



**TOWN OF ALPINE
SPECIAL COUNCIL MEETING
PUBLIC/ LEGAL HEARINGS
CONSIDERATION OF SRF DESIGN LOAN FOR WASTEWATER TREATMENT PLANT
AND
ANNEXATION OF ALPINE MEADOWS
JULY 6TH, 2006**

Please note: These minutes are a summary only of a tape-recorded meeting.

(clerk's note: Tape # 1 of 1 starts here)

Mayor David Lloyd called the meeting to order at 7:02 p.m. and held the pledge of allegiance. A quorum was established by the clerk through a roll call and the pledge of allegiance was conducted. Council members present: D.R. Hutchinson, Shirley Brown, Don Jorgensen, and Steve Fusco. Mayor Lloyd present also. Others present: see attached list.

PUBLIC HEARING: CONSIDERATION OF SRF DESIGN LOAN FOR WASTEWATER TREATMENT PLANT (WWTP) TO BE SUBMITTED TO THE STATE LOAN AND INVESTMENT BOARD (SLIB):

Mayor opened the public meeting to discuss and consider a resolution to apply for an SRF design loan for the new wastewater treatment plant collection system project (See DRAFT 251- Resolution No. 2006-01-07-06-2006). Mayor Lloyd read 251- Resolution No. 2006-01-07-06-2006 in its entirety. The resolution indicates a loan application in the amount of \$315,000.00 should be submitted to the State Loan and Investment Board. The mayor called for discussion and the following comments were received:

Victoria DeCora, local resident: Ms. DeCora questioned how this loan would be repaid to which the council and mayor advised sewer department user fees would repay the loan over a 20 year time frame at 2 ½% interest. Mayor Lloyd advised the Town of Alpine has been approved for design money only for the new WWTP by the SLIB as well. Ms. DeCora questioned how the Town matched monies for this grant. Leon Kjellgren advised the match for the grant was taken care of, in part, by the loan proposed tonight, as well as hook-up fees to the WWTP in the future, and also part of the match for the grant will be made by the contribution from the north side of the river if in fact the loan is initiated. Leon Kjellgren stated, "It isn't that they {North Side River Residents} are paying for anything on the south side of the river so to speak but the cash flow scenario is such that those monies can be leveraged, so to speak, to act as a portion of the Town's match. But the actual Town's match would be more appropriately defined I think as the loan amount they {Town of Alpine} are going to be forced to repay."

Leon Kjellgren, Nelson Engineering/ Town Engineering Firm: Leon Kjellgren advised the loan and grant applications regarding the WWTP are two separate issues. Originally in February 2006 when the original grant application was submitted to the SLIB, the Town of Alpine submitted a resolution just like this one tonight with the exception it was for design and construction of the treatment facility. Due to some state and federal rules, the Town of Alpine is not able to apply for both design and construction funds together at this time; consequently, the resolution being considered tonight will replace that prior resolution and the Town of Alpine is only requesting design funds in the form of a loan tonight. Another resolution will be considered in the future by the Town of Alpine Council concerning construction funding. Moreover, Mr. Kjellgren advised that until the Town of Alpine signs on the "dotted line" to accept grant funding, the Town is not obligated; however, Mr. Kjellgren advised the mayor and council that very soon they will be called upon to sign on the dotted line in order to proceed with the project. Now that the grant and loan applications are completed

Mr. Kjellgren advised a special council meeting will be held next Thursday, July 13th, 2006 as a workshop only to discuss the upcoming financing of the new WWTP and sewage collection system project. The public is welcome to attend and participate. This workshop will have North Star Utility representatives present and the possible ramifications of entering into the project will be discussed.

Victoria DeCora, local resident: Ms. Decora questioned whether North Star Utility's contribution to this project is contingent upon the annexation of Alpine Meadows. Leon Kjellgren advised as far as he is concerned it is not contingent, however, advised the question is better suited for North Star Utility. The financing plan devised in February 2006 contained no commitment/ requirement from North Star Utility to annex the project into the Town. Mr. Kjellgren advised to his knowledge the issues are two separate issues.

Bryant Brown, local resident: Mr. Brown asked whether the resolution being considered tonight contains any provision for the Town of Alpine to have secured the property where the new WWTP will be placed. Mayor Lloyd advised this issue does not need to be written within tonight's resolution as it is already underway to secure the land with the Game & Fish. Mayor Lloyd advised the Game & Fish has given the Town of Alpine written permission to do anything the Town's need to do with the property. Mr. Brown questioned whether there is an opportunity to use a portion of the funds being requested to purchase the sewer plant property to which the mayor advised with the original grant application a request was made for up to \$400,000.00 within the application for purchase of the property. To the mayor's knowledge, so far there is no problem in obtaining the funds. However, Mr. Kjellgren advised that the resolution set forth before the council tonight does not list the purchase of the property as an eligible expense under the SRF loan program. Again, Mr. Kjellgren confirmed the purchase of the WWTP property is a line-item within the grant application to the SLIB; however, it is not budgeted within the grant for the total amount of \$400,000.00 as some of the expense of purchasing the property would be covered by the north side river through a prorated share.

Mayor Lloyd asked for any other discussion or questions. The clerk offered that possible grant and/or loan money may exist through the USDA to purchase the sewer plant land in addition to the SLIB program. Again, Mayor Lloyd called for any further discussion or comments to which none were received. Mayor Lloyd asked for a motion to approve the resolution.

Steve Fusco motioned to approve 251- Resolution No. 2006-01-07-06-2006 is passed. D.R. Hutchinson seconded. Mayor Lloyd called for any further discussion. VOTE: 5- Yes; 0- No; 0- Abstain; 0- Absent

Mayor Lloyd adjourned this public hearing at 7:20 p.m.

PUBLIC HEARING REGARDING ANNEXATION OF THE ALPINE MEADOWS PROJECT:

Mayor Lloyd opened the Public Hearing AT 7:20 p.m. to discuss annexation of the Alpine Meadows Project. A roll call was established by the clerk; council members present included Don Jorgensen, D.R. Hutchinson, Shirley Brown, and Steve Fusco. Mayor Lloyd also present.

Mayor Lloyd advised the following for this public hearing:

Tonight's public hearing is called as a special meeting under W.S.S. 16-4-604 (b) which states that no business other than that advertised shall be considered at this meeting. Since the meeting was advertised as a public hearing on the annexation of the Alpine Meadows Subdivision specifically to determine if all the requirements of W.S.S. 15-1-402 have been met. Therefore, the only issue to be considered by the council at this meeting is whether the six (6) requirements in section 402 have been met. The six (6) requirements were read as follows from § 15-1-402:

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- (i) An annexation of the area is for the protection of the health, safety and welfare of the persons residing in the area and in the city or town;
- (ii) The urban development of the area sought to be annexed would constitute a natural, geographical, economical and social part of the annexing city or Town;
- (iii) The area sought to be annexed is a logical and feasible addition to the annexing city or town and the extension of basic and other services customarily available to residents of the city or town shall, within reason, be available to the area proposed to be annexed;
- (iv) The area sought to be annexed is contiguous with or adjacent to the annexing city or town, or the area meets the requirements of W.S. 15-1-407;
- (v) If the city or town does not own or operate its own electric utility, its governing body is prepared to issue one (1) or more franchises as necessary to serve the annexed area pursuant to W.S. 15-1-410; and
- (vi) The annexing city or town, not less than twenty (20) business days prior to the public hearing required by W.S. 15-1-405 (a), has sent by certified mail to all landowners and affected public utilities within the territory a summary of the proposed annexation report as required under subsection (c) of the this section and notice of the same, date and location of the public hearing required by W.S. 15-1-405 (a).

Again, Mayor Lloyd emphasized this is the only topic allowed for discussion during this hearing and discussions regarding water, sewer, and North Star Utility are not the business advertised for tonight, and, therefore, cannot be considered. Such issues and concerns should be addressed at a regular council or special council meeting called for that purpose. Mayor Lloyd called for any discussion or comments from the council and public.

Copies of W.S.S. 15-1-402 of the six (6) points were distributed to the public.

Victoria DeCora, local resident: Ms. DeCora questioned the urgency of annexing Alpine Meadows as Mr. Halpin is doing nothing on the project other than sewer piping being put on the property. She believes the Town is not able to handle any additional responsibility at this time. Mayor Lloyd advised the issue of annexing the Alpine Meadows project has been in progress for two (2) years. Steve Fusco advised without annexing the property by the end of 2006, the tax revenue will not be received to the Town until 2008. The fact is no revenue will be collected for this property during 2007 even if the property is annexed now. All revenue will be given to the county's coffers rather than the Town's without annexation. Ms. DeCora questioned what facts have been given regarding the projected revenue from the project and what will be the benefit to the Town exactly. Mayor Lloyd stated that without knowing what kind of businesses will be placed in the business sector it is hard to project revenue yet. Tax revenue he feels will be generated first from business and second from residential. The commercial sector is unknown at this time. Ms. Decora asked for a rough estimate which was unknown to the mayor. Don Jorgensen advised if we wait to annex for another two years is time wasted in which the Town could gain revenue from the project; he feels the project will not cost the Town any money as all the infrastructure (streets, roads, water, and sewer) will be installed by the developer. The Town will be required to cover the area for law enforcement needs and impact fees are being researched according to Mr. Jorgensen. He believes the Town of Alpine is financially ready to annex the property and he indicated that Mike Halpin has completed a feasibility study and the study came back indicating the project should be annexed by the Town of Alpine. Ms. DeCora advised in her opinion the Town of Alpine is in a deficit and the new budget published recently provides no provision to fix the deficit. Ms. DeCora stated, "The reason I got into this whole thing was because I was pissed off because my property taxes went up and then I started going on my fact-finding mission and some of the things I found people scare the hell out of me and I don't know if we are ready to take on more responsibility." Ms. DeCora believes the picture painted by the mayor and council is not a pretty one.

Steve Fusco advised Lincoln County sets her property tax rate and the Town still assesses an 8 Mil Tax Levy. Ms. DeCora feels the mayor and council has done nothing for the community as her roads are full of holes.

Donn Wooden, local resident: Mr. Wooden advised he feels the Town of Alpine must annex Alpine Meadows and has been a proponent of annexation for some time. Annexation is the only way the Town of Alpine will survive the development across the river and to make the community whole. He is strictly opposed to the creation of two separate municipalities and referenced other communities like Marbleton/ Big Piney and Kemmerer/ Diamondville. The Town's tax base is based on the Town's population and to his knowledge 120 lots have already been sold. The dirt has been slow to turn; however, the construction business is being affected by the high wages offered by the oil fields. Mr. Wooden is concerned for the slow movement of the project, however, the lots are averaging \$85,000.00 per lot at an 8 Mil Tax Levy will put some well-needed money into the Town's coffers. Prioritizing this project must be set in order. Without annexation, the Town will still be impacted and providing services in one way or another. The only salvation, according to Mr. Wooden, is to annex and become one community. He wants the Town Council and Mayor to move forward with annexation swiftly as it will be the only increase in the Town's paycheck for sometime and should start as soon as possible.

D.R. Hutchinson, council and local resident: Mr. Hutchinson advised the Town's budget is being operated from revenues based off of the 2000 census rather than accurate population counts. With Alpine being the fastest growing Town in Wyoming seemed to miss out on the extra money given by the state to eastern Wyoming towns. The Town's budget is based on 550 population and the Town has always operated on a deficit budget according to Mayor Lloyd due to the fact the censuses are always out of date when compared to growth.

Donn Wooden, local resident: A special census was held in 1996 to obtain additional revenue which wasn't received until the next regular census. According to former Mayor Wooden the Town of Alpine started out at 200 population for revenue even though the Town had over 300 residents; roads inside the Town were not included in that particular census. All of the state and federal revenues are based on the population of the municipality according to Donn Wooden. In 1995 a new census was paid for by the Town of Alpine at \$5,500.00. The revenue produced a population of 470 in mid 1995 and in 1996 the revenues were received. Even though the new census was conducted each form of revenue such as cigarettes, gasoline, etc. had special provisions which stated they could not be raised until the next official census so the Town didn't receive any increases. The only way the Town received their fair share of the sales tax was to conduct the interim census. If the Town doesn't annex this property it will not be included possibly in the next census. Mr. Wooden agreed the Town has always operated in the deficit due to the censuses, etc.

Victoria Decora, local resident: Ms. DeCora referenced conduct of the mayor and council at a previous meeting in which the results of the water pumping tests were given to the public. She expressed concern the council was immediately ready to sell water to North Star Utility when they had no idea what it would cost to produce the water. Ms. DeCora questioned why the Town would do this. Mayor Lloyd stated, "We have not done the resolution and we will not do the resolution until we have the cost factor ready to go."

Mayor Lloyd called for additional discussion or comments to which none were received. Mayor Lloyd called for a motion that the requested Alpine Meadows annexation complies with W.S.S. 15-1-402 and to direct the staff to proceed with necessary ordinances, advertisements and paperwork preparation to proceed with the annexation.

(clerk's note: Tape #1 – Side B Starts here)

Additional comments were discussed as follows:

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Diggs Lewis, local resident: Mr. Lewis expressed frustration his name is in the Town minutes and he conducted a “Yahoo” search for his own name. He questioned the mayor and council what was being annexed in this round tonight. The Mayor clarified this annexation contains only the annexation of Alpine Meadows. Carter Wilkinson advised each of the additional possible annexation land owners need to be contacted whether they still intend to annex. The Alpine Meadows project must be annexed first and affects some of the properties being contiguous to the Town of Alpine which is a statute requirement for annexation. The Alpine Development Group to the Flying Saddle will be next for possible annexation. Mr. Lewis is against the annexation of Alpine Meadows and expressed he doesn't want the city moving closer to his property which lies in the county's jurisdiction. He feels the annexation of Alpine Meadows is being used to cure the deficit problems for the Town. He questioned what happens to North Star Utility during this process of annexation and if they furnish the water and sewer for all of these lots will the Town take over North Star Utility.

Carter Wilkinson, Town of Alpine Deputy Attorney: Carter Wilkinson advised there is a pending Wastewater Treatment Agreement with North Star Utility and discussions have included water services as well. As of right now, North Star Utility has agreed to furnish water and sewer to Alpine Junction, according to Carter Wilkinson. The Town has no desire to begin operating North Star Utility at this time, however, some discussion with the utility has centered on down the road, when the Town is ready, taking over the utilities in the area. Mr. Lewis questioned what percentage of the property taxes from the annexation will the Town really see and wanted to know exactly the figures involved. After the mayor and council explained and reiterated the exact figures are dependent upon the nature and type of businesses constructed, Mr. Lewis advised the mayor and council should have a good idea of the revenue produced through the county assessor's office.

Jim Hoover, local resident: Mr. Hoover resides on the “bench” overlooking the Alpine Meadows Subdivision and has lived there approximately one year. He feels the value of raw land compared to developed land raises significantly. If approximately 120 lots are sold at \$85,000.00 is a significant amount of revenue for the Town. His questioned whether the annexation of Alpine Meadows now will cause problems down the road and whether the ‘cart is before the horse.’ Mayor Lloyd stated, “I don't believe so. We need to annex it strictly from an income stand-point on the taxes.” Mr. Hoover believes if the intent to annex is based on tax- based income, the mayor and council should have an estimate of the amount of revenue alone from the vacant ground alone. Carter Wilkinson advised a fiscal, annexation report completed by BBC Research was based on the proposed use of the entire project which is speculation. This BBC Research report assesses the build out of Alpine Meadows, projected tax revenues, and estimated revenues and expenditures for the Town of Alpine over 20 years. Again the report is an estimation and until the project is built out it is unknown what will actually be built. Mr. Lewis expressed concern the mayor and council didn't even know the estimated figure within the report which was completed over a year ago. Ms. DeCora questioned how the mayor and council can make a decision tonight without having the estimated figures in their heads.

Dave Gustafson, Planning & Zoning Commission: Mr. Gustafson advised whether the property is annexed or not the Town of Alpine will still be required to provide emergency services. According to Dave Gustafson the local EMS and Fire Departments are dedicated regardless. He feels we should be one community and supports annexation of the Alpine Meadows project. He feels receiving revenue streams will be a slow process. The master plan being completed for the Town of Alpine recommends the annexation of the Alpine Project as well.

Victoria DeCora, local resident: Ms. DeCora questioned why anyone present tonight cannot provide the details of the financial plan. The clerk offered that the BBC Research or annexation report is a public document and asked for anyone interested approach her after the meeting to have a copy mailed to them directly. Additionally, extra copies will be made available in the clerk's office. Again, Ms. DeCora expressed concern the Town's public officials don't know what is in the document.

Don Jorgensen, council and local resident: Mr. Jorgensen advised as a council man he knows the annexation report recommends annexation regardless of having exact figures in his head and as she is an accountant

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these exact figures are more important to her by trade. Steve Fusco concurred and again reiterated annexation is a benefit to the Town of Alpine.

Mayor Lloyd called for any additional comments or questions. The clerk offered as a housekeeping item that in addition to the BBC Research annexation report she will provide a copy of prior minutes in which Ford Frick, BBC Research, came to Alpine and explained the report in depth through a public hearing. The report does indicate annexation is favorable to the Town.

Donn Wooden, local resident: After debating possible revenue amounts for the annexation of Alpine Meadows, Donn Wooden provided the following estimates:

If 120 lots are sold at \$80,000.00 a piece is \$960,000.00 in increased to assessed valuation. There will be over a million dollars in assessed value he believes initially which will increase the worth of the Town if annexed which is significant. The property tax generated on each \$80,000.00 lot at 8 Mils will also be significant alone. He expressed the reluctance when trying to incorporate the Town initially. The Town has struggled with incorporation, adopting the Alpine Water System, etc. Annexation was the only way to go initially to annex River View Meadows. Additional benefits from annexation will be from mineral royalties, voting power, etc. The snow removal will be taken care of by the developer which is significant immediate cost to the Town of Alpine. By annexing he feels the community should stand united. Budgets all the way from the top down are unbalanced and it isn't smart to interfere with the annexation of this property. He offered that he has been the only objector to the creation of North Star Utility and that he participated in hearings with the public service commission. He feels North Star Utility shouldn't have been created and they should have come to the Town.

Mayor Lloyd called for any further discussion or comments and asked for a motion. **Don Jorgensen motioned to progress with the annexation of Alpine Meadows and that we meet the six (6) guidelines/ requirements. Mayor questioned whether the annexation has been advertised and the clerk advised Mr. Wilkinson is more up on the advertising of the annexation as she has been out of state. Carter Wilkinson advised the certified mailings were completed. Mayor Lloyd called for any further discussion. VOTE: 5- Yes; 0- No; 0- Abstain; 0- Absent.**

Mayor Lloyd adjourned the meeting at 8:05 p.m.

Dave Lloyd, Mayor

Date

ATTEST:

Tracy Matthews, Clerk

Date