

CITY OF SOUTH JORDAN
CITY COUNCIL SPECIAL BUDGET MEETING #3
WORK ROOM
March 9, 2022

Present: Mayor Dawn Ramsey, Council Member Jason McGuire, Council Member Don Shelton, Council Member Brad Marlor, Council Member Tamara Zander, Council Member Patrick Harris, City Manager Gary Whatcott, Assistant City Manager Dustin Lewis, City Attorney Ryan Loose, Strategic Services Director Don Tingey, Planning Director Steven Schaefermeyer, IT Director Jon Day, Public Works Director Jason Rasmussen, City Engineer Brad Klavano, Fire Chief Chris Dawson, CFO Sunil Naidu, Police Chief Jeff Carr, Assistant Controller Nick Greer, Commerce Director Brian Preece, HR Director Teresa Cook, City Recorder Anna Crookston, Meeting Transcriptionist Diana Baun, Deputy Fire Chief Ryan Lessner, Marketing Specialist Matt Jorgensen, Associate Director of Public Works Joey Collins, Associate Director of Public Works Ray Garrison, Associate Director of Parks Colby Hill, Communications Specialist Josh Timothy, Communications Manager Rachael Van Cleave, Associate Director of Recreation Janell Payne, Director of Government Affairs Melinda Seager, Executive Assistant Melanie Edwards, Deputy City Engineer Jeremy Nielson

Others: Sam Bishop

5:27 P.M.

A. Welcome, Roll Call, and Introduction – *By Mayor Dawn Ramsey*

B. Invocation – *By Council Member Don Shelton*

C. Discussion Item

C.1. Fiscal Year 2022-23 Budget

Mayor Ramsey discussed a donation drive being hosted by the Larry H. Miller Group and asked everyone how they would feel about using City Hall as a drop off spot for donations.

Council Member Zander said she spoke with Amanda Covington a few days ago, offering her office as a drop off location. Ms. Covington said they had enough drop-offs, and they don't want any more.

Mayor Ramsey asked how everyone felt about just sharing the message without offering City Hall as a drop off location, using the city's social media to spread the word. No one objected as this is not a fundraiser, and this is just sharing the message about opportunities to donate.

Council Member Zander said The Miller Group is matching donations up to \$2 million, last she heard they were at about \$600,000 in donations.

Council Member Shelton would like to see us do a resolution as a council, standing with Ukraine.

Manager Whatcott said there have been a few other cities who have done something similar, and they will look at what they did for ideas.

Council Member Shelton noted the state legislature did a resolution supporting Ukraine as well.

Mayor Ramsey shared a magazine from New Jersey, the New Jersey State League of Municipalities Magazine, which is published monthly. She met the president and immediate past president of the New Jersey League the last time she was there, and the staff of the National League of Cities wanted to show her the view from the top of their room of the Capitol in DC. The New Jersey League officers came with them, and the president from New Jersey wanted to take a picture up there with our mayor. He recently sent her a copy of their magazine with the picture in it, with the caption "South Jordan, Utah, Mayor Dawn Ramsey with New Jersey League and Municipalities President." The president sent her a nice note as well to our City Hall, sharing the picture with her.

City Manager Whatcott said that he, Ray Garrison and Jason Rasmussen just got back from Texas from the National Water Reuse Conference. The first year they went, back around 2010, there were only about 200 people max and the classes were small; this time there were thousands of people there. Since that first conference, everyone is talking about direct potable reuse. They saw a presentation by Los Angeles, where they are going to be 70% total reuse by 2032; this means their import will go down to about 20%, with another small percentage of ground water being used. San Diego City is 100% reuse, but is indirect potable reuse that is being put in reservoirs and similar places. Manager Whatcott thinks our city is going to try and present next year regarding our project, which is more carbon based; it is amazing to him how much things have changed in the past 10 years. Also, the State of Utah was there for the first time, and the lady who wrote our permit was the one in attendance; Jordan Valley was not in attendance. Moving on to the budget, he explained that tonight our different departments will be presenting about how our growth has impacted their abilities to retain service levels over the last five years.

Deputy City Engineer Jeremy Nielson reviewed his prepared presentation (Attachment A) related to engineering functions and how those things have changed since 2017. Most of the increase in encroachment permits has been due to telecommunications, a lot of carriers have needed road cut permits. There has been a steady rise in traffic reports every year as growth continues, particularly along our collector streets.

Council Member McGuire asked if traffic studies being requested for speeding were being included in those traffic report numbers.

Engineer Nielson said yes, anytime there is a formal traffic report from the Traffic Committee that is included in the count. Those reports can be related to school zone areas, collector streets and various other locations. The building inspection percentage of growth might seem small, but doing 31,000 a year is a significant amount of inspections. In 2019 they moved a code enforcement officer up to be a building inspector, which increased our building inspectors from five to six, which really helped absorb that growth. Development Plan reviews are related to Site Plan reviews, so when a developer comes in and wants to build, and an engineer reviews that; they have seen a decrease in those reviews because a lot of the area is now developed. The projects they are now seeing are much more complicated and take a lot more time, as they are more and more infill projects which require longer review times. In regards to the code cases, in 2019 they went from two code enforcement officers to one, and that's most of the reason for the drop in cases. It's not that there aren't cases out there, it's that we've become much more reactive, rather than proactive as we were previously. Overall, with the exception of code enforcement, his

department feels that the staffing level is right to sustain the growth we see coming. The key with his department is retaining their staff, as it takes a lot of time to train them and get certifications and licenses to be able to work. With code enforcement, at some point they will need another officer.

Council Member Zander said the Larry H. Miller Group has said they are going to reduce the number of homes built in Daybreak. She asked if that is going to affect our Engineering Department significantly, and whether or not they have seen a slowdown in those Daybreak permits yet.

Director of Engineering Brad Klavano said they have slowed down their growth, but there are so many lots already in the queue that it really hasn't slowed down the building permits yet. We may see a little dip, but they have also said they are ramping back up a little bit, so they'll just have to keep their eyes on it.

Public Works Director Jason Rasmussen reviewed his prepared presentation (Attachment B) in regards to Public Works. He discussed growth from 2017-2022 and referred to the graphs on attachment B which showed how that growth has affected our Public Works Department in regards to Parks, our cemetery, streets, our fleet vehicles and equipment. We have had three mechanics maintaining our fleet since 2008, so they are requesting a fourth mechanic this upcoming fiscal year. One of the reasons they have been able to go so long without hiring another mechanic is because we have kept a new, modern fleet which helps avoid breakdowns and frustrations, as well as increasing the morale of employees. He continued reviewing the graphs regarding water and storm water/sanitation on attachment B. In relation to sanitation, he discussed the neighborhood dumpsters, which are the 20 yard containers that residents can reserve; that is one of the most prized services we offer and they have doubled the amount of cans over the last five years to help meet the demands of what residents want.

Council Member Harris asked if the neighborhood dumpsters pay for themselves.

Director Rasmussen said they almost do, however, there is some subsidization through our garbage rates. When the program was originally brought out, the intent was to provide a means that people would actually use so they don't accumulate garbage and junk in their yard, or throw something in the road. The idea was to keep the prices at a level that residents would actually use, rather than let junk pile up. He thinks this program has been successful, and that the overall usage shows it's worth it.

Council Member Zander asked how much we charge for the dumpsters.

Director Rasmussen said they rent out for around \$40, and if you were to call up an independent company it would be quite a bit more. He talked about how they try to respond to broken trash cans within a day, they try to get water leaks fixed and back in service within five hours. They have service levels they try to maintain for each item they are responsible for maintaining. They also try to maintain our infrastructure to a certain level, for example the asphalt on our streets; they have had a target of keeping our roads, on a scale of zero to 100 (a brand new road), at least 80 or above and that takes a certain amount of budget and resources.

Mayor Ramsey said our roads make us the envy of many other cities in Salt Lake County, and she hears about it all the time.

Director Rasmussen said we have to put money into additional infrastructure yearly to keep our systems updated, this includes things like roads and water; this takes employees and money to keep everything in the best shape possible. With all of the current growth, sidewalk maintenance has grown explosively. Up

until about 2020 they could address resident requests within a few days, after that it is taking up to six months to get to those repair requests. To help get that backlog down they have set aside money to hire a contractor to do some work where it makes sense, and this year they asked for four additional Streets Maintenance Workers to create a second sidewalk maintenance crew specifically to get the backlog of requests down. They have been able to inspect a good portion of our sidewalk network in the city, and there are a lot of trip hazards; they feel these extra resources are needed to bring these numbers down and get the sidewalks in better condition.

Council Member Harris asked how many of these sidewalk issues are from trees pushing through the sidewalks.

Director Rasmussen said it's at least nine of out ten cases.

Council Member Marlor said he knows we're responsible for maintaining the sidewalks and fixing issues, but if the damage is due to resident negligence from things like heavy machinery, how do we handle that.

Director Rasmussen said damage is usually from tree roots, but most of the time when the damage is from equipment it is addressed during the warranty period. They really don't get a lot of cases where the sidewalks are cracked or damaged by residents.

Director Klavano said when a building permit is finalized, whether it's an addition or new construction, they have an inspector go out and see if they have broken anything. If there is damage, they are required to repair it before they get their permit.

Council Member Harris asked how much the sidewalk maintenance and repairs cost.

Director Rasmussen said this program costs us at least half a million a year between personnel, materials and equipment used; this is why they are asking for additional funds and additional employees.

Council Member McGuire asked if more of the repair requests are coming from Daybreak as it begins to age.

Director Rasmussen said more requests than before are coming from Daybreak, and that number continues to increase.

Council Member Zander mentioned it's because we've started limiting what kinds of trees are allowed in park strips; she thinks that will help mitigate many of these issues.

Director Rasmussen referred back to attachment B and discussed costs in the future.

Council Member McGuire asked if the street signs are made from aluminum.

Director Rasmussen said yes, the blanks are made of aluminum.

Council Member McGuire said he has heard that a lot of aluminum is going to be "price in effect at time of shipment," so he assumes the prices for street signs will be going up in the near future.

Director Rasmussen said that in reference to our water, a lot of the water budget is spent on Capital Projects that Engineering discussed in their presentation related to cost of construction.

Manager Whatcott said in regards to metering, we have been dealing with making sure we can get meters as it looks like there will be a shortage in production. The city paid in advance for a lot of meters this year, hoping we don't have to go without them.

Director Rasmussen said our growing city needs more meters, and we want to make sure we have enough. He referred back to attachment B and discussed Parks, and that they have had some material increases over the past few years. In addition, Fleet has had costs go up due to rising fuel costs and vehicle maintenance costs. Garbage and recycling cans have also gone up in cost, more so in the last six months.

Council Member Zander asked to confirm what the time period is for these graphs being shown in attachment B.

Director Rasmussen said this is all from 2017 through today, the last five years.

Council Member Zander asked that all of these presentations be emailed to her.

Director Rasmussen said street sweepers are high maintenance machines and we spend a lot of money on keeping them going, replacing their brooms, etc. He went on in attachment B to discuss the price increases for some of our fleet vehicles and equipment, as those costs have gone up significantly since the last time those specific items were purchased.

ACM Dustin Lewis mentioned that those increases are why we switched to ambulances that allow you to remove the box from the back and put it on a new chassis; this means that when a truck wears out, we can use that box at least one more time.

Director Rasmussen discussed the budget impacts for the Public Works Department and its different parts, along with how much in additional funds they will need to maintain the current service levels per attachment B. The map showed work orders from 2021 on the east versus the west side, divided by Bangerter Highway. This helps explain why they need a facility out on the west side, hopefully in the next few years, to save travel time for work being done out there.

Council Member McGuire asked if we have any land secured for a west side Public Works facility.

Manager Whatcott said they are working on it, but do not have anything definite yet. They are specifically looking for a location with an appropriate 16 acre site.

Police Chief Jeff Carr reviewed his prepared presentation (Attachment C) and discussed the Police Department's cost increases since 2017.

Manager Whatcott noted that prior to this new dispatch program, calls were being transferred phone to phone from one dispatch center to another, including the University of Utah and Department of Public Safety (DPS). There were thousands of transfers a day, which meant calls went to the wrong center and had to be transferred to the right one; in an emergency, waiting on the line during that transfer, only to have it drop for one reason or another obviously created huge problems and cost lives. This new program means our costs have risen, but for good reasons; we have no more phone transfers, everything is done electronically now and all of the dispatch centers are on the same CAD. Since everyone is on the same system that means if one city goes down another can pick up those calls. He believes that Salt Lake City, and Utah in general, has the best public safety radio system in the business right now.

Chief Carr continued reviewing attachment C in regards to cost increases since 2017, and mentioned that they will probably have a training facility in the future Public Works facility on the west side, including an indoor range and the VirTra simulator. He reviewed the ways his department has worked to mitigate costs and be more efficient. He discussed comparisons of population to the number of officers and crime between South Jordan and other cities as shown on attachment C, as well as the future needs for the police department as the city continues to grow. Our domestic violence calls have tripled in the last seven years, along with multiple officer calls increasing and stretching our resources even thinner. He shared a story of an injury accident on Mountain View Corridor, where five officers were dispatched and needed to keep the safety of the scene. At that same time, they received a domestic violence call that had to be held; all the Sergeant could do was have the dispatchers call the people back and ask if they have separated, and if things are still active, while he tries to free up an officer from the injury accident. They can't send just one officer to a domestic call, they always send at least two officers, and sometimes we have to contact neighboring cities to see if they can help. In another instance, there was an active wire theft call on the west side. The officers rolled out there, were there for maybe three or four minutes, when a very active domestic call with three females barricaded in a room with two males trying to break the door in came in. They had to tell the officers to stop looking for the wire theft suspects, run over and handle the domestic violence call; potentially, we lost the opportunity to capture those wire theft suspects. They did catch two groups in the future weeks, but he doesn't even think it was the same people. He continued his review of attachment C, showing that our response times are still doing relatively well and that our new investigations are staying at good levels.

Fire Chief Chris Dawson reviewed his prepared presentation (Attachment D). He began by discussing their department's service respond trends. He moved on to discuss trends in calls for service, shown by graphs on attachment D, and where their primary budget increases are coming from. He shared the results of their increased funding, including the service levels increasing, response times decreasing, better coverage and response times due to the new fire station, and a decrease in reported employee burnout. Now that we have four fire stations, each one of those stations now specializes in a particular specialty; this means they are able to spend more time with each specialty and increase the level of service to the community. Station 64 is our technical rescue station, Station 62 specializes in wildland urban interface and will be the future home of our critical care paramedic program, Station 63 is our hazmat station, and Station 61 specializes in truck operations with the ladder trucks along with backing up on hazmat and technical rescue. Attachment D also covered the department's revenue returns and the ways they are working to continue bringing in that additional revenue with things like interfacility transfers. He discussed future budget considerations and attachment D detailed some of those things like adding Fire Station 65, adding a second company to Station 64, rebuilding and relocating Station 61, etc.

Council Member McGuire asked how soon we will need to build Fire Station 65.

Chief Dawson said it would be around 2025 to 2027, depending on how things go.

Council Member Shelton asked if we would have the second company at Station 64 by that time.

Chief Dawson said no, probably not; it would depend on our ability to build infrastructure and other factors. They could opt to staff the second company at Station 64, rather than building the new station, but that would result in longer response times especially with U-111 becoming more traveled.

Manager Whatcott said the Public Safety Building was created for the police admins, but they have fire admins there right now as there is space; in the future, the police admins will fill the entire building and fire will need their own place.

Chief Dawson noted that as the western corner of the city develops there will be need for additional fire stations further west and south.

Manager Whatcott said, regarding the buildout with a second company at Station 64, as the buildout of the 300 acres with The Miller Group and the University of Utah campus develops, it will create densities that will require Station 64 being a dual station.

Chief Dawson said that if things continue to grow the way we are planning, he believes Station 64 will be one of the busiest fire stations in the Salt Lake Valley. He continued to review attachment D and the future budget considerations with all the projected growth in the future.

Council Member McGuire asked if a state of the art training facility could also be a revenue service by training other cities.

Chief Dawson said yes, it could; West Valley has offered fire schools for the past few years. West Valley and Salt Lake City are the only two cities currently offering those types of facilities.

Manager Whatcott said this is the time to think about things like this, as we have the open ground away from residential properties. This is why the police department needs the training facilities and indoor range, so they can train here locally and offer the facility to other cities for training. We could plan smart, putting a range in the basement with a training center on top with classrooms. In addition, structures used for fire training can also be used for SWAT training; they are really trying to find ways to get more out of whatever we build and maximize our assets. Sending these employees to other cities for training is wasting time and money since the trainings usually take all day and are expensive; having those facilities here would save time and keep more employees local and working.

Chief Dawson said our neighboring cities to the south are out doing training and spend a great deal of time in Magna, which creates big voids that cause us to have to run mutual aid into those cities.

Council Member Zander said as a city, we tend to be more proactive and set the bar higher than most neighboring cities. We want to do all these amazing things, but how do we balance that; we can't carry the burden of offering all of these services, there is a price point for being the best.

Manager Whatcott said the other cities will have to "pay to play" on our facilities, or participate through some cost sharing.

Chief Dawson said the future critical care paramedic program will just about pay for itself, or even generate additional revenue by being able to offer much needed services.

Manager Whatcott said many cities are okay with a mediocre level of service, however our residents have expected and demanded more. There will be a point where they say enough is enough, but we don't know what that point will be and the residents will let us know. We want to keep our levels at a point that residents expect, and we can gauge that with feedback from the community.

Council Member Zander agrees that our residents are getting the better services, but are other communities thinking they can forego certain services because they know we will handle it.

ACM Lewis said for most of those cities to catch up to what we do, let alone get ahead and see the future like we do, would require more than they are capable of at this point.

Chief Dawson said many of our neighboring communities are just trying to keep their infrastructure operable.

Manager Whatcott said there is a threshold and our residents expect a lot, for now they are willing to pay for the better levels of service. We have tried to respond to the demand asked of us, and we don't want to be beyond that. Also, the public expects us to find ways to cost share; when we do build the previously discussed training facilities we might get buy-ins from neighboring cities to help cover those costs.

Council Member Zander said as we are talking about tax increases, she just wants to know where the limit is because she knows she will be questioned.

Chief Carr said we are cost sharing with other cities. We have a joint SWAT team with Riverton and Herriman, those specialties are shared and each city has their specific responsibilities.

CFO Sunil Naidu noted that Council Member Zander referenced tax increases and services. Tax increases are related to what we need today, whereas these future needs are much further in the future; the two are not related at this point.

Council Member Zander said as we continue to perform at the current level, and we know our staff performance and service levels are higher; she is wondering when we reign it in as we don't want to ask for tax increases again and again.

CFO Naidu discussed the new station and how our city staff worked to lower those costs.

Mayor Ramsey doesn't believe our city is the best of the best because we spend more, it's because we plan better and look towards the future with our decisions. Herriman residents are paying three times what South Jordan residents pay for their local taxes, and our residents are still getting better service.

Manager Whatcott discussed the 12 Lead program our fire department did about six years ago. We wanted to provide better cardiac care to our residents, and now we have the best cardiac care in the valley. We are not afraid to take the lead, which means we are willing to do the hard work to make these things happen and figure it out. This new critical care program is the natural evolution of getting better care on the street, and our fire department has been able to find ways to make revenue from this exceptional service that will also benefit our city and those around us. Many communities around us are just struggling to get basic services out to their residents.

Chief Dawson said that many times our firefighters are sent to other city's calls to provide manpower because they just don't have enough. He also discussed how they have saved large amounts by making design feature changes on fire trucks and only buying the chassis for our ambulances where the box can be moved. They have changed the way they operate with interfacility transfers, which has promised even more revenue for that program this year. Through the critical care program we will be able to provide the very best, as well as create a new revenue stream to offset the operation budget. He doesn't know of any other fire departments who have figured out ways to do this at the level we have in terms of cutting costs and being effective. He discussed the desire to eventually have a Community Education team that would work with schools, offer emergency preparedness and more.

ACM Lewis discussed ways our city has worked to lower costs. The products we use, the prices of supplies are increasing and that's beyond our control. This tax increase is to help us with those increasing costs. We have incredible people working for us, highly trained and skilled people who would require at least two people to replace them. We need to keep our employees, as other cities are constantly trying to take them.

Manager Whatcott said the next step is to figure out the public outreach; instead of having more meetings about the numbers, we need to talk about how we send that message. He'd like the next meeting to be about messaging and the best ways to do that, what to highlight so people understand.

Council Member Harris said we understand expenses are going up, and we want to maintain our current operations. In addition to that, does it make sense to spend some of our one-time funds on equipment and other items to get ahead of the game to ease the burden in the future.

ACM Lewis said if we can do that in certain areas, that's ideal, like with the water meters being delayed; they pre-purchased those so we won't have homes done that no one can move into because they don't have water meters.

Council Member Harris said we have an opportunity here with that one-time money to get ahead of things now.

ACM Lewis said they would work with CFO Naidu on options for that.

Manager Whatcott noted there is a new state holiday, Juneteenth, celebrated on June 19.

ACM Lewis said this was made a federal holiday last year, and recently made a state holiday.

Manager Whatcott said next year they will budget to move a PTO day to this holiday, this year it will just be given to employees to observe.

Council Member Marlor said he has benefitted greatly from these presentations, and he knows we are preparing for sharing this with the public. He thinks we should have the department heads speak briefly about the challenges they are facing, show the public in the last 5 years what the increased costs have been; show them that we have had no tax increases during that time, and this is what we need to keep up.

Manager Whatcott said we need to talk about the public meeting in August. It needs to be outlined and part of that agenda should be pieces of these presentations before we open things to public comment.

Council Member Marlor agreed we should do some stuff before that meeting, share information with the public beforehand to try and fight the misinformation.

Manager Whatcott said the next meeting should be talking more about that message.

Communications Manager Rachael Van Cleave said they have been putting out information for the past year, educating our public on how taxes work in the city and where the funds go.

Council Member McGuire motioned to adjourn the Special Budget meeting. Council Member Marlor seconded the motion; vote was unanimous in favor.

ADJOURNMENT

The Special Budget Meeting ended at 7:15 P.M.