

**MINUTES OF THE UTAH LEAGUE OF CITIES & TOWNS**  
**BOARD OF DIRECTORS MEETING**  
OLMSTEAD ROOM, UTAH STATE CAPITOL, SENATE BUILDING FIRST FLOOR  
350 STATE STREET  
SALT LAKE CITY, UT 84111  
**FEBRUARY 13, 2017**  
**10:00 AM**

**CONDUCTING:** ULCT Board of Directors President, Mayor Steve Hiatt, Kaysville.

**EXECUTIVE BOARD**

Mayor Steve Hiatt, President, Kaysville  
Council Member Beth Holbrook, 1<sup>st</sup> Vice President, Bountiful  
Mayor Jon Pike, 2<sup>nd</sup> Vice President, St. George - EXCUSED  
Council Member Lynn Pace, Past President, City of Holladay

**BOARD OF DIRECTORS**

Mayor Karen Cronin, Perry  
Mayor Dean Baker, Naples  
Council Member Andy Beerman, Park City  
Mayor Mike Caldwell, Ogden City  
Mayor Ted Eyre, Murray City  
Mayor Carmen Freeman, Herriman – PARTICIPATED VIA TELEPHONE  
Council Member Mike Mendenhall, Spanish Fork  
Mayor Dave Sakrison, Moab  
Council Member Kelleen Potter, Heber  
Mayor Bob Stevenson, Layton  
Council Member Curtis Ludvigson, Sterling - EXCUSED  
Mayor Brent Taylor, North Ogden

**EX-OFFICIO MEMBERS**

David Church, Legal Counsel  
Teresa Harris, Logan City Recorder, UMCA VP

**ULCT STAFF**

Nick Jarvis, Director of Research and Technology  
Roger Tew, Interim Executive Director  
Kerri Nakamura, Chief Financial Officer

**EX-OFFICIO MEMBERS**

David Church, Legal Counsel  
Teresa Harris, UMCA VP

## **1. Welcome and Introductions – Mayor Steve Hiatt, ULCT President**

President Steve Hiatt called the meeting to order at 10:00 a.m. and called for introductions.

## **2. Review and Approval of Minutes - Mayor Steve Hiatt, ULCT President**

The Board reviewed the minutes of the January 18, 2017 ULCT Board Meeting. Council Member Holbrook referred to page 4 of the minutes and asked that her correct title be listed as Council Member rather than Mayor.

**ACTION: Council Member Beth Holbrook moved to approve the minutes of the January 18, 2017 ULCT Board Meeting as amended. The motion was seconded by Mayor Dean Baker. The motion carried unanimously.**

## **3. Conflict of Interest Disclosure for Board Members – Mayor Steve Hiatt, ULCT President**

Mayor Hiatt stated that with conversations both with League staff and Board Members, we want to ensure that any conflicts of interest be identified both with the League staff and Board Members. ULCT Chief Financial Officer Kerri Nakamura has made sure that everyone is in compliance in all of these areas.

Chief Financial Officer Kerri Nakamura said this is the item that Mayor Carmen Freeman asked to be added to the beginning of each Board meeting agenda. As Board Members review the agenda and if conflicts of interest are identified, they can disclose that conflict and a form will be given to the Board Member which they can update.

Mayor Hiatt asked if there were any conflicts from Board Members for today's meeting and none were identified.

Ms. Nakamura noted that all Board Members have submitted updated disclosure statements at this time.

## **4. ULCT Board Appointments & Reports – Mayor Steve Hiatt, ULCT President**

Mayor Hiatt said there are numerous Boards and Commission on which the ULCT has seats by virtue of State Statute of independent agreement. Staff is researching the status of ULCT appointments and within the coming months will bring the Board a list of vacancies that need to be filled. Meanwhile, with the staffing change at the ULCT, they are in need of immediate appointments to the Wasatch Front Regional Council and the Kem C. Gardner Policy Institute. While the ULCT position at the Wasatch Front Regional Council was historically filled by the ULCT's Executive Director, it makes sense for the ULCT to be represented by an elected Board Member. Since Council Member Holbrook will remain on the Board for the next three years and represents a Wasatch Front community, it makes sense to appoint her to fill the ULCT's seat on the Wasatch Front Regional Council. The ULCT position on the Board of the Kem C. Gardner Policy Institute is part of a three-year agreement between the Institute and the ULCT. The Policy Institute is a wonderful partner with the ULCT on municipal policy and finance projects. Since the coordinated projects are managed by staff, they recommended that the Board consider maintaining this ULCT appointment and that ULCT Interim Executive Director Roger Tew serve on the Kem C. Gardner Policy Institute Board of Directors.

Mayor Hiatt suggested that the Board make it common practice that the Board ratify these and other appointments.

Council Member Pace said he raised this issue with David Church who said that appointments are absolutely a Board function or at least subject to Board ratification. His recollection is the Board amended their policy to reflect the fact that there would be a recommendation made by the Executive Director, subject by ratification for all of the different boards. At the time this was discussed, former Executive Director Ken Bullock maintained that it was his unilateral discretion to make those appointments without any Board involvement and that was a point of minor friction. Again, his recollection is the policy regarding these appointments was amended to reflect they are subject to ratification from the Board. As to the recommendation of Roger Tew serving on the Kem C. Gardner Board of Directors, he asked would it be better to have ULCT staff there rather than a Board Member.

Mr. Tew responded that he was involved in organizing the Kem C. Gardner Board of Directors so he is very familiar with this Board.

Council Member Holbrook said it makes sense to her that these appointments go to the Board for consideration and ratification.

Mr. Tew explained the University of Utah set up a Policy Institute with a combination of the Utah Foundation, Public Finance Policy and Local Government Policy from a research standpoint. The League was an original participant and is housed in the former LDS Business College building. This is a broader “think tank” that meets and discusses municipal issues. The ULCT also partners with them on various issues and they help us with some of our research projects.

Mayor Hiatt said the function of the ULCT Board is to be a governing board and there are no feelings that should get hurt in this discussion. From his perspective he feels it’s a good idea to have Roger Tew serve on the Kem C. Gardner Board of Directors. But, if there are any reservations from the Board, he feels that Mr. Tew would not be offended.

Ms. Nakamura said we have a three year commitment to the Kem C. Gardner Policy Institute and pay \$10,000 per year to help them get off the ground.

Mr. Church said some of these board positions have a specific term and should be identified and stated when an appointment is made.

Mayor Mike Caldwell said the term limit on the Wasatch Front Regional Council is two years.

Ms. Nakamura said staff looked at a list of all the boards and commissions where the League has a statutory position and many of the terms have expired. Staff will be distributing the list to the Board Members at the next meeting and with the Board’s recommendation, they will fill those positions.

Council Member Lynn Pace suggested that the Board not “group think” all of those board appointments but to have staff provide recommendations to the Board for their review.

Ms. Nakamura suggested that the names of the proposed board appointments be circulated to the Board Members prior to putting the names on an agenda so Board Members can review the names and determine if there is a concern before the names are submitted during an open, public meeting.

Mayor Karen Cronin said as people serve on boards and represent the League as a whole, she would like to have an update on what's going on with the various boards.

Mayor Hiatt suggested that Board reports be added to the Board of Directors Meeting agenda.

**ACTION: Mayor Mike Caldwell moved to appoint Council Member Beth Holbrook to serve out the remaining term on the Wasatch Front Regional Council and Roger Tew to serve out the remaining term on the Kem C. Gardner Policy Institute Board of Directors. The motion was seconded by Mayor Bob Stevenson. The motion carried (Council Member Beth Holbrook recused herself).**

## **5. Recommended Personnel & Accounting Policies – Kerri Nakamura**

Ms. Nakamura said at the January 18, 2017 meeting, the Board requested the following changes:

1. The Executive Director's annual conflict of interest disclosure will be provided to the Executive Committee of the Board of Directors.
2. Any outside employment arrangement made by the Executive Director will be approved, in writing, by the Executive Committee of the Board of Directors.
3. The Board President will be notified of all whistle blower allegations submitted within 24-hours or receipt.

Additionally, while the Procurement Policies were not reviewed in detail by the Board, the following additions have been recommended for Part II of Administration Section (c):

1. The ULCT Executive Director may sign contracts for budgeted items/services up to \$25,000.
2. The ULCT Board President may sign contracts for budgeted items/services between \$25,001 and \$50,000.
3. Contracts exceeding \$50,001 for budgeted items/services may be signed by the ULCT Board President after being approved by the ULCT Board.
4. Contracts cannot be entered into for non-budgeted items/services.

Mayor Hiatt said the changes came from a recent discussion regarding a particular contract that was in excess of \$120,000.

Council Member Lynn Pace asked who will review and approve financial expenditures such as credit card statements and requests for reimbursement by the Executive Director.

Ms. Nakamura responded these are approved by the Treasurer and the credit card statements are also reviewed by an external financial consultant so there are two levels of review. She also stated that the Executive Director no longer has a credit card. There is only one staff member that has a credit card and that is Abby Bolic and that statement is reviewed by Ms. Nakamura, the Treasurer, Roger Tew and the external financial consultant. All other credit cards have been closed.

Ms. Nakamura continued and said the Executive Director's time cards are reviewed by the Treasurer. The Executive Director's reimbursements are reviewed by the Treasurer when, the Treasurer is signing the checks.

Council Member Lynn Pace asked about an annual performance evaluation of the Executive Director with the ULCT Board President.

Ms. Nakamura stated that has been changed in policy and will be done.

Council Member Lynn Pace said there was a provision that the Executive Director would meet with the Treasurer at least every other month and he questioned whether they should meet monthly.

Ms. Nakamura responded the language was not changed to be a monthly meeting but have indicated to Mayor Carmen Freeman that it will be a monthly meeting. She feels it would be nice to have some flexibility that it not be a monthly meeting.

Council Member Lynn Pace commented that from the recent ULCT financial review, he gathered that part of the problem was the financial statements were not reviewed in a timely manner so they were in arrears. He feels they should be reviewed and approved monthly.

Ms. Nakamura said the policy does require they be reviewed and approved monthly. Roger Tew, herself and Lorie Dudley who is the external financial consultant review the statements monthly but the policy allows the Treasurer to review them at a minimum of every two months although he/she can review them monthly.

Council Member Lynn Pace asked about taking sick leave and vacation and should the Board look at a paid time off policy.

Ms. Nakamura responded she is working on this at this time along with changing the pay dates which, she would like to implement on July 1, 2017. She also added that the Utah Retirement Systems waived the penalty fee of \$18,000 for late payments.

Ms. Nakamura said the two signatures on the ULCT bank signature are the ULCT Board President and the Treasurer. She said it makes sense to her that the two who can sign checks should be the two who can also sign a contract.

Mr. Church said with electronic signatures and the ease of signing, he feels it's unlikely that someone will be completely unavailable to sign. The question is, will the person be available to review and approve and not actually put their signature on the document. He feels having someone besides the ULCT Board President authorized to sign is a good idea. He is not sure that the Treasurer is the right person to sign a contract but it can be done that way.

Ms. Nakamura said there will be several contracts that will need signing and they will be in the range of \$25,000 to \$50,000.

Council Member Beth Holbrook said we would also have to set up the policy to have more than just the Board President be on the signature card.

**ACTION: Mayor Bob Stevenson moved to approve the changes made to the Personnel and Accounting Policies and Procedures as reviewed. The motion was seconded by Mayor Brent Taylor. The motion carried unanimously.**

#### **6. ULCT Cell Phone Reimbursement Schedule/Stipend – Kerri Nakamura**

Ms. Nakamura recommended the following in regards to Cell Phone Reimbursement and Schedule/Stipend:

Provide a \$15 per pay period (\$30 per month) cell phone reimbursement stipend to each ULCT W-2 employee. At full staffing, the ULCT presently has eight W-2 positions. The recommended \$30/month level represents an approximate 50% reimbursement for an average priced unlimited voice, data and text plan. The total cost of this reimbursement scheduled to the ULCT would be \$240 per month (\$2,880 annually). This amount is more than offset by the recent cancellation of the ULCT's AT&T bill which was \$450 per month (\$5,400 annually).

**ACTION: Mayor Bob Stevenson moved to approve the Cell Phone Reimbursement Schedule/Stipend. The motion was seconded by Council Member Lynn Pace with the caveat that the numbers presented will change over time. The motion carried unanimously.**

#### **7. Appointment of Records Officer – Mayor Steve Hiatt, Kerri Nakamura, Nick Jarvis**

Ms. Nakamura stated that staff is requesting that a person be designated to respond to GRAMA requests that the ULCT receives. In the past, Cameron Diehl was the Records Officer for the ULCT and his schedule at this time does not allow him to continue serving as Records Officer. She proposed that Nick Jarvis, Director of Research and Technology serve as the Records Officer for the ULCT. He will serve in an acting position until he completes certification, then he will become the Records Officer

**ACTION: Mayor Dean Baker moved to appointment Nick Jarvis as the Acting Records Officer and, upon Nick's completion of certification, the Records Officer. The motion was seconded by Mayor Ted Eyre. The motion carried unanimously.**

Mayor Hiatt reported on Roger Tew serving as the ULCT Interim Executive Director. He stated that Mr. Tew has done a good job representing the League with the recent resignation of Ken Bullock. He said that the ULCT Executive Board have met and said that occasionally there has been some rumbling at the Capital regarding what is the League going to do, who are they going to appoint as Executive Director, etc. Mayor Hiatt said a process will be presented to the entire Board to adopt at the April ULCT Board meeting. He feels the League is on a good trajectory and we don't want to send the message, especially to the membership, that we have a vacancy that we need to fill and that it won't be addressed as soon as possible. The Executive Board is very interested in getting to this process and to make sure it is done right. We also don't want to distract from the mission of the League especially during the legislative session. The primary focus for the ULCT is to represent cities and towns.

Mayor Hiatt said typically the Board meeting is held at the April ULCT Conference in St. George at 4:00 p.m. on the first Wednesday of the conference which is April 5. He suggested that the Board meet earlier and an email will go out to all Board Member to gather feedback on the best

time to meet. At that meeting, the Executive Board will have a recommendation for a long term Treasurer. Mayor Carmen Freeman is the Interim Treasurer at this time. Mayor Hiatt said to contact him with any recommendations for a Treasurer and it is required that the person live within 30 miles of the League office.

Mayor Carmen Freeman suggested in light of the audit, that the ULCT website be updated, taking off the Treasurer's name. He also said the term for a Board Member is two years and he recommended to consider the process of appointing Board Members. He asked is there a propensity for a lot of turnover if the term limits are only two years and he would like to consider changing the process in the future.

## **8. Closed Session**

**ACTION: Council Member Bob Stevenson moved to adjourn at 10:45 a.m. and reconvene in a closed session for the purpose of discussing the character, professional competence and mental health of an individual and pending litigation. The motion was seconded by Council Member Lynn Pace. The motion carried by roll call vote.**

Mayor Steve Hiatt, President, Kaysville - AYE  
Council Member Beth Holbrook, 1<sup>st</sup> Vice President, Bountiful - AYE  
Mayor Jon Pike, 2<sup>nd</sup> Vice President, St. George - AYE  
Council Member Lynn Pace, Past President, City of Holladay - AYE  
Mayor Karen Cronin, Perry - AYE  
Mayor Dean Baker, Naples - AYE  
Council Member Andy Beerman, Park City - AYE  
Mayor Mike Caldwell, Ogden City - AYE  
Mayor Carmen Freeman, Herriman – AYE – PARTICIPATED VIA TELEPHONE  
Council Member Mike Mendenhall, Spanish Fork - AYE  
Mayor Dave Sakrison, Moab - AYE  
Council Member Kelleen Potter, Heber - AYE  
Mayor Bob Stevenson, Layton - AYE  
Mayor Brent Taylor, North Ogden – AYE

### **ULCT STAFF**

Nick Jarvis, Director of Research and Technology  
Roger Tew, Interim Executive Director  
Kerri Nakamura, Chief Financial Officer

### **EX-OFFICIO MEMBERS**

David Church, Legal Counsel  
Teresa Harris, Logan City Recorder, UMCA VP

## **9. Other Business**

No further business was discussed by the Board.

## **10. ADJOURNED TO CLOSED SESSION at 10:47 a.m.**

**ACTION: Council Member Lynn Pace moved to adjourn and reconvene in a Closed Session the ULCT Board of Directors meeting of February 13, 2017. The motion was seconded by Council Member Beth Holbrook. The motion carried unanimously.**