as what is called the base year. Annual increases in property tax revenue within the Lower Park Avenue area from the base year are used to eliminate conditions of blight in that area. The difference between the base year and subsequent year's property tax revenue is called tax increment. The tax increment is used for capital projects. It is the City's intention to "bond" for the remaining annual increment to fund various large projects.

In 1990, the Lower Park Avenue project area was identified. The annual amount of the tax increment revenue in the Lower Park Avenue is roughly $1,200,000. Of this amount, approximately $400,000 is paid to the School District in the form of a mitigation payment. The purpose of this payment is to make the School District "whole" for what it would have received in property tax revenue had the Lower Park Avenue RDA never been created. Over the Summer, the School District agreed to subordinate their position to this bond issue. This means that bond holders get paid first, then the School District. The City agreed to place in reserve one year's mitigation payment ($400,000) to protect the School District in case the City fails to make a mitigation payment in the future. By subordinating their position, the School District saved the Park City community approximately $100,000 in interest payments. The School District demonstrated strong interagency cooperation by working with the City on this issue.

In addition to the mitigation payment, approximately $150,000 goes to fund historical grants and offset General Fund administrative charges. The remaining increment of about $650,000 is currently spent annually on Capital projects in the district. The proposed bond deal would use this remaining increment to pay debt service on the bonds. The one-time bond proceeds would be used to finance the projects described below. This means that after the bond proceeds are spent, there will no longer be RDA funds available for new projects except from new growth in the tax increment. In June of 1998, the RDA Board selected the financing team and approved a parameters and reimbursement resolution signifying their intent to issue bonds.

C. Analysis:

The attached Final Bond Resolutions authorize and confirm the sale of bonds as Tax Increment Revenue Bonds sold through the Redevelopment Agency (RDA). The Final Bond Resolutions set the final issuance amount of the bonds, the interest rate of the bonds, the length to maturity for the tax increment bonds, and designates the eligible projects for the additional funds created by the bond issuance.

1) Size: As of the printing of this report, the total amount of the bond issue is $7,000,000 This amount is composed of the following components:

Project Fund	6,184,185
Debt Service Reserve	672,415
Underwriting Placement Fee	53,900
Financial Advisor	9,000
Bond Counsel	42,500
Tax Increment report	19,500
Misc. (Rating, Trustee, etc)	18,500
TOTAL	**7,000,000**

Consistent with normal City debt issuance practices, the bonds will be priced and the interest rates will be tentatively set on either November 17th or November 18th. Updated resolutions reflecting the pricing will then be distributed to the RDA Board and the City Council on November 19th. Staff does not anticipate major fluctuations between the figures shown here and the final numbers. The Federal Reserve Board (The Fed) does meet to discuss short term interest rates on Tuesday, November 17, 1998. Staff and the City's financial advisor are closely monitoring any action by the Fed and will act accordingly. Staff will be prepared to answer questions regarding any of the components listed above at the Meeting on Thursday, November 19, 1998.

2) Length to Maturity: The maximum length to maturity cannot exceed 18 years.

3) Interest Rates of the Bond Coupons: The Net Interest Cost (NIC) for the bonds as of Monday, November 16, 1998 was approximately 4.50%.

4) Eligible Projects: The following is a list of projects that could be financed in part or total with the approximately $6 million in bond proceeds:

Land and Improvements Relating to a Transportation Facility: It may be possible to fund all or a portion of the City's match requirement for the majority portion of the proposed Snow Creek Transportation Facility that is located in the Lower Park Avenue Redevelopment Area.

Property Acquisition in the Lower Park Avenue Redevelopment Area: The bonds will be used to reimburse the City for the acquisition and improvement costs relating to the following parcels: 1) The Offret Property (1230 Park Ave.); 2) The Zions Parcel (Hwy. 224 & Hwy. 248); and The Mawhinney Property (1220 Park Ave).

Pedestrian Improvements, Fiber Optics, Trails, Stairs, landscaping, Curb, Gutter, Streets and Sidewalk Repairs: The bonds could be used for various road, sidewalk, pedestrian, and technology improvements in the Lower Park Avenue Area.

Golf Pro Shop and Land Acquisition: The bonds could be used for golf course pro shop improvements or land acquisition. The Golf Course Fund will then pay back the RDA for its proportionate share of the debt service related to the improvements.

Affordable Housing Units: The bonds could be used for the purchase of affordable housing properties including reimbursement for units within the 1465 Park Avenue development as well as affordable housing purchases outside of the district boundaries.

In conclusion, the total amount of these projects exceeds the available $6 million in bond proceeds. The City Council is in the midst of prioritizing its Capital Improvement Program. Depending upon the results of that prioritization, staff will fund the selected projects. The City will reimburse itself for the major land purchases described above through the bond deal. The City may choose to fund some of the capital projects described above with the reimbursement funds rather than the bond proceeds. This would give the City maximum flexibility when deciding what to do with some of the projects because the projects would not be bound by the bond covenants. Staff will inform City Council as the bond proceeds are expended.

Financing Team: The underwriter that the City is using is A.G. Edwards. A.G. Edwards was selected through a formal RFP process in accordance with the City's purchasing policies. Their fee of $53,900 is higher than what was reported in June due to the increased size of the bond issue. Municipal Bond Consulting Inc. is the Financial Advisor for the deal. Municipal Bond Consulting was selected in accordance with the City's purchasing policies and their fee is $9,500. Chapman and Cutler is the Bond Counsel for the deal. In staff's estimation, Chapman and Cutler is one of two law firms in Utah capable of handling a transaction such as this one. Staff considered both firms and selected Chapman and Cutler in accordance with the City's purchasing policies. Chapman and Cutler's fee is $42,500. This fee is slightly higher than what was reported in June due to the additional escrow agreement that was needed in order for the School District to subordinate their position.

Bond Rating: Staff received an A- rating on these bonds from Standard and Poors. Standard and Poors have rated past Park City RDA debt within a range of BBB+ to A-. The RDA should be extremely pleased with this rating. Standard and Poors cited strong coverage ratios and anticipated development in the project area as a rationale for their rating. The RDA's A- rating compares well with the City's A1 General Obligation debt rating. To provide some perspective, Salt Lake City's RDA has an A- rating compared to the City's General Obligation rating of AAA. Since Park City's A1 General Obligation rating is strong for resort communities, this shows just how favorable the RDA's A- rating is. This high credit rating translates into interest rate savings for the City.

D. Department Review:

The Resolution has been reviewed by the City Manager's Office, the Legal Department, and the Administrative Services Department. City staff has also informed School District officials of its intent to issue the new RDA bonds. The agreement with the School District and the mitigation payment formula should remain unchanged as a result of this Resolution. An escrow agreement has been executed to reserve one year's mitigation payment ($400,000) in the case of a default by the City.

ALTERNATIVES:

A. Approve the Request: Adopting the resolutions will approve the sale of bonds and authorize the City Manager and Finance Manager to complete the bond issuance process. If the resolutions are approved, it is anticipated that the bond deal will "close" in early December, 1998.

B. Deny the Request: Denying the resolutions will cause the bonds to not be sold at the negotiated price contained in the resolution on Thursday. Staff would need to receive direction from the City Council at that time as to how they would like to proceed.

C. Continue the Item: Continuing the item would mean that the resolutions would not be before the City Council again until December 3, 1998. This action would require that the bonds be priced closer to that date. It is in the City's best interest that the bonds be issued prior to January 1, 1999 so that the City will continue to be within "bank qualified" debt issuance limitations. Failure to issue the bonds by that time may have an adverse interest rate impact on the RDA bonds and other anticipated City debt for 1999. Staff can explain this issue further if necessary.

D. Do Nothing: This would have the same impact as continuing the item.

SIGNIFICANT IMPACTS: Adoption of the resolutions will allow the City and the Redevelopment Agency to proceed with the issuance of the bonds in a timely and efficient manner. Swift completion of the bond issuance is needed to take advantage of favorable interest rates and meet the financing needs of the projects.

CONSEQUENCES OF NOT TAKING RECOMMENDED ACTION: Not adopting the resolution will impact the City's ability to issue the RDA bonds and finance the projects.

RECOMMENDATION: Adopt the attached Final Bond Resolutions relating to the issuance of Park City Redevelopment Agency Tax Increment Revenue Bonds, 1998 Series (Lower Park Avenue Project Area).

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF PARK CITY, SUMMIT COUNTY, UTAH, AUTHORIZING THE ISSUANCE AND SALE OF TAX INCREMENT REVENUE BONDS (LOWER PARK AVENUE REDEVELOPMENT PROJECT AREA), SERIES 1998, IN THE AGGREGATE PRINCIPAL AMOUNT OF $7,000,000, TO BE DATED AS OF NOVEMBER 1, 1998; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, A TAX CERTIFICATE, A CONTINUING DISCLOSURE UNDERTAKING AND OTHER AGREEMENTS AND DOCUMENTS REQUIRED IN CONNECTION THEREWITH; RATIFYING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT RELATING TO SUCH BONDS AND AUTHORIZING THE PREPARATION AND DISTRIBUTION OF A FINAL OFFICIAL STATEMENT RELATING TO SUCH BONDS; APPROVING THE SALE OF SUCH BONDS; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, the Redevelopment Agency of Park City, Summit County, Utah (the *"Issuer"*) has been duly organized by the City Council (the *"City Council"*) of Park City, Summit County, Utah (the *"City"*) for the purposes set forth in the Utah Neighborhood Development Act, Part 12 of Chapter 2 of Title 17A, Utah Code Annotated 1953, as amended (the *"Act"*), and other applicable Utah law; and

WHEREAS, the Act provides that the Issuer may issue and sell its bonds for the purpose of financing the undertaking of any redevelopment project (as such term is defined in the Act), and such bonds may be secured by a pledge and assignment of the tax increment revenues received by the Issuer pursuant to the Act; and

WHEREAS, the Issuer will issue $7,000,000 aggregate principal amount of its Tax Increment Revenue Bonds (Lower Park Avenue Redevelopment Project Area), Series 1998 (the *"Series 1998 Bonds"*) pursuant to this resolution (the "*Bond Resolution*") and an Indenture of Trust, dated as of November 1, 1998, between the Issuer and U.S. Bank National Association, as trustee, in substantially the form attached hereto as *Exhibit 1* (the "*Indenture*"); and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Issuer will (a) issue its Series 1998 Bonds, to provide funds for the purpose of (i) paying all of the costs of acquiring, constructing, improving and extending each of the 1998 Projects (as defined in the Indenture), (ii) establishing a Reserve Fund under the Indenture for the benefit of the owners of the Bonds (as hereinafter defined), and (iii) paying costs of issuance relating to the issuance, sale and delivery of the Series 1998 Bonds; and

WHEREAS, it is anticipated that additional amounts may be necessary to complete or improve the 1998 Projects or for other specified purposes and as a result thereof provision should be made for the issuance of Additional Bonds from time to time on a parity with the Series 1998 Bonds, which Additional Bonds together with the Series 1998 Bonds are hereinafter collectively referred to as the *"Bonds"*; and

WHEREAS, the Issuer desires to provide for continuous compliance with certain requirements of the Internal Revenue Code of 1986, as amended, in order to establish and maintain the excludability of interest on the Series 1998 Bonds from gross income of the owners thereof for federal income tax purposes by entering into such tax certificates and other agreements and certificates for such purposes as directed by bond counsel for the issuance of the Series 1998 Bonds, including the Tax Exemption Certificate and Agreement in substantially the form attached hereto as *Exhibit 2* (the *"Tax Certificate"*); and

WHEREAS, the Issuer has negotiated for the sale of the Series 1998 Bonds to A.G. Edwards & Sons, Inc., as underwriter (the *"Underwriter"*), pursuant to that certain Bond Purchase Contract, dated as of the date hereof (the *"Bond Purchase Contract,"* which is attached hereto as *Exhibit 3)*, among the Issuer and the Underwriter, and in the opinion of the Issuer it is in its best interests to approve the acceptance by the Issuer of the offer of the Underwriter to purchase the Series 1998 Bonds as provided in the Bond Purchase Contract; and

WHEREAS, the Secretary of the Issuer has presented to the Board of Directors of the Issuer at this meeting the Bond Purchase Contract and the proposed form of each of the following agreements: (a) the Continuing Disclosure Undertaking of the Issuer and the Dissemination Agency Agreement between the Issuer and the Trustee (collectively, the "*Undertaking*"); and (b) the Tax Certificate, all in connection with the issuance of the Bonds and the financing of the 1998 Projects; and

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Directors of the Redevelopment Agency of Park City, Summit County, Utah, as follows:

Section 1. Definitions. In addition to the words defined in the preambles hereto, all capitalized words and phrases not otherwise defined herein shall have the meanings set forth in Article I of the Indenture.

Section 2. Issuance of Series 1998 Bonds. For the purposes set forth in the preambles hereto, including financing the 1998 Projects and paying the costs and expenses incidental thereto and to the issuance of the Series 1998 Bonds hereinafter described, a series of tax increment revenue bonds of the Issuer is hereby authorized to be issued pursuant to the Act and in accordance with and subject to the terms, conditions and limitations established in the Indenture and herein. Such series of bonds shall be designated *"Redevelopment Agency of Park City, Summit County, Utah, Tax Increment Revenue Bonds (Lower Park Avenue Redevelopment Project Area), Series 1998."*

Section 3. Terms of the Series 1998 Bonds. (a) The Series 1998 Bonds shall be issued in the aggregate principal amount of $7,000,000 pursuant hereto and to the Indenture. The Series 1998 Bonds shall be issuable only as fully-registered bonds without coupons in the denomination of $5,000 or any integral multiple thereof, shall be dated as of November 1, 1998, and shall bear interest from such date payable on June 15, 1999, and thereafter semiannually on December 15 and June 15 of each year until paid as provided in the Indenture. The Series 1998 Bonds shall mature on June 15 of each of the years and in the amounts and bear interest (calculated on the basis of a year of 360 days consisting of twelve 30-day months) as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2000		
2001		
2002		
2003		
2004		
2005		
2006		
2007		
2008		
2009		
2010		
2011		
2012		
2013		
2014		
2015		
2016		

(b) The Series 1998 Bonds and the Trustee's certificate of authentication to be endorsed thereon shall be in substantially the forms set forth in the Indenture, which forms are hereby incorporated herein by this reference, and the provisions for the signatures, authentication, payment, places of payment, medium of payment, transfer, exchange, registration, number and other provisions thereof, to the extent not provided herein, shall be as set forth in the Indenture as finally executed and are hereby approved and hereby incorporated herein by this reference. The form of the Series 1998 Bonds, submitted to this meeting as *Exhibit A* to the Indenture, subject to appropriate insertion and revision in order to comply with the provisions of the Indenture be, and the same hereby is, approved, and when the same shall be executed on behalf of the Issuer in the manner contemplated by the Indenture and this Resolution in the aggregate principal amount herein provided, they shall represent the approved form of the Series 1998 Bonds of the Issuer.

(c) Upon the occurrence of an Event of Default under the Indenture, the Trustee shall be entitled to exercise such rights and remedies (including but not limited to the

appointment of a receiver) as are provided in the Indenture or as are otherwise provided to the Issuer under the Act or other applicable law; provided, however, that no deficiency judgment upon foreclosure of the lien of the Indenture may be entered against the Issuer, the City, the State of Utah or any political subdivision of the State of Utah, except as otherwise expressly provided in the Indenture and as permitted by the Act.

Section 4. Execution of Series 1998 Bonds. The Chair of the Issuer, or in his absence, the Vice Chair of the Issuer (collectively, the "*Chair*") are hereby authorized and directed to execute, and the Secretary of the Issuer (the "*Secretary*") is hereby authorized and directed to attest, the Series 1998 Bonds and each is hereby authorized and directed to deliver them to the Trustee for authentication pursuant to the Indenture. The corporate seal of the Issuer or the facsimile thereof is hereby authorized and directed to be affixed to all Series 1998 Bonds. The signatures of the Chair and the Secretary on the Series 1998 Bonds shall be by manual signature or by facsimile. The Chair and the Secretary hereby adopt any facsimile signatures used on the Series 1998 Bonds as their own.

Section 5. Redemption Provisions. (a) The Series 1998 Bonds maturing on or before June 15, 2008, are not subject to redemption prior to maturity. The Series 1998 Bonds maturing on or after June 15, 2009 are subject to redemption prior to maturity at the option of the Issuer in whole or in part on any date on or after December 15, 2008, in such order of maturity as may be designated by the Issuer, at the applicable redemption price set forth in the table below (expressed as a percentage of the principal amount of the Series 1998 Bonds to be redeemed) plus accrued interest thereon to the date fixed for redemption:

REDEMPTION DATES (DATES INCLUSIVE)	REDEMPTION PRICE
_____ to _____	_____%
_____ and thereafter	_____%

(b) The other terms and conditions for any redemption as provided in this Section 5, including notice of any such redemption, shall be the same as provided in Article III of the Indenture, which Article III is hereby incorporated herein by this reference.

Section 6. Limited Obligations. The Series 1998 Bonds, together with the interest and premium, if any, thereon, are not general obligations of the Issuer, but are limited obligations and, except for the security provided by the Indenture , all pursuant to Section 17A-2-1247 of the Act, are payable solely out of Tax Increment Revenues received by the Trustee under the Indenture and certain other amounts received under the Indenture. Nothing in this Resolution, the Indenture or the Bonds shall be construed as requiring the State of Utah or any political subdivision of the State of Utah to pay any of the Bonds or to pay any of the premium (if any) or interest thereon or to appropriate any money to pay the same. Pursuant to Section 17A-2-1247 of the Act and the Indenture, the Series 1998 Bonds shall be secured by the Trust Estate which is specifically pledged, mortgaged, hypothecated,

assigned and otherwise secured in the Indenture, all for the equal and ratable payment of the Series 1998 Bonds and any bonds hereafter issued on a parity with the Series 1998 Bonds under the Indenture and shall be used for no other purpose than to pay the principal of, and premium, if any, and interest on, the Series 1998 Bonds and such additional parity bonds, except as may be otherwise expressly authorized in the Indenture and the Act. Neither the full faith and credit nor the taxing powers of the State of Utah or any political subdivision of such State is pledged to the payment of the principal of, or premium, if any, or interest on, the Series 1998 Bonds or other costs appertaining thereto. The Series 1998 Bonds and the interest and premium, if any, thereon do not now and shall never constitute an indebtedness of the Issuer, the City, the State of Utah or any political subdivision of such State within the meaning of any State constitutional provision or limitation nor give rise to or be a general obligation or liability of nor a charge against the general credit or taxing powers of the State of Utah or any political subdivision of the State of Utah. No breach of any covenant or agreement in the Indenture shall impose any general obligation or liability upon, nor a charge against, the City or the general credit or taxing power of the State of Utah or any of its political subdivisions.

Section 7. Sale of the Bonds. The sale of the Series 1998 Bonds to the Underwriter pursuant to the terms and provisions of the Bond Purchase Contract attached hereto as *Exhibit 3* at the price of $_____, plus accrued interest (if any) on the Series 1998 Bonds from November 1, 1998 to the date of initial issuance of the Series 1998 Bonds, and bearing interest as set forth in Section 3 of this Resolution and as provided in the Indenture, is hereby authorized and approved, and the Chair is hereby authorized, empowered and directed to execute and deliver the Bond Purchase Contract on behalf of the Issuer and to sell the Series 1998 Bonds to the Underwriter as aforesaid and to execute and deliver the Official Statement on behalf of the Issuer, all of which are hereby authorized and approved, all with such changes therein as are not inconsistent with this Resolution and as are approved by the Chair, his execution thereof to constitute conclusive evidence of such approval.

Section 8. Distribution of the Preliminary and Final Official Statements; Ratification of Certain Actions with Respect to the Preliminary Official Statement. (a) Distribution of the Preliminary Official Statement in substantially the form attached hereto as *Exhibit 5* is hereby ratified and approved, and the Chair is hereby authorized and directed to execute a final Official Statement, to be circulated in connection with the sale and delivery of the Series 1998 Bonds, containing such changes, omissions, insertions, deletions and variations from the Preliminary Official Statement as the Chair shall deem advisable, provided that this authorization does not apply to the information with respect to the City contained in the Preliminary Official Statement or the final Official Statement, but nothing herein shall be construed as prohibiting the inclusion of such information pursuant to authorization from the City.

(b) The Issuer hereby ratifies and confirms any and all actions heretofore taken by the Finance Director of Park City and the Treasurer of the Issuer acting on behalf of the Issuer with respect to deeming the Preliminary Official Statement final as of its date for

purposes of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain information as permitted by such Rule.

Section 9. Approval of Undertaking. The Chair or the Vice Chair of the Issuer is hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking and the related Dissemination Agency Agreement (collectively, the *"Undertaking"*) in substantially the same form as now before the Issuer and attached hereto as *Exhibit 4*, or with such changes therein as the individual executing the Undertaking on behalf of the Issuer shall approve, his execution thereof to constitute conclusive evidence of his approval of such changes. When the Undertaking is executed and delivered on behalf of the Issuer as herein provided, the Undertaking will be binding on the Issuer and the officers, employees and agents of the Issuer, and the officers, employees and agents of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Undertaking as executed. Notwithstanding any other provision of this Resolution, the sole remedies for failure to comply with the Undertaking shall be the ability of the beneficial owner of any Series 1998 Bond to seek mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Undertaking.

Section 10. Other Actions with Respect to the Series 1998 Bonds. The officers and employees of the Issuer shall take all action necessary in conformity with the Act to carry out the issuance of the Series 1998 Bonds, the execution and delivery of the Undertaking and the Tax Certificate and the execution and delivery of any closing and other documents required to be delivered in connection with the sale and delivery of the Series 1998 Bonds. If the Chair or the Secretary shall be unavailable to execute or attest (as applicable) the Series 1998 Bonds, the Undertaking, the Tax Certificate and/or the other documents that they are hereby authorized to execute and attest, the same may be executed and attested (as applicable) by any other member of the Board of Directors of the Issuer or by any Assistant Secretary, respectively.

Section 11. Arbitrage Covenant; Covenant to Maintain Tax Exemption. (a) The Chair, the Treasurer and the Secretary of the Issuer are each hereby authorized and directed to execute and deliver from time to time such certificates and agreements as shall be necessary to establish that the Series 1998 Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986 (the *"Code"*) and the regulations promulgated or proposed thereunder, including, without limitation, Sections 1.103-13, 1.103-14 and 1.103-15 of the Income Tax Regulations (26 CFR Part 1) as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Issuer covenants and certifies to and for the benefit of the purchasers and owners from time to time of the Series 1998 Bonds that no use will be made of the proceeds of the issue and sale of the Series 1998 Bonds, or any funds or accounts of the Issuer which may be deemed to be proceeds of the Series 1998 Bonds, pursuant to Section 148 of the Code and applicable regulations (proposed or promulgated) which use, if it had been reasonably expected on the date of issuance of the Series 1998 Bonds, would have caused the Series 1998 Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code. Pursuant to this covenant, the Issuer obligates itself to comply throughout the term

of the Series 1998 Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated thereunder.

(b) The Issuer further covenants and agrees to and for the benefit of the purchasers and owners from time to time of the Series 1998 Bonds that the Issuer (i) will not take any action that would cause interest on the Series 1998 Bonds to be or to become ineligible for the exclusion from gross income of the owners of the Series 1998 Bonds as provided in Section 103 of the Code, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause interest on the Series 1998 Bonds to be or to become ineligible for the exclusion from gross income of the owners of the Series 1998 Bonds as provided in Section 103 of the Code and (iii) without limiting the generality of the foregoing, (A) will not take any action which would cause the Series 1998 Bonds, or any Series 1998 Bond, to be a "private activity bond" within the meaning of Section 141 of the Code or to fail to meet any applicable requirement of Section 149 of the Code and (B) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the Series 1998 Bonds, or any Series 1998 Bond, to be a "private activity bond" or to fail to meet any applicable requirement of Section 149 of the Code. The Chair, the Treasurer and the Secretary of the Issuer are each hereby authorized and directed to execute from time to time such Tax Certificates, including the Tax Exemption Certificate and Agreement attached hereto as *Exhibit 2*, as shall be necessary to establish that the Series 1998 Bonds are not and will not become "private activity bonds," that all applicable requirements of Section 149 of the Code are and will be met and that the covenants of the Issuer contained in this Section 15(b) will be complied with.

(c) The Issuer covenants and certifies to and for the benefit of the purchasers and owners from time to time of the Series 1998 Bonds that: (i) the Issuer will at all times comply with the provisions of any Tax Certificates; (ii) the Issuer will at all times comply with the provisions of Article IV of the Tax Certificate and the rebate requirements contained in Section 148(f) of the Code; and (iii) no bonds or other evidences of indebtedness of the Issuer have been or will be issued, sold or delivered within a period beginning 15 days prior to the sale of the Bonds and ending 15 days following the date of delivery of and payment for the Series 1998 Bonds pursuant to a common plan of financing with the plan for the issuance of the Series 1998 Bonds and payable out of substantially the same source of revenues.

(d) The Issuer hereby covenants to adopt, make, execute and enter into (and to take such actions, if any, as may be necessary to enable it to do so) any resolution or Tax Certificate necessary to comply with any changes in law or regulations in order to preserve the excludability of interest on the Series 1998 Bonds from gross income of the owners thereof for federal income tax purposes to the extent that it may lawfully do so. The Issuer further covenants to (I) impose such limitations on the investment or use of moneys or investments related to the Series 1998 Bonds, (II) make such payments to the United States Treasury, (III) maintain such records, (IV) perform such calculations and (V) perform such other acts as may be necessary to preserve the excludability of interest on the Series 1998 Bonds from gross income of the owners thereof for federal income tax purposes to the extent that it may lawfully do so.

(e) Pursuant to these covenants, the Issuer obligates itself to comply throughout the term of the issue of the Series 1998 Bonds with the requirements of Section 103 of the Code and the regulations proposed or promulgated thereunder.

(f) The Chair is hereby authorized and directed to execute and cause the timely filing with the Internal Revenue Service of an Information Return for Tax-Exempt Governmental Obligations (Form 8038-G) as required under Section 149(e) of the Code.

Section 12. Appointment of Trustee. U.S. Bank National Association, Salt Lake City, Utah, is hereby appointed as Trustee, paying agent and registrar under the Indenture.

Section 13. Request and Authorization to Trustee. The Chair is hereby authorized and directed to execute and deliver to the Trustee the request and authorization of the Issuer for the authentication and delivery of the Bonds by the Trustee in accordance with Section 2.4 of the Indenture.

Section 14. Designation of the Series 1998 Bonds as "Qualified Tax-Exempt Obligations". The Issuer recognizes that Section 265(b)(3) of the Code provides that a "qualified tax-exempt obligation" (as therein defined) may be treated by certain financial institutions as if it were acquired on August 7, 1986, for certain purposes. The Issuer hereby designates each of the Series 1998 Bonds that is outstanding from time to time as a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Code.

Section 15. Resolution Irrepealable. After any of the Series 1998 Bonds are delivered by the Trustee to the Underwriter upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the Series 1998 Bonds and interest thereon shall have been fully paid, canceled and discharged.

Section 16. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution; provided, however, that nothing in this Section 19 shall be construed to amend or modify the limitations provided in Section 6 hereof.

Section 17. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the Board of Directors of the Redevelopment Agency of Park City, Summit County, Utah, this 19th day of November, 1998.

REDEVELOPMENT AGENCY OF
PARK CITY, SUMMIT COUNTY, UTAH

[SEAL]

By_____
Bradley A. Olch,
Chair, Board of Directors,
Redevelopment Agency of Park City, Utah

ATTEST:

_____
Janet M. Scott,
Secretary, Board of Directors,
Redevelopment Agency of Park City, Utah