

MINUTES  
ALTA TOWN COUNCIL MEETING &  
TRUTH AND TAXATION HEARING  
TUESDAY, AUGUST 3, 2010  
6:00 PM  
ALTA COMMUNITY CENTER  
ALTA, UTAH

The Mayor called the meeting to order. All members of the Town Council were present at this meeting. Others in attendance were Marc Dipppo, Kate Black, John Guldner, Karen Travis, Bob Pruitt, Mark Haik and Elza O'Reilly.

**PUBLIC HEARING:** To receive comments and questions on the proposed Certified Tax Rate and General Fund Budget for the Town of Alta for fiscal year 2010-2011.

The Mayor announced that the purpose of this Truth and Taxation hearing was to receive comments on the proposed Certified Tax Rate (CTR) for the Town of Alta. The Mayor explained that over the course of two months, the budget committee met to discuss the budget for the 2010-2011 fiscal year. With the decline in the economy and the resulting decline in the revenues to the Town the sales tax dollars have dropped. The budget committee made some fairly aggressive cuts to the budget. The Mayor went on to say that originally, the committee had recommended a two percent cost of living increase in the salaries of all the full time employees of the Town. When budget was passed in June, the Town council made a decision to remove that two percent increase so there will be no employee raises. The committee also went through the entire budget and cut items in every department. Even with those cuts, the Town Council felt that to keep up with the basic increase in operational costs for the Town, the Council is recommending a 10% increase in the CTR for the new fiscal year. This increase will result in an \$25,000 increase in property tax revenues. The total general fund budget for this year is \$1,459,749.00.

Cliff Curry opined that this increase in the CTR gets the Town back to what inflation has done to the Town over the past four years.

The Mayor opened the floor to public comment.

Bob Pruitt, a tax payer in the Town of Alta, opined that he hates to see the tax rate go up and acknowledged that the economy has slowed down with the result of less sales tax. Mr. Pruitt appreciates that the Town Council has kept the increase small and wishes there was a clearer picture on where the Town is headed. Mr. Pruitt has the same issues with the summer road into Albion Basin as it relates to the ownership of the road. Mr. Pruitt feels that the Town is ignoring some of its infrastructure such as the recent flood and the resulting damage to the storm drain system. It seems to Mr. Pruitt that the Town is always in a "catch up mode".

The Mayor addressed Mr. Pruitt by saying that it appears that he is asking the Town to do some long range planning as it relates to its infrastructure so the Town does not have to react when it something fails.

Mr. Pruitt went on to say that summer road is an example of an infrastructure that is in question. He went called into question the ownership of the summer road. Mr. Pruitt stated that the he is looking at a quiet title action against the Town as it relates to the ownership of this road. He hates to see the Town always in a lawsuit mode and asked if the Town could sit down with all those parties and come to some resolution on this matter.

Paul Moxley opined that no one disagrees with some of Mr. Pruitt's statements and the Town is being pinched in every direction.

Mr. Pruitt commented that the parking lots were full this last weekend but there were no businesses open that could collect sales tax except the Alta Lodge. The Town needs to be creative and ask how we can have a sustainable economy in our community.

Karen Travis opined that she is against any property tax increase and would feel a lot better if the assessor's office valued the properties in a reasonable way. Even though it is only an increase of \$25,000 to the Town, Karen commented that there are other taxing entities that are proposing tax increases. Karen congratulated the Town Council for looking over the budget and reducing it. With the economy the way it is and with the central reservation service the Ski Lifts proposing, Karen does not feel she will be able to rent her home much this coming winter.

The Mayor asked Ms. Travis if she felt it was the economy or the vehicle that is allowing her to receive inquires (the central reservation service/Vacation Roost) that make it so she will be unable to rent her home this winter.

Karen felt that it will be the central reservation service that will be the reason she cannot rent her home.

Mark Haik shares some of Mr. Pruitt's sentiments about looking forward. Mr. Haik pointed to some of Mr. Gilman's remarks made in a previous Council meeting where he opined that people who owned houses in the Town could afford to pay a little more. Mr. Haik took his comment one step further and suggested that the Lift Company, lodging facilities, and rental homes could afford to pay for their own self promotions. The Town government does not need to be in that business. Mr. Haik feels that the Town Council should do a metric to decide whether or not the activities of AVB are creating revenue and whether the expenditure of that money is bringing a return over and above the cost of running that department.

Mr. Haik also commented that he believes the Town does need better infrastructure more specifically a loop water system.

Mr. Haik asked Mr. Pollard and Mr. Gilman on their thoughts and ideas on where the Town is and or should be going in the future.

Elza O'Reilly asked if the Town Council knew why the value of the homes has gone down but her taxes have gone up.

The County has the responsibility to set the taxable value of people's homes and it was recommended, once again, to challenge the value with the County Assessor's Office.

The Mayor, referring to a tax notice on a small parcel the Rustler owns, commented that every taxing entity's taxes went up.

Karen asked if there was anything the Town could do as a group to protest.

The Mayor did comment that the Town has, in the past, made efforts to represent the community in this matter and to educate the Assessor's Office.

Steve Gilman commented that the Town has tried in the past to address the concerns of the property owners as it relates to their taxes. He went on to comment that in defense of the Ski Lift Company, the only mechanisms that bring the community together are the Alta Visitors Bureau and the Alta Ski Lifts web site. These mechanisms are the only way a visitor can book a vacation to Alta or visit one of the businesses' web sites unless you know the name of the business individually. Mr. Gilman also commented that the Town cannot go to a specific business and tell them they have to open their facility so the Town can secure more sales tax.

The Mayor explained that when the Rustler was making significantly more money in the winter it could afford to be open in the summer.

Marc Dippo stated that there have been two sales in the last year in Alta so there should be comparables.

Dave Richards commented that the Town is actively going back and reviewing the effectiveness of AVB by hiring Karen Wikstrom to do a follow up study. With the exception of AVB, Dave asked those in attendance what other areas in the budget could be cut.

Mark Haik opined that he thinks that there are other avenues the Town could pursue instead of paying all the legal fees they have paid in the past and are paying now. Mr. Haik asked what the Town could do to bring a remedy to the current lawsuit with the Shrontz Estate considering that in the most recent hearing both Salt Lake City and Paul Moxley representing the Town stated that the Town would have no problem with the Quincy water hooking up to the Town water system. Mr. Haik opined that the Town should sit down with other agencies to bring this matter to conclusion and as result the Town could save some legal fees.

Bob Pruitt had not reviewed the budget to see where the Town could trim. Mr. Pruitt opined that a quiet title action coming up in the near future as it relates to the ownership of the summer road could mean more legal fees for the Town. The Town does not need another lawsuit and he asked that the Town sit down with stakeholders to come to some resolution on this matter. It would be less expensive for the Town as a result. Mr. Pruitt indicated that he has communicated with the Forest Service on the road issue. The Forest Service has indicated they would be willing to bring in a mediator. Mr. Pruitt feels that the home owners have a valid existing right and it might take going to Federal Court to nail it down. Mr. Pruitt feels like the Albion Basin home owners have been abandoned by the Town as it relates to the summer road.

Karen Travis commented that she has heard from people that they like the availability of the summer shuttle and that they cannot believe it is free. She asked the Council why they do not charge a fee for this service.

Kate Black explained that the summer road is a Forest Service road and the Town has an agreement with the Forest Service to maintain the road and use part of the C- Road funds they receive from the State of Utah to pay for this maintenance. The Town contracts with and pays the Alta Ski Lift Company to grade the road and the Town also pays for a company to come in and lay the dust retardant on the road. The Town does not pay to maintain the road through the campground. John explained that the Town cannot use C-Road fund monies on roads that are gated. As a result, the Town cannot work on the three roads to the homes in Albion Basin.

Kate went on to explain that some of the cost of the summer shuttle is also off set by C-Road funds. The use of these funds for the shuttle was approved by the C Road fund administrator.

Kate also explained that when the Town originally put the summer information booth in, the Town asked the Forest Service if it could charge a fee at the booth. The Forest Service would not allow us to do so. The Town also has a special use permit with the Forest Service to run the summer shuttle. The way the permit is currently written, a fee to ride the shuttle is not mentioned. The Forest Service provides around \$3,000 a year through a SISK grant to the Town to help with the cost of providing public safety on the forest land in the Town. The Town absorbs all the rest of the cost of these services.

The Mayor reminded everyone that the Friends of Alta does help us with the cost of staffing the booth through a donation.

The Mayor also mentioned that the Albion Basin Transportation Study is in its final stages and maybe, as a result of the study, the Town could modify the special use permit that we have and move to a fee based system. The Town also sees some possible funding mechanisms coming out of this study.

Mr. Pruitt opined that he is not so sure that the road is a Forest Service road. He felt that the Town is paying the freight without the power.

Dave Richards pointed out that the Town is doing as much as it possibly can to maintain the road and the Town's infrastructures. Dave went on to state that he would be happy to cut the legal fees as soon as people stop suing the Town. Dave wanted to know how the Town can continue with all the services in this economy without tax increases to bring the Town in line what is the norm throughout the County.

Hearing no further comments, the Mayor closed the public hearing.

3) Discussion with possible action/adoption of the following:

- a) Resolution 2010 R-10: A resolution adopting the final general fund budget and certified tax rate for the Town of Alta for fiscal year 2010-2011.

**Steve Gilman made a motion to approve the final general fund budget for the Town of Alta for fiscal year 2010/2011 with a Certified Tax Rate of 00.001114. Paul Moxley seconded the motion. Hearing no further discussion on the motion, the Mayor called for a vote on the motion. The motion was carried by a unanimous vote of the Town Council. All members of the Town Council were present.**

- b) Resolution 2010-R-11- Three year municipal lease with Zions First National Bank on a 2011 Toyota Tacoma.

The Mayor explained that in April the Town Council approved a purchase order to purchase a 2011 Toyota Tacoma and agreed to fund the purchase of that vehicle through a municipal lease starting in the 2010/2011 fiscal year.

Zions First National Bank has written the three year municipal lease and the bank requires a formal resolution authorizing the same.

**There was a motion by Dave Richards to approve Resolution 2010-R-11 authorizing a three year municipal lease with Zions First National Bank for the 2011 Toyota Tacoma. There was a second by Steve Gilman.**

Kate clarified for the record that this lease is for three years. The total dollar amount of the lease is \$27,382.00 and the interest rate will be 3.01%.

The Town recently sold one of the 2006 police vehicles and the 2003 will also be sold. The Town has budgeted for the first payment on this new vehicle in the 2010/2011 year. The Town attorney has reviewed the lease and finds it in order. Their opinion will accompany the lease after the Council approves the lease.

**The Mayor read Resolution 2010-R-11 into the record. That resolution is attached to the minutes.**

**The Mayor called for a vote on the motion and the motion was carried. All members of the Council were present and voted in favor of the motion.**

**There was a motion by Steve Gilman to adjourn the meeting of the Town Council. There was a second by Cliff Curry and the motion was carried.**

Passed and approved this 9th day of September, 2010.

s/Katherine S.W. Black  
Town Clerk

