

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 03, 2022

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 Travis Hoban, conducting
Council Vice-chair George Handley
Councilor Shannon Ellsworth
Councilor Katrice MacKay
Councilor David Shipley
Councilor Rachel Whipple, arrived 1:43 PM
Councilor Bill Fillmore, arrived 1:52 PM

Excused: Mayor Michelle Kaufusi

Prayer

Dixon Holmes, Assistant CAO, offered the prayer.

Approval of Minutes ([0:09:22](#))

March 29, 2022 Work Meeting
April 12, 2022 Council Priorities Retreat
April 19, 2022 Work Meeting
Approved by unanimous consent.

Business

1. A discussion regarding Sierra Vista Way extension road at Mountain Vista Business Center. (22-042) ([0:10:01](#))

Dixon Holmes, Assistant CAO, presented. They have presented this item to the Redevelopment Agency Executive Committee at their meeting several weeks ago. The City would like to extend the road from a roundabout in Mountain Vista to State Route 75 in Springville. The road would provide access to a 50-acre parcel in Provo and would also connect this section of the business park to a more direct route to I-15. This redevelopment project was a former brownfields site. Mr. Holmes is working to obtain the proper permits for road access from UDOT, which would like the four access points consolidated into one location. Mr. Holmes gave additional details

about the other properties impacted and the implications for the boundary alignment for Provo, Springville, and the property owners.

Councilor Katrice MacKay asked how this new road accesses Ironton. Mr. Holmes clarified that the road continues a half mile north where it connects into Sierra Vista Way and Valley Vista Way at the roundabout. It will initially have just a stop sign at SR-75. Councilor David Shipley asked about the difference between the procedure outlined versus just using the City's existing property. Mr. Holmes explained that a historic water right prevents them using existing city property. He also responded to additional questions from the Council about the nuances of the multiple access points. In the future, they will request a public hearing and for the Council to approve a boundary line agreement. Councilor Shannon Ellsworth asked if this was an item for the RDA Governing Board or for the Provo City Council. Brian Jones, City Attorney, said the surplus property items would go to both entities and the boundary line agreement was for the Council to approve. Mr. Jones noted there was a specific process outlined in code regarding what initiates the comment period. Councilor Rachel Whipple shared her experience working with UDOT in the past and she wanted the public to understand how the City is constrained and how Provo has been working with other entities to solve this problem. *Presentation only.*

2. A presentation regarding the FY2023 Budget- Mayor's Office (22-016) ([0:34:13](#))

Wayne Parker, CAO, presented. Mr. Parker gave an overview of the Mayor's Office budget. He highlighted the elements of the general plan that the Mayor's Office supports. He also outlined key priorities for fiscal year 2023, including operationalizing the city hall and public safety facility, the wastewater treatment plant, opening a west side grocery store, completing planning for redevelopment at the mall, and completing the general plan and related planning efforts. He outlined several un- or underfunded services: a federal lobbyist contract, a permanently funded state-level lobbyist, a comprehensive citizen survey, and restoring their graduate student intern. Notable expenditures in the Mayor's budget include interlocal contributions, contract services, special events, public engagement, and graffiti abatement. Most of their budget is personnel.

Councilor Shannon Ellsworth asked about the funding request for a state-level lobbyist. Mr. Parker said they began a contract with a lobbyist when they were trying to secure funding for the Provo Airport. Paul Rogers & Associates firm helped secure substantial funds for the Provo Airport. Mr. Parker explained how the Mayor's Office staff have assisted with various lobbying efforts. Councilor Katrice MacKay asked if there were any details Mr. Parker could share about the west side grocery store. There is not anything they can share at this time. *Presentation only.*

3. A presentation on the FY2023 Budget Presentation and Report Timeline (22-016) ([1:03:24](#))

John Magness, Interim Council Executive Director, presented. He reviewed the timeline of the budget review and budget reports which would be prepared by Council staff and presented at upcoming meetings. Councilor George Handley asked about the budget revenue forecast, which Mr. Magness said would be included in the budget presentation at the evening Council Meeting. Councilor Shannon Ellsworth wanted the Council to have another conversation in the short-term about evaluating departments with key performance indicators rather than against the general

plan. She thinks the Council should really start that effort in earnest—there is merit in measuring progress and understanding what the City’s goals are. Mr. Parker said the Administration would love to be part of that discussion.

The Council briefly discussed property tax—property values have gone up dramatically; when the base goes up, the rate is forced down. If housing values are really up 25% or more, it will force the City’s rate down a commensurate amount. Mr. Parker noted that the County releases valuation data in June, when the City is at the tail end of the budget process. Mr. Parker thought that might be problematic timing-wise—raising the rate by 27% would hit residents at the same time as increased appreciation applying to their properties. Adjusting for the CPI might be a better, more middle-ground approach. Ms. Ellsworth noted it gets worse and worse the longer the City waits or does nothing; there isn’t really an easy year to do this. In response to Councilor Katrice MacKay, Mr. Magness clarified that they do not plan to have budget meetings on May 24 or 31. Ms. MacKay asked when the City last did Truth in Taxation. It had been a number of years and a couple times of holding hearings without passing anything.

Councilor David Shipley thanked staff for the additional reports as he felt those would be very helpful to the average citizens. As a finance professional, some of the things the city reviews don’t equate well, so he appreciated the effort to make the process easier to understand for the Council and the public alike. *Presentation only.*

4. A presentation regarding General Plan Goals Implementation Status Report (22-016) ([1:18:35](#))

Melia Dayley, Policy Analyst, presented This report was compiled for the budget book and submitted to Finance. Ms. Dayley displayed a status summary outlining the status of the general plan goals and she reviewed several goals in each status type. Some of the significant completed and ongoing goals include: Parks and Recreation leading the nation and receiving a gold medal award, funding secured for future projects, the rebuild of the Provo Airport, funding secured for affordable housing, and major Public Works projects for water and wastewater.

Councilor David Shipley asked if the new general plan goals were simpler. He asked if the code required a review of the general plan—staff clarified that it did. He noted that it was challenging to review the general plan during budget season. Following Councilor Ellsworth’s comments about utilizing KPIs for budget review, that might make it easier to refer the general plan goals to an off-cycle review. John Magness, Interim Council Executive Director, indicated there were about 100 general plan goals in the new general plan. He noted the timing of the review is due to historically including the general plan goals in the budget document. Mr. Magness indicated staff could follow a different timeline for this review and focus on them in the fall/winter.

Councilor George Handley thought the Council should do this toward the end of the calendar year—a review of the goals could be helpful in setting the Council up to review priorities. Mr. Handley was also interested in finding some kind of mechanism to review these goals against the Council’s progress to make it a more intentional activity and to ensure that important goals are informing the Council’s priorities. Brian Jones, City Attorney, clarified that there is not a requirement from a legal perspective that the General Plan has goals or that they be reviewed as

part of the budget process; the code just requires that the General Plan as a document is reviewed every five years. Councilor Shannon Ellsworth reiterated her previous comments about KPIs versus the general plan as a budget review yardstick. She noted that Provo Power is a great example of a department that does very well with KPIs. Mr. Shipley supports the comments Mr. Handley shared and would support a review of the general plan goals in the fall.

Mr. Shipley asked for an update on the general plan. Mr. Magness indicated survey data should be returned at the end of the month. Ms. Ellsworth wondered what role the Council was playing in the General Plan process if the process is no longer be done by a consultant. Councilor Rachel Whipple reviewed the goals and has a lot of questions about them. She asked who was writing the notes on the status update and how often this was being done. Mr. Magness indicated that Council staff distributes the goals to departments, who submit a response which typically involves collaboration from the department-level staff. He indicated that Ms. Dayley could help with many of the questions. Ms. Ellsworth noted that the current general plan was drafted 30 years ago and is combined a lot of different documents. She hopes they will discuss the new general plan after it is adopted for this conversation. *Presentation only.*

5. A presentation on budget fund types. (22-016) ([1:58:05](#))

Kelsey Zarbock, Budget Officer, presented. Funds are the foundation of government accounting and budgeting—understanding the fund types will assist the Council in navigating the budget. A fund is a distinct accounting entity with a self-balancing set of accounts. Funds may exist for different reasons, such as certain restrictions and legislation governing the use of certain dollars. There are governmental funds which relate to government activities and include the general, special revenue, debt service, and capital project funds. Proprietary funds are the enterprise and internal service funds. Ms. Zarbock outlined the examples of different city functions and which funds house them. Enterprise funds relate to business-type activities happening outside the city organization, such as utility services. In contrast, internal service funds are business-type activities that take place internally within the city (including fleet, facilities, customer service). Councilor David Shipley asked how customer service works; Ms. Zarbock noted that customer service in the internal service fund related to utility billing functions.

Ms. Zarbock explained that the budget is organized by fund type. The budget book also contains a functional unit matrix which cross-references funds to specific departments. Mr. Shipley asked about the recreation center; John Borget, Administrative Services Director, explained that the rec center revenues cover its direct operating expenses, but other elements of Parks and Recreation are not self-sustaining such as parks maintenance. The rec center also receives property tax toward debt service. The ice arena is completely self-sustaining and is its own enterprise fund. Other sections of the budget include the proposed budget by fund and the principles of financial management section. *Presentation only.*

6. A discussion regarding General Fund per capita expenditures in Utah cities. (22-106) ([2:09:45](#))

John Magness, Interim Council Executive Director, presented on general fund per capita spending for various Utah County cities. This report is limited to the general funds only and was

compiled using data from each city's comprehensive annual financial report. Provo spends \$559.21 per resident on general fund operations. American Fork spends the highest at over \$700 and Pleasant Grove spends the least at \$345.24.

Councilor David Shipley asked if anything stood out regarding Pleasant Grove's operations that accounted for the change. Councilor Bill Fillmore asked why American Fork spends so much. Mr. Magness explained that the calculation really depends on how these cities structure their general funds and what goes into it. Councilor George Handley asked if this would look different if it were total revenue per citizen. Mr. Magness explained the general fund is supposed to balance at the end of the year and Provo has a substantial fund balance which might skew the data somewhat. Mr. Handley was interested in which cities were generating more revenue per capita; Mr. Magness indicated that staff could do this analysis. A lot of the differences depend on how public works and parks and recreation departments are structured and funded. Mr. Magness showed that Provo was one of the highest cities with spending per capita for public safety. Mr. Magness reviewed the other comparisons for different spending categories. Councilor Katrice MacKay was also interested in seeing a comparison about revenue. Councilor Shannon Ellsworth noted it would be useful to compare Provo's Council and Mayor's Office spending to other cities with the same form of government. Ms. Ellsworth was also interested in what other cities were spending on functions like code enforcement and parking enforcement.

Councilor Rachel Whipple was curious how much of the spending of those cities is from funds they generate themselves versus funding sources they pull in such as sales and property tax. She didn't want to task staff with outsized requests but Mr. Magness indicated staff could pretty readily access that information. *Presentation only.*

7. A discussion regarding the Council's budget priorities. (22-016) ([2:24:49](#))

John Magness, Interim Council Executive Director, presented. He reviewed the priorities and Councilors shared comments throughout the presentation regarding specific priority items.

Regarding public safety, Councilors George Handley and Bill Fillmore both supported funding an officer in the area around BYU. Wayne Parker, CAO, commented on some of the challenges involved and highlighted some different approaches that might help. Mr. Fillmore shared more comments about public safety in the area around BYU. Mr. Handley shared some further insight from his discussion with Provo Police Chief Fred Ross and BYU Police Chief Matthew Andrus.

Councilors briefly discussed the costs associated with implementing the Rock Canyon Master Plan. Mr. Handley addressed several of the questions and noted several costs involved—parking expansion, traffic/roundabout, and reconstruction or improvement of some of the facilities. Councilor Shannon Ellsworth expressed she would like to add advancement/planning for Slate Canyon to this list of priorities. Slate Canyon Drive was listed as a priority in transportation and Ms. Ellsworth noted the relationship between Slate Canyon Drive and Slate Canyon Park; she supported synchrony between these planning efforts. Councilor David Shipley commented that he would support following Public Works' typical process for reviewing and improving dangerous roads; he did not want to prioritize something based on personal feelings over something that data or staff analysis illustrated was more dangerous.

The Council discussed conservation easements for the purpose of preserving open space. Mr. Handley recently spoke with Shawn Miller, Chair of the Agricultural Commission about four properties on the west side where the property owners want conservation easements. There is a possibility of receiving some funds for that purpose from the Nature Conservancy and the State's LeRay McAllister fund, but some additional funds may be needed from the City to make it over the funding threshold. Ms. Ellsworth and Mr. Shipley were both supportive of this, particularly where landowners are supportive and willing to take a cut on the market value of their properties in order to preserve open space.

Mr. Magness indicated he has drafted a letter outlining the Council's budget priorities that Council Leadership will submit to the Mayor. He noted that the Mayor announced a 5% Cost of Living Adjustment, which has been included in the tentative budget, as well as \$1.5 million for the airport expansion (both coming from the general fund). Mr. Magness responded to questions about raises during the last few years and the process HR uses for market studies. In response to a question from Mr. Handley, he said there is about \$400,000 in Legacy CIP. Mr. Handley asked if Admin would need \$1 million for west side grocery store. Mr. Parker said they would probably need some but not all of those funds. ***Presentation only.***

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. ***None requested.***

Adjournment

Adjourned by unanimous consent.