



G R E A T E R   S A L T   L A K E

# Municipal Services District

## Trustees

Joe Smolka, Chair  
Paulina Flint, Vice Chair  
Max Burdick  
Kelly Bush  
Sean Clayton  
Dan Peay

Bart Barker  
General Manager

## MINUTES OF THE BOARD OF TRUSTEES MEETING GREATER SALT LAKE MUNICIPAL SERVICES DISTRICT (MSD)

Held Monday, March 25, 2019, 6:00 p.m.  
At 2001 South State Street, #N1-100 Council Chambers  
Salt Lake City, UT 84190

### Trustees Present:

Joe Smolka, Chair  
Paulina Flint, Vice Chair  
Sean Clayton  
Kelly Bush  
Dan Peay  
Max Burdick

### Others Present: <sup>1</sup>

Bart Barker, MSD General Manager  
Cathy Jensen, MSD Chief Financial Officer  
Mark Anderson, MSD Legal Counsel  
Ina Oviatt, MSD Office Manager  
Lupita McClenning, Director of Planning & Development Services  
Ryan Perry, Chief of Staff for the Salt Lake County Mayor *Senior Advisor to*  
Paul Ashton, Legal Counsel for Magna and White City Metro Townships  
Greg Schultz, Municipal Administrator for Magna & White City Metro Townships

### 1. Call to Order

Chair Smolka called the meeting to order.

### 2. Pledge of Allegiance

The Pledge of Allegiance was recited.

### 3. Public Comments (three minutes each)

There were no public comments.

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<sup>1</sup> Other individuals who were not recognized by the Chair may also have been in attendance.

**4. Consideration of minutes from August 8, 2018; March 8, 2019; and March 13, 2019 (Discussion and Possible Action)**

Trustee Clayton moved and Trustee Bush seconded as follows:

**That the minutes of the August 8, 2018, March 8, 2019 and March 13, 2019 MSD Board meetings be accepted and approved as presented.**

The motion carried with Trustees Smolka, Flint, Clayton, Bush, Peay and Burdick voting "aye".

**5. Review and consideration of recommendation from the MSD Benefit Evaluation Committee (Discussion and Possible Action)**

Bart Barker used a Power Point presentation to review the insurance package that is being recommended for the MSD's employees. He highlighted the coverage break-down for health, dental, life and vision insurance. He recommended that the MSD provide 401K matching funds up to 3%. Long term disability insurance would kick in after 30 days off the job due to a claim of disability. He suggested that the MSD pay for an employees' vision insurance premium, with the employee paying the premium for family/additional coverage.

Sick leave and vacation leave policies were discussed. Caps of 120 hours of sick leave and 144 hours of vacation leave were proposed. Annually, after an employee has accrued 120 hours of sick leave, the employee may "cash out" up to 20 hours of sick leave at the rate of 20% (20 cents on the dollar). There will be a lottery type sign-up for vacation leave, so the departments can maintain personnel coverage. Mr. Barker recommended that federal requirements of "FMLA" non-paid leave of up to 12 weeks per year be available to MSD employees. Funeral leave will consist of up to 40 hours leave for an immediate family member and 24 hours for other family members. If an employee remits his or her jury duty pay to the MSD, the employee will receive regular pay for the time off for jury duty. Employee tuition reimbursements would be assessed each year. Any tuition reimbursement would have to be job related.

The County provides "Years of Service" awards. The Committee proposed doing the same as the County (5 years - \$50; 10 years - \$100 and so forth). Trustee Burdick suggested having a catalog from which employees could pick their prizes. A number of County employees take advantage of UTA (Utah Transit Authority) services. Mr. Barker recommended that the MSD pay 50% of the cost of UTA passes. Staff will come back to the Board with what the County currently pays for UTA passes and other benefits. Respecting PEHP life insurance, Mr. Barker recommended that the District offer up to \$50,000 per employee. Each employee could purchase additional life insurance, up to \$150,000, with additional health qualifications. When employees leave the District, the life insurance wouldn't go with them. The State has MetLife coverage that can move with an employee.

The Committee proposed the same holidays as the County currently observes. Proposed optional employee-paid benefits include additional life insurance, long term care options, AFLAC, Costco/Sam's Club membership, short term disability insurance, prepaid legal insurance, home insurance, identity theft insurance, critical illness

insurance, accident insurance and hospital indemnity insurance. Trustee Burdick suggested adding pet insurance to the list.

The next steps include recommending pharmacy benefits and Personnel Policies to the Board; selecting a compensation and policy consultant to conduct a compensation market placement study; working with UTA to determine contract options; preparing Requests for Proposals (“RFPs”) for child care and Employee Assistance Program (“EAP”) services (also determining the percentage of employer coverage for child care); exploring optional benefits; and determining whether to offer autism benefits that would only apply to employees who use the benefit.

Trustee Clayton suggested that, for health/dental/vision insurance, the MSD pay the traditional premium, and if an employee is willing to pay the additional premium for increased benefits, the employee would pay the difference in the premium amount due to the increased coverage selected by the employee.

It was moved by Trustee Burdick and seconded by Trustee Flint as follows:

**That employee benefits be approved as recommended, including Trustee Clayton’s recommendations and with minimal UTA benefits.**

Following further discussion, Trustees Burdick and Flint withdrew their motion. Mr. Barker recommended that the motion be bifurcated. Further discussion centered on the District paying for the lesser, traditional, health and/or dental insurance coverage. There was general agreement that more information is necessary before making a decision respecting UTA benefits.

It was then moved by Trustee Burdick and seconded by Trustee Clayton as follows:

**That employee benefits be approved as recommended and discussed, with the District paying the lesser amount for health and dental insurance as recommended by Trustee Clayton, and that a decision respecting UTA benefits be deferred.**

The motion carried with Trustees Smolka, Flint, Clayton, Peay and Burdick voting “aye” and Trustee Bush voting “nay”.

## **6. Consideration of a proposed capitalization policy (Discussion and Possible Action)**

An Asset Capitalization Policy prepared by Cathy Jensen was included in the Board meeting materials that were distributed to the Trustees prior to the meeting. Cathy Jensen briefly reviewed the Policy, including a detailed list of items that would not be capital items, and recommended \$5,000 as the floor for capital projects that might fall under the Policy. Trustee Clayton recommended a much higher floor for major construction projects.

Bart Barker suggested that each of the Metro Townships put adoption of the Asset Capitalization Policy on the agenda of a future Council meeting.

Trustee Flint suggested that this item be tabled for consideration during the April MSD Board meeting. Trustee Clayton asked about the Wasatch Front Waste and Recycling District's ("WFWRD") approach to the capitalization of assets.

Further consideration of the Asset Capitalization Policy was deferred until the April MSD Board meeting.

**7. Approval to negotiate for MSD office space (Discussion and Possible Action)**

Bart Barker recommended that the MSD remain at the County Complex for the near future, noting that the County has offered a three-year lease with up to two one-year extensions. The County has offered to remodel and reconfigure the MSD's space so the MSD will only pay for the space that it needs and actually uses. Considering everything, Mr. Barker considers the County's offer to be a very attractive option.

Trustee Clayton asked what our guarantee is that the County will honor the current per square foot rental rate when the remodeling is done. Will there be hidden costs? Trustee Burdick asked what the Board is being asked to authorize? Mr. Barker responded that the Board could authorize the negotiation of a contract with the County, which would be presented later for Board consideration. Trustee Flint noted that the rent should start coming down once the reconstruction happens. The indirect cost numbers do not include rent.

Trustee Burdick moved and Trustee Clayton seconded as follows:

**That Bart Barker be authorized to negotiate with Salt Lake County for office space for the MSD.**

The motion carried with Trustees Smolka, Flint, Clayton, Bush, Peay and Burdick each voting "aye".

**8. Other Metro Township, Unincorporated County Community Councils and Greater Salt Lake Municipal Services District business (Discussion)**

Mr. Barker noted that Trustee Clayton has suggested a change in how the Board holds its twice monthly meetings. Chair Smolka asked that the suggestion be placed on the next Board meeting agenda.

**9. Adjourn**

A motion to adjourn was made by Trustee Flint and seconded by Trustee Peay. Chair Smolka declared the meeting to be adjourned.

The foregoing minutes were approved by the Board of Trustees of the Greater Salt Lake Municipal Services District on the 10<sup>th</sup> day of April, 2019.



JOE SMOLKA, CHAIR,

ATTEST:



Cathy Jensen, Clerk

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