



G R E A T E R S A L T L A K E
**Municipal Services
District**

**MEETING MINUTES
BOARD OF TRUSTEES MEETING
GREATER SALT LAKE MUNICIPAL SERVICES DISTRICT
Wednesday, March 24, 2021, 6:00 p.m.**

Due to the COVID-19 pandemic, this meeting will be held electronically. To watch or listen, please see the information at the end of this agenda.*

Members of the Board of Trustees may participate electronically. Portions of meetings may be closed for reasons allowed by statute. Motions relating to any of the items listed below, including final action, may be taken.

Trustees Present:

Joe Smolka, Chair ¹
Paulina Flint, Vice-Chair
Kelly Bush
Sean Clayton
Dan Peay
Laurie Stringham
Keith Zuspan

Trustees Excused:

Staff Present:

Bart Barker, MSD General Manager (GM)
Brian Hartsell, MSD Associate General Manager (AGM)
Marla Howard, MSD Chief Financial Officer (CFO)
Lupita McClenning, MSD Director of Planning and Development Services
Izabela Miller, MSD Operations Officer
Ina Oviatt, MSD Records Officer
Mark Anderson, MSD Legal Counsel
Scott Baird, Salt Lake County Public Comments
Kade Moncur, Salt Lake County Director Engineering and Flood Control
Madeline Francisco-Galang, Salt Lake County Public Works Engineering
Corey Bullock, Salt Lake County Parks Maintenance
Lisa Hartman, Salt Lake County Associate Deputy Mayor

Others Present:

Rori Andreason, White City Administrator
Gary Bowen, Emigration Canyon Community Council
Brian Richards

¹ All participants listed above joined the meeting electronically. Other individuals may have been present or via Zoom, who were not specifically recognized by the Chair.

Trustees

Joe Smolka Paulina Flint Laurie Stringham Kelly Bush Sean Clayton Dan Peay Keith Zuspan
Chair Vice Chair

Nancy Carlson-Gotts

1. Call to Order

Joe Smolka, Chair called the meeting to order at 6:00 pm.

2. Pledge of Allegiance

The Pledge of Allegiance was not recited.

3. Statement of Board Chair concerning the temporary conduct of electronic meeting of the board consistent with the Utah Open and Public Meetings Act

The temporary conduct of electronic meetings of the Board was read by Chair Smolka in accordance with the Utah Open and Public Meetings Act.

4. Public Comments (up to 3 minutes each)

There were no public comments submitted electronically and there were no other public comments at the meeting.

Paulina Flint announce the passing of Janet Geysler's spouse and the date and place of the services. The MSD will send a card.

5. Approval of Meeting Minutes

Minutes for February 24, 2021 and March 10, 2021 were presented to the Board for approval.

Trustee Peay moved to approve the minutes as presented and the motion was seconded by Trustee Flint. Chairman Smolka, Trustees Bush, Clayton, Flint, Peay, Stringham and Zuspan voted "aye".

6. Update on Kearns 4700 S. Road construction project

Bart Barker introduced the project and shared some history about the match amount that was presented to the Board. Kade Moncur summarized the information shared at individual meetings regarding the timeline and details of the project. The environmental studies were funded from Salt Lake County's funds. He shared that it was originally a WFRC project. Currently, the project is at 60% design and is moving quickly towards full design. They have to work through UDOT's processes, and many aspects can change due to various factors. Construction starts in 2022. Changes were made in the design to minimize the impact on Kearns residents on the south side of 4700 S but shifting the alignment required additional work. There are still a number of environmental certifications required before it can be issued for bid. He referred to the complications with the railroad.

This is a UDOT project and the team members were put together by UDOT. There are several consultants on the project and Kearns Metro and West Valley City have their own engineers involved. The rights of way (the "ROW") estimate is up to \$3.6 million due to the increase in property values and changes to design which requires a complete taking of property in one instance. He spoke to the dynamics that make it difficult to give the Board a

good number at this stage of the design. UDOT will review the environmental studies which dictates ROW acquisition.

He reminded the Board that this is a long, difficult project with a long construction cycle. He stated that they don't know where the bids will come in but reviewed the bond risk. At 90% is the Plan Specifications Estimate which will be reviewed by UDOT. He requested that the Board not decide about the bond amount until the project reaches that point. He warned about the risk if we go out too soon.

He reviewed the addons requested by West Valley City and they agreed to fund those parts of the project that were specific betterments that they requested.

The project is currently on schedule. He recommends that we include the 4700 South project in the bond, so funds are available when needed. UDOT won't allow the project to be bid until the ROW acquisitions are finalized.

The GM thanked the team for the work done on the project and all the time invested so far. He stated that he had mentioned the two options for bonding, that is the public offering that requires an amount early in the process and the private placement that has some more leeway. The GM recommend that we go issue the bond in either September or October to get the margin of error down and to allow an extra construction season and still draw down the bond proceeds within three years to avoid the arbitrage penalty. The project won't start until the 2022 construction season and by delaying the issuance this gives us coverage through construction season in 2024. The culvert portion would be started in October/November of 2021 when it is empty.

Whether the bond money is in hand this October when this culvert portion starts doesn't matter because the MSD has the cash flow and can execute a bond reimbursement resolution. The GM recommends a private placement on the bond. The cost is similar over ten years with the private placement being about \$200,000 more in interest expense over the life of the bond. He presented an interest sensitivity study that Marla Howard (CFO) prepared to show the impact of potential increases in interest rates. He stated that John Crandall felt that the financial predictors indicate that interest rates won't move much over the next six months.

The GM stated that waiting until the fall for the bond issuance gives us the flexibility to update the designs for this project as well as the other projects that are included in the bond. He referenced the Emigration Canyon overlay and that we were able to save some funds. He stated that Magna is re-evaluating their project that they would include in the bond and specifically mentioned their challenges with funding storm drain projects.

Scott Baird clarified that Millcreek Canyon overlay design won't be done this summer. Kade Moncur stated that overlay projects can be stopped or started at any time to fit funding availability. The GM reminded the Board that no other project will be cut to compensate for overages in another project.

Trustee Flint asked about the estimated cost of Seago Lily Way and Madeline Francisco-Galang stated that the estimate of \$1.9 million is a firm number. Details of the project were discussed.

Trustee Flint commented that the meetings with Kade Moncur were very helpful and it is good to know that we will need this level of detail for this kind of project in the future. She commented that she is disappointed that the interest rates have gone up since we started this process and that there will be additional expense. She asked about paying off the bond early when they are callable to refinance if needed. Mark Anderson stated that we will make sure that these options will be included in the bond documents.

The GM reminded the Board of the reimbursement resolution and the interlocal agreement that all the participants in the project and bond funding will need to sign. They will be getting the document to the respective metros for review.

The Chair announced that the Governor vetoed HB 98 which has an impact on the MSD's members.

7. General Manager report

1) Bart Barker (GM) reported on the strategic planning process and shared an outline of the steps. He reported that there was a Trustee request that any Trustee be able to participate in the process. The Chair stated that he had no issue opening the work meetings to the public. The GM stated that if no one objects then we will proceed in that direction. The meeting will be on or about April 30. Trustee Flint also stated that she thought that the smaller subcommittee meetings were going to be expanded. The GM will share a list of those committees and meetings for the Board to consider attending.

The GM reminded the Board that they will be approving the strategic plan, when completed. He read the proposed mission and vision statements. He listed the five strategic pillar workgroups. He asked that the Trustees' inform Marla Howard what workgroups they would like be on. If there is a quorum, then the AGM will determine the public notice requirements.

Trustee Flint asked for a calendar, links, and attendees to share with the Board. Trustee Clayton asked that the meetings and breakout sessions be recorded and noticed so those Trustee who have conflicts can listen at their leisure. Trustee Flint reminded the group that it is a classroom exercise and there are inputs. Trustee Clayton stated that he would like the opportunity to look at the sessions to stay abreast of the progress.

The GM informed the Board that there will be an employee survey, focus groups and public outreach groups. The goal is to have this completed before the 2022 budget cycle.

2) The next item is about the closure of the government center due to COVID and the subsequent reopening beyond the 25% level. He complimented the technology staff for their work in getting the new working environment running. He shared many of the tasks completed to accomplish the ability to work remotely. He informed the Board that they will be providing computers to employees who are using personal laptops for remote work.

The AGM shared that the direct COVID costs totaled over \$12,000 which included cleaning supplies, remote workplace supplies and equipment, and remote meeting and digital signature service subscriptions. Remote workplace expenses have been limited because employees have been utilizing personal laptops in their home offices. He reviewed other COVID expenses related to contracted work performed by the Salt Lake County that were reimbursed by County. He asked if there would be interest by the Member councils to

reimburse and fund expenses directly related to these FY2020 COVID expenses and projected FY2021 ongoing COVID costs and proposed IT equipment to assist with replacing MSD desktop workstations with laptops and other tools to assist with remote working.

The reimbursement would come from funds that the Metro Townships are receiving from their second tranche of CARES funds from the County. Trustee Flint asked that the AGM supply a total cost to be shared with the Members for consideration. Trustee Bush asked that the information be shared before the next board meeting. The GM stated that an interlocal agreement may not be required but the respective councils need to obtain their own opinion.

8. Other Metro Township, Town, Unincorporated County, and Greater Salt Lake Municipal Services District business

There was no other business presented.

9. Discussion of future agenda items (5 minutes)

The GM asked Mark Anderson to do a brief legislative update at the next meeting. Trustee Flint asked for a written report.

10. Adjourn Trustee Flint moved to adjourned, seconded by Trustee Stringham.

Meeting adjourned at 7:30 pm

APPROVED:

Joe Smolka

Joe Smolka, Chair

ATTEST:

Marla Howard

Marla Howard, Clerk