



## MEMORANDUM

To: Patrick Sweeney

From: Matthew Cassel, Engineering

Re: Francisco Astorga, Senior Planner  
Mark Harrington, City Attorney  
Anne Laurent, Community Development Director

Date: April 22, 2016

Re: Treasure Hill Participation in the Lowell Avenue Re-Construction Project

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As discussed in our meeting on March 16, 2016 concerning Treasure Hill participating in the upcoming Lowell Avenue Re-Construction project, bids have been received and the cost numbers provided below are from the low bid of Granite Construction.

The basis for the costs is as follows:

- If Treasure Hill did not participate in the project, the City would install a road section of 4 inches of asphaltic concrete on top of 8 inches of untreated base course,
- With Treasure Hill participating, the road section will consist of 6 inches of asphaltic concrete on top of 18 inches of untreated base course,
- The road excavation required is 12 inches deep (4" asphalt + 8" untreated base) without Treasure Hill participating and 24 inches deep (6" asphalt + 18" untreated base) with Treasure Hill participating,
- For reference purpose, the line item for asphaltic concrete in Granite's bid is A5,
- For reference purpose, the line item for untreated base course in Granite's bid is A4,
- For reference purpose, the line item for road excavation in Granite's bid is A19, and
- The bid provided by Granite Construction includes the 6 inches of asphaltic concrete on top of 18 inches of untreated base course.

The breakdown of the incremental costs is as follows:

- A ratio for each line item was used to determine Treasure Hill's participation cost for each line item,

- Asphaltic concrete (A5) – Treasure Hill’s responsibility, 2”/6” = 33.33%,
- Untreated base course (A4) – Treasure Hill’s responsibility, 10”/18” = 55.55%,
- Road excavation (A19) – Treasure Hill’s responsibility, 12”/24” = 50.0%
- Based on the ratio and the submitted bid, Treasure Hill’s total cost responsibility is:
  - Asphaltic concrete (A5), \$171,360 X 33.33% = \$57,120
  - Untreated base course (A4), \$159,120 X 55.55% = \$88,400
  - Road excavation (A19), \$75,000 X 50.0% = \$37,500

**Total Treasure Hill Responsibility = \$183,020**

These costs are provided pursuant to Paragraph 8(a) of the Master Plan approval (below). Park City will need “notice that the construction is pending” and need to know by no later than May 18 as to whether Treasure Hill will participate in the project. Please address your response to me with a copy to the Public Works Director and City Attorney at the same address as this letterhead. Granite Construction’s bid can be made available to you to help with your analysis.

8 a) Empire Avenue and Lowell Avenue will be the main access routes to the Creole Gulch site. As such, during construction these roads will need to carry heavy traffic, probably in the vicinity of up to 300 heavy trucks per day. At the present time and until the Creole Gulch site develops, Empire and Lowell south of Manor Way are and will be low-volume residential streets, with a pavement quality, width, and thickness that won't support that type of truck traffic. The City will continue to maintain the streets as low-volume residential streets, including pavement overlays and/or reconstruction. None of that work will be designed for the heavy truck traffic, but in order to save money for the developer of the Creole Gulch site, he or she is encouraged to keep the City Public Works Director notified as to the timetable of construction at Creole Gulch. If the City is notified that the construction is pending such that an improved pavement section can be incorporated into normal City maintenance projects, then it is anticipated that the incremental additional cost of the additional pavement thickness (which is likely to be in the vicinity of 3 additional inches of asphalt over the entire 4,6000 linear feet [25-foot asphalt width] of Lowell/Empire south of Manor Way, or approximately \$80,000 additional cost in 1986 dollars) could be paid by the developer with said amount deducted from future impact fees paid to the City as long as it did not exceed the total future impact fees. However, if the increased pavement section is not coordinated with the City by the developer such that the pavement of Lowell and Empire south of Manor Way remains inadequate at the time the Creole Gulch site is developed, then the developer shall essentially reconstruct the entire 4,600-foot length of Lowell and Empire south of Manor Way at his or her cost, which with excavation and reconstruction of an anticipated 6-inch asphalt thickness on top of 10 inches of roadbase, plus all other normal construction items and costs, would be in the approximate cost range of \$300,000 to \$400,000 in 1986 dollars. Further, because that reconstruction would be

inconvenient to residents and the City, and because delays, impacts, and potential safety hazards would be created over and above normal City maintenance of existing streets, that action by the developer would be a new impact on City residents and the cost therefore would not be deductible from any developer impact fees.

If you decide to coordinate payment for the construction incremental upgrade at this time, the City Attorney will forward a contribution agreement to your attorney. The Agreement will address the manner of the deduction of Roadway Facilities impact fees in an amount and calculation as currently adopted in the Municipal Code of Park City, Title 11, Chapter 13.