



**BOARD OF COUNTY
COMMISSIONERS**



TOWN COUNCIL

JOINT INFORMATION MEETING AGENDA DOCUMENTATION

PREPARATION DATE: May 31, 2018
MEETING DATE: August 6, 2018

SUBMITTING DEPARTMENT: Administration
DEPARTMENT DIRECTOR: Larry Pardee and Alyssa Watkins
PRESENTER: Roxanne Robinson

SUBJECT: Staff Recommendation on Specific Purpose Excise Tax (SPET) Process

STATEMENT/PURPOSE

At the Joint Town Council and County Commission retreat held earlier this year, the Council and Commission asked staff to present a process for proceeding with a SPET election for their consideration.

BACKGROUND/ALTERNATIVES

Town and County staff met to discuss a recommended process for proceeding with a SPET election. However, prior to the process being initiated, the Town Council and County Commission would need to provide some initial direction to the committee. Specifically the Council and Commission would need to determine:

- A. **Target Collection Period/Amount.** If the Council and Commission want to initiate a SPET process that would place items on the ballot that, if successful, would be satisfied in a specified period of time, they would need to indicate a target amount. A 1% SPET at current collection rates brings in approximately \$15Million each year. So for example if the target collection period was 3 years or \$45Million, one of the outcomes from the committee would be a recommendation for projects that would be satisfied in 3 years. *Please note that should the economy slow down, collections would take longer for the projects to be satisfied.*
- B. **Project Type.** The Council and Commission will need to provide direction to the committee on whether they are only going to consider Town and County infrastructure projects or whether they are going to consider community projects as well such as those related to the schools, hospital, culture, higher education, or other.
- C. **Election Date.** The Council and Commission will need to consider when they would like to propose SPET projects to the voters. Pursuant to Wyoming Statute, revenue generating elections can only occur in May, August or November. The Council and Commission may also wish to be sensitive to other items that may be on the ballot at the same time as proposed SPET initiatives. New regulations from the Wyoming legislature have changed the requirements to get a ballot resolution to the County Clerk and it is now a standard 110 days. The table below details upcoming windows of opportunity. **However please understand that these deadlines could change with any legislative changes.**

Upcoming SPET Election Dates and Ballot Resolution Deadlines		
Election Date	Election Type	110 Day Deadline to Provide Ballot Resolution to County Clerk
Tuesday, November 06, 2018	General	Wednesday, July 18, 2018
Tuesday, May 07, 2019	Special	Wednesday, January 16, 2019
Tuesday, August 20, 2019	Special	Wednesday, May 01, 2019
Tuesday, November 05, 2019	Special	Wednesday, July 17, 2019
Tuesday, May 05, 2020	Special	Wednesday, January 15, 2020
Tuesday, August 18, 2020	Primary	Wednesday, April 29, 2020
Tuesday, November 03, 2020	General	Wednesday, July 15, 2020

Once these initial discussions have occurred, the committee process would then begin. The steps identified by staff that would be part of the committee process are listed below.

1. **Committee Makeup.** The Committee would include the County Commissioner’s Administrator, the Town Manager, the County Clerk, the County Treasurer, and the Town Finance Director. There would not be elected officials on the committee that would also be final decision makers for the ballot initiatives selected.
2. **Committee Role.** The role of the Committee will be to vet the applications and make recommendations to the Town Council and County Commission.
3. **Timeline Identified.** Based on the direction provided by the Council and Commission, the committee would create a timeline for the Council and Commission that sets forth the application period, the review period, the target date for a recommendation to the Council and Commission, and a sufficient time period for the Council and Commission to consider, deliberate, decide on ballot initiatives, and allow time for legal staff to work with the Commissioner’s Administrator and Town Manager to craft ballot language prior to the ballot resolution deadline.
4. **Application.** An application will be finalized that will be a required submittal by the application deadline in order to be considered by the Town Council and County Commission. The application would be very similar to the one utilized in 2010 with some additional questions and a draft is attached to this staff report. It includes information about project costs, location, inflationary factors, other revenue sources, time frames for the project, cash flow, operating and maintenance budget and funding, community benefit, alignment with the comp plan, etc.
5. **Criteria Review.** The Committee will meet with a project representative for each application to understand the project being requested for consideration. The Committee will review each application and as a group will score the projects based on pre-established criteria that includes areas such as critical service, budget and funding sources, project readiness, fiscal and staff impacts on Town and/or County operations, economic impacts, meeting identified needs, statutory compliance, alignment with comprehensive plan goals, etc.
6. **Committee Outcomes.** As noted above, the Committee will make a recommendation to the Council and Commission. Based on the initial direction provided, the Committee will recommend whether projects should be considered or not considered and for those recommended for consideration, the committee will provide a prioritized list with recommended amounts. If the Council and Commission gave direction to consider both Town and County infrastructure projects as well as community projects, the Committee would prioritize these separately within each group but would also include a final list with amounts.

As noted in the draft application, the Town Council and County Commission can take the recommendation from the committee or make a different determination.

Staff recommends the Town Council and County Commission consider the recommendation from staff and adopt the process as outlined in the staff report.

The Town Council and County Commission have options available to them including:

1. Adopt the SPET process as outlined in the staff report.
2. Discuss the proposed SPET process and delay action on approving the process until such time that the Council and Commission want to pursue placing SPET initiatives on the ballot.
3. Make changes to the process and adopt as amended.
4. Take no action.
5. Other.

ATTACHMENTS

Draft Application.

FISCAL IMPACT

There is no fiscal impact of adopting a process for SPET initiatives that provides for vetting of the project submittals prior to the Town Council and County Commission being asked to deliberate and vote on the initiatives. There is a significant fiscal impact of conducting a special election for SPET initiatives. There is also a significant capital and operating fiscal impact of passage of projects that improve, replace, or add Town or County infrastructure or facilities.

STAFF IMPACT

Staff impact of approving this process is significant in that it would require a significant amount of time from the executive level personnel in both organizations including two elected officials. It would also require notable staff time from support staff personnel for records retention purposes for the documents submitted. However, it is staff’s opinion that it is more reasonable to expect staff and the elected Clerk and Treasurer to spend necessary staff time vetting projects rather than having the Town Council and County Commission directly review and analyze projects submitted. Even though a significant amount of staff time would be expended on this process, staff’s position is that these duties are integral to each position and would not create an undue burden to perform. The following table is an estimate of the staff impact of initiating a SPET application process utilizing the process proposed. Please note the following table does not address the staff impact of conducting a special or general election – that would need to be addressed at such time that the Council and Commission decide to move forward with conducting an election.

DRAFT Staff Impact to Vet SPET Projects			
Item	Responsible	Time Needed Per Person (in Hours)	Total Time
Prepare Timeline	Asst Town Mgr	1	1
Finalize Application	Asst Town Mgr	1	1
Finalize Criteria Scoring	Asst Town Mgr	1	1
Compile Full Set of Applications	Administrative	3	3
	Assistant		
Coordinate Committee Meetings	Administrative Assistant	1	1
Schedule Meeting Time for Committee with Each Applicant	Administrative Assistant	2	2
Committee Reading and Review of Applications Submitted and Scoring	Committee	10	50
		20	100
Committee Meeting with Applicant Representatives	Committee	20	100
Committee Deliberation and Recommendation Prep	Committee	10	50
Staff Report Preparation for JIM for recommendation and for SPET Ballot Item	Asst Town Mgr	4	4
Legal Assistance with Ballot Language and Resolution Prep	Town and County Attorneys	5	10
		Total	223

STAKEHOLDER ANALYSIS

There are multiple stakeholders involved including the Town and County, Town and County staff and elected officials, residents and guests of Teton County and the Town of Jackson that would enjoy the benefits of improved, expanded, or new Town and County infrastructure and/or facilities, residents and guests that would enjoy the benefits of community projects, and residents and guests that would pay SPET taxes.

LEGAL REVIEW

Complete.

RECOMMENDATION

Staff recommends the Town Council and County Commission adopt the SPET process as outlined in the staff report.

SUGGESTED MOTION

Should the Town Council and County Commission be ready to take action on this item, one possible motion would be:

I move to adopt the SPET process as outlined in the staff report.

Synopsis for PowerPoint (120 words max):

Purpose:

At the Joint Town Council and County Commission retreat held earlier this year, the Council and Commission asked staff to present a process for proceeding with a SPET election for their consideration.

TETON COUNTY AND TOWN OF JACKSON

SPECIFIC PURPOSE TAX

PROJECT APPLICATION INSTRUCTIONS

Pursuant to Wyoming Statutes, the Teton County Commissioners and the Jackson Town Council are authorized to approve tax initiatives to be placed on the ballot for voter consideration. Completed applications must be submitted by the deadline and will be reviewed by a committee appointed by the County Commission and Town Council. The governing bodies may choose one, several, all or none of the proposals they deem to be appropriate to be placed on the ballot.

Criteria: Applications will be reviewed, scored and prioritized based in part on the following criteria and by the information provided in the application.

1. All applicants must be a local government entity or sponsored by a local government. If the applicant is seeking local government sponsorship from the Town of Jackson or Teton County, contact the government entity prior to XDate. Consideration of sponsorship must be approved in a regular Town Council or Teton County Board of County Commission public meeting prior to the application deadline of XDate.
2. Projects that will benefit the residents of the community through critical service provision or that support or promote the health, safety, and welfare of the community will be most favorably considered. Projects should clearly demonstrate the needs, desires, and benefit to the public. Projects will also be scored on relationship to current infrastructure, funding, project readiness, fiscal and staff impact on TOJ or TC operations, ability for timely completion, economic impact, meeting identified needs, compliance with applicable regulations and laws, previous community support identified, and alignment with the adopted comprehensive plan.
3. Applications should include all project costs, have well documented future costs (operations and maintenance costs, and reserve funds for replacement of equipment and major components). The cost sections should include time schedules for the project and draw down schedules for funding. Applications should be complete and accurate.
4. Applications shall include proposed SPET Ballot language describing the amount of revenue to be collected and the purpose or purposes for which it is proposed to be used.

Process: The following committee vetting process has been adopted by the Town Council and County Commission to make a recommendation to the Town Council and County Commission.

1. **Committee Makeup.** The Committee includes the County Commissioner's Administrator, the Town Manager, the County Clerk, the County Treasurer, and the Town Finance Director.
2. **Committee Role.** The role of the Committee will be to vet the applications and make recommendations to the Town Council and County Commission.
3. **Timeline.**

SPET Timeline	
Applications Period	Xdate through Xdate
Application Deadline	Xdate
Application Review Period by Committee	Xdate through Xdate
Recommendation to Council & Commission	Xdate
Council & Commission Deliberation	Xdate through Xdate
Council & Commission Ballot Resolution Adoption	Not later than Xdate
Election	Xdate

The Review Committee may select one, several, all, or none of the applications for submission to the Town Council and County Commission for approval.

The Town Council and County Commission may select one, several, all, or none of the applications for submission to the voters at the election on Xdate.

All applicants must be a local government entity or sponsored by a local government.

If the applicant is seeking local government sponsorship from the Town of Jackson or Teton County, contact the government Administration Office prior to Xdate. Consideration of sponsorship of must be approved in a regular Town Council or Teton County Board of County Commission public meeting prior to the application deadline of Xdate.

Town of Jackson Administration 733-3932
Office of the County Commission 733-8094

Application Instructions: Please submit six (6) hard copies of the application in the prescribed format. Applicant must also submit a .pdf version of the application that contains all of the application materials. Applications not fully completed will not be considered.

Additional information about the project may be submitted as an addendum to the application.

Application Deadline: Application must be received no later than **noon on Xdate at the Office of the County Commissioners, 200 S. Willow** both in hard copy and .pdf electronic format on a flash drive (hard copy applications may be mailed to: P.O. Box 3594, Jackson, WY 83001).

Application Questions: Please complete every question in a short concise manner. If a response to a question is not necessary, please indicate with "N/A".

SPECIFIC PURPOSE TAX

PROJECT APPLICATION

1. Project Name
2. Name of applicant (and name of sponsoring government entity if applicable)
3. Name, address, and phone number of contact person for the applicant
4. Is the applicant a
 - a) governmental entity _____
 - b) government sponsored entity _____(Please attach resolution of sponsorship)
5. Provide a brief description of the project (100 words or fewer).
6. Location of the proposed project.
7. If there is land required for the project, please indicate whether the land is owned, under contract, etc., and indicate the zoning of the property.
8. Project costs (please include all costs).
 - a) land acquisition _____
 - b) all design costs _____
 - c) construction costs _____
 - d) furnishings, fixtures & equipment _____
 - e) contingency _____
 - f) Operation & Maintenance Escrow _____
 - g) other (please explain) _____

TOTAL _____

For each category listed in number eight (8), please provide a concise description of how costs are derived, how firm they are, and any contributions, such as land ownership, to the project.

9. Have any inflationary factors been included for time value for construction costs? If so, please explain how they are calculated and how they affect the project costs.
10. What alternative sources of revenue are available to the applicant and what sources have been explored for this project? (for example, property taxes, dues, etc.)
11. What dollar amount is being requested from Specific Purpose tax proceeds for this project?
12. Please list time frames for each phase of the proposed project.
13. Prepare and list as an addendum to this question, a preliminary cash flow showing disbursements and dates to match the schedule in Number 12.

14. Will any bond financing be necessary for this project?
15. Please provide as an addendum, a proposed operating and maintenance budget (pro forma income statement) for the first five (5) years following completion of the project.
16. What is the proposed method of providing future ongoing operating and maintenance costs? Describe the impact of this project on Town and/or County operating budgets in terms of fiscal impact and staff impact, be specific.
17. How will reserve funds be accumulated for replacement or repair of major equipment or components and what is the source of the funds?
18. What annual amount is projected for this reserve fund?
19. How many residents will benefit from this project?
20. What, if any, economic benefit will accrue to the community as a result of this project?
21. Are there any social or cultural benefits to the community?
22. Describe how your project is connected to current infrastructure.
23. Describe the level of project readiness, design, construction documents, etc.
24. If the project meets an identified community need, describe how that need is evident or has been documented or how it has been identified.
25. If SPET funds are needed to complete a previously approved/authorized project due to a shortfall, describe in detail.
26. Describe how your project provides a critical service related to health, safety, and welfare of the community.
27. Describe how the project will impact transportation (vehicle, bus, bike, highway, intersection, pathway), traffic, or congestion in the community either positively or negatively.
28. Describe the impact the project will have on employee and/or affordable housing in the community either positively or negatively and how the impact will be mitigated.
29. Describe how your project is in alignment with the comprehensive plan.
30. Provide as an addendum, an affidavit in agreement to participate in the public Planning & Review process for development and construction of the project.
31. Additional comments

Date

Applicant