

SUMMIT COUNTY SERVICE AREA NO. 3 BOARD OF TRUSTEES

RESOLUTION NO. 2023 – 05

A RESOLUTION ADOPTING AN ETHICS POLICY, AN ETHICS PLEDGE, A CONFLICTS OF INTEREST POLICY, AND A CONFLICTS OF INTEREST PLEDGE

WHEREAS, Summit County Service Area #3 (the “**Service Area**”) is a Utah service area and political subdivision, existing under any by virtue of the provisions of the Service Area Act, Section 17B-2a-901, et seq. of the Utah Code; and

WHEREAS, the Auditor for the State of Utah has recommended that political subdivisions of the State of Utah adopt certain polices and forms to guard against conflicts of interest and ethics violations; and

WHEREAS, to comply with the Auditor’s recommendations, the Service Area’s staff have prepared the following attached documents based on forms developed by the Auditor: (1) an ethics policy; (2) an ethics pledge; (3) a conflicts of interest policy; and (4) a conflicts of interest pledge; and

WHEREAS, the Service Area’s legal counsel has reviewed the policies and forms and approved them as to form.

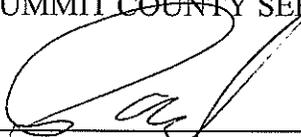
NOW, THEREFORE, be it **RESOLVED** by the Board of Trustees of the Summit County Service Area #3 (the “**Board**”) that, effective immediately:

1. The attached polices and forms are approved and adopted; and
2. Service Area Board members and Service Area employees are hereby required to complete and sign the ethics pledge and the conflicts of interest disclosure form each calendar year, and to file the executed documents with the General Manager; and
3. The ethics pledge and conflicts of interest policy repeal and replace any conflicting portion of any other Service Area regulation or policy and shall govern in the event of any such conflict.

[execution on following page]

ADOPTED AND APPROVED by majority vote at a duly called meeting of the Board of Trustees of Summit County Service Area #3 on this 16th day of May 2023.

SUMMIT COUNTY SERVICE AREA NO. 3



Paul Kraus, Chair
Board of Trustees

ATTEST:



Larry Elbert, Board Clerk

VOTING

Trustee Adams voting	Absent
Trustee Carpenter voting	Yea
Trustee Daniells voting	Yea
Trustee Elbert voting	Absent
Trustee Kraus	Yea
Trustee Sharp voting	Yea

Ethical Behavior Policy

Summit County Service Area #3 Code of Ethics

Prohibited Conduct

1. Disqualification from Acting on Summit County Service Area #3 (“Service Area”) Business. No current officer or employee, as specified, may:
 - a. Engage in any transaction or activity, which is, or would to a reasonable person appear to be, in conflict with or incompatible with the proper discharge of official duties, or which impairs, or would to a reasonable person appear to impair, the employee's independence of judgment or action in the performance of official duties and fail to disqualify him or herself from official action in those instances where conflict occurs;
 - b. Have a financial or other private interest, direct or indirect, personally or through a member of his or her family, in any matter upon which the employee is required to act in the discharge of his or her official duties, and fail to disqualify him or herself from acting or participating;
 - c. Fail to disqualify him or herself from acting on any transaction which involves the Service Area and any person who is, or at any time within the preceding twelve (12) month period has been a private client of his or hers, or of his or her firm or partnership;
 - d. Have a financial or other private interest, direct or indirect, personally or through a member of his or her family, in any contract or transaction to which the Service Area may be a party, and fails to disclose such interest to the appropriate authority prior to the formation of the contract or the time the Service Area enters into the transaction; provided, that this paragraph shall not apply to any contract awarded through the public bid process in accordance with applicable law.
2. Improper Use of Official Position. No current officer or employee, as specified, may:
 - a. Use his or her official position for a purpose that is, or would to a reasonable person appear to be primarily for the private benefit of the employee, rather than primarily for the benefit of the Service Area or to achieve a private gain or an exemption from duty or responsibility for the employee or any other person;
 - b. Use or permit the use of any person, funds, or property under his or her official control, direction, or custody, or of any of the Service Area funds or property, for a purpose which is, or to a reasonable person would appear to be, for something other than a legitimate purpose.
 - c. Except in the course of official duties, assist any person in any transaction where the employee's assistance is, or to a reasonable person would appear to be, enhanced by that employee's position with the Service Area provided that this subsection shall not apply to: any employee appearing on his or her own behalf or representing himself or herself as to any

matter in which he or she has a proprietary interest, if not otherwise prohibited by ordinance;

- d. Regardless of prior disclosure thereof, have a financial interest, direct or indirect, personally or through a member of his or her immediate family, in a business entity doing or seeking to do business with the Service Area, and influence or attempt to influence the selection of, or the conduct of business with that business or entity.
3. Gifts or Loans. No current officer or employee, as specified, may:
- a. Ask for or receive, directly or indirectly, any compensation, gift, gratuity, or thing of value, or promise thereof, for performing or for omitting or deferring the performance of any official duty; except that the following shall be allowed:
 - i. Unsolicited flowers, plants, and floral arrangements;
 - ii. Unsolicited advertising or promotional items of nominal value, such as pens and notepads;
 - iii. Unsolicited token or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item;
 - iv. Unsolicited food items given to a department when the contents are shared among employees and the public;
 - v. Unsolicited items received for the purpose of evaluation or review provided the officer or employee has no personal beneficial interest in the eventual use or acquisition of the item by the Service Area.
 - vi. Information material, publications, or subscriptions related to the recipient's performance of official duties;
 - vii. Food and beverages consumed at hosted receptions where attendance is related to official duties;
 - viii. Meals, beverages, and lodging associated with retreats or other meetings where the official serves as a representative, designee or is otherwise assigned to another organization or entity from the [entity];
 - ix. Travel costs, lodging, and tuition costs associated with the Service Area sanctioned training or education when not provided by a private entity under contract with the Service Area;
 - x. Admission to, and the cost of food and beverages consumed at, events sponsored by or in conjunction with a civic, charitable, governmental, or community organization and other officials or employees of similar agencies are in attendance;
 - xi. Unsolicited gifts from dignitaries from another entity or other jurisdiction that are intended to be personal in nature;
 - xii. Campaign contributions; and
 - xiii. Unsolicited gifts with an aggregate economic value of \$50.00 or less from a single source in a calendar year received either directly or indirectly by the official or employee.
4. Privileged and Proprietary Information.

No current officer or employee, as specified, may disclose or use any privileged or proprietary information gained by reason of his or her official position for the immediate or anticipated personal gain or benefit of the

employee or any other person or entity; provided, that nothing shall prohibit the disclosure or use of information which is a matter of public knowledge, or which is available to the public on request.

5. Financial or Beneficial Interest in Transactions. No current officer or employee, as specified, may:
 - i. Regardless of prior disclosure an employee or officer may not participate in or benefit from (personally or through his or her family) a contract or agreement where that employee or officer acted as an agent of the Service Area. This includes receiving compensation, gratuity or other benefit from an interested party of an agreement or contract with the Service Area.
6. Nepotism. No current officer or employee, as specified, may:
 - a. Violate *Utah Code* § 52-3, which prohibits employment of relatives, with few exceptions.
7. Misuse of Public Resources or Property. No current officer or employee, as specified, may:
 - a. Violate *Utah Code* § 76-8-4, which delineates the unlawful use of public funds and destruction of property, including records.
8. Outside Employment. No current officer or employee, as specified, may:
 - i. Retain secondary employment outside of the Service Area employment, which, as determined by the State of Utah, and according to *Utah Administrative Code* R477-9-2:
 - ii. Interferes with an employee's performance.
 - iii. Conflicts with the interests of the Service Area , Summit County, or the State of Utah.
 - iv. Gives reason for criticism or suspicion of conflicting interests or duties.
9. Political Activity. No current officer or employee, as specified, may:
 - a. Except as otherwise provided by law:
 - i. The partisan political activity, political opinion, or political affiliation of an applicant for a position with the Service Area may not provide a basis for denying employment to the applicant.
 - ii. The Service Area officer's or employee's partisan political activity, political opinion, or political affiliation may not provide the basis for the officer or employee's employment, promotion, disciplinary action, demotion, or dismissal.
 - iii. The Service Area employee may not engage in political campaigning or solicit political contributions during hours of employment.
 - iv. The Service Area officer or employee may not use the Service Area's equipment while engaged in campaigning or other political activity.
 - v. The Service Area officer or employee may not directly or indirectly coerce, command, or advise another Service Area officer or employee to pay, lend, or contribute part of the officer's or employee's salary or compensation, or anything else of value to a

- political party, committee, organization, agency, or person for political purposes.
- vi. The Service Area officer or employee may not attempt to make another officer or employee's employment status dependent on the officers or employee's support or lack of support of a political party, affiliation, opinion, committee, organization, agency, or person engaged in political activity.
 - vii. A Service Area employee who has filed a declaration of candidacy may:
 - viii. be given an unpaid leave of absence for the period between the primary election and the general election; and
 - ix. Use any vacation or other leave available to engage in campaign activities.
 - b. Neither the filing of a declaration of candidacy nor a leave of absence under this section may be used as the basis for an adverse employment action, including discipline and termination, against the employee.
 - c. Nothing in this chapter shall be construed to:
 - i. prohibit a Service Area officer or employee's voluntary contribution to a party or candidate of the officer or employee's choice; or
 - ii. Permit a Service Area officer or employee partisan political activity that is prohibited under federal law.
 - d. No Service Area officer or employee shall solicit or participate in soliciting any assessment, subscription, or contribution to any political party during working hours on the premises of any Service Area property.
 - e. No Service Area officer or employee shall promise any appointment to any position with the Service Area as a reward for any political activity.
 - f. A Service Area employee who is elected to an office with the Service Area shall terminate the Service Area employment prior to being sworn into the elected office.
10. Fair and Equal Treatment. No current officer or employee, as specified, may:
- a. No person shall be appointed to, removed from, or in any way favored or discriminated against with respect to any appointive public office because of such person's race, color, age, religion, sex, national origin, or functional limitation as defined by applicable state or federal laws, if otherwise qualified for the position or office.
 - b. No Service Area officer or employee shall grant any special consideration, treatment or advantage to any citizen beyond that which is available to every other citizen.
11. Prohibited Conduct After Leaving the Service Area:
- a. No former officer or employee may, during the period of one (1) year after leaving the Service Area office or employment:
 - i. Disclose or use any privileged or proprietary information gained by reason of his/her Service Area employment for his/her gain or anticipated gain, or for the gain or anticipated gain of any person, unless the information is a matter of public knowledge or is available to the public on request;
 - ii. Assist any person in proceedings involving an agency of the Service Area with which he/she was previously employed, involving

- a matter in which he or she was officially involved, participated or acted in the course of duty;
- iii. Represent any person as an advocate in any matter in which the former employee was officially involved while a Service Area employee;
 - iv. Participate as a competitor in any competitive selection process for a Service Area contract in which he or she assisted the Service Area in determining the project or work to be done or the process to be used.

Ethical Behavior Pledge Form

Annual Summit County Service Area #3 Ethics Pledge

The following pledge is required to be made annually by all officers and employees of Summit County Service Area #3 (the "Service Area")

I, _____, am the duly appointed/elected
_____ of Summit County Service Area #3

I pledge to adhere to the code of ethics as approved by the Service Area. These topics include, but are not limited to: improper use of official position, accepting gifts or loans, disclosing privileged information, retaining a financial or beneficial interest in a transaction, nepotism, misuse of public resources or property, outside employment, political activity, fair and equal treatment, and conduct after leaving office or employment. Additionally, I pledge to disclose all conflicts of interest on the conflict of interest disclosure form. I understand that the "Utah Public Officers' and Employees' Ethics Act" ("Act") Title 67, Chapter 16 of the Utah Code and the Service Area's Conflicts of Interest Policy and Ethical Behavior Policy provide for penalties for violation of specific unethical behavior. Signing this document verifies that I have been provided time to read applicable statutes and ordinances, as well as the Service Area code of ethics.

DATED THIS _____ DAY OF _____ [YEAR]

Trustee's signature: _____

Name:

Date:

Witnessed by:

Signature: _____

Name:

Title:

DATED THIS _____ DAY OF _____ 2024

SUMMIT COUNTY SERVICE AREA #3 CONFLICT OF INTEREST DISCLOSURE FORM

Annual Conflict of Interest Disclosure Form

The following disclosures are required to be made annually by all officers of Summit County Service Area #3 (the “**Service Area**”) pursuant to the “Utah Public Officers’ and Employees’ Ethics Act” (“**Act**”) Title 67, Chapter 16 of the Utah Code. A copy of the Act is attached for reference.

If additional space is needed, please use a separate sheet of paper. Per the Act, the information provided shall be kept on file with the Service Area and may be subject to disclosure to the public.

I, _____ am the duly appointed/elected
_____ of the Service Area.

- 1) I am an officer, director, agent, employee or owner of a substantial interest in the following business entities which are subject to the regulation of the Service Area, and within such business entities, I hold the following positions:

Business Entity Name:

Position within Business Entity:

Ownership of a substantial interest is defined in U.C.A. § 67-16-3(8) as an interest of 10% or more of the shares of a corporation, or a 10% or more ownership interest in other entities, legally or equitably held or owned by the officer, the officer's spouse, or the officer's children.

- 2) I am an officer, director, agent, employee or owner of a substantial interest in the following business entities which do business with or anticipate doing business with Service Area:

Business Entity Name:

Position within Business Entity:

Please note that pursuant to U.C.A. § 67-16-7, an officer must disclose his or her interest or involvement in such an entity immediately prior to any discussion in an open and public meeting pertaining to business that the Service Area may do with any such entity, regardless of whether a disclosure of interest or involvement in the business was made in this document.

- 3) The following personal interests or investments of mine create a potential or actual conflict between my personal interest and my public duties:

Business Entity Name:

Position within Business Entity:

Acknowledgement

I understand that it is a criminal offense under the Act to: (a) accept employment or engage in any business or professional activity that I might reasonably expect would require or induce me to improperly disclose controlled information that I may gain by reason of my position with the District; (b) disclose or improperly use controlled, private, or protected information acquired by reason of my employment or in the course of my duties in order to further substantially my personal economic interest or to secure special privileges or exemptions for myself or others; (c) use or attempt to use my District position to: (i) further substantially my personal economic interest; or (ii) secure special privileges or exemptions for myself or others; (d) accept other employment that I might expect would impair my independence of judgment in the performance of my

District duties; or (e) accept other employment that I might expect would interfere with the ethical performance of my District duties.

***** OPTIONAL DISCLOSURES *****

- 4) The following disclosures of other business interests, investments, and other matters are not required to be made by law, but are made with the intent to more fully disclose other interests that may be deemed relevant to the administration of public duties, or in furtherance of my intent to provide a more complete disclosure of my economic or personal activities, or for other reasons:

Note:

You are encouraged to consult with the Service Area's legal counsel or private legal counsel if you have any questions about filling out this Disclosure. Please note that the Service Area's legal counsel only represents the Service Area and does not represent individual officers or employees of the Service Area.

Trustee's signature: _____

Name:

Date:

Witnessed by:

Signature: _____

Name:

Title:

Date:

Conflicts of Interest Policy

Summit County Service Area #3

Overview

Summit County Service Area #3 (“**Service Area**”) officers and employees individually commit themselves in their official capacity to ethical, businesslike, and lawful conduct, including appropriate use of their authority and decorum at all times. Officers and employees must avoid even the appearance of impropriety to ensure and maintain public confidence in the Service Area. Officers and employees owe a fiduciary duty to the Service Area and must not act in a manner that is contrary to that duty or to the interests of the Service Area. Officers must place the interests of the Service Area over their own personal interests with respect to the governance, policy, strategic direction and operations of the Service Area.

Policy

It is the intent of the Service Area to meet and exceed those protections against conflicts of interest contained in State law. Under this policy, a conflict of interest arises when an officer or employee has a personal interest in a matter that is or may be in conflict with or contrary to the Service Area’s interests and objectives to such an extent that the officer or employee is or may not be able to exercise independent and objective judgment within the context of the best interest of the Service Area. For the purposes of this policy, an officer’s or employee’s “personal interest” includes those of his or her relatives, business associates or other persons or organizations with whom he or she is closely associated.

1. The following provisions shall serve as a guide to officers and employees with respect to the affairs of the Service Area:
 - a. Service Area officers and employees shall not receive, accept, take or solicit, directly or indirectly, anything of economic value as a gift, gratuity, or favor from a person or entity if it could be reasonably expected that the gift, gratuity, or favor would influence the vote, action, or judgment, or be considered as part of a reward for action or inaction. Officers and employees are required to submit a report to the Service Area and the County’s Internal Auditor of the actual or estimated value of any gifts or casual entertainment received as an officer that exceeds \$50.00.
 - b. The complete confidentiality of proprietary business information must be respected at all times. Officers and employees are prohibited from knowingly disclosing such information, or in any way using such information for personal gain or advancement, or to the detriment of the Service Area, Summit County, or to individually conduct negotiations or make contacts or

inquiries on behalf of the Service Area unless officially designated by the Service Area's Board of Trustees.

- c. Officers and employees are prohibited from acquiring or having a financial interest in any property that the Service Area acquires, or a direct or indirect financial interest in a supplier, contractor, consultant, or other entity with which the Service Area does business. This does not prohibit the ownership of securities in any publicly owned company except where such ownership places the officer in a position to materially influence or affect the business relationship between the Service Area and such publicly owned company. Any other interest in or relationship with an outside organization or individual having business dealings with the Service Area is prohibited if this interest or relationship might tend to impair the ability of the officer(s) to be independent and objective in his or her service to the Service Area.
- d. If members of the immediate family of an officer or employee have a financial interest as specified above, such interest shall be fully disclosed to the Service Area which shall decide if such interest should prevent the Service Area from entering into a particular transaction, purchase, or engagement of services. The term "immediate family" means officer's spouse, parent, dependent children, and other dependent relatives.
- e. When a conflict of interest exists, the officer or employees shall publicly declare the nature of the conflict and may recuse him or herself on any official action involving the conflict.
- f. Officers and employees may not realize, seek, or acquire a personal interest in a business that does business with the Service Area.
- g. Officers and employees shall complete a Conflict of Interest Disclosure Form annually by the end of January. This Form shall be signed. Completed Forms shall be submitted to the General Manager and made available to the public upon request.
- h. The General Manager shall provide copies of all completed Forms to the Board of Trustee's Chair at the end of January each year.
- i. The Board of Trustee's Chair shall review all completed forms and consider the disclosures. The Board of Trustee's Chair should make changes to assignments, duties, or contracts deemed appropriate to eliminate or mitigate conflicts of interest within the Service Area.