<u>MEMORANDUM</u>

Date May 21, 2019

<u>Subject</u> Reduction of Public Works Planning and Development services and transition of Salt Lake County planning employees.

Related Materials (attached)

- Master Interlocal Agreement (the "Master Interlocal Agreement") between Greater Salt Lake Municipal Services District (the "MSD"), Salt Lake County (the "County") and five Metro Townships for Municipal, Administrative and Operational Services
- Letter dated August 20, 2018 (the "Notice Letter") from the MSD to the County

Background

In August 2018, the MSD notified the County per the Notice Letter that the MSD intended to "take over responsibility" for the Planning and Development services under the Master Interlocal Agreement no later than August 31, 2019. This Notice Letter was given pursuant to a section in the Master Interlocal Agreement that addresses a decrease in services. The Notice Letter did not address the question of how a full decrease of planning and development services would impact the employees of the County's Public Works Planning and Development division.

In March of 2019, the County employees were informed of the following:

- The MSD intends for the County employees to go through the County's Reduction in Force (RIF) process and the MSD will then consider whether to retain any employees.
- The retained employees would be hired based on a new salary structure and benefits package.

The MSD anticipates being in a position to extend offers to new employees in June (including perhaps some, if not all, current planning employees). The MSD has formed an internal committee (the "MSD Committee") to make recommendations to the MSD trustees regarding an employee benefits package. The County employees also formed a committee (the "Employee Committee") to consider the benefits package. The MSD Committee has been considering the Employee Committee's concerns over the past few weeks and has addressed many of the employee's concerns. Some concerns, however, remain, including the issue of post-retirement benefits (or OPEB).