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## PROVO MUNICIPAL COUNCIL

### Work Meeting Minutes

11:30 AM, Tuesday, April 18, 2023

Council Chambers

Hybrid meeting: 445 W. Center Street, Provo, UT 84601 or

<https://www.youtube.com/provocitycouncil>

### Agenda (0:00:00)

#### Roll Call

The following elected officials participated:

Council Chair Katrice MacKay, conducting

Council Vice-chair Rachel Whipple

Councilor David Shipley

Councilor Shannon Ellsworth

Councilor George Handley

Councilor Travis Hoban

Councilor Bill Fillmore, arrived 12:09 PM

Mayor Michelle Kaufusi, arrived 12:53 PM

#### Prayer

Michael Sanders offered the prayer.

#### Approval of Minutes

February 28, 2023 Council Meeting

March 14, 2023 Work Meeting

March 14, 2023 Council Meeting

March 28, 2023 Council Meeting

*Approved by unanimous consent.*

#### Business

- 1. An ordinance amending Provo City code to prohibit the issuance of administrative approvals for noncompliant properties or businesses. (PLOTA20230048)**

Aaron Ardmore, Planning Supervisor, presented. He explained the purpose of this item which was to provide the City administration with an additional tool to allow them to get properties into compliance. They are currently allowed to withhold permits for properties which have code compliance issues; this ordinance would expand that to include withholding administrative approvals such as site plans, sign permits, variance requests, etc.

Councilor Katrice MacKay asked what an administrative approval was. Mr. Ardmore explained that a conditional use permit was an example of an administrative approval. He clarified what they could withhold if there were non-compliance issues with a property or project. Mr. Ardmore shared an example, for instance they could withhold a grading permit (another administrative approval) if there are issues with illegal grading on the site. Councilor Rachel Whipple asked for clarification and Mr. Ardmore outlined several other scenarios. She asked what they do to resolve illegal grading. Mr. Ardmore said it starts with getting a grading permit (which requires a geotechnical study) and returning things to their original condition. Councilor George Handley expressed full support for this code amendment. *Presentation only. This item was already scheduled for the Council Meeting on April 18, 2023.*

**2. An ordinance approving the petition to annex approximately 106 acres of property located at approximately 2250 S 950 E. East Bay Neighborhood PLANEX20220317**

Brandon Larsen, Planning Supervisor, presented. This annexation is the project known as the Scotty Dog annexation. The annexation process has multiple steps in the process in which it comes to the Council—this is the next step in the process for the Council to formally approve the annexation request. This property is designated as open space in the general plan. Since it is not in the city boundaries, the city cannot enforce city code or police patrol on safety issues. Since the property is city-owned, it makes sense to bring this into the city.

Councilor Rachel Whipple asked about the impact of flooding in this wetlands area and whether or how this would impact the people encamped on this property. Mr. Larsen indicated that as this is a flood area, the spring runoff could potentially be an issue. Ms. Whipple asked what the annexation timeline was like after the Council had approved it. Mr. Larsen indicated that after adopting the annexation ordinance at that evening's Council Meeting, they will send the plat and ordinance to the Lieutenant Governor's office. The Lt. Governor has 10 days to respond and they will send a certification to the city. Mr. Larsen will then take the plat and certification to be recorded by Utah County, after which the property is officially part of the city's jurisdiction. *Presentation only. This item was already scheduled for the Council Meeting on April 18, 2023.*

**3. An ordinance amending the Zone Map classification of approximately 0.84 acres of real property, located at 141 E 500 N, from Residential Conservation (RC) to Medium Density Residential (MDR) & authorizing a related development agreement. Joaquin Neighborhood. (PLRZ20220343)**

Aaron Ardmore, Planning Supervisor, presented. Mr. Ardmore shared a site plan for the project with the improvements including firepit and grill, sports courts, improved landscaping, and parking. He noted the house at 141 East would be converted to a duplex as part of the project. Staff have recommended approval of the rezone. It complies with Joaquin Neighborhood Plan and General Plan. The property also is essentially a medium-density residential property due to the existing buildings' density. The site improvements will be memorialized in a development agreement, which would represent an overall improvement for the site.

Councilor Rachel Whipple asked about the surrounding properties which seemed consistent with the MDR designation. Mr. Ardmore indicated that the MDR use is consistent with the current

use of the rest of the block. He indicated a similar rezone was done a few years ago for a property to the north which was rezoned to the campus mixed-use zone. Staff feel this current proposal is a similar idea which brings the area closer to the vision of the Joaquin Neighborhood Plan. Ms. Whipple asked several further questions and Mr. Ardmore responded with how the development approval process would work after this rezone approval. Councilor Katrice MacKay commented that she liked the amenities that were going in as part of this proposal. ***Presentation only. This item was already scheduled for the Council Meeting on April 18, 2023.***

**4. An ordinance amending the Zone Map classification of approx. 0.48 acres of real property, located at 734 S Utah Ave, from Heavy Commercial (CM) to One Family Residential (R1.8). Provost Neighborhood. (PLRZ20230019)**

Aaron Ardmore, Planning Supervisor, presented. This proposal originated after staff approached the property owner about submitting a rezone. The property owner was doing some work to realign the platted parcel lines consistent with how the property is being used. Staff suggested a rezone as the property line cleanup would leave some zoning anomalies between neighboring properties. The proposal is simply adjusting the heavy commercial and one-family residential zoning to be aligned with the new property lines. The neighborhood is supportive. ***Presentation only. This item was already scheduled for the Council Meeting on April 18, 2023.***

**5. A Resolution to place the vacant property known as a "proposed tennis court" in Block "A" Vivian Park Subdivision on the Surplus Property List. (23-040)**

Bill Peperone, Development Services Director, presented. Mr. Peperone gave background information on this property, which is currently part of a nonconforming subdivision in Provo Canyon. This property was originally designed for tennis courts and it has an abandoned city water line beneath it. A neighboring property owner wants to use this lot for parking and a garden. The property was first offered to the HOA which declined to purchase it. The property is not a buildable lot and an updated appraisal reflects this reduced value. ***Presentation only. This item was already scheduled for the Council Meeting on April 18, 2023.***

**6. A presentation regarding the proposed Annual Action Plan funding for the 2023-2024 year. (23-027)**

Melissa McNalley, Community Grants Coordinator, presented. Every year of the adopted five-year plan, they create an annual action plan outlining how they plan to meet the goals of the five-year plan. Ms. McNalley reviewed the past timeline with this process and the various meetings and presentations that are held as part of it. Ms. McNalley outlined funding scoring and how they propose allocating funds. The public service agencies are jointly funded by Provo and Orem.

Councilor David Shipley asked about one-time funds (such as ARP) versus ongoing funding sources. He wondered whether there was overlap in the committee work for the two types of funding or if they were reviewed by separate committees. Ms. McNalley noted that the HOME consortium was involved in both the one-time and ongoing funding discussions. For most of the other funds there was not a lot of overlap. Ms. McNalley indicated that there was a draft on the

plan available online. The public comment period begins today and runs through June 6, 2023. Comments can be submitted online, via email, or by mail.

Mr. Shipley asked if there were any entities in Utah County who have chosen not to participate—he noted that there were some cities missing from the list and wondered whether that was because they decided not to participate or they were ineligible, etc. Ms. McNalley explained how the funding entitlement designation works for cities in Utah County. Only cities with a large enough population to receive their own money from HUD in Utah County participate. The other cities are eligible for a similar program through Utah County. She noted that the joint CDBG committee does involve a few mayors from the other entitlement cities. Mr. Shipley clarified these are designated by the federal government, not a local decision and Ms. McNalley confirmed that this was the case. ***Presentation only. This item was already scheduled for a public hearing at the Council Meeting on April 18, 2023.***

**7. An ordinance granting FIF Utah LLC, DBA Utah Broadband, a nonexclusive franchise to operate a telecommunications network in Provo, Utah. (23-039)**

Matthew Griffiths, Assistant City Attorney, presented. This is a standard franchise agreement for telecommunications networks in the City and is required by city code. Representatives from Utah Broadband were in attendance if there were questions. They are planning to lay some fiber for high-speed internet they will operate in the City. This follows the standard template and requires that they comply with city ordinances and the process in place through Provo Public Works.

Councilor Katrice MacKay said they appreciate it when these companies keep their infrastructure installations tidy, without hanging wires, or damage to the roads. Councilor Travis Hoban asked whether this was a continuation of an agreement already in place or a new agreement and he wondered about the implications of this. Mr. Griffiths explained this was a new company. If a company is just running a network line through the city and not operating in Provo, then they do not need this agreement. Since this company intends to sell to Provo customers, that requires a full franchise agreement and there was no previous agreement on file. Ms. MacKay asked who Utah Broadband is, who they were servicing, and what work would be done. John Hagen, Utah Broadband, addressed questions from the Council. Their company has been in business since 2001. They primarily provide internet wirelessly but are shifting some of their business to a fiber-optic network. They are asking for permissions to use the City's right of way and easements to install conduit and cables. This is a new franchise agreement they are seeking.

Mr. Hoban asked how it worked to install a new line. Mr. Hagen explained that they obtain a permit for each project and they would install their own fiber and conduit. Ms. MacKay asked what part of the city they would be working in. Mr. Hagen said it would mainly be small areas as they come up, such as service requested by neighborhoods or HOAs; this was not a citywide deployment. Ms. MacKay asked about their target customers and Mr. Hagen said residential service; they are an alternative to other internet service providers such as CenturyLink, Comcast, and Google Fiber. Councilor Shannon Ellsworth asked if the City had a standard for placement of road repairs that were required for this type of project. Mr. Griffiths said that question would be better referred to Public Works. Athina Riddell, Utah Broadband, said that each time they permit with the city, the city has standards they need to meet in the restoration. Brian Jones, City

Attorney, explained that federal law requires Provo to grant a franchise to anyone who meets the requirements and will meet the conditions imposed on everyone else. *Presentation only. This item was already scheduled for the Council Meeting on April 18, 2023.*

**8. An ordinance amending Provo City code regarding micromobility devices. Citywide application. (23-022)**

Mary Ditto, Assistant City Attorney, presented. She reviewed the background on this item and the draft code amendment. She referenced several other sections of city code about vehicles or bicycles and some of the issues with these other sections of code. She reviewed the proposed ordinance along with why these recommendations have been made. They have proposed a repeal of the old sections and will reenact a new section 9.32.170.

Councilor George Handley shared comments about sidewalks which had been designed wide enough to accommodate cyclists and pedestrians, such as along 900 East and along University Parkway near 2230 North. He wondered if these areas should be striped to indicate that cyclists are allowed in certain areas of these sidewalks. Brian Jones, City Attorney, thought the City had jurisdiction of the sidewalks on 900 East. He suggested that the City Administration were to stripe those sidewalks, that would be possible. Councilor Katrice MacKay agreed that it would be helpful to mark that sidewalk so that cyclists were aware they could use it. Councilor Rachel Whipple commented on a couple of other sidewalks designed as multiuse trails in the city, including the north side of 300 South and South State Street on the east side. Just as there are different street types, she wondered if it would be useful to designate different sidewalk types. She also noted the inconsistent expectations of cyclist access due to Utah County's lack of maintenance on parts of Provo River Trail.

Councilor Travis Hoban asked how they decided on 10 mph; he thought that seemed very fast for a sidewalk speed. Ms. Ditto responded to this with some additional details. Brian Jones, City Attorney, also added context from some confusing elements of state law. The Council has several decision points, including whether the Council wants to adopt the state code which prohibits from using sidewalks any devices capable of going over a certain speed limit and whether the Council wants to adopt a speed limit.

Councilor Bill Fillmore thought that having both provisions could be confusing to citizens; he wanted to make things easier for the average user. He also thought a map was not necessarily helpful. Mr. Fillmore asked about enforcement. He recalled that the Council had previously indicated they wanted a speed limit. Mr. Jones shared comments about enforcement. Passing the law allows these provisions to be enforced; enforcement may not catch all incidents but creates the standard that should be adhered to, similar to any other law.

Mr. Hoban thought they should leave subsection 9 in the code. He thought this helped to add additional protection for the downtown area, particularly to aid in enforcement during events like the Freedom Festival. The general consensus of the Council was to keep subsections 8 and 9. *Presentation only. This item was already scheduled for the Council Meeting on April 18, 2023.*

**9. A presentation regarding the FY2024 Budget- Legal (23-008)**

Brian Jones, City Attorney, presented. Mr. Jones briefly highlighted the different divisions of the Legal Department and what each division does. The department includes several divisions: City Legal Services; Criminal Prosecution; and Claims, Litigation, Risk Management, and Safety. Mr. Jones shared a graph illustrating data about their staffing. In 28 years, they have added two attorneys and one paralegal, while reducing one full-time equivalent in staff positions. In that time, the responsibility for the Council Office and city safety and risk management has been added to their work. Mr. Jones displayed a graph of their operating budget year-to-year. Since 2015, they have had some significant changes to their budget, notably that software licensing and the computer bank program were added to their budget in 2015. Since these were not in the budget prior to 2015, this is differentiated on the graphs in the presentation. He also showed their operating budget graph adjusted for inflation.

Mr. Jones outlined some of their challenges in fiscal year 2023. They experienced some personnel constraints during the pandemic; now they are fully staffed but have a more challenging workload. They also experienced some backlogs with equipment; only 8 of the current 25 machines are under warranty. They have lost several staff members since last fall (family reasons, advancement, and one lateral move). It has taken a long time to fill those positions, and they are now back to full staffing; they will also have their grant-funded domestic violence prosecutor position through the end of the 2023 calendar year. For equipment needs, they have reduced several workstations. The out-of-warranty machines have been reduced and several of these remaining devices have been replaced in the current fiscal year. There are some discussions at the state level regarding justice court reform. This could have a significant impact on their staffing and workload if it increases the numbers of courts. Any official change would likely not happen until the next legislative session, however. For equipment in the coming fiscal year, they are almost caught up on equipment replacement. The three remaining devices which are out-of-warranty will be replaced in the new fiscal year. In order to go forward with their computer replacement plan, they need some additional funds in their computer bank account—they need an additional \$10,000 (or about \$17,000 total per year) in the computer bank account to continue to replace computers on a regular basis moving forward and stay on schedule.

Mr. Jones invited questions from the Council. Councilor Bill Fillmore asked about any impacts to their office of the major change in prosecutorial philosophy in the Utah County Attorney's office after the last election. Mr. Jones did not think the impact was significant on their staff time. Previously, cases that would be sent to the County were often declined under the prior administration. Now cases are not often declined. Those cases were not coming to the City, they were just not being prosecuted. Mr. Jones thought the needs of justice were being better served and they did not feel an impact to their staff. Mr. Fillmore shared additional thoughts about the cases at the Utah County Attorney's office and their jurisdiction, specifically which entity was responsible for cases. Mr. Jones said that debate impacted other cities and not Provo, due to an earlier policy change at the City regarding the handling of Class A misdemeanors. He noted that this was more of an issue arising from the court rather than the County Attorney's office. Provo City Legal is primarily involved in the justice court, and an occasional appeal of an old case that the City had handled in the old system. *Presentation only.*

#### **10. A presentation regarding the FY2024 Budget- Council Office (23-008)**

Justin Harrison, Council Executive Director, presented. The Council office budget is fairly personnel-heavy; a large percentage of the Council budget goes to pay and paid benefits for staff and Councilors. About 10% went to chargebacks and carryovers from the last fiscal year for some current projects being completed in the Council Chambers. There were many unique milestones and projects involving the Council in the last year. Mr. Harrison outlined some of these items, including:

- ADU code updates
- General Plan adoption
- Percent-for-the-Arts policy
- Redistricting
- Allocating \$33 million in ARPA funds
- Passing a balanced budget for fiscal year 2023
- Airport terminal completion last year
- City Hall and Public Safety building completed in the last fiscal year
- Neighborhood District Program updates
- New staff members hired

This was a unique year with the culmination of many one-time projects. The Council did not have any supplemental requests in fiscal year 2023. In the coming fiscal year, they have two supplemental requests—one is a recurring cost of approximately \$25,000 for public engagement and neighborhood district program enhancements. A mailer was sent to every address in Provo to inform residents about the new neighborhood district program. They plan to do this every year going forward. The mailing was about \$15,000. The other \$10,000 includes funds for enhancing programming and planning events. The other supplemental request is for a one-time cost of hiring a communications consultant. Mr. Harrison welcomed feedback from the Council regarding whether they were still interested in doing this. The one-time request is for \$25,000 but they will do an RFP to further determine the direction and scope of the consultant.

Councilor Shannon Ellsworth voiced support for hiring a communications consultant. She thought the Council could communicate more directly with citizens and better help them understand where decisions are made and how they can be involved. Councilor Rachel Whipple agreed that a communications consultant would be very useful. Many citizens are not well-informed and this could help improve the engagement. She appreciates the work done since hiring Rachel Breen and Hannah Rigby as Community Relations Coordinators in the Council Office. She thought better communication helps them to be more responsive to the public. Councilor Katrice MacKay appreciated hearing that staff thought a communications consultant would be helpful. She thought the one-time cost made a lot of sense in order to set a roadmap for the Council's communications strategy for the future. Councilor Bill Fillmore suggested engaging the public administration classes at BYU for recommendations. Ms. Ellsworth loved the idea of engaging MPA classes, but she thought they would be a better fit for evaluating the neighborhood district program.

Mr. Harrison indicated that these supplemental requests have been submitted and they will see what is included in the tentative budget from the Mayor. Mr. Harrison outlined the performance measures that were part of the current fiscal year budget. He invited the Council's thoughts and

feedback on these performance measures. They have changed slightly in the new fiscal year budget to include numeric indicators. Ms. Ellsworth thought performance measures were a good place to start, but she wondered if the metrics for the Council office should be more focused on things relating to the Council staff to enable Council staff to have control over their performance. Mr. Harrison indicated that was one question he had; the performance measures seemed more Council-focused rather than Council Office-focused.

Mr. Harrison also highlighted the Council's preliminary budget priorities. Many of the departments' budget presentations have addressed these priorities and he gave updates on several of them. Councilor David Shipley asked about a five-year public safety staffing plan. If the Council intends to do Truth-in-Taxation this year, he thought it would be helpful to have a clear idea of public safety staffing needs, including at the airport. Mr. Harrison indicated that Finance was working with the related departments, and they anticipate having a presentation in May about this after the tentative budget is presented. Mr. Shipley also commented on City debt reduction. He is pleased they can collaborate with Finance and hear detailed updates on the City's debt and how it works. One of the things he has encouraged Finance to consider if it would be worth paying off the last of the debt that has a variable interest rate—whatever they can do in the coming budget cycle to eliminate that as interest rates rise would be in the City's best interests. Mr. Harrison continued providing updates on the budget priorities.

Mr. Harrison addressed the Rock Canyon Master Plan, which is nearly fully funded. The coming year's CIP plan has some funding in place. There is an outside fundraising campaign to raise \$500,000 with a match by the City to complete that funding. The Slate Canyon Master Plan is a bit longer-term. The current budget includes funds for the construction documents and designs. For the Peaks Ice Arena, they have received some state funding which would be implemented for updates to make the facility Olympic-ready in the event that the winter Olympics return to Salt Lake. Several other items included sidewalk repair and replacement, traffic calming, and Center Street improvements. Mr. Harrison addressed these items and related inclusions in the CIP. The remaining items on the list are unfunded and will still need to be addressed. He welcomed feedback or comments from the Council on these priorities.

Mr. Shipley remarked on the disaster recovery fund. With the heightened flooding risk this year, this has been top-of-mind for him. The disaster recovery fund can fund preventative measures and disaster response. He hoped the City Administration could prioritize this and put 10% of carryovers and 10% of net income each year into this fund. This is a priority for him and he thought that this needs to continue to be a priority. He does not want the conversation to cease after he leaves, as a constant influx to this account is necessary in order to make an impact.

Councilor George Handley reiterated his priority of preserving open space in the City by identifying potential properties for conservation easements. Mr. Handley raised this idea initially but he wanted to make sure the Council was considering this. There are some properties in Provo that have been vulnerable at various times. The City does not have dedicated funding for this purpose, which makes it hard to react quickly when key properties become available. He was not sure how the rest of the Council felt about this. Councilor Rachel Whipple recalled a discussion about using some of the general fund balance for some of those opportunities and then later replenishing those funds. Ms. Whipple suggested the revenue from sale of surplus properties as a

potential funding source. This seemed like a related issue and there could be many reasons the City wants to purchase properties or easements in addition to conservation. Mr. Handley added comments to this—he thought that could be a good solution. Mr. Jones clarified that the Disaster Recovery Fund had specific purposes and constraints. John Borget, Administrative Services Director, agreed that the General Fund Balance could be helpful to take advantage of those kinds of key opportunities. The Council could have an opportunity to do an appropriation from General Fund Balance if needed. Ms. Whipple noted that the biggest problem was being able to act quickly in one of those situations. Mr. Borget clarified that this is a large part of Tara Riddle’s role as property manager. He suggested there could be additional coordination between the Administration, Tara Riddle, and the Council.

Ms. Ellsworth noted that one of the key issues is Provo’s willingness to complete commitments and finishing projects that have been started and continuing to provide high levels of service. She thought being moderate across the board and focusing on needs versus wants was critical when evaluating these priorities. *Presentation only.*

## **11. A presentation regarding the FY2024 Budget - Library (23-008)**

Carla Gordon, Library Director, presented. She recognized members of the Library Board who were present, as well as some of the Library staff members. She reviewed data on circulation, registered borrowers, physical items, outreach, and other programming at the Library. She also highlighted their accomplishments in 2023. She was grateful for the support she has received as the new Library Director since August. Other accomplishments included:

- Part-time salary review
- New outreach services introduced
- New programs created and implemented
- Rental space back to pre-2020 revenues
- First annual report distributed in September to cardholders

It is important to them to offer access to technology and programs to allow people to engage with the library and be able to use technology they may not have access to in their homes.

Ms. Gordon outlined details about their revenues. Most of their revenue comes from a dedicated property tax source, which accounts for about 81% of their revenue. Other revenue sources are other taxes, materials fees, rental fees, and more. They stopped charging fees on children’s books as they felt this was a barrier to their patrons—they wanted to encourage easier renewals and that has also helped. As a result they have lost \$80,000 in fees, but they are happy with this change because they feel it is a better service to their patrons and encouraging more visitors to use the library. Ms. Gordon highlighted their anticipated expenditures in fiscal year 2024. She shared some details on their ending fund balance and how this has shifted over time. They are currently at just under \$3 million in their ending fund balance. They want to keep this fund balance at 50% of their budget so about \$2.5 million. If something happened to the building or a major revenue source was interrupted, they want to ensure they are in a good position to respond to those kinds of situations. They have not asked for a property tax rate increase since 1999. Due to how rates are structured, this rate has decreased every year. They would like to increase their revenues by \$100,000 per year for the next five years. After that, they would like to evaluate where they are at to continue to keep up with inflation and increased costs. Ms. Gordon deferred to Finance on

the exact property tax increase percentage. Ms. Gordon also thanked Councilors David Shipley and Shannon Ellsworth, who had served and were serving on the Library Board. Mr. Shipley asked if Library truth-in-taxation had to be separate from the City General Fund. Brian Jones, City Attorney, indicated that if they are doing both the Library and General Fund, it would be held as one hearing. Mr. Jones indicated that if they were holding a truth-in-taxation for any of the City's rates, it would delay the budget process. *Presentation only.*

## **12. A presentation regarding the FY2024 Budget - Energy (23-008)**

Travis Ball, Provo Power Director, presented. He welcomed his staff members and Energy Board members. Gary Winterton, Energy Board Chair, thanked the Energy Board for their work. Mr. Winterton noted that the Utah Municipal Power Agency was observing cost increases for their energy sources. UMPA has been very proactive with seeking out renewable energy sources. Provo is the largest member of UMPA at 60%. Provo Power does not have the desired reserves and they want to make sure they are ready to face the future challenges in the energy industry.

Mr. Ball also recognized Councilor Shannon Ellsworth who is the Council's liaison to the Energy Board. Mr. Ball said their strategic plan is focused on reliability, sustainability, safety, and their employees. He shared data on outages which showed that both frequency and duration of outages is decreasing. Ms. Whipple asked about several acronyms on the graph and Mr. Ball explained the acronyms. Mr. Ball thanked the Council for their support of their staffing and other needs. He outlined capital improvements for the coming fiscal year, including several major projects. He briefly reviewed their performance measures, which they compare to other power industry benchmarks. Regarding sustainability, their power sources have dropped from 45% coal in Fiscal Year 2020 to 24% coal in Fiscal Year 2024, with cogeneration, solar, and natural gas increasing to fill in the gap. Mr. Ball also highlighted information about some of their programs and incentives to encourage customers to move to more sustainable choices.

Mr. Ball briefly reviewed their budget. They estimate increases of approximately \$1.5 million to their operating budget and \$3.1 million to their operations and maintenance budget. With current revenues, this budget would result in a deficit. In response to UMPA raising power costs by 6% in fiscal year 2024, the Energy Board has recommended a 2% rate increase to be implemented in September 2024, which is a very small increase for customers. With this increase, Provo still stays fairly static compared to other cities in the low end of power rates; for commercial rates there is a slight change. Many other municipalities and agencies are also raising rates, as they have been hit with increased costs across the board. There are large increases for major utility companies, so Provo's rates will still be very competitive. Councilor Katrice MacKay asked why they are raising 2% versus UMPA's increase of 6%. Mr. Ball noted that only some of their power is from UMPA, so only a portion of their costs are increasing 6%. *Presentation only.*

## **13. A presentation regarding the FY2024 Budget - Customer Service (23-008)**

Amanda Ercanbrack, Customer Service Director, presented. She highlighted the services offered by Customer Service and shared an organization chart of the department. Ms. Ercanbrack outlined accomplishments of the current fiscal year. Several functions were moved back into Customer Service to make the process easier for citizens, including business licensing, rental

dwelling licenses, and special events. They have also implemented new processes for chicken registration and the city carpool vehicle reservations. They have repurposed and changed several positions within the department. They have added a dedicated Quality and Training Coordinator. They have also added a part-time remittance processing services clerk. They have also created a peer committee who meet weekly to coordinate work within the department. They have also refreshed their branding to be more modern in look and feel.

Their new executive assistant, Amber Reese, created an executive assistant committee to create more peer-to-peer resources within the city. Customer Service has also done several service activities in the community. Soon they will be implementing a new chat system that customers can use. With the City's change to a new phone system, they have also updated their call center system and have added a billing queue and a Spanish-speaking queue to their call-in services.

Their billing team is responsible for many utilities-related issues. Ms. Ercanbrack outlined metrics related to their billing operations. They outsource collections to a collections agency, but they have started doing some collections in-house, which has accounted for a third of what they used to send to collections. Their remittance processing service processes an average of \$5.3 million per month. They have also worked to document all the job processes to provide better job training and cross training to employees—this was a significant and very needed project. They have also implemented several new rates, including time-of-use, time-of-use for electric vehicles, solar, and shared solar rates.

Councilor Travis Hoban thanked Customer Service for their work. He asked what percentage of the city was on paperless billing—Ms. Ercanbrack said about 33% of customers are using paperless billing. They are doing a push at an upcoming Slate Canyon event and other events this summer to encourage more customers to use paperless billing.

Laramie Gonzales, Business Manager, presented. He shared metrics about their call volumes and call center operations. About 60% of their calls relate to utilities; Mr. Gonzales shared a graph showing the distribution of calls outside of utilities-related calls. He shared detailed metrics on their passport services, fingerprinting, and airport badging (which has nearly doubled from the previous year). Mr. Gonzales outlined their proposed budget for the coming fiscal year compared to their current budget. They do not have any supplemental requests in the current fiscal year and they do not anticipate increases to their budget in fiscal year 2024. There are possible funding needs in the future for system upgrades and for future app/website integrations as well.

Ms. Ercanbrack responded to the question about their main challenges, which primarily relate to recruitment and retention. The customer service representatives often advance to other positions within the City organization, but this is hard on the call center as it results in high turnover. Unemployment is also very low, which contributes to their hiring challenges. Ms. Ercanbrack reviewed some solutions they have implemented to try and improve recruitment and retention:

- Department reorganization in 2021
- Gamification and incentives to encourage department unity and improving metrics
- Exploring hybrid work schedule through a pilot program. This would include rigorous qualifications and every employee may not qualify. There are no added costs on this.
- Peer committee and activities

- They have implemented a weekly employee blog, as with the nature of their work it is difficult to hold regular department meetings.
- Consideration of career series advancement
- Enhanced learning opportunities, including learning lounge (taught by their billing division) and a dedicated trainer. They have a dedicated training room that is utilized daily and has been a huge asset to their department.

Their other main challenge relates to their software called POB (Point of Business). They want to work with the departments to make this a regular part of the business process of every department. They have several solutions in progress including:

- Department accountability metrics
- Public Information Officer group
- Executive Assistant peer committee

Councilor Katrice MacKay shared some feedback about the response emails they receive. Ms. Ercanbrack said they just made updates to this response so it is more detailed and allows citizens to see what service request the email relates to. Ms. Ercanbrack shared more information about how POB works and how they are involving departments in using this program. Ms. MacKay asked Customer Service to let them know if there is anything the Council can do to help improve this process across the City. Ms. MacKay suggested adding these items as a performance measure for future budget years. Ms. Ercanbrack said there is a way for a department to suspend a case if the item is a seasonal item they cannot address due to the weather or timing. She noted one issue with sidewalk replacement issues and gave more details about it. *Presentation only.*

#### **14. A presentation regarding vehicle replacement and fleet management. (23-008)**

Warren Merritt, Fleet Manager, presented. He shared details about the decision process for replacing city fleet vehicles. There is a Fleet Advisory Committee which includes representatives from several different departments representing General, Internal, and Enterprise Funds. They use industry best practices to inform the process as well. He outlined some of the challenges of fleet funding, including inflation and outsized demand versus vehicle availability. He displayed a chart illustrating inflation for specific vehicles in the City fleet, which ranged from 13% to 30% depending on the vehicle type. They want to ensure that their forecasting is accurate, so they will be forecasting 10% annual inflation for the coming fiscal year and beyond. Supply chain issues and ordering and production delays have also had a negative impact on fleet replacement and vehicle availability. Since older vehicles are staying in the fleet longer than the projected lifespan, this results in increased maintenance costs.

Councilor Rachel Whipple asked about how payment is handled for delayed orders. Mr. Merritt said they are required to show that the money is encumbered and then they pay for the vehicles upon delivery. He deferred to Jimmy McKnight on the vehicles that are leased such as garbage trucks. Regarding hybrid and electric vehicles, they have 1 EV in Development Services, 1 EV in Energy, 2 hybrid trucks in Engineering, and 32 hybrid vehicles in Police. They hope to purchase an additional 20 hybrid vehicles for Police in fiscal year 2024. He noted there is additional discussion needed with Provo Power regarding infrastructure (such as charging stations).

Councilor Bill Fillmore asked about some research Council staff did on electric vehicles last year. Mr. Merritt responded to this comment and shared some of the constraints with certain types of fleet vehicles, such as Police and Public Works vehicles. Mr. Merritt said he is committed to moving the fleet to electric in step with what our infrastructure will allow. Most of the electric vehicle chargers within the City are for public use, so they are working through some of the infrastructure issues with recharging of city fleet vehicles and chargers.

Councilor George Handley commented that Mark Eyo, Council Intern, prepared updates to his electric vehicle memo and this was recently redistributed to the Council. Mr. Handley referenced this updated report, which included additional details and context on some of the issues. Mr. Handley noted that the earlier version of the report was missing some of the calculations on maintenance of some of the impacted cars. Mr. Handley also noted that some considerations such as specific vehicle standards for Police and Fire was not contemplated by the report. Mr. Handley noted that it is a current policy of the Council and City that when possible the City should pursue electric or hybrid vehicle replacement. The affordability of electric vehicles is best when calculating overall costs. Mr. Handley said that Mr. Eyo included information about rebate and grant programs available for paying for installation of charging stations. He encouraged the City to move in that direction and start addressing these infrastructure needs by building charging stations for city vehicles at city buildings where they can be the most useful. He felt the infrastructure needs would only grow as more consumers purchased electric vehicles.

Mr. Fillmore shared comments. He agreed with Mr. Handley's comments about utilizing grant money for constructing the necessary infrastructure. Mr. Fillmore asked Mr. Merritt for his thoughts on hydrogen cell vehicles. Mr. Merritt said these vehicles are not mainstream; there is not infrastructure for these vehicles anywhere in the state, so this does not seem like a viable or practical option for the City at this time.

Councilor David Shipley asked if the City has a relationship with Ford, or just that when taking everything into consideration these vehicles have been the most affordable. Mr. Merritt said it was a combination of factors. Mr. Shipley understood the consistency across product type was helpful to the technicians performing maintenance. Mr. Merritt said this was definitely a factor—it helped for their employees to specialize and know about one manufacturer as well as stock parts for one make of vehicle. Mr. Shipley shared about Tesla cybertrucks and he thought that might be a good retention tool for the Police Department. He said they were really amazing.

Mr. Merritt shared the five-year General Fund replacement list by department. In the upcoming fiscal year they have a need for 38 vehicles. Councilor Rachel Whipple asked if there were any uses where a bicycle or electric bicycle could be used instead of a vehicle. Mr. Merritt was not aware of anything initially, but he said he could look into it. He noted weather was a major consideration. Jimmy McKnight, Public Works Business Manager, shared details about the financial impact of the proposed vehicle replacement in the General Fund in fiscal year 2024. They are requesting an additional \$388,000 to be added to the base budget for recommended General Fund fleet replacement in fiscal year 2024. *Presentation only.*

**15. A presentation regarding the FY2024 Airport Budget and a general airport update. (23-008)**

Dave Decker, Public Works Director, presented. Mr. Decker reviewed the airport budget for the current fiscal year. They were asked to review the Airport's revenues during this presentation. Mr. Decker displayed a spreadsheet that showed an overview of the Airport's revenue sources. Mr. Decker reviewed the Airport's budget goals, including sufficient airport revenue to cover airport operations, police and fire support at the airport, and all capital improvement (including property purchases) needs at the airport. One of their significant achievements this year was getting their revenues in place such that they are completely able to cover their airport operating costs. Mr. Decker gave additional context on the other goals. Currently they are just covering the overtime costs for the Police and Fire employees serving the airport; they would like to get to the point where they are able to cover the full cost. The goal to cover their capital improvement costs is a significant goal, as these are expensive CIP projects.

Mr. Decker outlined their fee changes. He noted they are adding some additional staff, which will be included in the proposed budget. Mr. Decker provided additional details about potential impacts to the Police and Fire staffing in the coming fiscal year, which they will continue to follow and coordinate. Councilor Katrice MacKay asked about the Spanish Fork Airport and how they do more with private planes. She wondered if they had set fees appropriately to maximize and utilize Provo's space and not lose business to Spanish Fork. Mr. Decker responded to this question and how they determine their focus at the Provo Airport. This is an ongoing exercise as they update the Provo Airport Master Plan for the new airport. Councilor Shannon Ellsworth asked about parking at the airport and the fee increase. She noted that long-term parking at the Salt Lake International Airport is \$10 so Provo will be exceeding that. She asked how they make these long-term decisions on fees. Mr. Decker said with parking fees, they often look at other airports. They were told that long-term parking at the Salt Lake airport will be increasing to \$13 per day in their upcoming budget. They are trying to stay within the ballpark of other airports. He also noted much of the current parking is temporary asphalt and Provo has some capital improvement needs with airport parking.

Councilor Bill Fillmore relayed compliments he has heard from citizens about the new airport. The only complaint he has heard is related to signage; he asked if the airport budget included signage improvements. Mr. Decker said they are making signage changes based on feedback they have received from passengers. This is built into their budget. Mr. Decker shared a list of some of the immediate needs of their upcoming CIP projects, that did not include FAA funding. They have a financial strategy to complete several of these projects with no general fund contribution. For the remaining projects (parking lot expansion, security badging office space, and north taxiway C hangar expansion) they are identifying funding sources and may need to request money from the general fund for this.

Brian Torgersen, Airport Manager, presented. Much has changed at the Provo Airport in the last year. Mr. Torgersen introduced his staff members who manage different aspects of the airport operations. He also shared some updates on the Airport's marketing and local partnerships they have had with Explore Utah Valley and other media outlets. They are an official sponsor of the Western Athletic Conference. Additionally, the airlines do their own marketing.

Mr. Torgersen shared a snapshot of their daily gate schedule. Councilor Rachel Whipple asked about how flight delays impact airport operations. Mr. Torgersen provided additional context on the point-to-point flight model (rather than a hub model) these local carriers typically use. Under this business model, delays have a cascading effect and that is a reality of the business model. They recognize this experience is not ideal for everyone, so they are working on attracting a major network carrier that has more liability for these types of issues. Mr. Torgersen noted that seasonal impacts like the winter winds caused longer flight times that the airlines had not necessarily accounted for. Mr. Torgersen shared updated metrics about commercial operations at the Provo Airport since July 2022. Mr. Torgersen addressed the incentives that had been in place and he was confident that the parking revenue was compensating for this.

Mr. Torgersen addressed their Airport Rescue and Firefighting (ARFF) requirements and the general impact of the ARFF index. The index is determined by the length of aircrafts and average daily departures. One of Breeze's aircraft types falls in index C (which is one level higher than the current Index B). Since their current departures is under 5 per day, they are still in Index B, but with more than 5 departures on this aircraft per day, this would bump the Provo Airport up to Index C, which has a higher staffing and response commitment from the Fire Department. Mr. Torgersen explained the intricacies of this system. Ms. Whipple asked how much notice the airlines need to give the Airport before they make these switches so the Airport can be prepared. Mr. Torgersen said they cannot operate if they do not meet the index requirements, so it is wise and helpful for the airlines to give them very advanced notice of their intentions to change their aircraft fleet or flight frequency. Ms. Whipple asked if they have ordered the new equipment that will be needed in Index C. Mr. Torgersen responded with additional details. The FAA has approved funding to purchase an additional ARFF vehicle, however those funds will not be released prematurely. Mr. Torgersen also noted that this impacts their staffing levels which will require coordination. Ms. Whipple asked if the contracts with Breeze and Allegiant have contemplated a change in ARFF index. Mr. Torgersen said the agreements do not address the ARFF index. He noted that most of the airlines they are working to attract typically operate at the Index C level.

Mr. Torgersen shared data that showed where passengers are generally coming from; about 68% are coming from the Provo and Orem metro area. About 19% are coming from the Salt Lake metro area, and 5% from the Ogden-Clearfield metro area. This data is from 2021 and they anticipate those numbers have increased since then. He shared data showing cities serviced by the Provo airport versus cities serviced by Salt Lake and the numbers of Provo-area residents flying out of Salt Lake to other cities. Mr. Torgersen noted there is a large pilot shortage in the airline industry. They have also surveyed the business community about travel data. Seattle and San Francisco are in the top 15 destinations, while Denver and Dallas are major unserved destinations from Provo. Airlines have industry data, but they do not have the more granular local employment data that can inform decisions in recruiting new airlines to the Provo Airport.

Mr. Torgersen addressed terminal expansion and noted that as they want to expand to an international airport, there are additional requirements they need to meet with customs clearance in addition to expanding their gates. The main expansion in the first stage will primarily be on the south side of the airport. They will utilize jet bridges in the gate expansion for a more consistent experience going forward. There will not be a separate international terminal, but

international arrivals will be funneled to the customs clearance area. They anticipate the project cost for phase 1 is about \$62 million. Mayor Michelle Kaufusi and Deputy Mayor Isaac Paxman have been working on securing funding from the federal, state, and local governments. Mr. Torgersen displayed the current project funding plan and they hope to start construction on some of the expansion this fall.

Ms. Whipple repeated her request for long-term bicycle parking. She hopes the airport will address this issue. Many people will travel light on these budget airlines, so it is certainly possible that some passengers will get to the airport on a bicycle. If nothing else, bicycle parking is helpful for airport employees and the airport is serviced by a great trail system. Mr. Fillmore asked what the full expansion timeframe is if they have secured funding. Mr. Torgersen said they will apply for federal funding in October and will hear about the results in March. They will be working on concept development in the coming year so they are ready to work on construction for the following 2-3 years. They hope that by fall 2024 they can operate a satellite gate out of the existing terminal as a stopgap measure. Mr. Fillmore asked if any of the major airlines are willing to contribute financially to the expansion. Mr. Torgersen responded that this has not happened yet, but could be possible with the right carrier and conditions. In response to a question from Ms. Whipple, Mr. Torgersen indicated they anticipated being able to increase flights even during construction, although it will be a complex operation. Mr. Decker commended the work Mr. Torgersen was doing at the Provo Airport. He also thanked the Council and Mayor for their support of the Provo Airport. The Provo Fire and Police Departments have also been commendable and they have received many positive comments from passengers about the Police and Fire staff who service the airport. *Presentation only.*

#### **16. A presentation regarding flood mitigation and Spring run-off. (23-041)**

Council Chair Katrice MacKay said the Council requested this presentation as this topic is front and center in the community as well as at the forefront of City communications. Dave Decker, Public Works Director, presented. He shared a City website which was accessible to residents and shared a lot of great information. Mr. Decker gave an update on snowpack in the watershed of the Provo area. He shared context on how this data is gathered. Mr. Decker shared information about the sandbagging effort and the coordination done by Public Works staff on this. Councilor David Shipley asked if the City's goal of 100,000 sandbags by May 1 included sandbags filled by residents for their home use. Mr. Decker said this goal is for sandbags filled for city use. They have distributed over 30,000 empty sandbags to residents to fill for home use.

Mr. Decker addressed the Provo River. Their efforts there have focused on cleaning debris out of the river. They have worked with homes and HOAs along the river, along with Provo Power, Public Works, and Parks and Recreation on river cleanup. Mr. Decker referenced the 1983 flood and the sandbagging they did then. They are preparing for this potential event, which is why they are preparing so many sandbags. The frontal canyons that flooded in the 1980s have been addressed with infrastructure and retention basins so the situation would be very different now. One of the concerns throughout the state is where pipe systems are plugged with rocks or debris and then back up onto the street and does significant damage. They are watching for this—they have video feeds on the major drainage sites in the city so they can monitor this on an ongoing basis and address potential issues very quickly.

Councilor Bill Fillmore asked if there is any information publicly available about how water will be routed. Mr. Decker said they have these maps but he is hesitant about making them public because they will generate a lot of concerns. They have spent several weeks on this process, including drainage surveys, making plans for sandbagging, and creating traffic plans for each of the routes. They have additional pipes ordered for making temporary bridges over some of these channels. They hope to have planned for the worst-case scenario and these maps will be ready for publication soon. Mr. Fillmore also asked about the river cleanup efforts; he asked how they will address debris that is part of the runoff. Mr. Decker said they anticipate likely triple or quadruple the current river volume. They will focus on areas like bridges for obstructions. They have encouraged residents to move their things out of the riverbank area so items are not swept away. If debris is snagged under a bridge, it may be very difficult to get it out. Mr. Decker shared additional comments about some of the local coordination they are doing with the Provo River Users Association and local reservoirs. He also highlighted some of their recent work on aquifer storage and recovery projects and how this effort interacts with spring runoff.

Ms. MacKay asked about concrete barriers next to the river. Mr. Decker said these have been put in several locations—other agencies such as the Provo Delta Restoration group have placed these due to their ongoing construction. Ms. MacKay asked if someone has water in their backyard at 2 AM, who do they call about a water emergency. Mr. Decker said 311 will be the fastest at any time of day. They are coordinating with Customer Service on these issues. At night, those calls roll over to Energy Dispatch and there is a list of employees they can contact immediately. Ms. MacKay also asked about islands that have been built in the river and whether this would cause issues. Mr. Decker said they have met with HOAs or private individuals who have built those islands. Most have responded in a positive way; some islands have been naturally formed but he is not aware of any islands that were constructed.

Councilor Rachel Whipple asked about people who have been camping along the river and whether they have been able to help these individuals relocate to a safer location. Mr. Decker said they have not addressed this and they will need to in the immediate future. They have been coordinating with a number of City departments on an ongoing basis, so they will address this question with that group and this effort will likely be taken on by one of the other departments. Councilor Shannon Ellsworth said that a lot of the flooding in Salt Lake last week was related to clogged street drains. She asked if that was going to be an issue in Provo. Mr. Decker said this is part of the FAQs and they have asked residents to do this. In some situations, it is more than a resident can do, so they have Public Works employees helping with some of these issues. They have repurposed some sewer equipment and staff to cleaning out storm drain issues that exceed the ability of homeowners to address. Ms. Ellsworth asked what areas are most susceptible. Mr. Decker said they have tried to emphasize rising groundwater could be an issue in any area, but generally areas near the foothills and river are going to face the most issues.

Isaac Paxman, Deputy Mayor, commended Public Works staff who worked all night assisting a household with backyard flooding issues. Mr. Decker thanked several staff members including Richard Snider, Streets Manager, whose crew has done an amazing job. *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.*