

Minutes
Utah State Privatization Policy Board Meeting
December 11, 2001, 10:00 a.m.
3150 State Office Building, Salt Lake City

Attendees

Jim Kesler, Board Chair
Representative Loraine Pace
Norm Tarbox
Sharlene Thomas
William T. Barton
Douglas Durbano
Ramona Rudert
Douglas Richins

Excused

Commissioner Merwin Stewart

Absent

Jay B. Dansie
Senator J.W. Hickman
Representative Brent Goodfellow
Elizabeth Hawkins

Visitors

Senator Howard Stephenson
Taz Biesinger, Utah Home Builders Association
Eric Isom, Utah State Senate
Spencer Stokes, Stokes Strategies
Stephen Schwendiman, Attorney General
Scott Hogensen, Utah Taxpayers Association
Jim Olsen, Utah Retail Merchants
Melva Sine, Utah Restaurant Association
R. Rows, Utah School Superintendents Association
Steven H. Peterson, Utah School Boards Assoc. & Utah School Superintendents Assoc.
Mike Herman, Utah Taxpayers Association
Marta Murvosh, Salt Lake Tribune
Jamie Cowen, KUTV News
Scott Earl, Utah League of Credit Unions
Travis Wood, Utah League of Credit Unions

Jim Kesler, Board Chair, conducted meeting.

Mr. Kesler welcomed the board members to the meeting and asked for a motion to approve the minutes from the board meeting of November 13, 2001 with the changes made by Representative Pace. Mr. Barton moved to adopt the minutes and Ms. Rudert seconded the motion. All members voted in favor.

Mr. Kesler then introduced Senator Howard Stephenson, who requested the board's input on his proposed legislation regarding the development of a task force to investigate taxing governments when they compete with private enterprises. His concept is to empower a legislative taskforce to evaluate whether it would be equitable for such public enterprises to pay tax on those areas where they are competing with private companies who do pay tax. He said that his interest spawns from the funding crisis which will be facing Utah's public schools, where an estimated 100,000 additional students will need to be accommodated by the year 2010. Senator Stephenson requested that the board consider adopting a resolution in favor of his proposed legislation.

The board heard testimony supporting the concept of this legislation from Steven H. Peterson, representing the Utah School Boards Association & Utah School Superintendent's Association; Melva Sine, representing the Utah Restaurant Association; Taz Biesinger, representing the Utah Home Builders Association; and Scott Hogansen, representing the Utah Taxpayers Association.

After discussion, Ms. Rudert moved to approve the following resolution and Mr. Durbano second the motion. All board members voted in favor. ***"The Utah Privatization Policy Board supports Legislation to create a Legislative Task Force to study the equitable taxation (especially for the benefit/funding of education) of public enterprises which compete with the private sector, but do not pay the same taxes as their private sector counterparts."***

Mr. Richins indicated that he would forward the resolution to Senator Stephenson.

Stephen Schwendiman, from the Attorney General's office, joined the meeting at the board's request to discuss his interpretation of the intent of the statute on the role and authority of the board. Mr. Schwendiman indicated that he had not done a significant amount of research on the topic, but that his reading of the statute provided that the authority of the board extended to state agencies, not to local governments, or school districts. The statute defines an agency as: "'Agency' means a department, division, office, bureau, board, commission, or other administrative unit of the state." Of particular interest to the board was whether or not the word "agency" included higher education as a unit of the state. Mr. Schwendiman rationalized that, though unclear in the statute, the fact that a representative from higher education is a board member led him to believe that higher education would be included within the definition. Mr. Tarbox disagreed saying that if the legislature were to adopt the statute today, that definition would not include higher education. He said that now when the legislature intends to include higher education as a state agency a clause is added saying "and an institution of higher education". It was agreed that the board would look further into this, but the

consensus was that to invite higher education to meet before the board and respond to privatization issues would not be offensive to the statute.

The next agenda item included a presentation by Norm Tarbox, Associated Commissioner of Higher Education articulating privatization efforts among higher education since 1996. He distributed to the board a paper entitled "Recent Elements of USHE to be Privatized (since 1996)", which is incorporated into these minutes.

Sharlene Thomas raised a discussion on the Salt Lake Community College's intent to privatize their bookstore and Information Technology services. The board asked Mr. Richins to extend an invitation to the President of SLCC, or his representative to come to the next meeting to review with the board SLCC's privatization efforts in the areas of information technology and the bookstore.

The next board meeting was scheduled for January 7, 2001 at 1:30 pm in room 3150 of the State Office Building.

Mr. Kesler thanked the board for their attendance and participation and then adjourned the meeting.

Attachment: Paper titled "Recent Elements of USHE to be Privatized (since 1996)".

Minutes
Utah State Privatization Policy Board Meeting
November 13, 2001
10:00 a.m.

Attendees

Jim Kesler, Chairman
Jay B. Dansie
Rep. Brent Goodfellow
Rep. Loraine Pace
Sharlene Thomas
Norm Tarbox
William T. Barton
Douglas G. Richins
Ramona Rudert

Excused

Commissioner Merwin Stewart
Douglas Durbano

Absent

Sen. J.W. Hickman

Meeting was conducted by Jim Kesler.

Being that three new board members were in attendance at this meeting (Representative Loraine Pace, Ramona Rudert, and Norm Tarbox) Mr. Kesler asked each board member to take a moment to introduce themselves. In remembrance of the late senator and former board member, Pete Suazo, Mr. Kesler related his admiration for Pete's influence over the citizens of Utah.

Douglas Richins presented an overview of the Privatization Policy Board, its purpose and objectives, as well as the newly developed web site. This web site contains information such as the mission statement and statute of the board as well as past minutes, agendas, and the contact information for each board member. During his presentation, great interest was raised by the board to gain more knowledge regarding the privatization of the Salt Lake Community College bookstore project. Concern was raised, however, that Higher Education might not be classified as an agency. Rep. Pace volunteered to have the legal staff confirm this.

As for the future direction and organization of the board, it was agreed upon that monthly meetings should continue to be held on the second Tuesday at 10:00 a.m. in the Purchasing Conference Room. Future interest and agenda topics are the following:

- *Privatization of the SLCC Bookstore
- *Presentation by the Utah Restaurant Association
- *Presentation form the Utah Home Builders Association
- *List of privatization initiatives within Higher Education – to be presented by Mr. Tarbox.
- *Mr. Barton would like to unfair competition with local governments.

Mr. Kesler thanked the board and adjourned the meeting with the reminder that they would meet again on December 11, 2001 at 10:00 a.m. in room 3150 of the State Office Building.

Minutes
Utah State Privatization Policy Board Meeting
February 13, 2001
10:00 a.m.

Attendees

Jim Kesler, Chairman
Rep. Brent Goodfellow
Commissioner Merwin Stewart
Sharlene Thomas
William t. Barton
Douglas G. Richins

Excused

Nora Stephens
Douglas Durbano
Fred R. Hunsaker

Absent

Sen. L. Steven Poulton
Sen. Pete Suazo
Jay B. Dansie

Jim Kesler, Chairman, conducted meeting.

Mr. Kesler welcomed the board members to the meeting. Because a quorum was not present, no official action was taken.

Much discussion was given to the development of a Utah Policy Book regarding Privatization. It is the goal of the board to develop a document that gives guidelines, references, and information to assist agencies. Other suggestions included definitions, procedures, and guidelines for developing a successful contract.

Minutes
Utah State Privatization Policy Board Meeting
January 9, 2001
10:00 a.m.

Attendees

Jim Kesler, Chairman
Rep. Brent Goodfellow
Commissioner Merwin Stewart
Nora Stephens
William t. Barton

Excused

Douglas G. Richins
Douglas Durbano
Jay B. Dansie
Fred R. Hunsaker

Absent

Sen. L. Steven Poulton
Sen. Pete Suazo
Sharlene Thomas
Thomas Bielen

Meeting was conducted by Jim Kesler, Chairman.

Mr. Kesler welcomed the board members to the meeting. Because a quorum was not present, no official action was taken.

Much discussion was given to the development of a Utah Policy Book regarding Privatization. It is the goal of the board to develop a document that gives guidelines, references, and information to assist agencies. Other suggestions included definitions, procedures, and guidelines for developing a successful contract.

To continue the development of this document, a committee of board members consisting of Jim Kesler, Commissioner Merwin Stewart, William T. Barton, Douglas Richins, Douglas Durbano, Jay B. Dansie, and Sharlene Thomas was organized to meet on February 13, 2001 at 10:00 a.m. in room 3132 of the State Office Building.