



G R E A T E R S A L T L A K E

Municipal Services District

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES GREATER SALT LAKE MUNICIPAL SERVICES DISTRICT

Held Wednesday, August 24, 2022, at 6:00 p.m.

At 2001 South State Street

Room N2-800

Salt Lake City, UT 84190

Trustees Present:

Joe Smolka, Chair
Keith Zuspan, Vice-Chair
Kelly Bush (via Webex)
Sean Clayton (via Webex)
Paulina Flint (via Webex)
Dan Peay
Laurie Stringham

Staff Present:

Marla Howard, General Manager
Brian Hartsell, Associate General Manager
Stewart Okobia, Director of Finance
Trent Sorensen, Director of Planning and Development Services
Izabela Miller, Technology Manager (via Webex)
Mark Anderson, Legal Counsel
Tabitha Mecham, Administrative Coordinator
Mike Milne, Code Enforcement (via Webex)

Others Present:

Steve Kuhlmeier, Salt Lake County Public Works Engineering (via Webex)
Shane Ellis, Salt Lake County Public Works Engineering (via Webex)
Crystal Hulbert, Salt Lake County Director of Public Works Operations
Lisa Hartman, Salt Lake County Associate Deputy Mayor
Paul Ashton, Magna, and White City Metro Townships Legal Counsel
Hannah Gorski, Communications & Administrative Coordinator for the Salt Lake County Council
Jared Steffey, Salt Lake County Public Works Fiscal Manager (via Webex)

1. Call to Order

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

Trustees

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

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Public Comments

There were no public comments.

4. Approve Board Meeting Minutes for July 29, 2022

Trustee Peay moved to approve the minutes as presented. Trustee Zuspan seconded the motion. The motion carried with Trustees Smolka, Bush, Clayton, Flint, Peay and Zuspan each voting “aye”.

5. Report from Audit Committee

Audit Committee members Trustee Clayton and Trustee Bush met before the Board meeting to review the MSD's Financial Statements. They recommended that the Board approve the Second Quarter Financial Statements as presented.

During the Audit Committee meeting, Stewart Okobia suggested, and Trustees Clayton and Bush fully supported, an independent audit to look into three areas involving the Justice Court's Services. Stewart Okobia stated that the audit would insure that the MSD is paying no more than its proportionate share of the Justice Court's expenses. Trustees Clayton and Bush would like to understand why actual spending by the Justice Court, compared to budgeted amounts, is so low and get a better understanding of the Justice Court's overall budgeting procedure. Invoices received from the Justice Court by the MSD come in late. The Audit Committee would like to understand the Justice Court's process and the reason for slow billings and would like to cap remittances to the Justice Court at an amount that covers the Court's actual expenses.

6. Approve second quarter financial statements and disbursements

Trustee Peay moved to approve the second quarter Financial Statements and disbursements. Trustee Bush seconded the motion. The motion carried with Trustees Smolka, Bush, Clayton, Flint, Peay and Zuspan each voting “aye”.

7. Approve lease renewal with Salt Lake County

Brian Hartsell presented a proposed new Lease Agreement with Salt Lake County for the MSD's space in the County Government Center. The new Lease is very similar to the current Lease, which includes an annual 3% rent increase. Brian Hartsell stated that the Lease needs to be reviewed for some minor changes, and will then be presented to the Board for approval.

Trustee Stringham joined the meeting at this time.

8. Approve third party audit of Salt Lake County Justice Court

This agenda item was discussed during the Audit Committee report.

Trustee Clayton moved to authorize a third-party audit of the Salt Lake County Justice Court to be conducted. Trustee Flint seconded the motion. The motion carried with Trustees Smolka, Bush, Clayton, Flint, Peay, Stringham and Zuspan each voting “aye”.

9. 2023 Budget Overview

Marla Howard expressed appreciation for the member entities’ submitting their budgets on time.

Stewart Okobia provided a brief update on the budgets for each member entity and the General Fund.

Chair Smolka asked if the MSD should have an emergency disaster fund. Brian Hartsell responded that \$25,000 is in the fiscal year (FY) 2022 Budget to cover contingencies.

Marla Howard talked about some of the assumptions that were made regarding MSD staff salaries in the FY 2023 Budget that is being prepared. The assumptions include a 3% COLA increase and a 1.5% merit increase. A possible 10% increase in health care costs is anticipated, but that is just an estimate, and we will know better when a premium cost notice is received from insurance providers, which will come in November. Other than that, the Budget is straightforward. Stewart Okobia noted that the costs will be applied across all of the member entities.

Brian Hartsell provided an update on the Budgets for all of the 2023 capital projects. Trustee Flint asked if these are the capital projects that have been reviewed by the Board. Mr. Hartsell confirmed that, except for a few small items, the capital projects have previously been reviewed by the Trustees.

Steven Kuhlmeier stated that there is one project in Magna and one project in unincorporated Salt Lake County that are at risk of losing their grants, and the Board might want to consider canceling the projects. Brian Hartsell suggested that the Board also consider the use of MSD funds to make up for grant funding that is no longer available.

10. Approve the acquisition of 4 replacement vehicles up to \$150,000

Brian Hartsell stated that the Board approved the purchase of five vehicles in 2021, only three of which have been received because of supply chain issues. Management requested four additional new vehicles to replace vehicles that are aging. The new vehicles would be in the thirty thousand to forty thousand dollar range, plus the cost of accessories. Brian Hartsell stated that annual budgeted contributions have been made into a replacement fund to pay for the vehicles. Trustee Peay asked if switching to electric vehicles has been considered. Brian Hartsell responded that electric vehicles have not been considered but, depending on cost and available power to drive offroad, such as in the Canyons, electric vehicles could be considered.

Trustee Flint moved to approve the acquisition of four new vehicles as requested. Trustee Peay seconded the motion. The motion carried with Trustees Smolka, Bush, Clayton, Flint, Peay, Stringham and Zuspan each voting “aye”.

11. General Manager report

Marla Howard reported on the following:

- The earthquake and subsequent windstorm in 2020 tested the MSD's ability to respond to a natural disaster. On September 12, 2022, there will be a meeting to help identify protocols and create decision trees and identify various forms of natural disasters with which the MSD and communities served by the MSD may have to deal, and any weaknesses in current procedures. This effort will also help identify outside resources that may be utilized.
- Management is moving forward with a HR system called GoCo to expand HR capabilities. It will go live on January 1, 2023 at a cost of about \$1,300 per month.
- There is a sinkhole on Indian Ridge, and there are concerns that the culvert may be collapsing. Crystal Hulbert obtained emergency bids. She thinks it may cost around \$180,000 to fix the problem.
- Shawna Winter is retiring at the end of the month. Michaelina Ustaszewski will take her position. Three other positions are open: CBO (Chief Building Official), Permitting and Licensing Coordinator, and Planner II.
- Brian Hartsell stated that Frank Nakamura is troubled by an inadvertent misstatement during the August 10th MSD Board meeting, when he said that Millcreek was proposing a 5.8% property tax increase. Millcreek's actual proposed property tax increase is 4.57%, and Midvale is proposing a 7.31% property tax increase. When he checked, Mr. Nakamura did not see a property tax increase for Holladay. Mr. Nakamura apologized for the incorrect statement made during the last Board meeting and asked Mr. Hartsell to correct the record.

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

There was no other business to be considered by the Board.

Trustee Stringham introduced Hannah Gorski, Communications & Administrative Coordinator for the Salt Lake County Council. She will meet with unincorporated area Community Councils going forward.

13. Discussion of future agenda items

No future agenda items were suggested by the Trustees.

14. Adjourn

Trustee Flint moved to adjourn the meeting. Trustee Stringham seconded the motion. The motion carried with Trustees Smolka, Bush, Clayton, Flint, Peay, Stringham and Zuspan each voting "aye".

Chair Smolka declared the meeting to be adjourned at 7:05 p.m.

APPROVED by the Board of Trustees on September 14, 2022.

Joe Smolka, Chair

ATTEST:

Stewart Okobia, Clerk

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