

Please note: these minutes have been prepared with a timestamp linking the agenda items to the video discussion. Electronic version of minutes will allow citizens to view discussion held during council meeting.



PROVO MUNICIPAL COUNCIL

Work Meeting Minutes

1:30 PM, Tuesday, May 18, 2021

Hybrid meeting: [youtube.com/provocitycouncil](https://www.youtube.com/provocitycouncil) or 351 W Center Street, Provo, UT 84601

Agenda ([0:00:00](#))

Roll Call

The following elected officials participated:

Council Chair David Sewell, conducting
Council Vice-chair David Shipley
Councilor George Handley
Councilor Bill Fillmore, arrived 1:38 PM
Councilor Shannon Ellsworth
Councilor David Harding
Councilor Travis Hoban
Mayor Michelle Kaufusi

Prayer

Michael Sanders, Council Intern, offered the prayer.

Approval of Minutes

October 6, 2020 Work Meeting
April 13, 2021 Special Work Meeting
Approved by unanimous consent.

Business

1. A presentation regarding utility billing. (21-062) ([0:10:01](#))

Wayne Parker, CAO, presented. He shared history of the Provo 360 project, which replaced the legacy software programs used by the City with updated, integrated systems. There are still intricacies within the new system for the utility billing components. Mr. Parker refreshed the group on the activities of last summer's software transition and implementation, impacts of the pandemic, and timing of rate changes. A combination of factors created a perfect storm for the errors which occurred as a result. Mr. Parker reviewed details of some of the specific transition issues experienced relative to utility billing, and the actions taken by the City to address issues, correct problems, and to proactively avert further issues in the future. The City contracted with Squire & Company to conduct an external audit of the utility billing system. Dave Brown worked on the audit and shared more details about the process for the audit. Squire & Company

were in the process of preparing their final audit report; Mr. Brown indicated that the results were promising and did not reveal any major ongoing issues.

Mr. Parker reiterated the lessons learned from the process. In the future, they intend to introduce rate increases at times that avoid peak usage. Mr. Parker also indicated that in the future, if circumstances for similar transitions are uncertain, more caution will be taken. More extensive testing with vendors will also be a key benchmark for future projects. Communicating expectations in a timely manner to the community is also a key aspect. Ensuring the accuracy and integrity of billing information will also be a top priority in launching a new system. He also noted that better focus at the leadership level in the midst of chaos was critical; the pandemic lent uncertainty to a situation with a great deal of confusion. Mr. Parker indicated that they were happy to respond to further questions about the implementation or the external review.

Councilor David Harding thanked Mr. Parker for this report and the additional context surrounding the issues. Constituent reports suggest the errors have subsided and the City has sufficiently addressed the issues. Councilor David Shipley likewise thanked Mr. Parker on this feedback and the work that has been done. He commended Mr. Parker and city staff for being proactive in reaching out to citizens and customers. He was also impressed at the step to invite an external audit; he felt those decisions were made in good taste. Mr. Shipley had lingering concerns about tiered rate structures in a variable-length billing cycle, and he hoped the City could continue to find a way to reconcile those incongruencies. Mr. Parker noted that the City's practice for varied service dates was not unusual; there are other entities that also have tiered rates and variable dates of service. Mr. Parker acknowledged the challenges of the setup and noted some of the tradeoffs that existed for this issue. *Presentation only.*

2. A presentation regarding Google Fiber. (21-008) ([0:38:19](#))

Dixon Holmes, Assistant CAO, presented. Mr. Holmes shared an update on Google Fiber and he highlighted several notable changes with Google Fiber:

- Discontinuance of TV services (which have moved to streaming vendors exclusively)
- Franchise fee restructured to factor internet usage only
- The first payment of this restructured franchise fee will be received in the fall. It is anticipated the total will increase; the rate is lower, but due to a greater number of internet users the final total will likely be higher.
- Google Fiber had initially offered seven years of free basic service. On a rolling basis, this free basic service is discontinuing. Individual contracts may vary depending on when the free service was initially installed in a particular area. *Presentation only.*

3. A Resolution Appropriating \$140,000 in the Ice Sheet Fund for Replacement of a Zamboni. (21-058) ([0:43:59](#))

Scott Henderson, Parks and Recreation Director, presented. Mr. Henderson shared background information on this necessary equipment replacement. In the tight budget, no funding was allocated on a year-to-year basis. He hoped this demonstrated the proactivity of the department in addressing their needs. They have proposed appropriating \$140,000 in excess revenues to purchase an electric Zamboni, which would reduce emissions and provide a better user

experience. Mr. Henderson noted the successful operations throughout the pandemic of the Peaks Ice Arena and their services. Councilor David Harding asked about where the funds would originate. Mr. Henderson explained that in bringing revenue in over the budget projections, the ability to allocate these funds through an appropriation was subject to Council approval. Mr. Henderson clarified that the turf replacement appropriation was before the Council at that evening's meeting, and the Zamboni appropriation would return to the Council in two weeks. Mr. Harding asked which of the machines would be replaced; Mr. Henderson explained that they would retain the machine in better condition and longevity and wait to replace it in several years; in the future they would be able to stagger their equipment replacement to occur at different times. ***Presentation only. This item will return to the Council Meeting on June 1, 2021.***

4. A discussion regarding Elected Officials Compensation. (21-026) ([0:48:31](#))

Cliff Strachan, Council Executive Director, presented. Mr. Strachan referenced a report presented in April from the Elected Officials Compensation Commission. He indicated that the two proposals addressing Mayoral and Councilor compensation were on the agenda for the Council Meeting that evening. The Commission recommended slight adjustments as a result of their study. Although the changes may seem significant, these changes account for any changes in the market and in similarly situated cities over the last several years, as the commission is only convened every four years. Mr. Strachan displayed the draft ordinances and reviewed the proposed revisions to the Councilor compensation and expenses in detail, item by item.

Councilor Travis Hoban asked for his colleagues' opinions on the proposed changes. With it being a tough year for many people during the pandemic, he was concerned about the optics of making such changes. He was interested in other Councilors' thoughts on the timing and general concept. Mr. Hoban acknowledged the amount of work that Councilors do. Mr. Strachan added additional context on the history of the commission, which was structured in part after the model used at the state level for the legislature and the governor. Mr. Strachan noted that the recommendations were made by outside commission members.

Councilor Shannon Ellsworth acknowledged the awkwardness inherent in the situation. Ms. Ellsworth noted the competing argument, of wanting to do right by the people who will run after her. Economic and professional stability is an important factor for potential Council candidates and future Councilors; she hoped that these changes would facilitate having a broader and more inclusive pool of candidates in the future. This income could make a significant difference for an individual who would need to reduce their working hours to meet the commitments of being a Councilor. Councilor David Harding thanked his colleagues for their comments. In the past, he has only ever served in volunteer roles in civic settings. He endorsed Councilor Ellsworth's remarks; Council service should not be the domain of only people who could afford to take time off of work to serve. Mr. Harding suggested there were other ways to reinvest in the community with this additional compensation. Ms. Ellsworth hoped the Council could have a public hearing and plenty of citizen input. This item was only a small element of the budget, but it meant a lot to citizens and she hoped the Council could offer plenty of opportunities to hear about and comment on it. Councilor David Sewell shared his recollection of the history of the commission as well, noting the institutional history involving former Mayor John Curtis, who introduced the idea of a commission which was later adopted by the Council. ***Presentation only. This item was already scheduled for the Council Meeting on May 18, 2021.***

5. A discussion on the tentative budget for the Provo City Stormwater Service District for the fiscal year beginning July 1, 2021 & ending June 30, 2022. (21-015) ([1:07:12](#))

Michael Sanders, Council Intern, presented. Mr. Sanders shared a brief overview of the Stormwater Service District and the functions that the City's Stormwater division fulfills. Mr. Sanders reviewed the changes to the revenue, expenditures, and capital improvement budgets. He covered utility sales revenue in more detail, and in covering capital projects, noted that some continued on over the course of several fiscal years. *Presentation only. This item was already scheduled for the Council Meeting on May 18, 2021.*

6. A discussion on tentatively adopting a tentative budget for Redevelopment Agency of the Provo City Corporation for the fiscal year beginning July 1, 2021 and ending June 30, 2022. (21-015) ([1:26:02](#))

John Magness, Policy Analyst, presented. Mr. Magness reviewed the Redevelopment Agency budget. He displayed a chart showing projections alongside actuals for both revenues and expenditures. Some costs were paid late in the calendar year and consequently appeared on the following fiscal year actuals. Mr. Magness highlighted the tax increment fund revenues and expenditures and noted some of the changes to this taking place over time. Mr. Magness responded to questions from Councilors. Councilor David Shipley asked for clarification on the drop-off in revenue in FY17. Mr. Magness did not have the details readily available but indicated he would share more data following the meeting. Councilor David Harding expressed concern about revenue being received in a different fiscal year than initially projected; such variations in the budgeted vs. actual figures made it difficult to track whether the financials were on track for the Agency. Mr. Magness indicated that they did look at fund balance overall as a more comprehensive figure; he noted that the fund balance depicted on his slides demonstrated simply what was being added or taken out from fund balance (as opposed to the total amount of fund balance). The total fund balance number was helpful to understand the larger picture. *Presentation only. This item was already scheduled for the Council Meeting on May 18, 2021.*

7. A discussion on tentatively adopting the tentative budget for Provo City Corporation for the fiscal year beginning July 1, 2021 & ending June 30, 2022. (21-015) ([1:37:30](#))

Cliff Strachan, Council Executive Director, presented. Mr. Strachan explained that he planned to present a review in terms of the original budget from FY21 compared to the Tentative Budget for FY22, noting a percentage of change and dollar-amount difference. In the explanation column, Mr. Strachan highlighted the general nature of the changes to the budget categories. Mr. Strachan reviewed each department and function in detail. Throughout the presentation, he responded to questions from Councilors. The general comments and questions included:

- Councilor David Harding asked about Council neighborhood matching grants. Mr. Strachan indicated that this area was restored to the pre-pandemic figure.
- Mr. Harding asked for clarification about cuts to certain legal functions. Brian Jones, City Attorney, noted it was likely an error in the formula the department uses to allocate the time of each of their staff members, who each serve in different roles or functions across many departments. When Mr. Jones was promoted to City Attorney and another attorney

moved to the deputy role, Mr. Jones suspected that an error was made in the formula allocation; however, it did not reflect any practical changes in terms of legal staffing.

- Mr. Harding asked if the market rate adjustments to the firefighter positions were reflected in the Fire budget. Mr. Strachan indicated that the budget included this change.

Mr. Strachan invited the Councilors' suggestions as to what topics they would most like covered, as well as any potential changes, before the future budget adoption. Councilors asked additional questions and noted several topics, including:

- Councilor Shannon Ellsworth asked whether any concerns stood out to Mr. Strachan and staff in the budget. Mr. Strachan indicated there were no areas of concern; the Council's biggest challenge would continue to be the limited nature of funds. Staff planned to continue work analyzing revenues. If the Council wished to make any changes, naturally those would come with other tradeoffs, and Mr. Strachan indicated that the American Rescue Plan funds and Legacy CIP funds would continue to be major discussion areas.
- Mr. Harding requested that the Carryovers Committee meet in the next few days in order to prepare their recommendations to share at the next Budget Work Meeting.
- Councilor George Handley hoped for more guidance and direction from the City Administration regarding the staffing projections for the police department. Mr. Handley felt that a rough timeline would assist the Council in prioritizing funds appropriately.
- Councilor David Sewell was interested in a more detailed projection of the impact (in terms of revenues as well as expenditures) of adding two parking enforcement officers. Mr. Sewell also noted that past revenue forecasts have been conservative, allowing higher actuals to contribute to fund balance. As the City's fund balance is in a health position, Mr. Sewell was curious whether a different approach in forecasting would result in the extra funds needed to pursue some of the additional police officers needed.
- Councilor David Shipley requested clarification on the current fund balance limits permitted by state law. He also wanted to explore the possibilities with the disaster fund.

Mr. Strachan highlighted questions from the last Budget Work Meeting and shared details on where and when Councilors could anticipate receiving answers. ***Presentation only. This item was already scheduled for the Council Meeting on May 18, 2021.***

Closed Meeting

The Municipal Council or the Governing Board of the Redevelopment Agency will consider a motion to close the meeting for the purposes of holding a strategy session to discuss pending or reasonably imminent litigation, and/or to discuss the purchase, sale, exchange, or lease of real property, and/or the character, professional competence, or physical or mental health of an individual in conformance with 52-4-204 and 52-4-205 et. seq., Utah Code.

Brian Jones, City Attorney, outlined the statutory basis for the closed meeting.

Motion: David Harding moved to close the meeting. Seconded by Shannon Ellsworth.

Vote: Approved 7:0.

Adjournment

Adjourned by unanimous consent.