

**MINUTES
ALTA TOWN COUNCIL MEETING
THURSDAY, JULY 11, 2013
10:00 AM
ALTA COMMUNITY CENTER
ALTA, UTAH**

1. The Mayor called the meeting to order at 9:30 am. All members of the Town Council were present.
2. WORKSESSION: Discussion on business license fee study and fee structure

The Mayor announced that this work session was called to address the business license fee study and whether the Town Council would like to move forward with any changes to the current ordinance and fee structure for licensing businesses in the Town of Alta.

The Mayor commented that Jeanette from Zions Bank presented her study and there had been some questions on how that study was prepared. With any kind of study like this, the Mayor felt that maybe there could have been a better way of approaching this issue. The Mayor went on to explain that the reason the Town did the study was to establish a base line on what the Town could charge. Jeannette approach to this matter was consistent with how she approached studies for other cities and towns.

The Mayor felt that what the Council needed to look at not what was or was not included in the study but what the maximum the Town could collect for a business licenses. The Mayor does not want the Town to charge anywhere near that high a price for business licenses.

The Mayor felt that the first thing the Town needs to do is accept the study for what it is. Then the Council can go through and decide if it wants to look at changing the fee at all or what level the Council would like to get to with license fees. The Mayor felt that we needed to look at covering costs for running and administering the business license department.

Cliff Curry opined that this study purports to define the maximum the Town could recover for business license fees; that is something we have all understood. Cliff went on to opine that that does not excuse us from examining the basis of the costs.

The Mayor commented that one of the things that is in the current model the Town uses is a factor that asks how many employees a business has; a fee is imposed for each of those employees. One of the components in Jeannette's study that has been controversial is the fee for parking patrol. The Mayor explained that the Marshal's department spends a lot of time in the evenings clearing the parking in Town during the winter and about 90% of those issues involve employee cars. As a result, the Mayor feels that the Council should keep an "employee factor" in the fee schedule because there are direct costs to the Town associated with operating the businesses in town.

Cliff went on to comment about the enhanced costs that Jeanette came up with in her study and that those costs should relate to businesses that are different than other businesses in Town. Cliff gave some examples that are found in other communities; a sports stadium, pawn shop and an oil refinery. In Alta we are all in the same business; resort business. Everyone that comes to our Town does so by using a car, bus, carpooling and private shuttle. Cliff feels that the parking costs outlined in the study are proportionate to the size of the business and the Town currently recovers proportionate taxes related to

the size of the business through sales and property tax. In Cliff's opinion what the Town is trying get at with business licensing is the cost of issuing a business license and that is it.

Harris felt it was not just the cost of issuing a business license but the cost regulating a business. Paul opined that the Town is losing money on the licensing of businesses but Cliff countered that it depends on what we count.

The Mayor referred to the direct costs in the study and feels that the base fee outlined in the direct costs was a good place to start. The Council agreed that this base fee was justifiable. The Mayor went on to ask the Council if they would like to take a portion of the enhanced and disproportionate costs and add them to the base fee.

The Mayor commented on the fire inspection costs for all the businesses and felt that those costs were identifiable. He did not necessarily feel that the Town should recoup the entire costs of this service and pass that cost on to the businesses. The Mayor also feels that the general fund through its collection of sales and property tax should help pay for the cost of regulating businesses in the Town. The Mayor feels that the Town should keep some part of the employee component in the business license fees.

Cliff felt that as long as the Town can get reliable back up data for the fire inspections costs, then that can serve as a proxy for the size of the business. Even though it supposed to be just the cost of licensing, the big businesses in town could take more of the share and give a little break to the smaller businesses.

Piper asked if this was replacing the fee per employee that the current fee schedule imposes. Cliff said yes because he feels the fee per employee is a discredited way to license businesses: the code said the fee has to be consistent within a class of business.

The Mayor pointed out that when he is calculating is business license he considers most of his employees part time because they only work 6 months of the year. The ordinance needs to define this more clearly so every business in Town pays the same fee for each of its seasonal employees.

Paul wanted to know what kind of money we were talking about: the difference between what we are currently collecting and what we would collect if we charged the maximum. The second question Paul asked is how to we compare to other communities. The Mayor explained that currently the Town collects \$9,157 and if we took the maximum amount the study said we could collect we would collect \$22,000. The Mayor would like to see the Town collect around \$14,000 for business licenses which would be a 50% increase in total revenue we receive.

Cliff would like to see the backup data on the disproportionate regulatory costs relating to the fire inspections: has the UFA verified the costs that were part of the study. Piper confirmed that these costs came straight from UFA and offered to go back to them with a further request for more information. Cliff mentioned that those numbers came to us three months ago and at the last meeting we found out that there were some questions as to the last time businesses were inspected by UFA. Cliff asked if staff could update data from UFA.

Harris asked how long term the decision is by the Town Council. The Mayor said it could be year to year but whatever decision is made on fees the fees will probably remain for a few years. Harris went on to opine that basically we will be making a decision based on the best information we have today and over time if the Council gets new information or better information we can revisit this matter.

Cliff answered by saying that the cost of the study was amortized over a period of five years and was factored into the fee structure.

Harris asked Katie Lewis if the Town relies on the report, can the Town Council defend its decision adequately. Katie confirmed that the Town could defend their decision based on the study that was done by Zions Bank.

Based on the fact that the Town would not be actually collecting a lot more money based on this study, Harris would not recommend that we go deeper into the underlying data at this point in time.

Cliff would agree that we not go back to Zions and pay them an hourly wage to analysis more data. But believes that a lot of the data that the study relies on is shaky at best. Harris does not feel it is a good use of Council meeting time to question the underlying data. Cliff went on to reiterate that he questions the data and that is what the Council is here for.

Paul mentioned that the Mayor is looking at collecting \$14,000 in business license fees and asked Cliff what number is would like to see the Town collect. Cliff opined that there is not a number that he likes but he thinks that we have arrived at a near consensus on the base administrative costs. He went on to explain that we ought to give the little guys a break and the fire inspection costs are as good a proxy as any as long as we can go back and ask UFA for better data on their fire inspections.

Piper commented that she has spoken with Stewart Gray from UFA and he does stand by the numbers that were given to Jeannette because of the time and personnel costs involved with inspection was calculated by UFA for each business inspection.

Harris asked Cliff what he would like the Council to do if he does not like the numbers from the report and does not like the numbers that we got from UFA. Cliff responded by stating that he would like better numbers from UFA and he is not looking to audit their numbers.

Merebea opined that council is in agreement that they do not want to charge the businesses the maximum it could for licensing. Merebea felt what we charge should be justifiable and who cares about the rest of the costs that we are not capturing: is it a good use of time.

Cliff went on to opine that it might be fine if we are not capturing all of the costs but questioned whether the Town is starting with reliable information.

The Mayor went over the process he went through in creating a new sewer and water rate structure that was equitable for each business and homeowner. The Mayor went on and stated that he feels everyone feels good about the direct cost fee that the study came up with and if we were to pass on only those direct costs the Town would generate \$9,200 a year. If our goal is to help raise more revenue to offset the costs of regulating businesses in the Town then he thinks the Council needs to found a way to equitably way of distributing that among the businesses: charging for employees by using an employee count or a fire inspection count.

Paul commented that the Council has been saying the difference between what is collected and what could be collected is not a lot of money so how much time to we want to spend on this matter. Paul

also opined that this is a tough place to do business and if the percentage increase is substantial for some businesses, then maybe we should consider leaving the fee structure the way it is.

Harris had some questions about the spread sheet as it relates to the total cost to the first category of businesses. Piper explained that the enhanced costs for parking are only factored into the lodges and the Ski Lift company so that is why their costs are much higher.

The Mayor summarized Cliff's request; staff should re-analysis the UFA inspection costs and have staff come up with an equitable way to distribute any of the extra costs across the board.

It was Cliff's understanding that the reason that we got away from the employee count method was that it was discredited way of determining proportionate costs.

Harris would not like the record to stand that the Town felt this was garbage in considering that the Town hired this consultant to do this study. If the Council feels like this, then Harris thinks we should revisit the way the Town hires consultants.

Kate clarified that charging per employee is still a way some cities charge for business licenses and Jeannette confirmed this during her presentation. In Kate's opinion the Council should not throw out the concept of charging for each employee to arrive at an equitable way to charge all businesses.

The Mayor opined that there is a burden on the smaller businesses if the Council decides to go with the base fee of \$125. Small businesses are currently being charged \$75 per year and that is a considerable increase.

3. Mayor's Report

The Mayor expressed his condolences on behalf of the Town to Nick Nichols whose son passed away this last weekend.

The Mayor thanked everyone for pitching in during the recent deluge of rain that resulted in road closures. There will be ongoing repairs to the road as a result of the rain including the replacement of major culverts in the canyon.

The Mayor updated the Council on the fiber optics project in the canyon. On July 2nd the Forest Service signed a decision order to move forward with this project which triggers a 45 day appeal process.

The Mayor and staff continue to attend the Wasatch Summit meetings.

The Mayor attended the June 18th UFA meeting where the budget was passed for the 13/14 fiscal year.

The Mayor gave an update on the most recent Conference of Mayor's meeting where the biggest topic of discussion was the possible increase in gas tax to fund ongoing road maintenance in the state.

The Town purchased new replacement media for the antimony treatment plant.

The summer road opened on July 4th and the first food truck vendor was in place during that first weekend.

4. Treasurer's Report

Marc Dippo read the monthly report.

Hearing no comment or questions, there was a motion by Harris Sondak to approve the monthly report as read. There was a second by Merebea Danforth and the motion as carried.

5. Departmental Report

Town Administrator's Report: John reported on the two lawsuits that are still active. Paul Moxley and John updated the Council on the five hour hearing on the Shrontz Estate case on June 20th.

John gave a report on the recent building permits issued and the fees associated with those permits.

John updated the Council on the July 1st Planning Commission meeting. The Commission has finished up reviewing Zone A, B, and C. (See attached detail) The Planning Commission will hold a public hearing on these proposals on Wednesday, August 14th at 4:00 pm at the Alta community Center/Library.

John also mentioned that the Planning Commission is reviewing ways to "screen" the mechanicals that are the roofs of all the buildings. (See attached)

John reported on his most recent conversation on the Town's land conveyance with the Forest Service on the title work and survey. They are making progress on the title work and hopefully we should have some serious progress on this matter before winter. Harris asked if the BLM title work was directed to just the parcels of land for conveyance. John said they would be expanded their title work to include old Public Trust land as well as Forest Service land sold to some of the lodges.

Cliff asked if the Town and Forest Service have settled on what the "dirt" will be or are we still waiting on the survey to come back. John explained that the Town has settled on the land around Alta Central/Town Office buildings, Fire Station and the Water Building. We are also looking at an area between the Albion Ticket Sales building and the Snowpine for a proposed community center. We have a total of two acres that we can work with and under our current special use permits we have less than ¼ acres of land. We are also looking at possible garbage/recycling building near the water building.

On July 17th from 6:00 to 8:00 pm Salt Lake County is holding an open house for the General Plan revisions which address the general plans for the canyons along the Wasatch Front.

John reported that there will be five (5) more gas exs put in place this summer and the Town has met with the contractors who will be completing this work. They will be using a helicopter for a couple of hours in the morning to get personnel and equipment to these sites.

John reported that the debris on the side of the road near the power plant has finally been removed by Salt Lake County.

Assistant Town Administrator: Claire Woodman reminded everyone of the 2nd annual trail restoration day on Saturday July 13th. There are also ongoing stewardship programs throughout the summer.

Claire reported on the success of the food carts that have come up on the weekends. They will continue through July.

Claire mentioned that in August the Council will be asked to discuss the Interlocal Agreement for the Wasatch Summit Study.

Claire updated the Council on the zinc impairment project. A group of agencies applied for a \$24,000 grant from the EPA to install a limestone channel to remediate some of the issues related to the water coming out of the Howland Tunnel. These funds will be used for a pilot project that will separate the waterways: surface water vs. water coming out of the tunnel. Testing will take place on the water and if after a few years the results are positive then they will actually treat the water with funding through the Wasatch Legacy Project and the National Forest Foundation.

Claire and Mike attended two days of training at the County EOC where they learning about Web EOC. The County is also thinking about conducting training for Chief Executive Officers.

Claire reminded the Council that if an emergency is declared the Council needs to know who the chief executive officer is for the Town. Claire pointed out that there is a binder in her office that explains the line of succession which was established by resolution of the Town Council. The line of succession is Mayor Tom Pollard, Council members Paul Moxley, Cliff Curry, Harris Sondak and Merebea Danforth. If the entire Council is out of Town, the next in line would be John Guldner, Kate Black and Mike Morey. The Declaration of Emergency forms are also in the binder.

Claire reported that a few months ago the Town, FOA, CCF, Forest Service and the Ski Area applied for a two grants: one was for mountain bike trail building education and the other was for more informational and educational trailhead signs. The groups we were denied the mountain bike training grant but it looks like they received the grant for the trailhead signs. Those funds will become available in the fall of this year.

Town Marshal's Report: Mike Morey reported on a recent case where a cell phone went missing and was found because of an application the owner had installed on their phone. Mike will comment on the fireworks ordinance later in the meeting.

UFA Report: Jay from station 13th asked everyone to be cautious during this time of year as it is very dry and hot in the canyons.

6. Town Council Minutes – June 20, 2013

There was a motion by Merebea Danforth to approve the minutes of the June 20, 2013 Town Council meeting. There was a second by Cliff Curry. Hearing no comments, questions or corrections the Mayor called for a vote on the motion and the motion was carried.

7. Resolution 2013-R-6: A resolution to waive business license fees for mobile food vendors for the summer of 2013.

The Mayor reported that at the June meeting of the Town Council the Council talked about waiving the business license fee for the food vendors this summer. The Town then established a procedure that was not correct so the Mayor is asking the Council to pass a resolution that will officially waive the fee for

the food vendors for the summer of 2013. The Mayor explained that he issued an executive order to authorize the start of the process so the food vendors could proceed before today's meeting.

There was a motion by Cliff Curry to approve Resolution 2013-R-6 authorizing the waiving of business license fees for the food vendors for the summer of 2013. There was a second by Harris Sondak and the motion was carried.

8. Resolution 2013-R-7: A resolution approving three year equipment lease agreement with Zions First National Bank to fund the purchase of a 2013 Toyota Tacoma.

The Mayor explained that part of this lease is an opinion given by legal counsel. The funding of the lease was part of the 2013/2014 fiscal budget that was approved in June of 2013. Katie Lewis commented that she has reviewed the lease and has a draft opinion that says the lease is enforceable. Katie also opined that the Town has the authority to sign the lease and has addressed other matters as it relates to the lease in her opinion. This opinion will be sent directly to Zions Bank by July 17th when the bank has indicated they will fund the lease. Katie recommended to the Council that they approve the lease if they choose to do so.

There was a motion by Merebea Danforth to approve Resolution 2013-R-7 which approves a three year equipment lease with Zions First National Bank to fund the purchase of the 2013 Toyota Tacoma. There was a second by Paul Moxley. Hearing no comments or questions, the Mayor called for a vote on the motion. The vote was unanimous and the motion was carried.

9. Contribution Agreement between the Town of Alta and the Alta Chamber & Visitors Bureau.

Kate Black passed on Dobber Price's apologies for not attending this meeting. Dobber passed on his thanks for the Town's continued support of ACVB. Kate explained that the Town Council, in passing the 2013/2014 budget in June, approved a contribution to ACVB of \$60,000 which will be distributed in monthly payments of \$5,000. Kate went on to explain that this agreement lays out certain expectations of ACVB. The agreement was drafted by Katie Lewis and this year's interlocal mirrors past years' agreements. The only changes are the dates.

There was a motion by Paul Moxley to approve the Interlocal Contribution Agreement between the Town of Alta and ACVB. There was a second by Cliff Curry. Hearing no comments or questions, the Mayor called for a vote on the motion and it was carried.

10. Business license study and fee structure.

The Mayor asked Cliff to work with staff to get some clarifications on some of the costs discussed in the work session and come back with a recommendation for the next Town Council meeting. Cliff asked that if the Town generates a fee as opposed to a tax, does the Council need to have a hearing on this matter.

Kate explained that all fees such as this that are imposed by the Town are passed by resolution and not by ordinance. If the Town needs to change the wording of the business license ordinance, then those changes must be made in a public meeting.

Piper asked Jay Torgersen from UFA to explain the fire inspection process and how they arrived at a cost for those services. Jay explained that Zions Bank, who completed this study, asked UFA to determine the cost to complete a fire inspection on different businesses in the Town. Jay said they based their estimate on prior experiences with similar types of businesses in the valley. They also had Wayne Rogers, who is retired but has a lot of experience in the canyon, to come up and assist the current fire fighters with estimates on buildings in Alta.

The estimate was based on the time to drive to the specific business, the amount of time to go through the individual business, the amount of time to drive back to the station, and the amount of time to prepare the paper work and follow up if necessary. Jay emphasized that these were all estimates based on past experiences and should be fairly accurate. The estimates may vary depending on what the inspector finds in his/her walk through of the business.

Harris asked if the inspections are done in the winter or summer months. Jay explained that they can be done at any time of the year and should be done at least once every calendar year. Jay opined that it would make sense to probably have those inspections done at the beginning of the lodging season. Jay also felt that it might not be bad idea to do a walk through in the summer season so that if there are issues there is plenty of time to address those issues during the off season.

Jay explained that they have three different platoons at the station 113 at Snowbird and they are trying to familiarize each of the fire fighters with the buildings in the canyon. Jay said he will work with Piper to make sure the inspections are done every year and will follow up with the fire prevention office if there is something big in one of the businesses that needs to be addressed.

Cliff asked if UFA was planning to inspect all businesses in the Town that were open to the public. Jay confirmed that UFA has a list of all the business licenses that are issued by the Town and every one of those businesses should have a corresponding fire inspection report tied to it.

Harris felt that the time it took to complete the inspection could be tied to how much snow there was at that time of the year.

Merebea asked if UFA had a good estimate on the smaller lodges and private homes that are rented out. Jay responded by saying that private homes are new to them and are not inspected in other areas in their jurisdiction. Jay opined that it should be pretty straight forward and if it is a typical condo unit or a three bedroom home it should be fairly quick and easy. The areas they would be checking in the private homes would be fire extinguishers, access and egress, a fire suppression system if they have one, and electrical issues.

Harris thought it would be helpful for the Council to know what the base cost is for UFA to go to any of the smaller lodges, condos and homes and could that cost be tied to a cost per bedroom or front door. Jay explained that they came up with a 31 minute time frame for the smaller businesses.

Marcus Dippo asked if anyone from UFA comes up from the valley to do inspections with the crew from Station 113. Jay said it is usually just the crew from the fire station unless there something tricky and in that case they do consult with folks from the valley. In the case of day cares, they are inspected quarterly.

Marcus asked if it was beneficial for each of the three platoons to walk through each business to become familiar with that business. Jay would agree with this went on to say that all the fire fighters from this station are encouraged to walk through each of the buildings to become familiar with the layout and floor plans.

11. Discussion of the proposed fireworks ordinance.

The Mayor explained that this matter was brought to the attention of the cities and towns by the UFA board because of some changes in the state statute that says that fire and fire bans in municipalities must be regulated by the individual municipality.

Mike Morey explained that currently we have state agencies issuing bans that in some instances create jurisdictional problems. Municipalities are having problems with enforcement of orders that are given out by state agencies. There is also concern that the small tents that are selling fireworks are being treated fairly. Although the state has said this is a municipal matter now, they have taken it a step further and said municipalities may not issue a blanket ban on fireworks. The exception is that the municipality can articulate out that they are in a unique and special urban interface situation. Mike feels that situation currently exists in Alta during certain times of the year. It would be hard for the Town to defend that in January when there is a lot of snow on the ground. The Town has always issued a blanket ban.

Accordingly, Mike prepared a draft ordinance for the Town Council to discuss and review. The ordinance addresses the seasonal nature of fire danger and as a result the ordinance will allow the Town to issue a ban from the months of May through November. It would allow fireworks during times such as New Years and the Chinese New Year's. These holidays are the only legal holidays when you are allowed to discharge fireworks.

Mike explained that our current ordinance did not address the big commercial companies that "let off" fireworks. We have not had a regulation process in place for this situation. The draft ordinance addresses a permit requirement and application process in cooperation with UFA. The draft ordinance also gives the Town Council authority to impose or waive a fee for a commercial fireworks demonstration. An example would be the torchlight on New Year's in Alta.

Mike stated that the draft also articulates what the penalties would be for violating the ordinance. The penalty would be an infraction to improperly discharge fireworks and a class C misdemeanor to violate an open flame ban issued by the Town. A Class C misdemeanor is the least serious misdemeanor.

Cliff commented on the private commercial fireworks displays by opining that he does not have a problem with events such as the torchlight but does have a different feeling about someone letting off a fireworks display in celebration of let's say of a 60th birthday at 10:00 at night. Mike explained that he has had inquiries from commercial businesses in Town to let off fireworks and their department found themselves in a position of not knowing what to say.

Harris asked if there were "time of day" restrictions on when you can use fireworks. Mike explained that there are and they are regulated by state code. The Mayor brought up the ban on open flames and how that does not apply to barbeques on private property. Merebea asked how this affects campfires at the campground. Mike explained that it could restrict those in extreme situations and if there is a

compelling public safety concern. Because the campground is in the Town of Alta, the Town can also place restrictions on campfires.

The Mayor then asked that if the State Forester issues a ban on open flames would that apply to the Town. Mike explained that the ordinance addresses reciprocal agreements between agencies. For example if an agency with competent jurisdiction issues a ban, this ordinance would give us local authority to take action in the campground provided that agency has proper jurisdiction.

Katie would like to address some minor “clean ups” to the proposed ordinance and will talk with Mike before the next meeting of the Council.

12. Change date of the August 2013 Town Council meeting.

The Mayor made a motion to move the date of the August Town Council meeting from August 8th to August 15th. There was a second by Merebea Danforth and the motion was carried.

13. Closed door meeting to discuss litigation matter.

The Mayor saw no need to have a closed door meeting.

14. New Business

There was no new business brought forward by the Town Council.

15. Citizen Input

Roger Bourke asked about a phone message from Rocky Mountain Power that said his power was going to be off today and tomorrow from 9:00 am to 3:00 pm. Mike Morey commented that the Town was informed by a source other than RMP that the power was going to be shut off for 30 homes in around the top of the bypass road only. Notes have been left on the doors of those homes.

Mark Haik commented on the discussion of the agreement with the ACVB by saying that the Council should discuss and disclose what the goals of the relationship between the Town and ACVB. He pointed to the agreement that the funds set forth provide for amongst other things... “the safety, health, moral well-being.....” It was notable that Mr. Moxley disclosed to the Judge in the hearing that the revenues are declining in the Town and Mr. Branch at the Planning Commission reported that the none of the businesses in the base facility zone have any plans for capital reinvestment and the lodges are only full two weeks of the year. Mr. Haik wanted to know what the Town’s aspirations were for the expenditure of these funds and wanted to know how the Town is going to measure that.

16. Motion to adjourn

Hearing no further business before the Town Council, there was a motion by Paul Moxley to adjourn the meeting. There was a motion by Cliff Curry and the motion as carried.

Passed and approved this 15th day of August, 2013.

s/Katherine S.W. Black
Town Clerk

TREASURER'S REPORT
11-Jul-13

MAJOR BILLS PAID

Payroll	\$33,840.19	
Payroll Taxes	\$14,967.03	
Health and Dental Insurance	\$12,227.00	
Morgan Paving - striping near booth	\$750.00	
Telephone Expenses	\$541.71	
Energy Expenses	\$1,665.55	
Alta Ski Lifts-Summer Rd Work & Placement of Booth	\$1,420.00	
Recycling Costs	\$880.00	
Other Town Bills	\$2,058.59	
Total	\$68,350.07	

MAJOR REVENUES RECEIVED

Sales Tax /Resort - April Collections	\$43,103.60	
Sales Tax/Uniform - April Collections	\$78,980.39	
Court Fines	\$300.00	
Dog Licenses	\$150.00	
Donations: Booth and Shuttle	\$704.80	
Homeland Security Grant Reimbursement	\$1,089.99	
Post Office	\$1,166.67	
Total	\$125,495.45	

General Fund Checking	\$30,264.78
General Fund Savings	\$503,782.06

