

**GREATER SALT LAKE MUNICIPAL SERVICES DISTRICT
(MSD)**

**MEETING MINUTES FOR THE
BOARD OF TRUSTEES WORK MEETING**

Friday, February 1, 2019, 9:00 a.m.
2001 South State Street #N3-930
Salt Lake City, UT 84190

Trustees Present:

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

Trustee Excused:

Max Burdick

Others Present:¹

Bart Barker, MSD General Manager
Cathy Jensen, MSD Chief Financial Officer
Ina Oviatt, MSD Office Manager
Mark Anderson, MSD Legal Counsel
Lupita McClenning, Division Director – Planning & Development Services
Paul Ashton, Legal Counsel for White City and Magna Metro Townships
Greg Schultz, Municipal Administrator for Magna & White City Metro Townships
Nancy Carlson-Gotts, ACCT President
Ron Faerber, LUCC Chair
Jared Steffey, Public Works Fiscal Manager

1. Call to order

Chair Smolka called the meeting to order.

2. Public comments

Ron Faerber provided a letter regarding SB 60, which addresses the annexation process. As introduced, this Bill would provide for an automatic withdrawal from the MSD when a city annexes part of the MSD.

¹ Other individuals may have been present who were not specifically recognized by the Chair.

Nancy Carlson-Gotts thanked the Trustees for their support at the ACCT training conducted last week. She stated that it was wonderful for Trustee Smolka to be present.

Mr. Barker told the Board about a wonderfully facilitated Emigration Canyon Metro Township Council meeting that was held January 31st.

Trustee Flint voiced concerns about SB 60. She said that the White City Water Improvement District has spent a lot of money to fight for the community's water rights. Mark Anderson explained that the Utah Association of Special Districts has drawn up a replacement Bill that would allow a MSD boundary adjustment to be conducted simultaneously with a municipal annexation. Sandy City doesn't want to follow the procedure (red tape) to do this under current law. Sandy City reportedly is conducting annexations when property owners specifically request annexation.

Greg Schulz addressed SB 34, an affordable housing Bill that will affect Metro Townships that have 5,000 or more residents. Lupita McClenning said that her Division provides 22 different options to implement affordable housing.

3. Discuss the transfer of \$1 Million of restricted funds from the MSD to Salt Lake County

Jared Steffey explained that this restricted fund was intended to pay Unified Police Department claims pursuant to a contract, but the money wasn't spent. Mr. Steffey asked the Board to move the money to a restricted County fund. Trustee Flint suggested that the transaction be reflected in a 2019 Budget adjustment. It was moved by Trustee Clayton and seconded by Trustee Bush as follows:

That restricted funds be moved to Salt Lake County as recommended.

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

4. Consideration of agreement with Gilbert and Stewart, Certified Public Accountants, for 2018 audit services

Cathy Jensen explained that a request for proposals (RFP) was issued to obtain certified public accountant services to perform annual audits for the District. Gilbert & Stewart was selected, and Mrs. Jensen asked the Board to approve that selection. Mark Anderson suggested changes to the wording of the audit contract to make it all inclusive, and Mrs. Jensen agreed with his recommended changes. It was moved by Trustee Flint and seconded by Trustee Bush as follows:

That the contract for auditing services be awarded to Gilbert & Stewart as recommended.

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

5. Consideration of the appointment of an MSD Finance and Audit Committee

Cathy Jensen explained that the State Auditor's office recommends the appointment by local governments of a Finance and Audit Committee, and stated that she supports that recommendation. The Committee would be a sub-set of the MSD Board. It was suggested that a financial expert serve on the Committee to help oversee MSD finances. Trustee Flint asked for a list of duties that would be expected of the Committee. Trustees Clayton and Trustee Bush agreed to serve on the Committee. Trustee Clayton suggested that it be named the "Audit Committee". It was moved by Trustee Flint and seconded by Trustee Clayton as follows:

That an Audit Committee be established as recommended.

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

6. Consideration of the appointment of a Planning and Development Transition Committee

Bart Barker explained that a Transition Committee would help guide the transition of planning and development services from Salt Lake County to the MSD to ensure that what the Board expects to happen, happens, including employee benefits, vacation and sick leave, etc. The Committee would work with Lupita McClenning and Bart Barker. Trustee Bush asked that all of the Trustees be included in email communications with the staff. Trustee Flint, Trustee Peay and Chair Smolka agreed to serve on the Committee. It was moved by Trustee Peay and seconded by Trustee Bush as follows:

That a Planning and Development Transition Committee be established with Trustees Flint, Peay and Smolka serving on the Committee.

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

7. Consideration of banking, treasury management and other services with Zion's Bank

Cathy Jensen reviewed information provided by Zions Bank, including details respecting a credit card management system. She asked that the Board authorize Bart Barker, as the General Manager, to sign the Agreement with Zions Bank, which includes a 60% discount for the District. It was moved by Trustee Flint and seconded by Trustee Bush as follows:

That the Agreement with Zions Bank be approved as presented and that the General Manager and/or the Chair be authorized to execute the Zions Bank documents.

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

8. Consideration of options for Metro Townships' payroll services

Cathy Jensen discussed the request for proposals process respecting payroll services, with appropriate accounting software, for the benefit of the Metro Townships. The Trustees were asked to go to their respective Metro Township Councils to seek input. Mrs. Jensen will send an email for the Trustees to present to their respective Councils. Bart Barker will add language to the District's contract for fiscal services to reflect who is providing payroll services. Each Metro Township Council will decide what it wants to do and inform Mrs. Jensen.

9. Discussion of payment cards for Metro Townships

Cathy Jensen explained that each Metro Township can have P-cards, if they so desire. Only Trustee Clayton expressed an interest in having a P-Card. Mrs. Jensen will send a monthly reconciliation to each participating Trustee.

10. Consideration of an adjustment to increase the budget for the 5600 West Project in Kearns from \$850,000 to \$1,150,000, with \$100,000 provided by the Kearns Metro Township and including \$200,000 previously provided by the Kearns Metro Township

Trustee Bush reviewed the funding for the 5600 West Project with the Trustees. She has found \$300,000, so that they finally have the funding to get the Project started, but the MSD Budget should be amended to reflect the available funding. It was moved by Trustee Flint and seconded by Trustee Peay as follows:

That the District's 2019 Budget for the 5600 West Project be adjusted to reflect additional funding as recommended.

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

11. Consideration of a budget adjustment of \$400,000 for design of the U-111 (Bacchus Highway) project, with funding from the MSD fund balance to be reimbursed upon completion by the Salt Lake County Office of Regional Transportation, Housing & Economic Development through a Transportation Choice Fund grant

Bart Barker requested that \$400,000 be authorized for the design phase of this Project. A \$1,000,000 grant has been received for the Project. Funding for the balance of the Project will be requested later, once the design phase is complete. It was moved by Trustee Flint and seconded by Trustee Peay as follows:

That the 2019 Budget adjustment requested for the U-111 (Bacchus Highway) Project be approved as presented.

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

12. Update on the transition for MSD finances, employment, and Planning and Development

Information provided to Salt Lake County Planning and Development employees by Bart Barker was included in the Board packets. Mr. Barker reported that the transition team has come up with a list of tasks for the transition of planning and development services from the County to the MSD. The tasks have been broken down as follows: Fiscal, County, Operations, and Personnel. Each group has a list of tasks to be completed and the status of each task. Mr. Barker also talked about fleet services as they currently are handled by the County. Mr. Barker explained that the Board needs to decide whether the MSD should continue to contract with the County for fleet services. One of the most important transition tasks to be handled deals with personnel. A benefits package for MSD employees must be prepared that is comparable to employee benefits provided by Salt Lake County. Trustee Bush suggested meeting with the Planning & Development team.

Cathy Jensen explained that County overhead is being accounted for approximately 18 months in arrears. She would like the County to "forgive" unpaid overhead, as is believed to have been the case when other new municipalities set out on their own. Mr. Barker will prepare a letter addressed to the County regarding the direct billing of overhead and other costs, monthly billings, etc. The letter will be provided to the Trustees in advance of the February 13th Board meeting so the Trustees can consider approving the letter during that meeting.

13. Other Metro Township, Unincorporated County Community Councils and Greater Salt Lake Municipal Services District business

The Utah Association of Special Districts (UASD) requests each year that members adopt a Resolution identifying the person who will serve as the member's representative to UASD. Mark Anderson noted that the UASD Legislative Committee meets every Tuesday during the Legislative Session in the Copper Room in the East (Senate) Building at the Capital. Everyone is welcome to participate in those meetings, during which decisions are made concerning the Association's position on individual Bills and the Bills on which the Association will concentrate are identified. Mr. Anderson urged the MSD to have representation at those meetings.

Paul Ashton mentioned increasing special event fees, which will be an agenda item for an upcoming Magna Metro Township Council meeting.

Jared Steffey reported that he is in the process of reconciling fees and other funds that may be associated with Millcreek. The reconciliation will be completed before the MSD closes out its books. Trustee Flint stated that the White City area was misrepresented in parcel information numbers, and expressed concern that the maps for the census process may be flawed. She is working with the Wasatch Front Regional Council and the County

Surveyor's office to look at each boundary to verify the parcels and get that data to the County Surveyor so there can be an accurate 2020 Census head count.

14. Possible closed session to discuss the character, professional competence, or physical or mental health of one or more individuals

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

That the meeting be closed to discuss the character, professional competence or physical or mental health of one or more individuals.

The motion carried with Trustees Smolka, Flint, Bush, Peay and Clayton each voting "aye". Chair Smolka then declared the meeting to be closed.

Following the closed discussion, Chair Smolka declared the meeting to again be open. Lupita McClenning was directed to draft a letter to County planning and development employees that can be reviewed by the Board. Trustee Flint suggested that the letter go out before the next MSD Board meeting, and that it be ratified later by the Board.

15. Adjourn

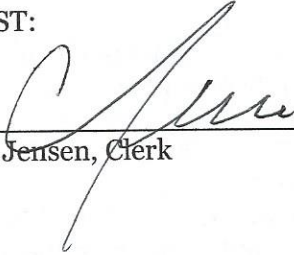
There being no additional business to come before the Board, Chair Smolka declared the meeting to be adjourned.

Approved by the Board of Trustees on the 9 day of October, 2019.



Joe Smolka, Chair

ATTEST:



Cathy Jensen, Clerk

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