

**MINUTES OF THE
SALT LAKE CITY MOSQUITO ABATEMENT DISTRICT
February 18, 2016
BOARD MEETING**

1. Roll Call:

Presiding: Karen Okabe, Chair 2016

Time: 12:31 PM

Place: 2020 North Redwood Road, Salt Lake City, Utah 84116

Trustees Present: Karen Okabe, Chair 2016
Todd Erskine, Chair 2015
La Vone Liddle, Vice-Chair
Maureen M. Wilson
Dr. Dagmar Vitek (arrived at 12:35, item # 2)

Trustees Excused: None

Staff Present: Sammie Lee Dickson, Ph.D., Manager
Ary Faraji, Ph.D., Assistant Manager / Entomologist
Aleta Fairbanks, CFO
Sally Beagley, District Secretary / Receptionist

Guests Present: Carlton Christensen, Director, Office of Regional
Development, Salt Lake County
No other members of the public were present

Manager Dickson confirmed that the voice recorder was turned on; there were no conflicts of interest declared.

2. Approval of the January 21, 2016, Monthly Board Meeting Minutes:

Manager Dickson thanked the Board for reviewing the minutes and requested input on any modifications. Members of the Board suggested a few punctuation and grammar changes to the minutes, and Trustee Erskine requested that in item #4, second paragraph, first sentence, the '\$98,359.42' be changed to '\$98,359.62'. Trustee Liddle made a motion to approve the Minutes of the January 21, 2016, Board Meeting with the grammar, punctuation and item #4 correction. The motion was seconded by Trustee Erskine and passed with a unanimous vote.

Chairperson Okabe requested the privilege at this point, before going to Item 3, to acknowledge and thank Sally Beagley for getting everyone all together so seamlessly at the AMCA Annual Meeting. Also, as part of the record, she stated that Ary Faraji's masterful presentations helped to keep Utah on the map. We

appreciate his skill and professionalism. She appreciated having the opportunity to attend the meeting. Trustee Liddle also voiced her appreciation for the care she received from staff during the AMCA Annual Meeting and commented that Assistant Manager Faraji's presentations are going to be as good as Manager Dickson's have always been. She also suggested that it would be helpful to have someone who is familiar with the technical aspects to be available during the meeting to answer questions during the presentations.

3. Presentation of the January 2016 Financial Statements and Approval of Bills for Payment:

Manager Dickson reviewed the January financial statements with the Board. All expenditures were reviewed with special attention paid to those in excess of \$1,000, as requested by the Board. A review was also made of any budget line items that were over the expected percentage of spending for this time of the budget year.

Expenses for January totaled \$358,144.86 with \$151,000.00 being a transfer to DSLASA. There were no expenditures from the Capital Projects Fund. Manager Dickson noted that the following line item expenditures were unexpectedly greater than 8.3% of the budget year that has elapsed (excluding items that are not paid proportionately over the year): Interest Earnings, Legal Services, Garbage Removal, and Vehicle Insurance. Manager Dickson has requested a refund on the vehicle insurance: the District was inadvertently charged comprehensive insurance on the vehicles.

Trustee Erskine made a motion to approve the January financial statement and payment of bills. The motion was seconded by Trustee Liddle and passed with a unanimous vote.

4. Five-Year Plan Update:

Signed Contract with Design West Architects: Assistant Manager Faraji worked with Design West Architects to get an acceptable contract. He reviewed and signed the contract which incorporated all of the suggestions made by the law firm of King & King. Design West Architects presented some design drawings for two options: one design expanding the lab to the front of the existing building and one expanding to the back of the building. Management and the staff will review these drawings and provide feedback next week. No work has been prepared on the offsite option.

The Board had a lengthy conversation discussing how future demands of providing services for the new prison area and protection from emerging diseases such as dengue, chikungunya, and Zika viruses could impact the District's facility requirements. Several possible options were brainstormed. Although it is clear that we could perhaps renovate the existing facility to meet our immediate needs, this option would not meet the demands of our future operations. It would ideally be better to look for a new location, if financially feasible.

Progress and timetable for hiring an Assistant Manager: Assistant Manager Faraji, who has taken the lead on the hiring of a new Assistant Manager, was able to meet with four applicants while attending the AMCA Annual Meeting. He provided the Board with a table that lists the individuals who have expressed interest in the position thus far. So far, 24 individuals have expressed an interest in the Assistant Manager position. The deadline for accepting applications is February 29, 2016. Management will identify the most promising applicants for Trustees Liddle and Okabe to review. Selected individuals will be interviewed via Skype. Then, the top 1 – 3 candidates will be invited to visit the District for the final round of interviews.

5. Employee Evaluation and Compensation Policy Review:

Manager Dickson had provided the Board with copies of Sections XI (Performance Evaluations), Section XII (Employment Classifications/ Compensation), and Section XIII (Salary Planning) in this month's board meeting packet. These policies are currently in place. The Board was asked to review these Sections and to suggest any improvements. Objective-based evaluations using a numbering scale would be an ideal way to help evaluate merit pay qualifications. Trustee Okabe agreed to provide a template / format for performance evaluations and grievance procedures. She will email this information out to the Board for review. Manager Dickson will also email the above policies in Microsoft Word format to the Board so that everyone can make their changes in the document. He asked the Board to please copy everyone with their changed documents once they have reviewed them. This will provide all of the changes together in one file. Performance evaluations should be an ongoing process allowing for improvement and correction throughout the year, culminating in the formal written evaluation. The Board establishes the salary ranges and each employee's compensation is based on evaluation results provided by the District Manager. Portions of the annual budget are based on the salaries that are determined once a year by the Board. Salaries are to be set according to the standards and are to be transparent; concealment causes issues with employees. Salary changes after the budget has been adopted are discouraged. Action on these procedures will be addressed at the March Board meeting.

6. Conflict of Interest Statements:

The Board Members were asked to review the chart provided by the State Auditor's Office on the Public Employees Ethics Act, read and then sign the SLCMAD Conflict of Interest Policy that was adopted January 15, 2015. This Conflict of Interest Policy is to be reconsidered and signed by all Board members each year.

7. Declaration of 2000 Ford 550 as Surplus Property and Approval to Sell:

Manager Dickson provided a Car Review list of sales prices for 2000 Ford F550 Super Duty trucks. The District's truck is 16 years old and has 5,000 miles on it.

The District no longer needs this truck to haul water to the airport or sand to make pesticide granules. Manager Dickson would like the 2000 Ford 550 to be declared as surplus property and sold. Trustee Wilson made a motion to declare the 2000 Ford 550 as surplus property and to authorize Manager Dickson to advertise the truck in a manner that will allow it to be sold at the best possible price. The motion was seconded by Trustee Vitek and passed with a unanimous vote.

8. Potential Grant from Valent BioSciences:

Valent BioSciences approached Assistant Manager Faraji about conducting research on one of their products (MetaLarv) that prohibits mosquito larvae from developing into adult mosquitoes. Valent is willing to provide a \$10,000 grant for conducting this research. This product's advantage is that an application only needs to be made once or twice each season, versus ongoing applications using another product. The disadvantage is that monitoring needs to be conducted regularly in order to document that mosquito larvae are not becoming adults. The District conducted a research project for Dibrom Adulticide last year, and the expense was about \$4,000 - \$6,000. A \$10,000 grant would cover the cost of hiring an intern or seasonal employee dedicated to this project and to provide travel funds for meeting attendance to disseminate the findings.

Assistant Manager Faraji's concern is avoiding a conflict of interest. Valent makes the products that our District uses. However, our District purchases Valent's products indirectly through designated distributors. In order to avoid any conflict of interest, Valent has also agreed to Assistant Manager Faraji's request that our District controls all aspects of the study. He will write the protocols, and our District will have full control over the findings and publishing the results.

Trustee Liddle mentioned that this appears to be an arms-length transaction, which should avoid any conflict of interest. Trustee Okabe stipulated that an agreement with the manufacturer should be written so that the duties are clearly articulated. Once our attorney reviews and approves of the agreement, the document may be signed by both parties. Trustee Liddle made a motion that an agreement should be written and approved in accordance to Trustee Okabe's recommendation. The motion was seconded by Trustee Erskine and passed unanimously.

9. Report on Attended and Reminder / Approval of Upcoming Training / Meetings:

AMCA Annual Meeting, Savannah, GA, February 7-11, 2016: Assistant Manager Faraji is now on AMCA's Board of Directors representing the West Central Region. He attended two all-day board meetings, moderated a session, gave two presentations, served as a mosquito control expert during the Young Professionals Symposium, and met with potential assistant manager applicants at AMCA's meeting. He and others who attended the meeting reported on the

proceedings. As a result of publicity on Zika virus, funds for mosquito control are being provided by the government. The CDC (Centers for Disease Control and Prevention) has promised to provide \$3,000,000 to AMCA for research. AMCA has created a 7-member Zika Task Force, and Assistant Manager Faraji has been asked to sit on this task force.

West Central Mosquito & Vector Control Association, Grand Junction, CO, February 24-25, 2016:

The entire staff will be attending the West Central Mosquito and Vector Control Association Annual Meeting in Grand Junction, Colorado. The staff will drive District vehicles. The first day's training will be at the Grand River MAD's newly-built facility and will be a good chance to gather ideas for our District's remodel projects. Assistant Manager Faraji will provide a presentation on the aerial application trials with Dibrom during the 2015 field season. He is also serving on the Board of Directors for this organization.

Mosquito & Vector Control Association of California Annual Meeting, Sacramento, CA, February 28 – March 2, 2016:

Assistant Manager Faraji will be attending the Mosquito & Vector Control Association Annual Meeting in Sacramento, California. He will be providing a presentation on the aerial application trials. He plans on visiting the Sac-Yolo MVCD and the Placer MVCD facilities while he is at the meeting. These districts will provide excellent opportunities for Assistant Manager Faraji to gather ideas for SLCMAD's new / remodeled facility.

UMAA Spring Workshop, North Salt Lake, ULGT Offices, April 16, 2016:

The Utah Mosquito Abatement Association will hold its Annual Spring Workshop at the offices of the Utah Local Government's Trust on Saturday, April 16, 2016. It is expected that over 200 mosquito control workers from around the State will receive training at this workshop.

AMCA Washington Conference, Georgetown Melrose Hotel, Washington, DC, May 9 – 11, 2016:

Assistant Manager Faraji and Trustee Liddle will be attending the AMCA Washington Conference in Washington, DC.

10. Utah Legislative Issues:

Assistant Manager Faraji, CFO Fairbanks, and Manager Dickson have been meeting with the Utah Association of Special Districts each Tuesday to discuss legislation. Manager Dickson briefly explained the bills that are expected to affect the District.

Beekeeping Legislation – HB 115 and HB 315:

These two competing bills concerning beehive registration attracted a lot of attention from the populace. HB 115, which outlines voluntary beehive registration, has some of the language Assistant Manager Faraji obtained from Felshaw King, our legal counsel. Both bills have been sent to Interim Committee. These bills will be followed closely, for they will have a considerable impact on the District.

Board Member – HB 77 Residence, HB 347 Training:

HB 77 provides that certain members of a special district board of trustees do not need to reside within the special district. Governing authorities are apparently having a problem with getting people who live within certain boundaries to sit on governing boards. Mark Anderson, UASD's legal counsel, has indicated that this bill relates to special service districts like the Unified Police Department and the Unified Fire Authority and will not affect local districts.

HB 347 is a technical fix that clarifies when board members of a local district may complete training. Training is to occur at least once each term.

District Transparency – SB 99:

SB 99 removes a size and budget threshold for local government participation in the Utah Public Finance "Transparency" Website. This requirement will prove to be difficult for small entities with very limited budgets.

Annexation of SLC property in Magna MAD into the SLCMAD:

The current boundaries of Salt Lake City are larger than SLCMAD's boundaries, which were set in 1924. The District has been servicing several areas that do not pay taxes for mosquito control. In about 1948, Magna Mosquito Abatement District was formed. Over many years, Salt Lake City has annexed new areas to the north and west. Some of Salt Lake City is now within the Magna MAD boundaries. The new prison will be in an area outside of either District's boundaries, but it will be in an area that has been serviced by this District for almost 90 years. It is estimated that it will cost at least an additional \$160,000 annually to control mosquitoes to an acceptable level around the new prison location. This District needs the State to provide long-term funding to abate mosquitoes around this location. It is unreasonable to assume that the Salt Lake City residents should be responsible for funding mosquito control at the prison. Much of the surrounding area consists of wetland and duck hunting clubs that are taxed as greenbelt property, where no taxes are being collected. There will eventually be buildings, stores, and warehouses constructed on the greenbelt property. The District needs to annex this area so that, when zoning changes occur, tax monies for mosquito abatement can be collected.

Senator Jerry Stevenson is writing a bill concerning the prison, and it would be very helpful if SLCMAD's tax base could be increased to include the new prison area as well as all of the other properties that are in Salt Lake City's boundaries. This bill should also include long-term funding for mosquito control at the prison.

Manager Dickson and Assistant Manager Faraji were out of town when Carlton Christensen was able to schedule a meeting with Senator Stevenson. CFO Fairbanks and Ryan Lusty, Manager of the Magna MAD, agreed to meet with Senator Stevenson. On their way to meet with Senator Stevenson at the State Capitol, they ran into LeGrand Bitter, UASD's Executive Director. He indicated that an inter-local agreement between SLCMAD and Magna MAD would be the best approach to solving our concerns.

Senator Stevenson indicated that Carlton Christensen and LeGrand Bitter had both discussed the cost of providing service to the prison with him. CFO Fairbanks provided maps depicting boundary options for mosquito control between SLCMAD and Magna MAD. She pointed out the discrepancy between SLC's 2010 boundaries, SLCMAD's current tax base, and SLCMAD's current service area. Senator Stevenson understood that it would cost approximately \$160,000 per year to provide mosquito control to the prison. He also felt that an inter-local agreement would be a good idea.

Due to a misunderstanding, the meeting with Senator Stevenson did not deliver the results desired by SLCMAD's managers. They would like to: 1) have the area encompassing SLC's boundaries and the prison annexed into SLCMAD's tax base; 2) they need, in writing from the State, a guarantee that long-term funding will be provided for SLCMAD to provide mosquito control to the prison; and 3) a new boundary between Magna MAD and SLCMAD needs to be established.

The District will need to go through an RFP process to hire a legal firm to help with the annexation process.

Property Tax – HB 25:

HB 25 is difficult to read. It modifies the calculation of certain property tax rates, which will slowly shift property taxes from commercial to residential properties. One very positive advantage is that once an RDA agreement comes to fruition, the generated taxes can be captured without having to go through the truth-in-taxation process.

Sales Tax Exemption on Construction Materials – HB 122:

HB 122 amends the sales and use tax exemption for construction materials purchased by or on behalf of the State or governmental entities. If passed, contractors will be able to purchase building materials for governmental projects without having to pay sales tax.

Retirement – HB 205:

HB 205 increases the contribution for Tier II employees from 1.5% to 1.72%. As a result, SLCMAD's pension expense will increase. This will be good for Tier II employees, but it will cost the District more in the long run.

Waters of the US – HCR 1:

HCR 1 expresses disapproval of the expansion of the term "waters of the United States" to include ephemeral drainages, dry washes, gullies, coulees, and arroyos. Such a ruling would consider areas that only move water after rain as "waters of the United States", which is disconcerting.

11. Utah Retirement System Audit:

The Utah Retirement Systems conducted a compliance audit covering the period of January 1, 2014, through November 30, 2015. There were no findings of non-compliance. However, URS does categorize Trustee Okabe as a re-hired employee. As a result, pension contributions will need to be made on her stipends. CFO Fairbanks is reading Title 49 in order to ascertain if the URS is correct in taking this position.

12. Manager's Report:

Attached to the January Manager's Report was an article, The Zika Buzz, written by Assistant District Manager Faraji. This article reveals the fact that Zika is transmitted by the day biting mosquitoes *Aedes aegypti* and *Aedes albopictus*, which are currently not in Utah. This interesting article also answers several other questions that are on the minds of the general populace. Assistant Manager Faraji thanked Trustee Vitek for looking over the document and providing feedback prior to submission.

13. Board Member Appointment – Reappointment Update:

After waiting for Lindsey Meyer to return his call, Manager Dickson wondered if she was no longer employed by the Mayor. This was indeed the case. Simone Butler is now handling board appointments. She reported that the SLCMAD is not the only organization that is anxious for a board member to be appointed or reappointed. Even though board appointments are a high priority, she could not provide a time frame for when an appointment will occur.

Trustee Vitek's term will expire at the end of 2016. Manager Dickson explained to Ms. Butler the unique situation that Trustee Vitek serves as a liaison between the Salt Lake County Health Department and the District. Manager Dickson asked that the Mayor consider an exemption to the City's two-term rule for Trustee Vitek.

14. Probable Agenda Items for the March 17, 2016, Monthly Board Meeting:

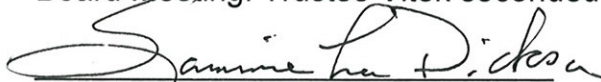
Probable items on the agenda for the March 17, 2016, monthly Board Meeting to be held at 12:30 PM include, but are not limited to:

- Possible welcome of a new Board Member
- Update on meetings/training attended and scheduled
- Update on the hiring of an Assistant Manager
- Policies Review
- Remaining Conflict of Interest Statements
- Grievance Procedures / Performance Evaluation Policies


A boxed lunch will be available for the Board members prior to the March Board Meeting, beginning at noon.

15. Adjournment:

At 3:05 PM, Trustee Liddle made a motion to adjourn the February, 2016, Board Meeting. Trustee Vitek seconded the motion, and it passed unanimously.


Sammie Lee Dickson, District Manager

3/17/16
Date


Karen Okabe, Board Chair 2016

3/17/16
Date

