

SOUTH JORDAN CITY
CITY COUNCIL SPECIAL BUDGET MEETING
POLICE TRAINING ROOM

February 23, 2016

Present: Mayor David Alvord, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Chris Rogers, Council Member Don Shelton, Council Member Tamara Zander, CM Gary Whatcott, Fire Chief Andy Butler, Administrative Services Director Dustin Lewis, Police Chief Jeff Carr, City Attorney Ryan Loose, City Commerce Director Brian Preece, Strategic Services Director Don Tingey, Development Services Director Brad Klavano, COS Paul Cunningham, Finance Director Sunil Naidu, Public Works Director Jason Rasmussen, City Recorder Anna West

Others: Phill Brown, Nick Geer, Kyle Maurer

**BUDGET STUDY SESSION
POLICE TRAINING ROOM – 4:00 PM**

Mayor Alvord welcomed everyone present.

A. Invocation: By Council Member Patrick Harris

Council Member Patrick Harris offered the invocation.

B. City Wide Budget Discussion/Presentation

Strategic Services Director Don Tingey started the meeting with Optional Projects from a Budget Presentation (Attachment A).

- City Plaza **Council selected Option #1 with external restrooms*

They discussed the size of the area and possibilities for use. It was noted that the dollar amount per square footage is high. CM Whatcott said it is so high because of the demo that would be required to remove what is already there. Council wanted restrooms that are not shared in order to close them when we want and police them as needed by the City. They talked about grouping projects together to do some bonding.

- City Park 4 Season Pavilion **Council liked look of Sandy option - \$1million+*

They reviewed two pictures of existing pavilions in Sandy and in Riverton. They talked about the potential rental of 350 times per year at the rate of \$300 per rental. They noted that the Riverton pavilion has underground storage rooms and Council liked that option. They discussed open vs. indoor use or combined. They discussed the square footage being 7,500 to 10,000 sq. ft. They talked about the possible need for on-site management. They talked about where the locations would be. CM Whatcott said that would flush its self out through the planning.

Mayor Alvord said I suggest we not make it too cherry because we don't want to be in competition with other facilities in our City. CM Whatcott said it just needs to be functional. If we really decide this is something we want we will have a lot more discussion about what it should be. We should do the option with the basement in it for storage because you can never have enough storage.

They discussed the option of combining the bonding of the City Park Pavilion with the Fitness Center Expansion together.

- Remodel Court Space **Gary to do more work with options – Put on hold for now*

CM Whatcott said Alton White is not interested in selling the building. He said when they choose to sell we have a first right to purchase but he has not intentions of selling right now. If you are not keen on the leasing aspect of the space then I can explore some other options with the land that we own already. We have to give him an answer by tomorrow whether we want to lease the space or he will either get another tenant or lease back to Tai quando. I know you have told me that you were not really interested in leasing long term so I can do some additional research for other options. It would be nice to have a better working room where we could have these kinds of modern IT features for ourselves or for others needing the space.

- Fitness Center Expansion **relocate skate park, add additional parking, \$1million annual O&M – Possibly wait until next 2017-18 Budget*

Don Tingey showed a couple of renderings that are shown in the packet (attachment A) for a covered pool expansion. CM Whatcott said in the concept drawing where the large covered pool abuts against the outdoor pool that would have open air doors that open. The outdoor pool will be fenced and would be accessed through the fitness center. They talked about removing the indoor kiddy pool because it is too hard to keep the chemicals balanced.

CM Whatcott said this facility will require additional staff and the O&M would be about \$1 million annually. Total built cost would be \$20million.

They talked about the timeline for getting a GO bond on the ballot. City Attorney Loose said he thought it would be around August. They also talked about getting funding from the County and the school district to put towards this. CM said Herriman, Riverton, and West Jordan all have their recreation programs run by the County so it's a different relationship than where we have our own recreation programs.

Council Member Rogers said I like this idea because it is the voters who are going to decide if they want to pay \$50 per year more to get the facility; if they approve it great and if they don't approve it that's fine too.

CM Whatcott asked if there is timing issue here and possibly wait till next year rather than this year when the school districts going out for \$250million. Everyone agreed it would be better to wait a year and during that time we put some money in the budget to actually get at least all of the costs associated with it and flushing out the County and Jordan School District's participation. Then if we really want to do it we put it on for the election next year. If you are going out to bond on this I would throw in the Park Pavilion and do it as a recreation bond.

They discussed the Marv Jensen facility closing and the current status of the Equestrian Center and what options the County might be taking with each.

CM Whatcott said I would suggest to you if we have a preferred option that we prefer the equestrian park be, we should pass a resolution or write a letter that we can all sign and we send it to Mayor McAdams so that as they are considering this in June they have our input on what we think is the best approach. Everyone was in agreement and Council asked CM Whatcott to write the letter for them.

CM Whatcott said the County would like to partner with us and have the County Fair at the same time we have our celebration and see if we can have one big carnival and share the costs including fireworks and whatever. If they choose to eliminate the equestrian facility out of the equestrian park and they just leave that alone and it turns out to be more of a regional park concept, they definitely will move the County Fair to the state fairgrounds because they have animal pens and things they wouldn't have at the equestrian facility.

- Construction Drawings for City Hall Expansion

CM Whatcott said if you are grouping things together to bond, the City Plaza and this project could be one construction project that we bonded for when then timing is right. The Chief and I have worked with Rob Cottle who designed this building and with the entire basement and these three floors would give them about 27,000 sq. ft. for police. Then we would have additional space out west in Daybreak when we have a Fire Station or City Hall Annex would be an additional 10,000 sq. ft. and that would take us to build-out. We can build this for \$3.6 million. It gives the police an outside entrance here at City Hall. This could be done on a different type of bond such as a sales tax bond.

Council Member Rogers said if we put the two projects together, City Plaza and City Hall Expansion, how much would a GO bond cost per residency. Sunil said about \$20 dollars over 20 years.

CM Whatcott talked about doing some refunding of some of our other bonds at a lower interest rate, which gives the capacity in other ways of bonding for this. I was asking for enough money to get the construction drawing done because we know we have to do it sooner or later. The construction plans would be 8-10% of the construction price so it would be around \$500,000.

They talked about refinancing existing bonds to get a better rate. By combining bonds you wouldn't have to ask voters twice for a tax increase. If we happen to sell the property south of us I would say we earmark the money to go towards this project. Council Member Marlor said he is not in favor of selling the property. He thinks we will need it down the road. CM Whatcott said the previous Council wanted to sell it. He said I don't know what we would use it for because it is an odd shaped parcel and has a lot of easements on it for the power company. We bought it in 2006 from two different sellers and that is why it is such an odd shape.

Mayor Alvord called for a break at 4:25pm

Program Based Budget (Attachment B)

Don Tingey said we have identified 6 or 7 programs as we implemented Priority Based Budgeting. We wanted to focus more on the programs and what we have learned and what the benefits of these programs are. See page 3 of the Program Based Budget presentation (Attachment B) that shows the Program Review Process. He said the Priority Based Budget Online Tool is available for your use and can be found at: www.tools.pbbcenter.org/OnlinePBB. He said if you ever have questions about the programs we are available to help you get answers.

Mr. Tingey said about 87% of the City's budget goes towards Community Programs and 13% towards governance. He reviewed program spending across departments for Community Programs and Governance Programs.

Jason Rasmussen address Public Works (Snow Plowing)

Jason said we have all of our maintenance divisions to support snow plowing efforts. Our Streets division takes the lead on that and organizes and manages that. He covered the costs for personnel \$304k and non-personnel \$206k for a total of \$510k annually. The non-personnel costs are associated with the fuel, equipment, repairs on the trucks, and salt. The blades on the truck don't last very long and need to be replaced often.

CM Whatcott noted that we still plow subdivision streets and use red salt with our white salt. This is not standard practice for other cities. The red salt is a lot more expensive than white salt but there is value in using it.

CM Whatcott said we are looking at possibly contracting with some of the HOA's in Daybreak to do more ally work plowing in Daybreak.

Police Chief Jeff Carr covered Police Training

Chief Carr said police training is critical to what we do. We have estimated almost 10% of an officers time is spent training. Lieutenants would spend 20% of their time training and a Sargent spends about 30% of their time training. It is a state mandated program requiring 40 hours minimum per year training required of every officer. Although the amount of time required for training has not changed but the type of training has changed substantially. He talked about a physical fitness program that officers are required to take a fitness test twice a year. If an officer doesn't pass the fitness test they are given two attempts. After that we put them on corrective action and we will get them through.

CM Whatcott said we take job action for fire fighters and police that can't meet their physical requirements. We brought this policy to the Council about 6 years ago and the Council unanimously supported taking job action in these critical roles. Not every city does that but we thing it is a very important piece of their duty to be physically fit.

Chief Carr said as our needs change we have to change. He said we spend between 10-15 thousand dollars per year on training ammunition. There are also costs for registration, training and travel to get people to classes so they can come back and train the rest of the department.

Fire Chief Andy Butler covered (Employee Flu Shots)

Chief Butler said the flu shots are administered by the Fire Department annually. They have been doing the program for about 14 years. It started as a community service because back then you didn't have the various retailers offering the flu shots like we have now. Today the program has been cut way back and we are targeting senior citizens in our community center, city employees and two other areas, Cornerstone and the lodge. We are under 50% of what we used to do. We currently purchase about 300 doses which are down from the 800 doses we used to purchase.

Administering shots is a training benefit for our firefighters because it is a skill that they need to perform. This gives them that opportunity to hone that skill.

Council Member Tamara Zander excused herself from the meeting at this time.

CM Whatcott asked Council where they wanted to go with the next budget meeting and see if we are on track with what you are thinking.

CFO Naidu said depending on how Council is feeling I thought if you didn't have a lot of questions on operations then we could skip one meeting to give me the opportunity to put the whole thing together.

Mayor Alvord asked about the Compensation Committee and it seems like they meet at a different time of the year than when we have our budget discussion.

COS Cunningham said in our last meeting we outlined what we thought we would be giving to you and nothing has changed since then. We are prepared to give a short presentation of the overall personnel part of the budget. Sunil is prepared to say here is what the tentative budget will look like and if there are any other adjustments you want to make, if not, he will put it on a meeting shortly thereafter to publish as the tentative budget for public input.

Mayor Alvord said I would like about ½ hour at the next budget to discuss and item I am interested in on the next meeting.

CM Whatcott said we won't be paying for the full boat the first year with regards to the firefighter program. We have tried to take that over two years so that the full cost is not bore until the next fiscal year.

CM Whatcott said we are looking at a 2% increase in merit and no cost of living increase.

COS Cunningham said the step plan is funded at the 2.75 for police and fire which is part of your commitment when you accepted that.

Mayor Alvord asked if this would be our last budget meeting. CM Whatcott said our next meeting is a regular Council meeting and we won't have the next budget meeting scheduled for March 8th. Our final budget meeting will be March 29th at 4pm.

Council Member Rogers said this budget process has been so much easier. He said he would encourage all Council to meet with staff and get questions answered before the budget process.

CM Whatcott said it is now a lot easier for you to drill down more to get answers. As we get more sophisticated with the tool, you are going to get a better product to review. It is going to be a lot more transparent for you in the future as we continue to refine using this tool.

Council Member Rogers made a motion to adjourn. Council Member Marlor seconded the motion. The vote was unanimous in favor.

ADJOURNMENT

The February 23, 2016 City Council Special Budget meeting adjourned at 6:15 p.m.

This is a true and correct copy of the February 23, 2016 Council Special Budget Meeting minutes, which were approved on March 15, 2016.

Anna M. West
South Jordan City Recorder