

Memorandum

March 10, 2020

To: City Council

From: Dustin Fratto, Senior Management Analyst

Subject: Alta Canyon Special Service District (SSD), Board Authority

What authority does the Alta Canyon Administrative Special Service District (SSD) have?

Each SSD shall be governed by the legislative body of the municipality that creates the SSD, subject to any delegation of a right, power, or authority to an administrative control board (Those powers that have been delegated to the Board are highlighted in green).

Per Utah Code 17D-1 “Special Services District Act,” the powers of an SSD are as follows:

1. Enter into a contract that the governing authority (City Council) considers desirable to carry out SSD’s functions.
2. Acquire and construct facilities
3. Acquire real or personal property
4. Sell, convey, lease, exchange, transfer or otherwise dispose of the SSD’s property or assets
5. Mortgage, pledge, or otherwise encumber the SSD’s property or assets
6. Enter into a contract with respect to the use, operation, or maintenance of the SSD’s property or assets
7. Accept a government grant or loan
8. Use an officer, employee, property, equipment, office, or facility creating City
9. Employ personnel
10. Designate an assessment area and levy an assessment
11. Contract with a public utility
12. Borrow money and incur indebtedness
13. Issue bonds for the purpose of acquiring, constructing, and equipping any of the facilities required for the services the SSD is authorized to provide
14. Impose fees or charges for services provided by the SSD
15. Provide service to an area outside of the SSD’s boundary
16. Provide additional services that the governing body (City Council) determines will more effectively carry out the purpose of the SSD
17. Adopt an official seal

At any time, the legislative body (the City Council) that creates a SSD may delegate to the administrative control board (the Alta Canyon Board) the exercise of any right, power, or authority that the legislative body possesses with respect to the governance of the SSD. Except, the legislative body may not delegate the following powers (Utah Code 17D-1-301):

1. Annex an area into an existing SSD, or add a service within the area of an existing SSD
2. Designate the classes of SSD contracts
3. Levy a tax
4. Issue bonds payable from taxes
5. Hold an election for the authorization of a property tax or bond issuance
6. Levy an assessment
7. Issue interim bonds payable from an assessment
8. Appoint a board of equalization

In Sandy, the Council has delegated authority to the Alta Canyon Board by referencing specific sections of the Special Service District Act, found in State Code from 1981. These sections include 11-23-13, 11-23-15, 11-23-18, 11-23-19, and 11-23-20. While at the time, these references made sense, presently it makes it difficult to know exactly what authority the Council delegated to the Alta Canyon Board. As staff we visited the State Archives and worked with their staff to locate most of the antiquated sections (Section 11-23-15 was not located).

In conclusion, we have a partial picture of the full authority originally delegated by the City Council to the Alta Canyon Board. We can say with confidence, that the Board was granted the powers highlighted above in green. We can also say that there are certain powers that current law absolutely forbids the Council from delegating to the Board. Unfortunately, we can't know what powers were originally granted but have been lost in state code updates and changes over the past forty years.