

MINUTES OF THE BUDGET WORK MEETING OF THE SPRINGVILLE CITY COUNCIL HELD ON TUESDAY, APRIL 30, 2024, AT 3:30 P.M. AT THE CIVIC CENTER, 110 SOUTH MAIN STREET, SPRINGVILLE, UTAH.

Presiding and Conducting: Mayor Matt Packard

Elected Officials in Attendance: Craig Jensen
Logan Millsap
Jake Smith
Mike Snelson
Mindi Wright

City Staff in Attendance: City Administrator Troy Fitzgerald, Assistant City Administrator/City Attorney John Penrod, Assistant City Administrator/Finance Director Bruce Riddle, City Recorder Kim Crane, Community Development Director Josh Yost, Public Works Director Brad Stapley, Lieutenant Warren Foster, Fire Chief Hank Clinton, Library Director Dan Mickelson, Power Director Jason Miller, Administrative Services Director Patrick Monney, Parks and Recreation Director Stacey Child, and Museum of Art Director Emily Larsen.

CALL TO ORDER

Mayor Packard welcomed everyone at 3:34 p.m. he explained the objective of the meeting was for the staff budget and the council's ideas to mesh and how the budgets coincide with the master plans.

SHIFTING METHODOLOGY - A REVIEW OF THE NEW BUDGET APPROACH - TROY FITZGERALD, CITY ADMINISTRATOR

Troy greeted the attendees and discussed the historical progression and changes over time. Over the past 25 years, the general fund had increased by 416%, enterprise funds by 267%, projects costing over \$100,000 by 280%, and employee full-time equivalents (FTE) by 190%. Troy highlighted that staff were currently facing technical challenges and the need for adaptive leadership.

Troy reviewed the new budget approach, including the CIP budget. He explained that new service levels needed to be requested and budget dollars assigned accordingly. Revenue was largely produced by Directors, with a base budget allocated for them to spend on operations, programs, and employees within the allotted amounts. Guidance came from the Administration and Finance departments, as the budget was already balanced.

Troy highlighted several positives of the new budget approach: Directors had more control over their budgets, were more focused on revenues, and were closer to the front line. The risk was spread out, and with increased choice came increased accountability. However, he noted that the tools available to assist when a department missed its budget were limited.

Councilmember Millsap asked how to prevent departments from becoming siloed and ensure they work together. Troy acknowledged this concern, noting that when he started at the city 25 years ago, the departments were extremely siloed. He mentioned that this issue is an ongoing challenge, but they are addressing it by holding regular team meetings to foster collaboration.

The budgeted revenues had increased by 5.3%, which included a property tax increase. Additionally, utilities rose by \$60 per household annually. A decrease in development had impacted the budget, resulting in no excess funds, as those available were allocated to the police department.

WAGES AND BENEFITS - PATRICK MONNEY, ADMINISTRATIVE SERVICES DIRECTOR

Patrick presented on wages, emphasizing that pay grades and wages were within acceptable tolerance compared to other municipalities and the market. He explained how pay grades and wages were reviewed among other cities. Patrick also provided a review of the Utah Retirement System, noting that the pension was based on years of service and salary earned, providing retirement benefits for full-time employees. In addition to pension benefits, he reviewed other benefits available to full-time employees.

Patrick explained that the city had made aggressive moves on compensation over the past few years, but other cities were still surpassing them in wages. Councilmember Millsap inquired about the total compensation offered by other cities and whether it would be beneficial to review this. Patrick acknowledged that they had considered it, but it had been challenging to determine precise percentages. Councilmember Snelson asked about the nature of performance reviews, suggesting they should be based on merit and not just longevity. Patrick responded that merit increases were taken into consideration during annual reviews. Councilmember Jensen inquired about the possibility of offering bonuses in addition to raises.

DEPARTMENT PRESENTATIONS

Administration - Patrick Monney, Administrative Services Director

Patrick provided highlights of the three different administrative budgets: Administration, Legislative, and Municipal Court. Councilmember Snelson inquired about the contingency line item. Troy explained that this line item was set aside to address unforeseen issues that might arise throughout the year. Additionally, Troy noted that the Legislative Budget included a line item for the Utah League of Cities and Towns under Professional and Technical Services, which would be updated to reflect this accurately.

Community Development - Josh Yost, Community Development Director

Josh explained that the Community Development budget addressed revenue constraints and council priorities to better serve the community. They had eliminated a vacant building inspector position, leaving two building inspectors and one building official, which was expected to meet anticipated demand. Planning appeared to be on track to meet budget projections. Most of the operating budget was dedicated to completing the General Plan. Additionally, there would be fee increases of 1-6% to cover overhead costs and inflation.

Councilmember Wright inquired about the possibility of amending the budget if activity and expenses increased throughout the year. Josh responded that if such a scenario were to occur, they would likely revisit the council to discuss how to address the increased demand. He noted that residential permits had slowed down in 2023 but saw renewed interest in 2024. Additionally, commercial building activity was starting to increase.

Councilmember Millsap inquired about the necessity of new regulatory tools to complete the General Plan and requested a timeline for their implementation. Josh responded that if funding could be secured, it was feasible to complete the task within eighteen months.

Internal Services - Scott Sensanbaugher, Internal Services Director

Scott reported on the newly established Department of Internal Services, outlining its role in providing services to the city and internal customers. This department encompasses GIS services, capital projects procurement, development review, and janitorial services. Over the next year, they will assess



charges for services provided by Internal Services to each department. Key questions to be addressed include whether enough time is dedicated to building maintenance and whether the budget allocation for janitorial services is adequate.

Councilmember Snelson expressed a desire for a chart or visual representation of the Internal Services departments. Scott agreed to include one in a quarterly report and the final budget document.

Councilmember Millsap inquired about the budget allocation process for Internal Services. Troy explained that since it was a new department, they would review its budget throughout the year to understand the true costs.

Scott mentioned plans to develop a facilities master plan over the next year.

Finance - Bruce Riddle, Assistant City Administrator/Finance Director

Bruce reported on the structure of the Finance Department, which comprised two divisions: finance and treasury. He noted that some mid-year organizational changes had been implemented, including the addition of a part-time payroll clerk, allocating more hours to a finance clerk, and promoting an accountant to a controller role. Additionally, Bruce mentioned that merchant credit card fees had increased.

Legal - John Penrod, Assistant City Administrator/City Attorney

John reported that the professional technical line item was the largest within the legal department, primarily used for outside counsel or various property transactions. He provided an overview of the responsibilities of each employee in the department. Additionally, he mentioned that substance abuse and prevention services would be relocated to the Library, where more resources would be available.

Library - Dan Mickelson, Library Director

Dan reported that the Library was on track to meet its goals, achieving a record number of visitors, circulation, and programs. He noted that expenses had increased due to book budgets, and a part-time Community Coordinator transferred from the Legal Department to the Library.

Councilmember Millsap inquired about maintenance contracts. Dan clarified that these contracts encompassed third-party vendors for software and library equipment.

DINNER BREAK TIME OUT: 5:38 p.m. TIME BACK: 5:53 p.m.

DEPARTMENT PRESENTATIONS

Museum - Emily Larsen, Museum of Art Director

Emily reported on fee changes regarding museum rentals.

Councilmember Snelson inquired about storage for the museum. Emily stated they were exploring various options and assessing feasibility. She mentioned that the Arts Master Plan would be the priority, with the storage plan to follow before spring.

Mayor Packard asked about implementing the Arts Master Plan. Emily mentioned that donations had increased and explained that the plan would identify locations for public art and determine what would best suit the community.

Parks and Recreation - Stacey Child, Parks and Recreation Director

Stacey reported that the department was actively working on completing numerous projects. In cemeteries, the focus was on meeting the needs for future growth, beautification, and maintenance. Regarding parks and Canyon Parks, the emphasis was on addressing the demand for growth and ensuring sustainability. They were also in the process of establishing a parks maintenance reserve fund to address current projects and save for future ones. Additionally, there would be some fee increases for Canyon Parks. Stacey provided details on upcoming Capital Improvement Projects (CIP), which included

road and parking lot maintenance, fencing repairs, restroom repairs, and water and irrigation repairs. Recreation is experiencing significant growth. The department's focus will be on enhancing experiences and improving programs to better serve the community.

Councilmember Snelson raised concerns about the vendor fees for Art City Days, noting that they seemed low. Stacey responded that they were planning to increase the fees, as they were comparatively low compared to surrounding cities. Additionally, the Art City Days events would be divided into different components to facilitate budget reviews.

Stacey mentioned that the Community Recreation Center (CRC) membership was growing, and usage was increasing.

Mayor Packard inquired about the possibility of implementing fractional pricing. Stacey explained that they were already implementing fractional fees within the recreation programs.

Power - Jason Miller, Power Director

Jason reported on the long-term principles for power management aimed at efficiently handling changing levels of demand. The department is presently replacing existing generators with new ones and aims to have them operational by 2024. They are also mapping the current resource portfolio and anticipate completing the Westfields Substation in February 2025. Additionally, they are working on the Integrated Resource and Financial Plan (IRFP) and updating impact fees. Notably, there are no budgeted rate increases at this time.

Public Safety - Hank Clinton, Fire Chief, and Warren Foster, Lieutenant

Chief Clinton provided an overview of public safety personnel and divisions. Efforts are underway to augment reserve firefighter personnel due to an increase in call volume. Additionally, the department is currently in the process of updating the impact fee report.

Mayor Packard said he would like to see call volume compared to other cities.

Lieutenant Foster reported that the dispatch center is one of three PSAPs (Public Safety Answering Points) in the valley, sanctioned by the state. They are mandated to have two dispatchers on duty at all times and handle a substantial volume of calls, including up to 44,000 for non-emergencies and 28,000 officer-involved incident calls certified and requiring...

Due to the complexity and number of cases, as well as the cost of outsourcing, the department has added a full-time evidence tech position. Springville has the highest per capita DUI arrests in Utah County, indicating the department's proactive efforts to remove DUI drivers from the road.

BREAK TIME OUT: 7:51 p.m. TIME BACK: 8:00 p.m.

ACTIVE TRANSPORTATION FUNDING - BRAD STAPLEY, PUBLIC WORKS DIRECTOR AND STACEY CHILD, PARKS AND RECREATION DIRECTOR

Brad provided an update on the Active Transportation Street and Trail Corridors, including plans and policies. Buffered bike lanes are scheduled to be installed this summer along 400 East from 1400 North to 400 South. Efforts are underway to secure a grant from FEMA for Hobbie Creek flood control and a shared-use path. Plans and policies are being developed, with a target date of July 1, 2024, for establishing standards and specifications.

Stacey reported that Parks and Recreation are incorporating the Active Transportation Plan into their master plan and are currently working on implementing 28.3 miles of shared-use paths.

Brad explained that each trail or bike lane would necessitate annual maintenance costs.

Councilmember Wright inquired about the possibility of someone investigating Governor Cox's trail grants.

PUBLIC WORKS - BRAD STAPLEY, PUBLIC WORKS DIRECTOR

Brad presented the long-term strategic plan for Public Works, which includes developing leadership and management skills and safeguarding the city's utilities and resources. They are also working on updating master plans.

Strategies for FY 2025 include improving leadership training, reorganizing public works division duties, completing deep maintenance, conducting a utility rate study, and establishing an employee progression path. Capital projects include funding half of the new high school roads, incorporating a roundabout, constructing the new Red Devil Drive, and engineering Canyon Road and Houtz Avenue.

Upcoming projects involve updating the Wastewater Treatment headworks, securing grant funding for Highline Ditch piping, and implementing water AMR metering.

Councilmember Jensen proposed considering covering the cost of water infrastructure within the rates. Brad agreed to have the Utility Board review this suggestion.

Mayor Packard raised the question of whether rates should include infrastructure costs for power as citizens transition to solar energy.

Councilmember Wright suggested that the fee for a second trash can should be the same as for the first can.

Councilmember Millsap inquired about enhancing or incorporating art or design when replacing infrastructure within the city. Troy responded that there were ongoing discussions about bringing more art into the community.

IMPORTANT REMAINING ISSUES - TROY FITZGERALD, CITY ADMINISTRATOR

Troy concluded the discussion by emphasizing the importance of master plans, noting the existing comprehensive details. He highlighted the necessity for an expanded scope, including strategies and goals aligned with the council's vision for staff to prioritize.

The council expressed a clear interest in several key initiatives:

Zoning Code Rewrite, with an allocated budget of approximately \$150,000.

Main Street Opportunity, which the council wishes to pursue.

Discussion on implementing bicycle parking on Main Street.

Review of unfunded capital projects.

Additionally, Councilmember Snelson highlighted discrepancies in the employee recognition line item by department. Troy acknowledged the lack of well-thought-out recognition programs and encouraged the council to inquire further.

Councilmember Jensen expressed a desire to see a three-year view of budgets to better understand trends.

CONCLUSION/QUESTIONS

Mayor Packard thanked the directors for their hard work and acknowledged their excellent performance, expressing support and appreciation for their efforts.

ADJOURNMENT

Motion: Councilmember Jensen moved to adjourn the meeting at 9:28 p.m. **Councilmember Smith** seconded the motion. **Voting Yes:** Councilmember Jensen, Councilmember Millsap, Councilmember Smith, Councilmember Snelson, and Councilmember Wright. The motion **Passed Unanimously; 5-0**

CLOSED SESSION, IF NEEDED - TO BE ANNOUNCED IN MOTION

The Springville City Council may temporarily recess the regular meeting and convene in a closed session to discuss the character, professional competence, or physical or mental health of an individual, pending or reasonably imminent litigation, and the purchase, exchange, or lease of real property, as provided by UCA 52-4-205.

There was none.

This document constitutes the official minutes for the Springville City Council Budget Planning meeting held on Monday, April 30, 2024. I, Kim Crane, do hereby certify that I am the duly appointed, qualified, and acting City Recorder for Springville City, of Utah County, State of Utah. I do hereby certify that the foregoing minutes represent a true, accurate, and complete record of this meeting held on Monday, April 30, 2024.

DATE APPROVED: May 21, 2024



Kim Crane
City Recorder