

From: [Lynn Pace](#)
To: [Zach Robinson](#); [Alison Stroud](#); [Cyndi Sharkey](#); [Mike Applegarth](#)
Subject: FW: Governance Structure of Alta Canyon Recreation SSD
Date: Thursday, September 2, 2021 1:27:39 PM

Please see the research and other information below about the governance of the Alta Canyon special service district. This information is being provided in anticipation of the Council discussion on this topic scheduled for September 14. By way of summary, the key points to remember are:

1. Upon creation, a special service district is governed by the legislative body of the City that creates the district, subject to delegation of that authority to an administrative control board.
2. Sandy City has delegated that governing authority to the Alta Canyon special service district board.
3. That delegation of authority may be revoked at any time, which would return the governing authority to the City Council.

If there are any additional issues that you would like us to research or address in preparation for that Council meeting, please let us know. Thanks.

From: Jeff Robinson <jrobinson@sandy.utah.gov>
Sent: Wednesday, September 1, 2021 4:50 PM
To: Lynn Pace <lpace@sandy.utah.gov>
Subject: Alta Canyon Recreation SSD

Lynn,

Per your request, we researched the limited question of the Alta Canyon Recreation SSD governance. We reviewed the materials provided by Mike Applegarth and Dustin Fratto and we looked online at the current special service district statutes. In terms of governance:

1. A city's legislative body can initiate the creation of a special service district ("SSD"). **Section 17D-1-203(1)(a)**. A SSD can be created by the filing of a petition by residents, but we know the Alta Canyon Recreation SSD was created by Sandy's City Council. **Resolution #81-47C**.
2. Once created, a SSD is "a body corporate and politic with perpetual succession, separate and distinct from the . . . municipality that creates it; a quasi-municipal corporation; and a political subdivision of the state." **Section 17D-1-103(1)**. So, the Alta Canyon Recreation SSD is separate and distinct from Sandy City.
3. However, a SSD is governed by the legislative body of the city that created the SSD subject to the city's delegation of rights, power and authority to an administrative control board ("ACB"). **Section 17D-1-301(1)**. A city's legislative body can create an ACB when the SSD is created or anytime later. **Section 17D-1-301(2)(a)**. We know the Sandy City Council created an ACB when it created the Alta Canyon Recreation SSD in 1981. **Resolution #81-50C**.
4. Subject to certain statutory limitations (**Section 17D-1-301(3)**), a legislative body determines which of its rights, power and authority to govern the SSD to delegate to the ACB. **Section 17D-1-301(2)(b)**. Per **Resolution #81 – 50C**, Sandy's City Council delegated "without limitation,

the power to act as the governing authority of said SSD and to exercise all or any of the powers provided for in Sections 11-23-13, 11-23-15, 11-23-18, 11-23-19 and 11-23-20 of the Utah Special Service District Act.” We haven’t tried to define yet exactly what powers were delegated but it appears the Council at the time intended to delegate a broad range of powers except as specifically limited by statute.

5. We didn’t find a provision expressly granting authority to a city’s legislative body to dissolve an ACB. Nor did we find a provision expressly giving a city’s legislative body authority to remove the ACB members and appoint themselves as ACB members. However, a city’s legislative body may at any time “modify, limit, or revoke any right, power, or authority delegated to the ACB.” [Section 17D-1-301\(4\)\(a\)](#). So, it appears, the City Council could arguably revoke all the right, power, or authority delegated to the Alta Canyon Recreation SSD ACB which would make the ACB powerless.
6. We didn’t find any statute outlining a process which a council must follow to revoke the ACB’s powers. At a minimum, it would be reasonable to assume the Council must revoke the ACB’s authority by resolution because it granted the Alta Canyon ACB authority by resolution. It would also be reasonable to give written notice to the ACB members personally and, at a minimum, post public notice on the public website and perhaps at the Alta Canyon Sports Center and any other ACB offices, if it has offices somewhere other than the Sports Center. Council should also consider a reasonable time for service (7-10 days?) and a reasonable time for the revocation of authority to take effect to allow the ACB to wind up any outstanding affairs.

If you or Council would like copies of the Code sections, please advise.

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