

MINUTES FOR THE ADMINISTRATIVE CONTROL BOARD,
SALT LAKE COUNTY SPECIAL SERVICE DISTRICT NO. 1 (SANITATION)

Date/Time	Location	Attendees
05/23/2012 9:00 A.M.- 9:50 A.M.	604 W 6960 S Training Room	Board Members: Scott Bracken, Patrick Leary, David Wilde, Jim Bradley, and Sabrina Petersen Electronic: Coralee Wessman-Moser Sanitation Staff: Pam Roberts, Allison Dodge, Stuart Palmer, Lorna Vogt, Larry Chipman, Ryan Dyer, Bill Hobbs, Gavin Anderson, Larry Moller, Andy King, Paul Arnold, and Steve Whitney Guests: Mike Allen, Dorothy Adams, Mark Evans, Beth Graham, Michael Shea, Kerri Nakamura, John Inch Morgan, and Brett Wood
Next Meeting 06/27/12 9:00 A.M.- 10:00 A.M.	604 W 6960 S Training Room	Absent: Dama Barbour, Richard Snelgrove, and Randy Horiuchi

Agenda

1. Consent Items: (**Approval Requested**)
 - 1.1 April 25, 2012 Minutes
2. Fee Abatements (**Approval Requested**)
3. The Release of Properties for Sale and Incremental Payment of Back Sanitation Fees (**Approval requested pending items from Treasurer**)
4. 2012 Interim Budget Adjustments, materials available at the meeting, (**Approval Requested**) **Pam Roberts and Stuart Palmer**
 - Public Hearing, Adopt 2012 Interim Budget Adjustment, June 21, 2012, 2001 South State Street, Council Chambers at 6:00 p.m.
5. Additional Information on Separation from Salt Lake County (**Information**) **Pam Roberts**
6. District Resolution 4354 Recommendation to Establish the Sanitation District as an Independent Entity (**Approval Requested**) **Pam Roberts and Gavin Anderson**

7. Interlocal Agreements with SLCO for Admin Services (**Direction Requested**) **Pam Roberts**

8. Requested items for the next Board meeting June 27, 2012

- Additional District Separation Information on Employee Benefits and Liability Insurance

Topics/ Objectives	Key Points/ Decisions	Action Items Who – What – By when	Status
Approve Minutes from April 25, 2012 Meeting		Board Member Petersen, seconded by Board Member Wilde, moved to approve the minutes from the April 25, 2012 meeting. The motion passed unanimously.	Approved May 23, 2012
Approve Fee Abatements		Board Member Wilde, seconded by Board Member Petersen, moved to approve the sanitation fee abatements. The motion passed unanimously, authorizing the County Treasurer to effect the same, showed that all Board Members voted “Aye.”	Approved May 23, 2012
Parcel Number	Home Owner	Refund Amount	Reason
14-33-151-023	Joe H. Ramirez, Jr.	253.00	Service has not been provided since a fire destroyed the home on February 7, 2010

<p>The Release of Properties for Sale and Incremental Payment of Back Sanitation Fees (Approval requested pending items from Treasurer)</p>	<p>The Tax Administration Committee is made up of a member from the Mayor, Assessor, Treasurer, Auditor, Recorder Offices and District Attorney (in an advisory capacity), and chaired by Liz Fehrmann.</p> <p>The division receives its fees first because it is easier for the Auditor's office to set up a deferral payment plan for property taxes.</p> <p>The following properties were approved for 2012:</p> <p>Sandra A. Echols 14-31-280-001 3715 South 8070 West Balance to Sanitation (with penalties/interest) \$547.01</p> <p>Emily A. Kellett 21-18-251-001 4393 West 5615 South Balance to Sanitation (with penalties/interest) \$1,805.88</p> <p>David L. Pace 21-07-304-024 4690 West 5135 South Balance to Sanitation (with penalties/interest) \$1,299.24</p> <p>Clinton & Betty J. Neve 28-17-104-017 10361 South Zinnia Way Balance to Sanitation (with penalties/interest) \$843.16</p>	<p>Board Member Wilde, seconded by Board Member Petersen, moved to approve the release of properties for sale and incremental payment of back sanitation fees. All board members present voted in favor to approve the release of properties for sale and incremental payment of back sanitation fees.</p>	<p>Approved May 23, 2012</p>
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	<p>Clyde Parry 21-21-251-030 6473 South 2700 West Balance to Sanitation (with penalties/interest) \$843.16</p>		
<p>2012 Interim Budget Adjustments, materials available at the meeting, (Information) Pam Roberts and Stuart Palmer</p>	<p>The total net change in the budget was a decrease \$83,180.00.</p> <p>There was a decrease of \$116,000 in payouts for governmental immunity.</p> <p>Increases were from the County Council, Mayor's Administration and Mayor's Operations. Mayor's Administration is the Mayor's staff and Mayor's Operations is the department staff. The Mayor's Operations budget increased with the reorganization of the Auditor staff.</p>		<p>The public hearing to adopt the 2012 Interim Budget Adjustment is June 21, 2012, 2001 South State Street, Council Chambers at 6:00 p.m.</p> <p>A quorum of the Administrative Control Board is required to pass the interim budget adjustment.</p>
<p>Additional information on separation from Salt Lake County (Information) Pam Roberts</p>	<p>Pam Roberts introduced John Inch Morgan, City Manager for Taylorsville City. John is not able to vote but, will represent Taylorsville City in the absence of Board Member Barbour.</p> <p>Stuart Palmer reviewed the estimated costs associated with the District becoming an independent entity. The current county overhead expenses are \$1,078,044. The estimated costs to provide the same services with separation are \$1,072,600 which is \$5,435 less. There will be a onetime software purchase for general ledger, human resource and customer database at an estimated cost of \$119,833, which is not included in the above figures.</p> <p>All accounting and fiscal functions will be done in-house. The District will hire an accountant</p>		

and human resource position and outsource payroll. Annual payments will be needed for an external audit and ongoing software system maintenance.

Board Member Wessman-Moser questioned from which funds the software would be purchased. Pam said with the \$83,000 reduction in expenditures, and the rest would need to be absorbed or come out of the District funds with a budget adjustment in October.

An RFP has been released to hire a broker to design a risk management plan and system for the District and to shop for liability insurance. The broker will make recommendations and give insurance costs which will be reported to the Board.

Pam said Jeff Rowley from Risk Management recommends Salt Lake County assume the liability of the current workers compensation claims.

Stuart Palmer said estimates from the broker for employee health benefits are coming in at 6% less than current costs.

Pam said the truck sales are very favorable right now. Stuart said the anticipated budgeted sales were \$74,000 - \$80,000 each. The last four trucks have sold for about \$110,000 each, which would cover the cost of the new software that is needed.

Board Member Bradley asked if the budget is to pay the District Attorney's Office and Gavin

	<p>Anderson. He asked if the District plans to have an independent attorney in the future. He said the Unified Fire Authority and Unified Police Department have hired independent attorneys. Gavin Anderson said that the District Attorney's office could have Interlocal agreements for legal services and risk management for the next year or two and through the transition. The District and Board will re-evaluate this topic next year.</p> <p>Pam anticipates having solid quotes on employee benefits and liability insurance next month.</p>		
<p>District Resolution 4354 Recommendation to Establish the Sanitation District as an Independent Entity (Approval Requested) Pam Roberts and Gavin Anderson</p>	<p>Board Chair Bracken asked if anyone had questions or comments on the resolution.</p> <p>Board Member Petersen was concerned with the section that stated employees would receive as <i>near</i> as possible status, seniority, salaries and benefits.</p> <p>Gavin Anderson said this was in case the employees did not have the same health insurance provider. He said the Unified Fire Authority and the Unified Police Department came out almost exactly the same. Board Member Petersen did not want to give the impression that the Board was open to wiggle room and wanted to make sure that it was as fair as possible. Gavin said that the language "as near as possible" was intended to ensure that everything is done as fairly as possible.</p> <p>Board Member Wilde said he was in favor of the resolution. He said it is the trend with Salt Lake County. He asked about the transfer of</p>	<p>Board Member Bradley, seconded by Board Member Moser-Wessman, moved to approve District Resolution 4354 to establish the District as an independent entity. All Board Members present voted "Aye." The motion passed unanimously.</p> <p>Pam Roberts will forward the resolution to the Salt Lake County Council for the June 5th Committee of the Whole meeting. Board Member Wilde said it will be on the agenda.</p>	<p>Approved May 23, 2012</p>

assets. Gavin said the District and its funds have been separate since 1977.

Gavin said the County may want to include in the Interlocal agreement with the transition that if it turns out to be a bad deal there could be a reverter and could be a matter of negotiation.

Gavin said even though transactions were done in the name of the County, purchases, were always made with District funds.

Pam Roberts clarified that there has been no general funds or any other tax dollars that have gone into the Sanitation fund. It has all been self-sustained by customer fees.

Board Chair Bracken said that it seems that the District has been running mostly independent since it was established. Gavin said what has been indistinct is the County employees working for Sanitation, and they should have been District employees or an Interlocal agreement should have been in place since 1977.

John Inch Morgan said there was a clear accounting delineation with District assets and funds versus County funds. He said this was different for UFA, UPD and Valley Mental Health. He said Taylorsville City, Board Member Barbour, and the Mayor support this resolution.

<p>Interlocal Agreements with SLCO for Admin Services (Direction Requested) Pam Roberts</p>	<p>Pam asked the Board for their direction to continue with the timeline for the January 1, 2013 separation.</p> <p>Going forward:</p> <ul style="list-style-type: none"> • Draft Interlocal agreements for IS, Administrative Services, Landfill, and Fleet for fuel and maintenance • Design HR System and get assistance from Salt Lake County Human Resources for policies, procedures, and advise on appellate body and grievance processes • Determine Board composition • Select a committee to hire broker (Pam Roberts, Stuart Palmer, Gavin Anderson, Jeff Rowley and a representative from Contracts and Procurement). Pam asked if any Board Member would sit on the selection committee. The Board Members declined. Develop a policy committee to review policies and have final adoptions through September <p>Concerns were brought up with the possibility of the employee's health care benefits being changed on July 1, 2012. The quote given by the broker is from July 2012 through December 2013. Gavin said this is a contractual issue with the provider. The provider may not be willing to release the employees from the County contract.</p>	<p>The health care broker is willing to train employees and navigate through the change.</p>	<p>The Board agreed with the direction.</p>
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Next Meeting	The next meeting will be held Wednesday, June 27, 2012.		
Adjournment		Board Member Wilde, seconded by Board Member Leary, moved to adjourn. The motion passed unanimously.	
Future Meeting Topics	Requested items for the next Board meeting June 27, 2012 <ul style="list-style-type: none">• Additional District Separation Information on Employee Benefits and Liability Insurance• HR Management System		