

Date: February 21, 2019

THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA BOARD OF TRUSTEES MET ON THURSDAY, FEBRUARY 21, 2019 AT THE HOUR OF 11:30 A.M. AT THE SHERIFF'S OFFICE BUILDING, 3365 SOUTH 900 WEST ROOM 115, SALT LAKE CITY, UTAH

<u>Present:</u>	<u>Excused:</u>	<u>Attended Via Phone:</u>
TRUSTEE JIM BRADLEY, CHAIR	TRUSTEE JENNY WILSON, SALT LAKE COUNTY	NONE
TRUSTEE DAVID BREMS, EMIGRATION CANYON	TRUSTEE MAX BURDICK, SALT LAKE COUNTY	
TRUSTEE APOLLO PAZELL, COPPERTON		
TRUSTEE STEVE PROKOPIS, MAGNA		
TRUSTEE ALAN PETERSON, KEARNS		
TRUSTEE CODY CUTLER, WHITE CITY		

ALSO PRESENT:

FRANK NAKAMURA, SLVLESA DISTRICT ADMINISTRATOR/SLVLESA LEGAL COUNSEL

RICHARD MOON, SLVLESA TREASURER

SHERIFF ROSIE RIVERA, SHERIFF SALT LAKE COUNTY/UPD

CHIEF JASON ACKERMAN, DEPUTY CHIEF MAGNA PRECINCT

CHIEF BRIAN LOHRKE, DEPUTY CHIEF KEARNS PRECINCT

UNDERSHERIFF JAKE PETERSEN, UNDERSHERIFF SALT LAKE COUNTY/UPD

MARCIE KAY, SLVLESA COORDINATOR

SLVLESA meeting on 2-21-19

Item #1-Jim Bradley called the meeting to order at 11:35 on Thursday, February 21st, 2019.

Item #2-Disclosure of Conflicts of Interest

Action Requested: Identify Conflicts, if any

Discussion: Chairman Bradley asked if there were any conflicts of interest. None were identified.

Item #3- Public Comment:

Chairman Bradley asked if anyone was present who wished to give public comment to the Board. There were none. Public comment was closed.

Item #4-Status of leasing Copperton Improvement District property for use by UPD

Action Requested: None

Discussion:

Chief Legal Counsel Frank Nakamura addressed the SLVLESA Board. He introduced Magna Chief Jason Ackerman. Chief Ackerman said that Riverton currently houses UPD's Southwest and Copperton officers and with the departure of Riverton, responsibility for those areas will be transferred to the Magna Precinct. He said that one of the immediate problems is that it is a 30 to 50 minute drive to some of those areas like Copperton, in ideal conditions. This new substation will allow UPD to decrease response time to those areas. It will not be fully staffed but will allow officers to use the restroom facilities, type reports and interview witnesses and suspects. Currently there are only four officers that are allocated to patrol, not including investigative responsibilities that would fall to the Magna Precinct. With four officers, we cannot even staff 24 hour coverage for those areas, so that would have to be supplemented by Magna officers. He said he knew that we are talking about increasing one officer for the Magna Precinct, so what he would like to bring to the Board's attention is that we are maybe taking two steps forward and one step backwards when this all goes down. However, this substation is absolutely a move in the right direction and it will be a benefit to those officers that work those areas.

Frank Nakamura said this will be a lease with the UPD and is going to be negotiated with the attorneys. We are proceeding along those lines and will hopefully have a lease that will be approved by the UPD Board. We don't believe that given the cost involved, there will be a need for a budget amendment.

Item #5-Financial Report and Update:

Action Requested: None

Discussion:

Frank Nakamura said he wanted to make sure that staff will provide the appropriate financial information that the SLVLESA Board will need on an ongoing basis. He does not want to duplicate the UPD information. He would like to know how the Board would like staff to proceed in terms of providing that information. They do plan on having a financial update on the agenda every month. He is also thinking that between the adoption of the tentative budget and the final budget, he wants to have an additional meeting to go over the budget and fine tune it before it is adopted in December.

SLVLESA Treasurer Richard Moon said he passed out the check register and because they did not have a meeting last month he put both January and February's check register on there. He said the main items on the register are the law enforcement fees to the Unified Police Department, the monthly checks for the SLVLESA attorney, the Utah Media Group for the newspaper ads SLVLESA had to run for the tax increase and the USI insurance for the directors' and officers' insurance. He said one thing he would like to do is to make it transparent what is being paid. That is something that they plan to do before next month because in April we will have our quarterly review, so we would like to have it done by the next Board meeting so the Board can see exactly what is being paid for. We also did an RFP for our audit this year. We came to a decision that HBME is who we will go with. They will be doing our independent audit for the next five years. They will be coming in next month, doing work in our office. The Board will be updated as that process goes along.

Frank Nakamura said they anticipate on the completion of the audit, a presentation to the Board somewhere around June.

Trustee Jim Bradley asked if in the selection of the independent auditor, if they were comfortable that they did not do an RFP.

Frank Nakamura responded that they did do an RFP, had four responses and had a committee to select one.

Frank Nakamura said that the tax revenue anticipation notes have been done annually and they are to cover cash flow. Frank then introduced Japheth McGee from Zion's Bank, SLVLESA's financial advisor. He said that they anticipate presenting a resolution to the Board in March to issue the TRANS. Japheth can get into some of the numbers in anticipation of the resolution.

Japheth McGee said that essentially SLVLESA has property taxes that come in once a year but has expenses that happen all year. He said that we will be issuing around \$7 million worth of tax revenue anticipation notes. Based off of some of the numbers that he has run preliminarily it is going to cost us between 80,000 to 50,000 dollars based on how much we can reinvest. He has made some assumptions right now that are pretty conservative. We are looking at about a 2.4% interest rate over the period of the notes. That will cover us up until we start to receive revenue coming in November and December.

Frank Nakamura said that they will be presenting this to the Board. He asked if there were any questions.

Trustee Bradley asked if they have a rating.

Frank Nakamura responded that these are going to be direct purchase. He said that they are going to have to put them on the market, then they will be direct purchases. They will be unrated.

Japheth McGee said as of now they have gotten some indicative rates from Wells Fargo. He said that Bank of Utah purchased them last year. There are pros and cons of doing a direct purchase versus going out into the market. The market will have a little bit better rate but the direct purchase will have a lower cost of issuance, so it eventually comes out as a wash.

Richard Moon said that on the second page he handed out, it talks about what the TRANS costs last year. He wanted to make it clear that it was a little more last year. \$8.7 million was our TRANS and we did it in two issuances so it cost a little bit more on the issuance side versus just doing it in one. The last

page is also a cash flow analysis for us. In April it looks like we are going to go in the negative and we'll need the TRANS by April to get us through.

Frank Nakamura asked the Board if we could hear from them as to how and what they would like us to report to them, financially. He asked that they let him, Lisa or Rick know.

Trustee Bradley asked what the feelings of the other members are in terms of budget information.

Trustee Pazell said he thinks we are going in the right direction and is excited to see the breakdowns and is glad to see this information this time but in the past he did not feel like he had.

Item #6-Update on annexations and pending annexations impacting SLVLESA

Action Requested: None

Discussion:

Frank Nakamura said that since we did not have a meeting in January, the Board is now being notified of annexations. He said there is the east Willow Creek area annexation into Sandy, which took effect November 19, 2018 and the Willow Creek Country Club area, which took effect December 20, 2018. He said with these annexations there is a loss of property tax revenue and now we are not providing services to them as that is being handled by Sandy City. Also, we received a notice of the possible annexation of the area that is the triangular area by Holladay, Murray and Millcreek and the notice was an annexation into Millcreek but it still has a way to go. They will have to get signatures and petitions.

Trustee Prokopis asked if that is from Salt Lake City.

Frank Nakamura said it is actually an unincorporated going into Millcreek. That is what the notice is, they do not have the signatures yet.

Item #7-Legislative Update

Action Requested: None

Discussion:

Frank Nakamura said that he provided a summary of some of the legislation that is impacting districts in emails and packets he gave to the trustees. He mentioned senate bill 219. Also, senate bill 129 on the retirement, tier 2, he said has been referenced. He said that this is legislation that has a financial impact and that they are working on funding.

Sheriff Rivera said that currently it looks like the funding will be in about five years and that it will transition to the departments having to pay for that and we do not know how much that will be. We already charge when we hire somebody at the tier 1.

Frank Nakamura asked if Undersheriff Jake Petersen wanted to say something about this, since he has been monitoring the legislation.

Undersheriff Jake Petersen said that it has really only gone through that one committee and a vote, so that is as far as it has gone. He said he appreciates the County Council's support on that.

Trustee Bradley said he was curious about if the bill would allow a county to divide itself or secede from portions of the county.

Undersheriff Petersen said he had not seen any written language.

Trustee Bradley said out of curiosity, let's say that the Southwest portion of Salt Lake County gets fed up with us and wants to secede. Would they have to build their own jail and hire their own prosecutors?

Undersheriff Petersen responded that it does seem like they would, yes.

Sheriff Rivera asked if Trustee Pazell had any information on that.

Trustee Pazell said he did. It has passed the committee, so it does have language. That language is being amended currently. They have sent it back after discussions with San Juan County.

Trustee Bradley asked if he thinks it is going to pass.

Trustee Pazell said that right now, the county says it would, yes but that this is not about a split.

Trustee Bradley said he understood.

Frank Nakamura asked which bill this was.

Trustee Pazell said 93.

Frank Nakamura asked if it was house bill 93.

Trustee Pazell said that 93 is not a split, it is just changing the process.

Trustee Bradley asked if there was anything else on the legislative update and there was not.

Item #8-Report by Sheriff Rosie Rivera

Action Requested: None

Discussion:

Sheriff Rivera said we have this added now and I know that I do my updates with UPD but I do want to know, is there something else that you want me to focus on for this meeting? I can bring it to you and update you on it.

Trustee Bradley said that he thinks they could probably do that just by request and that would give Sheriff Rivera ample time to prepare.

Item #9-Public Hearing and Resolution. Consider a resolution amending the calendar year 2019 budget to transfer \$254,000 from fund balance and appropriate \$254,000 to fund the costs of adding another officer for the Magna Precinct and adding another officer for the Kearns Precinct.

Action Requested: Adopt

Discussion:

Trustee Bradley said that this is an issue they dealt with prior in the UPD meeting. He asked Richard Moon if there was anything he wanted to add.

Richard Moon said it is \$254,000 and in the information they received it broke down exactly what that is for. It is for the one officer in Magna and the one officer in Kearns. He thinks it was based on approximately 200 days from March until the end of the year.

Frank Nakamura said before they opened the public hearing, he wanted for the record a presentation of the reasons for the budget amendment. He asked Chief Ackerman and Chief Lohrke to present.

Magna Chief Jason Ackerman said that Magna has been growing very rapidly and is positioned for even more economic growth. They are forecasted over the next two to three years to increase two thousand residences within the city. He said that they have not added any patrol allocations to Magna or Kearns in close to twenty years. He said they have a population of nearly 40,000, then the addition of two thousand homes. They also have the addition of the inland port, where 10 percent lies within their jurisdiction and that could drastically increase daytime populations. Also factoring in the construction of the new prison, which is in very close proximity that could greatly increase daytime populations and transit coming to and from. We believe this is very responsible and we project over the next five years to stay ahead of the curve with these increases.

Kearns Chief Brian Lohrke said that they are being responsive to the growth of their respective communities. They have not seen any growth in their patrol assets. When he initially went into Kearns he noticed an immediate need of having an additional SRO for their junior high schools; they only have one right now who splits the time between Kearns Jr High School and Thomas Jefferson.

Trustee Bradley said that he doesn't think there is any question that they have both done a wonderful job in terms of making it work the way it is.

Chief Lohrke said he appreciated the support of the Board, especially with the tax increase. They want to be sure that their communities are seeing that return in their public safety.

Trustee Bradley said they would now open the public hearing to see if anyone wanted to comment on the budget adjustment. He saw none so he closed the public hearing.

Trustee Prokopis asked how they would fund this long term and if it is built into the budget.

Richard Moon said yes, they will build it into the budget.

Trustee Prokopis motioned to adopt the resolution.

Trustee Brems seconded.

All voted in favor; none opposed.

Motion passed.

Item #10-Consider a resolution appointing a SLVLESA District Administrator.

Action Requested: Adopt

Discussion:

Trustee Bradley said that Item #10 is looking at hiring Mr. Nakamura as District Administrator.

Sheriff Rivera said she was asking for them to consider hiring him as a director because she thinks that since Frank has been part of the organization we have seen what he is capable of bringing to the organization with changing the agenda and making sure they are checking off everything they need to be doing. It is very critical they have someone like Frank on board. He has been the legal but we think if we can combine the two, we would not only save money that way but we also get a lot for that money and she has seen it personally what he is bringing to the organization.

Trustee Bradley said part of the process is that the Board weighs in on this and that he consulted with Trustee Pazell and Trustee Brems and they both thought he was a very good choice and he also wanted to make those terms public. He said that he understands they are eliminating the contract that Frank has with them now for legal services and combining the position of district administrator as well as the legal counsel, into one role and they are going to pay him \$80,000 a year with benefits.

Sheriff Rivera said yes.

Trustee Bradley entertained a motion to approve the appointment.

Trustee Pazell motioned to adopt the resolution.

Trustee Cutler seconded.

All voted in favor; none opposed.

The motion passed.

Item #11-Selection of Chair and Vice-Chair for calendar year 2019.

Action Requested: Nomination, Motion and Vote

Discussion:

Trustee Bradley said that he has been the Chair forever but would not mind to keep doing it.

Trustee Cutler motioned to nominate Jim Bradley as SLVLESA Chair.

Trustee Peterson seconded.

All voted in favor; none opposed.

Motion passed.

Frank Nakamura said they need a vice chair, just in case of Trustee Bradley's absence.

Trustee Bradley asked if that was Mr. Prokopis.

Trustee Prokopis said it is but he was fine with it moving on.

Trustee Prokopis motioned to nominate Trustee Pazell as SLVLESA vice chair.

Trustee Peterson seconded.

All voted in favor; none opposed.

Motion passed.

Item #12-Approval of Minutes for December 13, 2018 meeting.

Action Requested: Approve

Discussion:

Frank Nakamura said there was one change to the minutes. He said the first time he sent them out he had Trustee but did not have Trustee Pazell's name after it. It was on the motion for the budget where all trustees voted in favor except Trustee Pazell who voted against that.

Trustee Pazell motioned to approve the minutes.

Trustee Brems seconded.

All voted in favor; none opposed.

The motion passed.

Frank Nakamura said he just had one comment before the meeting was adjourned. He introduced Marcie Kay as the person who will be doing the meeting minutes.

Trustee Bradley adjourned the meeting.

Next meeting: Thursday, March 21st 2019.