

MINUTES
ALTA TOWN COUNCIL MEETING
MAY 13, 2010
10:00 AM
ALTA COMMUNITY CENTER/LIBRARY
ALTA, UTAH

The Mayor called the meeting to order.

The following members of the Town Council were present: Mayor Tom Pollard and Council members Paul Moxley, Steve Gilman, and Cliff Curry. Dave Richards was excused.

1. Presentation by Canyons School District – Superintendent David Doty.

The Mayor welcomed Superintendent David Doty, who explained that the school district board has authorized a \$250 million bond election for June 22, 2010. Dr. Doty went on to state that his staff has put together a slide presentation that reviews the bond proposal in detail. Dr. Doty introduced Keith Bradford, Chief Financial Officer, and business administrator, Ronnie Mulqueen, principal for the Granite Elementary School who oversees the classroom in Alta, and Darren Draper who is part of the informational technology staff of the District. Dr. Doty then reviewed the slide presentation.

Dr. Doty stated that the Canyons School District (the “District”) has approximately \$650 million in deferred maintenance obligations throughout the district. There are 45 schools in the District, many of which are old and are in need of repair or replacement. If the bond proposal passes, it will authorize the selling of bonds to help fund the repairs/maintenance and possible replacement of many of the school district buildings.

Dr. Doty announced that the bond election will be held on June 22, 2010 and early voting starts on June 8th. Dr. Doty explained that the message the District is trying to send is this is about investing in our not only our kids in the District but our communities and their quality of life. That investment is going to include some innovations with respect to not only the buildings themselves but also investment in academic programs and future activities. It will also include funding of the modernization of the District’s buildings.

Dr. Doty explained that the District Board has adopted and implemented several new innovations in the school district which include moving the ninth grade to the high school and moving the sixth grade into the middle school. The Board has also adopted new advances in high school honor diplomas. Dr. Doty reviewed the reasons behind all the Boards decisions. Dr. Doty reviewed some additional innovations including changes in school lunches, electronic innovations, teacher development, and dual immersion language programs.

Dr. Doty explained that the average age of the District's buildings is around 38 years old and a result many of the buildings need to be modernized; many of them are "running out of gas". He reviewed some of the issues for the Council and public.

Steve Gilman asked if the District is looking at converting some of these schools to the year round calendar. Dr. Doty said they are working in that direction in various areas of the District.

Dr. Doty is asking the residents of the District to assume a debt that would allow the District to go up to the limit on the District's ability to pay. As a result, the Board designed the bond in such a way to maximize the District's resources.

Dr. Doty explained that there are several reasons why the Board is proceeding with the election at this time. The cost of construction is at an all time low and interest rates are low as well. This allows the District to maximize the funding and as a result Dr. Doty feels this is a fiscally prudent decision. Dr. Doty went on to say that this process will also allow the district to maximize the opportunities for the students and maximum the schools as centers for the various communities.

Dr. Doty went on to emphasis that the bond, if it passes, will not increase property taxes for the residents of the District. He described it as a "property tax neutral bond". Dr. Doty explained this statement by noting that on the 2009 property tax notices there was a line item called "old Jordan School District Debt". That line item will be broken out separately on future notices for the next 13 years until the outstanding Jordan School District bonds from 2003 are paid off. The Canyon School District residents only pay 58% of 2003 debt, which is the District portion of the total assessed value of the previous Jordan School District. Dr. Doty noted that the tax levy for this debt for the 2009/2010 year was .0014 and for the 2010/2011 year it will go up one more time. After the 2010/2011 fiscal year, that rate will slowly decline as the 2003 bonds are paid off. Dr. Doty explained that the Canyons District, after next year, plans to keep that rate steady at the 2010/2011 rate. If the election is successful, the District will start issuing bonds in the 2011/2012 school year. If this election is not successful, the tax payers will see the bond rate described above go down. A copy of the power point presentation is attached.

Dr. Doty reviewed the areas, projects, and buildings that would be addressed if the bond election passed.

Dr. Doty spoke to the questions "what is in it for Alta". The Superintendant commented that he has spoken with Mayor Pollard several times about a joint project in Alta between the District, the Town of Alta, and the private sector. Dr. Doty could see a public private partnership, where a building would be built that could provide space for a public school class, a community center space for Council meetings and other community activities, and other uses as determined by a study. After a visit this winter, Claire provided the District with square footage figures that would address the needs of the Alta community and those figures were turned over to the District. Dr. Doty commented that the ball is in the District's court to address the District's square footage needs.

The real issue for this project is the land use issue for this proposed new building. Once this land use issue is resolved, Dr. Doty can see them joining with the Town of Alta and community leaders in addressing the funding for this building. In this building, he could envision a permanent space for the school along with a classroom that could be utilized by the whole district for environmental and science education during the off season.

The District did not include the prospective Alta project in the first list that will be funded by the bonds but Dr. Doty is committed to this joint partnership in Alta.

Dr. Doty went on to opine that he could envision using some of the ongoing capital funds with the District for a project of this nature. He emphasized again that he would defer to the Town to address the land use issues on this project.

Steve Gilman mentioned that this \$250 million bond does not cover all the costs associated with the needs of the District and asked Dr. Doty when the District anticipates that they would hold another bond elections to finish the projects. Dr. Doty did not know and acknowledged that \$250 million does not cover all the costs associated with their need surveys.

The Alta project is on the conceptual list but not part of the projects that will use this \$250 million bond funds.

Mark Haik asked Dr. Doty if he would be more specific as to what the land use issues would be in Alta and asked if Dr. Doty felt that one to two million dollars would be enough money to construct any building in Alta.

Dr. Doty opined that most of the land that could be used for such a structure is owned by the federal government thus it would not be as easy for the District to secure the land necessary to build this building. In terms of funding, Dr. Doty commented that that is why the Town of Alta and the District are putting together square footage figures so they can estimate the costs of such a structure.

Mr. Haik asked if the District or the Town has had any preliminary discussions with the Forest Service to see if they would even consider such a proposal. Dr. Doty stated that he had not had any discussions and the Mayor commented that he has not had any discussions as well.

The Mayor thanked Dr. Doty and his staff for their time and effort.

2. Mayor's Report

The Mayor introduced Assistant Chief Mike Kelsey, who is the Town's liaison with UFA. Mike then introduced Chief Mike Jensen who in turn introduced his command staff to the Town Council. Chief Jensen mentioned that part of his 100 day plan is to reach out and visit all the communities that contract with UFA for fire service.

Chief Jensen introduced his Deputy Chief, Gaylord Scott, who represents the department in the chief's absence. The Town's direct liaison is Assistant Chief Michael Kelsey. Chief Jensen explained that UFA has area commanders and they were introduced. The Town's area commander is Erik Sandstrom who assists Mike Kelsey in any emergency within our town limits. The other area commanders are as follows: Marty Slack, east side commander, Royce Haakenson, west side of the valley and Mike Kelsey who is also in charge of the EOC, bomb squad, area prevention and is the Fire Marshal. The Assistant Chief over support is Mike Watson and he covers logistics, fleet and fire training. UFA's Chief Financial Officer is Shirley Perkins and the chief legal officer is Carl Hendrickson. The human resource manager is Arriann Woolf and UFA's safety officer is Capt. Clint Mecham. The public information officer for UFA, who was not present at the meeting, is Clint Smith.

The Mayor asked about the urban search and rescue that is part of UFA and whether they coordinate with the UPD's search and rescue operation.

Chief Jensen explained that urban search and rescue takes place in an urban setting, it deals with structures. UPD focuses their energy on mountain, backcountry, and wilderness rescues. There is an effort to coordinate between all agencies when rescues take place.

The Mayor commented that the Town is very pleased with the services that are provided by UFA and appreciates the relationship the Town has with UFA and the fire fighters at Station 113 at Snowbird.

Chief Kelsey commented that in the long term he would like have a discussion about a future station in the canyon that can accommodate a possible ladder truck among other equipment. He also mentioned that UFA could partner with the Town on a multi purpose building. Chief Jensen and the Mayor agreed to have a dialogue about all possibilities.

Chief Jensen complimented the Mayor on his abilities and the respect that he gained over his years in office.

The Mayor continued with his report.

The Mayor commented that one of the biggest issues before the Town is the proposed wilderness bill. There is a lot of dialogue going back and forth and he speaks regularly with Mayor Becker, Mayor Corroon, Salt Lake City Public Utility representatives and Congressman Matheson's office. Paul Moxley asked if we should request a one on one meeting with Matheson on this matter.

The Mayor announced that Matheson will be at Skyline High School on Monday, May 10th from 6:00 to 8:30 pm to talk about the proposed wilderness legislation. The Mayor will be out of town and asked if Council members and staff could attend.

The last of the Wasatch Canyons Tomorrow surveys has been completed. Much of the information that has come out of the surveys is focused on transportation issues such as the importance of increase public transportation. There is also a component in the study that talks about a train up Little Cottonwood Canyon and possible parking fees in the canyon.

The next step is for the process to go through the county level.

The Mayor announced that the ULCT will be holding a Land Use Training Seminar at the Alta Community Center on May 18th from 12:00 to 2:00 pm. Members of the Town Council and Alta Planning Commission will be attending.

The Mayor reported on the most recent UFA Board meeting. One of the main issues was a recent proposed change in the International Fire Code as it relates to fire sprinklers in residential units. The Council will be asked to address an ordinance in their June council meeting on this matter.

The budget committee of the Town Council met again to review the proposed budgets for next year. Some of the issues that were addressed were legal fees, health insurance costs, and regular insurance costs.

The Mayor reported on the Patsey Marley litigation. The hearing in front of Judge John Kennedy was scheduled for May 24 but has been rescheduled due to conflicts. Paul Moxley did not have a final date for the hearing but believes it will be either July 22nd, 23rd or 24th.

June 22nd is the date of the primary election. Albion Grill is the location of the polling place in the Town of Alta.

June 22nd is also Little Cottonwood Clean Up Day. Sign up sheets are now posted around Town. You must sign up by June 4th if you would like a commemorative t-shirt.

The Mayor announced the passing of Bob Woody, former member of the Alta Planning Commission and the business editor of the Salt Lake Tribune. We pass on our condolences to his family.

The annual dog drawing was held on May 3rd. The two lucky names draw were Susan Sosin and Chub Whiten.

At the monthly COG meeting, which the Mayor attended, there was a lot of discussion on the Jordan River Parkway. There was another discussion about the current by-laws of COG as it relates to whether an alternate from the Town could represent and vote in the

Mayor's absence at a COG meeting. There are two proposals in front of COG: 1) to designate a staff member which could not vote, or 2) to designate a member of the Town Council who could sit at the table and vote in the Mayor's absence. The Mayor asked the Council to get back with him on their preference.

At this meeting, the Homeland Security Director for the State of Utah laid out his plan for the next three years as it relates to emergency preparedness, communication and the interaction between all the various agencies. One of the first things that fails in an emergency is the water delivery system. As a result, one of the first pieces of equipment that they will be purchasing is a trailer to deliver potable water.

The next meeting of the Town Council is the third Thursday of June or June 17th. There was discussion about holding that meeting on June 24th. Kate will review State Code to see if it is possible to hold it at that time and will notify the Council and the public on the official date of that meeting.

3. Treasurer's Report

Marc Dippo read the monthly report, which is attached to the minutes.

Hearing no question or comments, there was a motion by Paul Moxley to approve the treasurer's report as submitted. There was a second by Steve Gilman and the motion was carried.

4. Departmental Reports

John Guldner asked to be excused from this meeting.

Assistant Town Administrator's Report: Claire Runge gave an update on Spruce Bark beetle program in the Town of Alta. There will be training sessions on this matter not only for arborists but also for concerned citizens.

Claire reported that the Sonoran Institute did not receive the EPA grant to conduct a Climate Action Plan for the entire Alta community.

Marshal's Report: Mike gave read his monthly report which is attached to the minutes.

The Marshal's department is catching up on its annual training requirements.

Mike thanked UFA for helping the Town by obtaining some Homeland Security funds to purchase some much needed laptop computers for the police department. UFA is also writing an emergency procedures manual for the Town of Alta so the Town can be in compliance with federal standards. This compliance allows the Town to continue qualifying for Homeland Security grant funds. UFA is also assisting the Town in getting up to speed on required incident command training.

Kate announced that there would be a meeting of the AVB committee on Tuesday, May 18th at 10:00 am at the Alta Community Center.

5. Discussion with possible action on the following:

- a. Minutes – April 8, 2010 Town Council meeting

There was a motion by Steve Gilman to approve the minutes of the April 8, 2010 Town Council meeting as submitted. There was a second by Paul Moxley. Hearing no comments or questions, a vote was taken on the motion and it was carried.

- b. Amendments to the 2009/2010 Fiscal Budget

The Mayor explained the State Code requires municipalities to amend their budgets if any of the departmental budgets anticipate exceeding their budgeted expenditures for the fiscal year. At this point in time, the following departmental budgets need to be amended: Planning and Zoning, Parks and the Municipal Building budgets. The Mayor reviewed each departmental budget that would be amended.

Many of the departments have spent less than their budgeted amount, therefore there will be no net change to the total overall budget.

Kate explained that at the end of May, the Town will have received sales tax money for March. At that time, the Town should have a much clearer picture of where the General Fund departmental expenditures sit in relation to the amount budgeted. Accordingly, in the June Town Council meeting, the Council could be addressing additional amendments to the 2009/2010 budget.

There was a motion by Cliff Curry to approve the amendments to the 2009-2010 General Fund Budget per department as outlined. There was a second by Steve Gilman. Hearing no further discussion on this matter, the Mayor called for a vote on the motion. All members of the Town Council voted in favor of the motion. Dave Richards was absent.

- c. Tentative Budgets for the 2010/2011 Fiscal Year.

After two meetings with the budget committee, the Mayor is recommending to the Council that they approve tentative budgets for fiscal year 2010/2011 that are very similar to the budgets that were approved for the 2009/2010 fiscal year. Based on what the Mayor believes will be sales tax collection for the current fiscal year, the Town has budgeted for a slight increase in sales tax collection for the new year (2010/2011). The Town also proposes to increase the property taxes for the new year. The Town is looking at a 10% increase in the Town's portion of the property taxes levied. This translates to an additional \$28,000 in property taxes that would be distributed to the Town. The Mayor went on to explain that a 10% increase in property taxes generated to the Town is actually

a 1% increase in total property taxes paid by a business, property owner, or a home owner in the Town of Alta.

The Mayor explained that of the total property taxes that are paid by a property owner in the Town of Alta, about 9% of that total comes back to the Town of Alta. About 62% of a person's total property taxes paid are distributed to the Canyons School District, and 18% are distributed to Salt Lake County. There are a few other taxing entities that receive a portion of a taxes paid by property owners.

The Mayor explained that the Town is faced with increased expenses in the following areas of operation: town insurance, legal fees and legal fees associated with the Patsy Marley lawsuit. The budget committee has incorporated a 2% increase in the salaries of full time employees and the Town will be paying approximately 2% more into the state retirement system for all the full time employees. This increase was mandated by URS and will take effect on July 1, 2010. The Town has approved the purchase of a new police vehicle that will be leased over a three year period of time.

As a result of the proposed increase in property taxes and a slight increase in sales tax, the Town does not anticipate using any of its reserve funds to balance the budget.

Steve Gilman was concerned about the fact that there was another decrease in the amount of money allocated to AVB. There has been a \$20,000 decrease in AVB's budget from last year.

The overall money that has been set aside for promotions is about the same as last year. Some of the difference is in the decision that was made to print a brochure that could be used for at least three years. This saved the Town money in printing costs. The other factor for the decrease in AVB's budget is decrease in salaries. The Town is not paying a full time person to run AVB so we are not paying a full time salary or associated benefits.

Steve asked if the Town's original commitment to this department was ½% of the resort community's sales tax. He went on to say it appears that the Town is proposing to use some of those funds for the regular operation of the Town. Steve was concerned that we are going back on our commitment to fund promotions for the community using these funds. The Mayor confirmed that we are using approximately 1/3 of the ½% for operating other departments in the Town.

Steve went on to say that originally when we asked the voters to approve the additional ½% sales tax, the Council committed to using the revenue generate from that ½% for marketing and promoting the businesses in the Town of Alta.

Paul asked what it would take to get that funding back to using 100% for AVB. It would take approximately \$60,000.

Cliff commented that he believes there are a couple of things going on as it relates to using these monies for other departments. First, the Town needs to use that money to

fund the other departments. Secondly, he asked if someone could tell the Town, with some credibility, that if we spend \$150,000 on promotion that the effort and expenditure would be repaid in sales tax revenue. Cliff feels the question now is how we spend those funds effectively.

Steve reiterated that the Council has to remember that when the Council approved the increase in the community sales tax six years ago, it committed using those funds for the promotion and marketing of this community.

The Mayor agreed that we verbally committed to that idea but he reminded the Council that we cannot encumber future Councils to the use of any type of spending. That decision has to be made on a yearly basis. Unfortunately at this time, the Town needs to use that money to fund the operation of other departments.

Paul asked if the Town could compromise and take half of those funds and move them back to the AVB department.

Cliff would like to see some compelling evidence that the funds spent on marketing and promotion are resulting in increased revenue to the Town.

Paul feels it takes time to see results from marketing efforts. When the economy is bad, that is when you need to market that much more. Paul is committed philosophically to expending funds to this effort.

Steve wanted to know if the Town has evaluated the effectiveness of its marketing and promotional efforts.

The Mayor feels that this decision is more about the effectiveness of this part of the Town's operation. As a result, he recommends that over the course of the summer we assess the effectiveness of the marketing efforts and make a decision on the direction that we should take in the future. The Mayor went on to opine that if after this evaluation we find that effort has not been effective, then the Council should commit to reducing that portion of the sales tax. Steve and Paul agreed with that approach.

Kate explained that two years ago, before the recession hit, the Town collected 1.1 million dollars in sales tax. This year we will be lucky to collect \$825,000 dollars in sales tax. That translates into a significant impact in the Town's overall general fund budget and impacts its ability to fund the day to day operation of the Town. The dramatic increase in sales tax was in part due to the marketing efforts of the State of Utah, Ski Utah, Salt Lake County Visitors and Convention Bureau, AVB and all the local businesses. They all contributed to some degree to the increase in sales tax dollars to the Town.

Kate also explained that AVB is still actively trying to get funding from the Office of Tourism to help leverage what funds we do have for marketing efforts.

Cliff opined that the proposal to increase our property tax is really not a property tax increase; it is trying to get the Town back to where they were five years ago. Property tax revenue has been eaten away by inflation, therefore the Town has witnessed a real property tax decrease every year for the last four years. In Cliff's opinion this property tax increase will get the Town back to where the Town was in real spending power five years ago.

Kate went on to explain the two pie charts that were made available to the public at this meeting (see attached).

The Mayor suggested that if the Town had additional sales tax dollars, the Town could earmark and amend AVB's budget.

Cliff Curry made a motion to approve the tentative budgets for 2010/2011 fiscal budgets for the Town of Alta as submitted. There was a second by Paul Moxley. The Mayor opened the floor to further discussion on this motion. Hearing no further questions or comments, the Mayor called for a vote on the motion. All members of the Town Council that were present voted in favor of the motion and it was carried. Dave Richards was absent.

- d. Resolution 2010-R-5 – Authorizing the extension and amendments of the Interlocal Agreement between the Town of Alta and Salt Lake County Service Area #3.

The Mayor explained that the purpose of the agreement was to extend and amend the Town's contract with the Service Area to manage and run the Town's culinary water system. The Mayor went over the contract and additional hours that must be spent to monitor and operate the antimony treatment plant, thus the increase in the Town's monthly contract from \$1,300 to \$1,800 per month. There is also an increase the hourly charge from \$35/hour to \$45/hour and an increase from 30 hours to 40 hours in the total number of hours necessary to operate the system. The Town must have certified operators running its water system and the Service Area personnel are all certified.

Hearing no comment or questions on this matter, there was a motion by Steve Gilman to approved Resolution 2010-R-5 as submitted. There was a second by Paul Moxley and the motion was carried.

- e. Closed door meeting to discuss litigation matters.

The Mayor asked if there was a need, at this time, to hold a closed door meeting to discuss litigation matters. The Council agreed that no closed door meeting was necessary. Accordingly no vote was taken.

6. Citizen Input

Andy White recommended that the Town Council should stick with their commitment to fully funding AVB.

Creighton Hart recommended that the Town look into opening businesses during the bike races in the canyon to help generate more tax dollars.

Mark Haik handed out three documents to the Town Council. Mr Haik reviewed the three documents two of which included Certificates of Use and Consent and the third of which is an attorney's Title Opinion. In Mr. Haik's opinion, all the documents effect land donations by the Alta Mining and Development Company. A portion of the property that is being donated is the road way in the NE corner of Section 5 which is more specifically called the area of the S curves on the summer road to Albion Basin. Mr. Haik went on to read parts of the aforementioned documents and offered his interpretation of these three documents as it relates to the ownership and use of the donated land. Mr. Haik urged the Council to direct the staff to look into these documents and obtain the maps associated with and which are mentioned in those documents. Staff should also look into the status of the summer road.

Mr. Haik opined that the Council should have a metric to determine the success of the marketing program through AVB.

As it relates to the success of AVB, Onno Wieringa from the Alta Ski Area opined that sometimes the metric is negative and not positive. Onno went on to opine that some promotional efforts are just to keep people from forgetting you, some are neutral relative to the competitive situation and then some efforts are designed to make you grow.

Onno announced that nationally skier visits were up by 4%, statewide skier visits were up 1% to 2% and locally, the Ski Lift visitor days are going to be down this year by 5%.

Onno opined that the Ski Lift's position on the proposed Matheson wilderness legislation is that the proposed trade should be straight Forest Service land. The bill should allow the NEPA process determine the proper use of the land in question. It should not have a special management overlay.

Hearing no further business before the Town Council there was a motion by Paul Moxley to adjourn the meeting. There as a second by Steve Gilman and the motion was passed.

Passed and approved this 17 day of June, 2010.

ATTEST:

Katherine S.W. Black/s
Town Clerk

TREASURER'S REPORT

13-May-10

MAJOR BILLS PAID

<u>Payroll</u>	<u>\$32,405.38</u>
<u>Payroll Taxes</u>	<u>\$13,245.95</u>
<u>Utah Retirement Systems</u>	<u>\$5,783.24</u>
<u>Health, Dental and Life Insurance</u>	<u>\$10,694.94</u>
<u>Attorneys</u>	<u>\$3,386.34</u>
<u>Attorneys - Lawsuit</u>	<u>\$19,160.42</u>
<u>Traffic Metering</u>	<u>\$405.00</u>
<u>Forsgren/Inspectors</u>	<u>\$1,092.00</u>
<u>Erci Kankainen/Plan Checks</u>	<u>\$1,210.00</u>
<u>Workers Compensation Insurance</u>	<u>\$882.57</u>
<u>Jardine Petroleum/Gas</u>	<u>\$5,032.80</u>
<u>Insurance Bonds/ Hub International</u>	<u>\$1,165.00</u>
<u>Other Town Bills</u>	<u>\$16,768.94</u>
<u>Total</u>	<u>\$111,232.58</u>

MAJOR REVENUES RECEIVED

<u>Resort Sales Tax/February Collections</u>	<u>\$63,952.48</u>
<u>Uniform Sales Tax/ February Collections</u>	<u>\$23,173.74</u>
<u>Telephone Tax</u>	<u>\$592.35</u>
<u>Property Taxes</u>	<u>\$19,454.64</u>
<u>Dog Licenses</u>	<u>\$150.00</u>
<u>Court Fines</u>	<u>\$4,515.00</u>
<u>Post Office Contract - 2 months</u>	<u>\$2,333.34</u>
<u>Traffic Metering Contribution-Alta Ski Lifts</u>	<u>\$2,500.00</u>
<u>Cobra Reimbursements</u>	<u>\$216.96</u>
<u>Energy Taxes</u>	<u>\$5,551.31</u>
<u>Refund/Workers Compensation Insurance</u>	<u>\$1,051.82</u>
<u>Donation - Friends of Alta</u>	<u>\$8,000.00</u>
<u>Other Revenues</u>	<u>\$135.00</u>
<u>Total</u>	<u>\$131,626.64</u>
<u>General Fund Checking</u>	<u>\$18,772.86</u>
<u>General Fund Savings</u>	<u>\$297,356.45</u>