

**Town of Hideout, UT**  
**Town Council Meeting Minutes**  
**November 18, 2010**

**I. Call to Order and Pledge of Allegiance**

Mayor Bob Martino called to order the meeting of the Town Council of the Town of Hideout at 3:30 p.m. on November 18, 2010 at 10837 N. Hideout Trail, Hideout UT 84036, and led the Pledge of Allegiance.

**II. Roll Call**

Mayor Martino conducted a roll call. The following Council Members were present:  
Bill Downing  
Dean Heavrin  
Lana Martino  
Jim Wahl

Also attending: Town Clerk Lynette Hallam  
Others in attendance: Marc Edminster, Ralph Hall, Tenille Tingey and Dennis VandenAkker

**III Minutes - Consideration and Approval of Minutes for Regular Meeting of October 14, 2010**

Mayor Martino introduced the minutes of October 14, 2010 for consideration and approval.

Council Member Wahl made the motion to approve the minutes of the October 14, 2010 meeting. Council Member Heavrin seconded the motion. The motion carried with a vote of 4-0, with Council Members Martino, Downing, Wahl and Heavrin voting approval.

**IV New Business**

Mayor Bob Martino reported on activities which have taken place since last month's meeting.

The mayor indicated he had attended a meeting concerning the application for CDBG (Community Development Block Grant) funds for the Pedestrian Tunnel. The mayor said his presentation concerning the application was well received and the responses were

positive. Mountainland Association of Governments (MAG) is very involved in the program which provides grants for certain demographics. The fund available for projects in Summit and Wasatch Counties is approximately \$500,000. The bid that Hideout has received for the project is \$337,000; and there is the possibility of receiving severely reduced funds from what has been applied for, possibly \$150,000 to \$175,000. Other sources for funding should definitely be pursued. Possibilities of sources were discussed including UDOT (Utah Department of Transportation) and Wasatch County. Possible fund-raising opportunities at Todd Hollow Apartment Complex were also discussed. One thing that will help the application is if Hideout also contributes; B&C money could be used for this. Mayor Martino asked the Council to consider making a contribution of \$5,000 from the Town resources towards the tunnel. Secondly, the mayor asked the Council for any ideas for additional funding sources. A fundraiser at Todd Hollow was suggested; it will be important to help the residents to understand the long-term objectives including the Community Center, beach, etc.

Ralph Hall suggested the Deer Mountain Home Owners Association should be contacted to solicit contributions. Mayor Martino stated he was not sure if the tunnel would be a benefit to those residents. The mayor opined that Wasatch County may be an option for contributions. Dean Heavrin suggested that the mayor contact the COG (Council of Governments) concerning the road funds that were available. Mayor Martino indicated he would check into it.

Dean Heavrin asked if the project was going to be a tunnel or a bridge. Mayor Martino replied at the present time the tunnel is being considered, but there could be the possibility of the bridge. There also could be the option to phase the project.

Mayor Martino reported that the B&C Road money was also affected by the same incorrect population number which affected the Sales Tax Distribution. Steps are being taken to correct the mistake.

Lana Martino motioned that Hideout Town contribute \$5,000 to the pedestrian tunnel project if the project goes ahead. Dean Heavrin seconded the motion. The motion passed with affirmative votes from Council Members Heavrin, Wahl, Downing and Martino.

Clerk Lynette Hallam outlined that the South Summit High School Spanish Club has been asked to complete the survey required for the CDBG application and detailed how it is being conducted.

1. **Public Hearing – Consideration of Potential Projects for which Funding will be applied for under the CDBG Small Cities Program**

Mayor Martino opened the public hearing for the CDBG Program and stated that this hearing is being called to consider potential projects for which funding may be applied under the 2010 Community Development Block Grant Program. It was explained that the grant money must be spent on projects benefiting primarily low and moderate income

persons. The Mountainland Association of Governments in which Hideout Town is a member is expecting to receive approximately \$500,000 in this new program year. All eligible activities that can be accomplished under this program are identified in the CDBG Application Guide and interested persons can review it at any time. Mayor Martino indicated public safety was one of the types of projects which would be considered. Mayor Martino indicated that in the past Hideout Town has not received grants from the CDBG. The Town will adopt later in this meeting a Capital Improvements Plan which is part of the regional “Consolidated Plan”. This list shows which projects the Town has identified as being needed in the community.

Mayor Martino opened the meeting to suggestions from the audience. Ralph Hall indicated he was not familiar enough to the Town needs to comment.

Mayor Martino closed the public hearing and opened discussion from the Town Council. Council Member Martino mentioned the tunnel by Todd Hollow. Mayor Martino offered that the overall plan would bring a trail from Todd Hollow to the tunnel and then to the hard surfaced trails on the other side of the tunnel which at present go to the park and ride lot. In the future, there will be more trails and efforts will be made to continue to advance and develop the trail system. Council Member Downing mentioned the trails would eventually go to the athletic fields beside SR248 going into Park City. The trail system will go through both Wasatch and Summit Counties.

## **2. Discussion of Bonding for City Hall/Community Center – Mark Edminster**

Mayor Bob Martino introduced Marc Edminster from Lewis, Young, Robertson and Burningham, Inc., who had come to talk to the Council about bonding and address the financing avenues for a City Hall.

Marc Edminster introduced his associate, Tenille Tingey, from the consulting division of their firm. Mr. Edminster indicated he worked with the financing end of the process. Mr. Edminster indicated he had previously met with Council Members Heavrin and **Wahl** concerning the options for financing capital projects. At that meeting impact fees were discussed; that is Ms. Tingey’s area of expertise. Inasmuch as Ms. Tingey had to leave early, Mr. Edminster asked if there were any questions concerning impact fees.

Mayor Martino asked about the necessity to do a study before enacting an impact fee. Tenille Tingey outlined the steps included the need for a Capital Facilities Plan, and then the impact fee study would take place. There will need to be a meeting in which Hideout would hire the consultants to do the study. The next step would be a meeting to adopt the impact fee. Ms. Tingey recommended that the highest possible impact fee be adopted to allow for growth. The mayor asked how often the fees should be updated. Tenille Tingey indicated they can be updated any time but it is recommended they be updated every three years when the Capital Facilities Plan is updated.

Council Member Dean Heavrin if there could be an impact fee charged for the proposed City Hall. Tenille Tingey replied that impact fees were restricted to Public Safety, Water, Sewer, Fire and Police. A City Hall itself is not impact fee eligible; however, if that building also housed Public Works or Police, that portion of the building would be eligible for impact fees. Marc Edminster indicated a Capital Facilities Plan will have to be adopted mapping out the needed improvements and how they will be paid for, etc.

Council Member Heavrin asked how we go about deciding the impact fee size wise. Tenille Tingey stated that in the overall plan, there is a build-out horizon. The process looks at land use, acreage, density, etc., and then an estimate is reached concerning build out. Facilities are sized for that build out. Impact fees have to be spent with six years after they are received. Marc Edminster indicated impact fees can be used on projects but they are not good collateral for bonds; they can't be pledged as collateral but can be used for debt payment.

Mr. Edminster said there is no one type of bond that fits every scenario; and there broad categories. General Obligation bonds require an election. There are not too many restrictions; they can be used for brick and mortar but not for maintenance. GO bonds are secured by the ability to raise property taxes to whatever level the property is assessed. The ability to raise property taxes so that bond payments can be made make General Obligation bonds some of the safest for the investor, and they carry the lowest interest rates. The limitations of these bonds are the need for an election which can be held in June or November. There is also the issue that the bond election may not pass. If the project has to be done, General Obligation bonds may not be best because of the timing issues.

Mark Edminster then talked about Revenue bonds which are backed by some source. If it is for water or sewer, it is backed by Enterprise Funds. The service makes the money; and the borrower pledges the revenue stream. Bond holders are told that the entity will raise rates if necessary to pay back; expenditures are matched to revenues. There is no vote required and these bonds are pretty reliable and safe.

The next type of bond covered by Mr. Edminster was Sales Tax bonds which have recently been approved by the Legislature. These are secured by the sales tax revenues and can be used for any kind of project. There is no vote required; but public hearings have to be held. There is a limitation on how much these can be issued for. Eighty percent of the previous years property tax is required for debt service before bonds can be issued. For a large project, this type of bond may not be able to be issued for enough. In municipalities with a large population base and retail base, these are a better fit.

Mr. Edminster indicated the next type of bonding was lease/revenue bonds which would be fairly useful for the Town. For this type of bond, a Local Building Authority (LBA) would have to be set up. The Town Council will be the board of the LBA. The local building authority has the statutory ability to issue bonds in their own name as the LBA, build projects and then lease them back to the Town. The amount of lease payment equals debt service payment on the bonds. Under Utah law it is not considered debt; debt

obligates future Councils to make payments. On a lease/revenue bond, the amount owed is appropriated annually. If it is a twenty-year contract, it would be twenty one-year back-to-back lease payments. Each year, the Council could decide not to make the payment and the issuer would take over the building. Once a Local Building Authority is created it stays in effect in perpetuity.

When planning a Town Hall, it should be sufficient for well into the future. The space that is not needed at the present time could be leased out. If it is leased to a taxable entity, Mr. Edminster advised that the bond cannot not be done on a tax-exempt basis; and the interest rate would be higher. The portion of the building not used for tax-free activities can be split out and financed separately. This can be a complicated process and the Town would need to calculate what the benefit to do so would be beneficial. There may be a State agency that would be willing to purchase the bond, but they would not be willing to do so if the bond if it is largely going to be used for other entities other than the Town. The building can be leased to other non-profits or other government entities such as a sheriff sub-station which would not affect the tax-exempt basis.

The Local Building Authority can issue bonds but is not obligated to do so, but sets up the machinery so that it can if needed. It is useful if the State will purchase the debt. The State doesn't care about the type of the bond and it doesn't affect the interest rate. The Lease/Revenue bond encumbers the Town the least.

Marc Edminster discussed one further type of bond, Special Assessment Bond, in an effort to give a complete picture of options available. Mr. Edminster stated this type of bond is used if a certain area is benefitted from the project; then the homeowners in that area get a special assessment on their property tax.

Mayor Martino opined that the Lease/Revenue bond seems to be the best fit. The Town should probably talk to the Community Impact Board (CIB) to see if they would be open to purchasing the bonds. Marc Edminster agreed.

Mr. Edminster indicated that if the bonds were issued on a taxable basis, they can later be changed to tax-exempt bonds if the circumstances change. At present the tax-exempt rate is 3.5-4 percent; the taxable rate is 6%. Bond holders will want to know that the facility is an essential facility

Mayor Martino asked if a smaller project would be better. Marc Edminster stated that the big cost in this type of project is the bond attorney. If the building is done in two steps, it becomes more expensive.

Marc Edminster said that the Council could approve the concept of the Local Building Authority and next month adopt a resolution establishing the LBA. After that the by-laws will be adopted along with a parameters resolution and a notice of intent. At best, a 60-day period will be required to complete the process.

Council Member Jim Wahl felt that the Lease/Revenue bonds make sense. Marc Edminster said it was a pretty versatile mechanism and it could be redone later.

Council Member Dean Heavrin made the motion to approve forming the Local Building Authority for the Town of Hideout. Council Member Jim Wahl seconded the motion. The motion passed 4-0. Voting in favor were Council Members Martino, Downing, Wahl and Heavrin.

**3. Consideration and Possible Approval of Capital Improvements Plan**

Mayor Martino explained the concept of the Capital Improvements Plan. These are future projects which are planned for the Town. The projects are assigned a needs-based priority of Short-Term, Medium Term and Long-Term

Council Member Wahl made a motion approve the Hideout Town Capital Improvements Plan. Council Member Downing seconded the motion. The motion passed with a 4-0 vote. Voting in favor were Council Members Heavrin, Wahl, Downing and Martino.

**4. Ratify Decision concerning Purchase of Snow Plow Truck and Police Vehicle**

Mayor Martino informed the Council that after receiving all the bids for snow removal, it was decided it would make more financial sense for the Town to purchase their own truck and snow plow. Through the State Surplus the Town Was able to obtain a plow and a truck for \$10,700. The Town will be able to absorb that purchase and hire a drive for about the same amount as the bids that were received. The mayor indicated he had talked to all of the Council but wanted to formalize the decision in this meeting.

Council Member Jim Wahl motioned to approve the purchase of the truck and snow plow for \$10,700. Council Member Heavrin seconded the motion. The motion passed 4-0 with Council Members Heavrin, Wahl, Downing and Martino voting in favor.

Mayor Martino advised that the police vehicle purchase has been put on hold until an evaluation can be made of what is available. When a police officer is in place, the mayor indicated he would have him assist in the acquisition. After visiting the State Surplus Yard, it was decided that the lease of a new vehicle would not be pursued. The process will be continued.

**5. Consideration and Possible Approval of hiring a Police Officer**

Mayor Martino stated that the objective is to have a part-time police officer. The mayor said he had talked to a West Valley City Police Officer who lives in Frances. The hiring of an officer would establish police authority in Hideout Town. The areas this would be

helpful would be speed abatement and patrols through Todd Hollow and the rest of Town. The situation could be re-evaluated each year as part of the budgetary process. The officer could coordinate with dispatch and the Court systems.

Council Member Lana Martino asked about the role of the Wasatch County Sheriff's office. Mayor Martino indicated the Hideout officer would work with them and Wasatch County would cover when the Town's officer was not available. This would not compromise that relationship and would increase service and protection. The officer may be designated as the Police Chief to give him more clout. The officer the mayor has talked to is Scott Buchanan.

Council Member Heavrin made the motion to approve the hiring of a police officer. Council Member Lana Martino seconded the motion. The motion passed 4-0. Voting in favor were Council Members Martino, Downing, Wahl and Heavrin.

Mayor Martino informed the Council he would contact Scott Buchanan

**6. Consideration and approval of bills to be paid**

Council Member Lana Martino made the motion to pay the bills presented to the Council. Council Member Heavrin seconded the motion. The motion passed with a 4-0 vote. Voting in favor were Council Members Heavrin, Wahl, Downing and Wahl.

**6. Review Financial Statements**

The financial statements were previously distributed to the Council in their packets and there was a short discussion concerning the timing of the sales tax receipts.

**V PUBLIC INPUT (Any matter of Town business not scheduled on agenda)**

Dennis VandenAkker stated he attended a meeting with an electrical engineer. Dave Erichsen has also attended a lot of those meetings. The discussion was held as to what could be done to get Rocky Mountain Power to come aboard with solving some of the problems of the location of the power lines. Mr. VandenAkker indicated he will discuss this matter with the Planning Commission at their next meeting. Mr. VandenAkker said they are talking to consultants to assist in deciding what course they should take concerning power line relocation and will come back with more definitive information. Private consultants can do the relocation for less money, but RMP would need to review the plans. Mayor Martino expressed appreciation and indicated the Town was on board with the efforts.

The logo for the plow truck and police vehicle was discussed.

Council Member Lana Martino asked if the new Town entrance could be lit at night. Council Member Dean Heavrin said he would check into solar generation of power for the sign. Decorating the sign was also discussed.

Council Member Jim Wahl reported he had been to a couple Animal Migration meetings. The number 7 and number 8 worst spots for vehicles hitting deer in the State are Highway 40 around the reservoir and Highway 248 past Hideout Town. Some of the possible solutions for this would be flashing lights which would only be visible to the wildlife and lowering the speed limit. The Wasatch County office of UDOT should be contacted to request these changes. It would be beneficial if the Town Council could get some petitions signed from Todd Hollow, Deer Mountain, Tuahaye and Hideout Town.

## **VI ADJOURNMENT**

A motion by Council Member Heavrin to adjourn the meeting was seconded by Councilmember Wahl and carried 4-0.

Mayor Martino adjourned the meeting at 5:00 p.m.

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Lynette Hallam, Town Clerk

Approved:

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Mayor Robert Martino