

**MINUTES
ALTA TOWN COUNCIL MEETING
THURSDAY, JUNE 15, 2006
ALTA, UTAH**

The Mayor called the meeting to order. Those in attendance were Mayor Tom Pollard and Council Members Bill Levitt, Paul Moxley and Steve Gilman.

PUBLIC HEARING – To receive comments on the proposed 2006-2007 fiscal budgets and Certified Tax Rate of the Town of Alta.

The Mayor mentioned that the budgeting process has been somewhat harder this year in part due to legislation passed by the State Legislature that froze the amount of sales tax the Town of Alta will collect in the future. The Legislature took away the holdharmless factor for the distribution of sales tax that has been in place since the early 80's. The majority of the revenue for the Town of Alta comes from sales tax so we have had to look at other revenue sources to balance the budget. The Mayor explained that one of those sources is property tax. The only way that the Town can collect more revenue from property tax without a truth and taxation hearing is if they have growth; ie, new buildings. The Town of Alta has very little new growth and in fact the County Auditor calculated that this year the Town had negative new growth. Also, the County gives each municipality their certified tax rate which, except for new growth, can not generate any additional property tax revenue. As a result, the County gave us a certified tax rate that generates the exact same revenue as last fiscal year: .001122. In order to increase that rate, the Town of Alta has to go to a Truth in Taxation Public Hearing.

The Mayor announced that as of this week, the County has given us our new assessed valuation and resulting certified tax rate: .001122. The Town has taken that new evaluation and set its proposed tax rate based on that valuation: .001280. The Town has determined that it is necessary to set the CTR at this level to balance the budget. This rate will generate \$257,578. This is an increase of 7.4% over last year's rate. The Mayor gave examples of what it would cost property owners in the Town if the rate was set at .001122 vs .001280.

Mayor Pollard explained that the cost of running the Town of Alta increases every year due to various factors some of which are the cost of living increases for employees, the cost of services such as utilities, gasoline and the like and the cost of health insurance to name a few.

The Mayor opened the public hearing to comments. He asked that the public keep their comments to three minutes.

Mark Haik commented that now that ARA has been up and operational for a year, there really has yet to be any specific plan on who they are going to market to and how the success of that program is going to be measured. Because those funds are going directly into the general fund, the tax payers should have some reporting on the measure of

success for ARA. Also the businesses that are being promoted by ARA should have an obligation to report to the taxpayers that are paying for their promotions.

Mr. Haik also commented that the Friends of Alta has long been making significant donations to the Town of Alta and having attended the Council meetings over the last decade, rarely has he heard in these meetings comments on how much money they have donated and specifically how those funds have been used by the Town of Alta. He believes that there should be a lot more transparency and the goal of the budgeting process should be to disclose to the public the use of those donated funds along with any other donated funds from other parties.

The Mayor commented that ARA is tracking and measuring programs through responses from the businesses as well as through ARA's 800 numbers assigned to each program.

Paul Moxley asked what the effect would be on the budget if we had to cut the budget by the amount we are proposing to increase: 14%. Kate explained that if we look at items that we could control, we would have to decrease the proposed cost of living increase, possibly cut out the purchase of one of the police cars, and cut out the proposed repairs/improvements to our municipal buildings. We also have items that increase on a yearly bases that are out of our control such as the anticipated increase in our health insurance costs.

Paul Thompson commented that the Legislature also capped any anticipated increases municipalities might see energy taxes.

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

PUBLIC HEARING – To receive comments and questions on the proposed 2006-2007 fiscal budget for the Alta Special Service District along with the proposed Certified Tax Rate.

The Mayor explained that we have had this district in place for many years, approving a budget and certified tax rate of -0- each year. This year is no exception: the CTR will be -0- and the budget will be -0-. He opened the hearing to public comment.

Mark Haik commented that this district is under utilized and it should have a budget and CTR specifically to do the engineering studies necessary to serve the taxpayers that are currently not yet served by paying taxes for municipal services including sewer and water. In addition, Haik feels that this district should look at long term upgrades that will be necessary for the current infrastructure. He spoke to the need for a loop system in our water system to address a possible failure in the infrastructure of that system.

Hearing no further comments, the public hearing was closed

REGULAR AGENDA

APPROVAL OF MINUTES

There was a motion by Paul Moxley to approve the minutes of the May 18, 2006 Town Council meeting. There was a second by Steve Gilman and the motion was carried.

MAYOR'S REPORT

Tom Pollard expressed the shared sadness over the death of one of our own, Council member Bill Lennon. The celebration of his life this past Sunday was a magnificent testament to his impact on our mountain community and he will be missed by everyone.

The Mayor reported on the hiring of Forsgren, the company that will be managing our building and inspection department. Two companies submitted a proposal for these services. Jeff Burbidge will continue to be our building official and we will use Eric Kankainen as our structural review engineer. Forsgren has already stepped and is managing the Hellgate process.

Mayor Pollard reported that at the last COG meeting, the members voted to put the property tax increase for UTA/Trax on the ballot in November. The impact on the property tax payer in Salt Lake County will be significant and should be a hotly contested issue come November.

The State of Utah has notified the Town that it is required to have a certified operator running its sewer system. We have negotiated with Steve McIntosh to be our operator. Because of the population we serve, the Town is required to have a Class I operator. Steve meets and exceeds that requirement, as he is a Class II operator. We now are in compliance with the State of Utah.

The DOT has swept the road through the Town of Alta and painted the lines as well. We thank them for their effort.

The summer booth will be put in place by the end of next week. We are working with the Lift Company to bring in new road base and grade the summer road. WRR will be laying a dust retardant as soon as the grading is complete. We will try to open the road on the 29th or 30th of June and close it down on July 3rd to lay the dust control. We have no word on the opening of the Forest Service campground.

Little Cottonwood Clean Up Day is scheduled for June 20th and the Mayor thanked Piper and Kate for their efforts in putting this event together.

The Mayor reminded voters that there is a primary election on June 27th. The Town's polling location is the Albion Grill. The only issue on the ballot is the republican primary race for County Sheriff.

We have had three new doors installed on the Fire Station. The DOT will be paying for one of those doors.

The Mayor reported on the Tour of Utah race on August 12th. The last leg of the race ends up at Snowbird. There will be a road closure on that day for approximately one and one half hours. In the future we will look at making our community more involved in this event. The Snowbird hill climb is also that day.

We have been informed that the Kickstand will not be opening this summer.

The Mayor announced that Deputy Marshal Eric Coe will be leaving the Town of Alta at the end of June. He was presented with a certificate of appreciation and was thanked for his contributions over the last six years. He will be greatly missed.

TREASURER'S REPORT

Marc Dippo read the report which included activity for the last two months. Hearing no questions or comments, there was a motion by Steve Gilman to approve the report as submitted with a second by Paul Moxley. The motion was carried.

DEPARMENTAL REPORTS

Town Administrator's Report: John reported that the entire sewer line in the canyon has been inspected using a video camera. The results are being reviewed and a report will be forth coming.

Forsgren has reviewed the Hellgate with Jeff Burbidge and Eric Kankainen. Forsgren has issued an initial notice and order. Hellgate has 60 days to tell the Town what they plan on doing with the burned out building.

Four building permits are on deck from one end of Town to the other. We also have a half dozen other remodels and repairs going on as well.

John reported on the three ongoing lawsuits: Tolton trespass, Tolton Records case and the Haik records matter.

Marshal's Report: Mike Morey gave the monthly report for the Marshal's Department which is attached for the record. He expressed his sincere condolences to Beth Lennon on behalf of the entire department.

He thanked Eric Coe for his service and contribution to this community. He will be sorely missed.

Mike reported that the State of Utah requires all snowcats and snowmobile to be licensed as OSV vehicles. The Marshal's Department will be asking all owners of these types of vehicles to come into compliance with this state regulation and the department will be

sending on literature and information on this matter. The cost is \$18.50 per vehicle. The only type of vehicle exempt from this license is working/grooming equipment and construction vehicles.

ARA Report: Meghan reported that she has been in contact with the director of the Tour of Utah Bike Race. They are exploring options in having Alta serve as the hotel host for the athletes, directors and officials of the race.

Bill Levitt suggested that we write a letter to the Tribune outlining what we have to offer in our community over the summer.

She reported that the design of the new brochure is underway and should be finished by August 1st.

We have some preliminary results from the American Express campaign in the spring. The initial results show a 3% success rate on lift tickets alone. We will have the results from the participating lodges sometime in July.

Consideration with possible adoption/approval of the following:

1. Awarding of Town Insurance Bid for fiscal year 2006-2007 – Kaylene Stonestreet/Hub International

Ms. Stonestreet first went over the premium page of the proposal from St Paul Insurance. The premium went down by a few hundred dollars over last year. There were no major changes from last year's proposal. They are providing property coverage, all aspects of liability coverage and vehicle coverage to name a few.

Bill Levitt commented on the wonderful working relationship the Town of Alta has had with this company over the last three decades. They have served this community well.

Kaylene explained that the Town of Alta policy is written on a claims made bases. The policy that responds is the one that was in effect the date the claim is made.

Paul Moxley asked if the amount of liability insurance in place is enough. Should the Town increase our liability to three million by purchasing umbrella coverage?

Paul Thompson brought up the new law passed regarding the amount of liability coverage the municipalities must have in place (the governmental immunity cap was increased). When does it take effect? Kaylene will research this new law and will also get a quote for additional liability coverage.

Bill Levitt made a motion to accept the insurance proposal from Hub International with the understanding that the Town might have to add coverage. There was a second by Steve Gilman and the motion was carried.

2. Resolution 2006-R-6 – Amending the 2005-2006 Fiscal Budgets – Kate Black

Kate explained the amended budget, which recognizes the approved budget in the first column, the adjustments to that budget in the second column and the modified or amended budget in the last column (attached for the record). A snapshot was taken of the entire year taking into consideration increase revenues for property tax and sales tax; the decrease in building permit revenue, and the actual distribution of Homeland Security Grant monies. The amended budget reflects the actual amount received in this area. The sale of the fire truck is also reflected in the amended budget to the tune of \$25,000. We purchased a new police car using those funds which is also recognized in the police department budget.

Because the State Auditor requires each municipal department to stay within their budgeted amount, each departmental budget was increased a slight bit.

Kate pointed out that the police vehicles were starting to “nickel and dime” us, so the budget committee recommended the replacement of two vehicles, one reflected in this amended budget for 05-06 and the lease of a second vehicle reflected in the 06-07 budget.

Hearing no comments or questions on the amended budget, there was a motion by Paul Moxley to approve Resolution 2006-R-6. There was a second by Steve Gilman and the motion was carried.

Bill Levitt asked where we stood in comparison with other communities in Salt Lake county regarding our CTR. Kate guessed that we were probably in the lower third of all the taxing communities. People should also remember that around 75% of the land in our Town belongs to the federal government and does not pay any property tax to the Town of Alta. The majority of the revenue generated in the Town comes from sales tax so the Town Council tries to hold the line when it comes to setting the tax rate on property tax.

3. 3. Resolution 2006-R-7 – Alta Special Service District Budget and Certified Tax Rate for Fiscal Year 2006-2007 – Mayor Pollard

Hearing no further discussion on this matter, there was a motion by Paul Moxley to approve resolution 2006-R-7 and set the budget and certified tax rate for the Alta Special Service District at -0-. There was a second by Steve Gilman and the motion was carried.

4. Resolution 2006-R-8 – General Fund Budget/Certified Tax Rate, Water Enterprise and Sewer Enterprise Budgets for Fiscal Year 2006-2007 – Mayor Pollard.

Kate explained that if the Council passes the proposed Certified Tax Rate of .001280 as reflected in the 2006-2007 budget, it would constitute an increase in the Town’s rate and we would be required to have a Truth and Taxation hearing in August. That

hearing would be held Tuesday, August 8th at 7:00 pm at the Alta Community Center/Library. This date is set by the County Auditor.

There was a motion by Paul Moxley to approve Resolution 2006-R-8 approving the 2006-2007 fiscal budgets for the Town of Alta and setting the Certified Tax Rate at .001280 which would generate tax revenue of \$257,578. There was a second by Steve Gilman and the motion was carried.

5. Alta Town Council Meeting Calendar for Fiscal Year 2006-2007

The Mayor explained that we must set a Town Council meeting schedule every year. Our meetings will be held the second Thursday of each month except for June, when the meeting will be held the third Thursday.

There was a motion by Steve Gilman to approve the meeting schedule for fiscal year 2006-2007 as submitted. There was a second by Paul Moxley and the motion was carried.

The Mayor mentioned that the agenda reflected a possible action by the Council to approve a closed door meeting to discuss possible litigation and real property negotiations. The Town Council, after some discussion, decided not to hold a closed door meeting.

Informational Items

Update on Zinc TMDL – Laura McIndoe

Laura McIndoe summarized the status of the Little Cottonwood Abandoned Mine Coalition's project to address elevated levels of zinc in Little Cottonwood Creek. Zinc has been detected in the Little Cottonwood Creek at concentrations that are harmful to trout. The Little Cottonwood Abandoned Mine Coalition is a partnership between federal, state, and local governments, private corporations, and non-profit groups. The Coalition is applying for an EPA grant to create a permanent Alta Fen to filter zinc from one of the main sources of zinc to the creek. Laura reported on some of the logistical issues associated with construction of the fen and applying for the EPA grant.

The Mayor then announced that due to the tragic death of Councilmember Bill Lennon, the Town Council will have to vote to appoint a replacement. The Town is required to post a notice of the Town Council vacancy two weeks prior to the meeting at which that vote will take place. This meeting will be held in July or August depending upon councilmembers' summer schedules. A quorum, comprised of three councilmembers, must be present to vote on the appointment.

In closing, the Mayor commented it was so great to see the strength of this community shine through at Bill's memorial and it makes him feel really good to be part of the support that was shown for everything Bill Lennon has done for Alta.

Hearing no further business before the Town Council, the meeting was adjourned.

Passed and approved on the _____ day of _____, 2006

Attest:

Katherine S.W. Black, Town Clerk

