

**MINUTES OF THE
POLITICAL SUBDIVISIONS INTERIM COMMITTEE**
Wednesday, October 24, 2001 - 9:00 a.m. - Room 223 State Capitol

Members Present:

Sen. Carlene M. Walker, Senate Chair
Rep. David L. Hogue, House Chair
Sen. Beverly Ann Evans
Sen. David L. Gladwell
Sen. Paula F. Julander
Rep. Stephen D. Clark
Rep. David N. Cox
Rep. Scott Daniels
Rep. Fred J. Fife III
Rep. Kory M. Holdaway

Rep. Joseph G. Murray
Rep. Darin G. Peterson
Rep. Richard M. Siddoway
Rep. Max W. Young

Staff Present:

Mr. Joseph Wade, Research Analyst
Mr. Keith Woodwell, Associate General Counsel
Ms. Joy L. Miller, Legislative Secretary

Note: A list of others present and a copy of materials can be found at <http://www.image.le.state.ut.us/imaging/history.asp> or contact the Office of Legislative Research and General Counsel.

1. Welcome and Committee Business

Chair Hogue called the meeting to order at 9:10 a.m.

MOTION: Sen. Julander moved to approve the minutes of the September 12, 2001 meeting. The motion passed unanimously with Sen. Gladwell and Sen. Walker absent for the vote.

Mr. Woodwell updated the committee on the progress being made by the Special Districts Subcommittee. He indicated that although withdrawal provisions have been very controversial, the subcommittee has reached a consensus in creating a uniform set of procedures. The recommendations will be brought before the committee in the November meeting.

2. Status of Draft Legislation Regarding County Boundary Issues

Rep. Hogue stated the legislation previously approved by the committee was not discussed during the special session. He indicated the bills will be introduced during the 2002 General Session.

3. Followup - Quality Growth Commission Recommendations

Mr. David Allen, vice chair, Commission (Quality Growth Commission), said that during the last few months, the Commission has met repeatedly to deal with the issue of quality growth areas and what should be attempted through legislation. As a result, the Commission has determined that it can accomplish much in the upcoming year concerning quality growth without legislation. He expressed appreciation for Mr. Woodwell's efforts in drafting the legislation which was sent in the mailing packet. He distributed a handout "Quality Growth Areas." The Commission is proposing four criteria for quality growth areas: 1) housing, 2) infrastructure efficiency, 3) conservation of critical lands, water, and energy, and 4) economic opportunity and vitality. Mr. Allen commented that a major part of the Commission's funding is the LeRay McAllister Fund which is limited to preserving natural areas. He said the Commission proposes to implement quality growth areas on a trial basis. He stated that these areas will

succeed through partnerships, various funding strategies, and incentives. The Commission believes that funding incentives are available with state, federal, and other partners and it will work collaboratively with these groups. Mr. Allen pointed out that the Commission proposes to develop a Utah Quality Growth brand and criteria to award to existing and proposed developments.

Rep. Fife raised concern with a proposal to reopen a railroad line in his area that has been out of service for years. The tracks run through the middle of a park and very close to residential areas. He said there should be some way to protect existing local neighborhoods from these types of actions. He asked if there was any effort on the part of the Commission to assist communities in opposing certain types of development that would have a negative impact on the community.

Mr. Allen responded that the Commission has discussed barriers to quality growth. However, it has been limited to what state actions have been taken and what statutes or requirements may be limiting a community's ability to become involved in quality growth. He noted that there are things the state does that limit a community's ability to control quality growth.

Sen. Julander encouraged the Commission to pursue a process in which it could voice its concern with certain proposals.

4. Legislative Audit on Utah's Associations of Government

Ms. Leslie Marks, auditor supervisor, Office of the Legislative Auditor General, distributed a handout "A Performance Audit of Utah's Associations of Government." She stated there are seven AOGs (associations of government) that provide a variety of services at the local and regional level. Many of Utah's government services are provided by the AOGs. The AOGs operate primarily under contracts with a number of state and federal agencies. They have little direct interaction with the Legislature. However, executive agency staff monitors AOG activities as part of contract oversight. Ms. Marks pointed out that operating budgets for the seven AOGs totaled over \$28 million in FY 2000. Funding is provided by the federal government as grants passed through state agencies, state appropriations, local government assessments and matching funds, and contributions from utility companies and user fees. She stated that given the amount of government-related activity of the AOGs it is recommended that the Legislature consider amending the Utah Code to formalize the AOGs' role as government service providers.

Ms. Marks stated that accountability processes are set by funding agencies. It is important to ensure that adequate accountability exists for funds flowing to the AOGs and that promised programs are provided. Contracts between the AOGs and state agencies contain accountability requirements and provide for oversight and monitoring by the state. The application processes for obtaining funds begins an ongoing process of goal orientation and accountability. In addition, the contracting state agencies conduct monitoring and program reviews. These agencies have provided monitoring records and reports showing their satisfaction with AOG performance. Ms. Marks indicated it is recommended that the AOG staff use past Community Services Block Grant performance and actual service data to estimate service goals and to assist with future program planning. It is also recommended that the Department of Community and Economic Development follow through with its intent to review estimated and actual AOG program

activity to ensure that Community Services Block Grant service goals are realistic.

Mr. Russ Cowley, Six County AOG, stated they have a \$3.5 million budget. They assess a 2.6 percent general administration fee.

Mr. Darrell Cook, Mountainland AOG, stated the AOGs are formed through the Interlocal Cooperation Act. He indicated that it is beneficial to keep the alignments as they are rather than make other arrangements. He noted that service delivery is different within each AOG. The cooperative relationship between AOGs and agencies such as the Utah League of Cities and Towns and the Utah Association of Counties is a very positive one. Mr. Cook said the Mountainland AOG has been in existence for 30 years. It has had an effective relationship with the local elected officials.

Mr. Wes Curtis, state planning coordinator, explained that from the perspective of the Governor's Office of Planning and Budget, they were concerned about providing planning services to the rural communities in the state that don't have the capacity to hire planners. They determined it would be cost effective to put circuit writer planners in a region of the state that could help a number of communities and counties. Rather than contracting out the position, it was opened up to an RFP under which an AOG could apply.

Mr. Tim Osterstock, audit manager, Office of the Legislative Auditor General, indicated they would also like to see a continuing dialogue between the Legislature and the AOGs.

MOTION: Sen. Evans moved to have the AOGs report annually to the committee in order to maintain a continuing dialogue. The motion passed unanimously with Rep. Clark, Rep. Cox, and Rep. Young absent for the vote.

MOTION: Rep. Holdaway moved to adjourn the meeting. The motion passed unanimously with Rep. Clark, Rep. Cox, and Rep. Young absent for the vote. Chair Hogue adjourned the meeting at 10:50 a.m.

