

Minutes of the Special Meeting of the Syracuse City Council held on March 18, 2016, at 2:00 p.m., in the Council Conference Room, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Andrea Anderson
Corinne N. Bolduc
Mike Gailey
Karianne Lisonbee (arrived at 3:07: p.m.)
Dave Maughan

Mayor Terry Palmer
City Manager Bovero
City Recorder Cassie Z. Brown

Staff Present: Finance Director Steve Marshall
City Attorney Paul Roberts
Public Works Director Robert Whiteley
City Engineer Brian Bloemen
Water Superintendent Ryan Mills
Streets Superintendent Mike Mathis

2:07:12 PM

1. Meeting Called to Order/Adopt Agenda

2:07:15 PM

Mayor Palmer called the meeting to order at 2:04 p.m. as a special meeting, with notice of time, place, and agenda provided 24 hours in advance to the newspaper and each Councilmember.

2:07:25 PM

COUNCILMEMBER MAUGHAN MADE A MOTION TO ADOPT THE AGENDA. COUNCILMEMBER ANDERSON SECONDED THE MOTION; ALL VOTED IN FAVOR. Councilmember Lisonbee was not present when this vote was taken.

2:07:35 PM

2. Public Works Department Budget Discussion (continued from March 11, 2016)

A staff memo from Public Works Director Whiteley explained the mission statement of the Public Works Department is “To provide quality, affordable services for its citizens, while promoting community pride, fostering economic development, and preparing for the future.” Under the mission of the City, staff has reviewed the public works services provided by the City and created a draft budget that outlines the resources to provide the services effectively. In drafting the budget, staff followed the guidelines discussed in the November Council Retreat and the following vision statements adopted by Council:

10-Year City-Wide Vision Statements

- *We are a City with well-maintained infrastructure, including roads, utilities, and parks.*
- *In preparation for the West Davis Corridor, we will make provisions for interchanges to accommodate commercial businesses to serve the residents’ needs and to support economic stability of the City.*
- *We are a financially stable City, balancing the cost of services with the level of services that we provide. The City will have minimal or no debt.*
- *The City will incorporate improvements, events, and services that create an overall feeling of connection and pride in the City by its residents.*

Public Works Vision Statements

- *Utilities provided by the City are affordable.*
- *Public Works and utility billing employees are customer service oriented.*
- *Services provided by Public Works are done in an efficient manner.*
- *Syracuse City has a well-organized infrastructure replacement and maintenance schedule that ensures well-maintained systems.*

The memo discussed the color coding used to identify prioritization of the budget; included with this packet is a color-coded review of the Line-Items requests for the Public Works Department. The colors correspond with the following categories:

- 1) **Yellow** = Optimal Service: These items are not necessary to fulfill the City's mission or the Council's vision for the Public Works Department, but do provide an improved level of service to the City.
- 2) **Green** = Mission & Vision Critical: These items are necessary to fulfill the City's mission and the Council's vision for the Public Works Department.

- 3) **Blue = Short-term Survival:** These items are critical to provide basic services. Without them, the Public Works Department will be able to operate in the short-term, but will suffer in the long run if additional resources are not provided to support the operations.

The memo then discussed overarching discussion points as follows:

- **5-10 Year Plan:** Over the next year, the Administration would like to work with the City Council to adopt a 5-10 year level of service and staffing plan for the Public Works Department. The plan would serve as an advisory document that outlines the level of service deemed acceptable to the Council. It also would evaluate the proper staffing levels for PW in order to maintain the acceptable level of service. Finally, the plan would outline measures and triggers that indicate when staffing levels need to be increased or reduced based on service demands.
 - **Additional Cost:** \$0 In-House staff time and minor ancillary costs
- **Distribution of Personnel Costs Across PW funds:** We performed an in-house analysis of Public Works staff time and where their time is spent, which is attached herein. Due to the administrative complexity of billing each fund separately, we looked at an equitable way to distribute staff costs in a way that simplifies the administrative end, but is still accurate on the whole. We will review this information at the meeting.

Facility Maintenance & Fleet Management

- **Purpose and Function:** The proposal to move the facility maintenance function of the City from IT over to Public Works serves multiple purposes. First, it off-loads facility maintenance functions from the IT Director so he can focus and make progress on IT service and IT improvements. Second, the tasks and purposes of facility maintenance are similar in scope and mission to that of Public Works, which is to maintain important infrastructure. Under Public Works, there will be good communication amongst knowledgeable maintenance workers, and staff resources can more easily shift from other PW divisions if a project requires extra help. Fleet management within the City is currently decentralized, meaning each department maintains and provides the administrative work involved with vehicles. By off-loading the fleet maintenance from the various departments, and providing that service through in a centralized fashion, it allows the other departments to focus on their primary tasks, instead of vehicle issues.
- **Staffing & Accountability:** While facility and fleet maintenance makes more sense under PW, to a certain degree the same problem exists. Facility maintenance pulled IT resources away from IT service, and moving it to PW will likely pull resources from one of the other divisions. The current thought is to move facility maintenance under the Water Division. The water superintendent has the most knowledge and means to handle facility maintenance. Nevertheless, there is real concern that this may pull attention from water system maintenance. To perform this function appropriately and with proper accountability, a facility and fleet maintenance division should be created. Attached you will find the suggested organizational chart for Public Works. The proposal would include a new superintendent position, and will include both facility and fleet maintenance.

- **Estimated Additional Cost:**

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| <i>Vehicles/gas/oil</i> | <i>\$40,950</i> |
| <i>Equipment/Uniform/phone</i> | <i>\$4,345</i> |
| <i>Wages/Benefits</i> | <i><u>\$83,805</u></i> |
| <i>Total:</i> | <i>\$129,100</i> |

Secondary Water

- **Paint Secondary Water Tank:** The City's secondary water tank is utilized to pressurize the system. From time to time, the paint on these tanks needs to be inspected and new paint applied. Paint is preventative maintenance that keeps the tank from rusting and failing. To our knowledge, the tank has never been repainted in the 30+ years of its life. There is a request to repaint the tank, which is a significant cost.
 - **Estimated Cost:** \$120,000

Culinary Water

- **Investigate Culinary Metering Methods:** As the City continues to grow, the need to hire an additional meter reader increases. This is a seasonal full time position. In order to provide utility services in an efficient manner, this year's budget proposal includes an analysis of more efficient ways to read culinary water meters. The budget impact includes consulting and technical services that may be needed to do the analysis.
 - **Estimated Cost:** \$5,000

Capital Projects

- **2000 West Culinary Project:** Of particular note is the 2000 West culinary water project, which has been moved up due to the SR 108 road widening. UDOT has notified the City that the SR 108 project is moving forward. In order to take advantage of potential savings, the budget proposal moves this project up to FY2017 so the culinary work can be done at the same time as the widening project.
- **5-Year Capital Needs:** Based on the 5-year Capital Projects list, the total needed funding exceeds the projected revenue. The City will need to address costs and revenue structures in order to meet the demand to maintain critical infrastructure.
- **Street Resurfacing:** This proposal includes several roads that will receive overlay or chip seal treatments.
- **Drying Bed:** The 2016 storm water permit requires cities to discharge street sweepings and storm water cleaning onto an impervious surface with proper storm water protection measures. A drying bed will allow the debris to reduce its weight prior to sending it to the landfill.

Utility Rates

- **Rate Structure Options:** In order to continue providing services and fund capital projects, the City will need to evaluate both costs and revenue. At the budget discussion, we will explore a variety of rate structure alternatives that can assist in meeting the City's needs.

The memo concluded that included in the packet are line-item operational budget proposals along with the capital projects budgets for Public Works for Council consideration.

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Councilmember Maughan stated that prior to commencing discussion of the Public Works Department budget, he wanted to discuss the employee compensation policy of the City; he is concerned that the City is doing something that is essentially grading employees on a curve and compensating them in the same manner. The Council briefly discussed Councilmember Maughan's concerns, with Councilmember Anderson indicating that Councilmember Lisonbee is very interested in this topic as well and it may be best to wait until she is in attendance to have the discussion.

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Public Works Director Whiteley proceeded with a review of the line-item budget requests for the various budgets managed within his Department. There was brief general discussion among the Council and staff throughout Mr. Whiteley's presentation, the purpose of which was to help the Council gain a clearer understanding of the operations of the Department. Throughout the discussion there was a focus on items such as online bill pay options, credit card processing fees, travel and training opportunities for employees, telecommunications devices and services and wireless communications, uniforms, the green waste recycling program, street projects and associated funding sources, impact fees, the transfer of building maintenance to the Public Works Department and the associated request for increased staffing levels for the service, new equipment purchases, the practice of allocating employee wages across all budgets within the Department, and depreciation of equipment and vehicles.

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The Council then resumed their discussion regarding the City's employee compensation policy. Councilmember Lisonbee stated she has real concerns about the fact that some employees have been receiving wage increases higher than 2.3 percent when that was the maximum amount that any employee was supposed to be eligible to receive according to the policy. She stated the policy was implemented to allow employees to move through their wage scale within 20 years, but if employees are given increases higher than 2.3 percent they will actually move through their wage scale quicker. She stated she feels that the practice City Administration has been operating under is not dissimilar from offering cost of living adjustments (COLAs) to employees. City Manager Bovero stated that he would suggest that that an item be added to a future Council meeting to allow a review of the policy before getting too deep into a discussion about it. He stated the purpose of the policy was to incentivize above average performance and employees that received the highest scores were eligible for a pay increase of more than 2.3 percent. He stated this is very similar to what has been implemented in other cities. Councilmember Lisonbee stated she is not aware of other cities that have such a practice nor the money available to offer such increases year after year. She suggested that a ceiling be implemented to define the maximum increase an employee should be eligible for. She stated she thought 2.3 percent was the maximum amount that employees could get.

Councilmember Bolduc then wondered that employees that are underperforming should be given a merit increase whatsoever. Mr. Bovero stated that is not currently happening; increases are based on performance and employees that score lower than a three on a scale of one to five are not eligible for a pay increase.

Councilmember Lisonbee then noted increased wages also result in increased benefit costs and the City needs to be careful when proceeding with wage increases that may be too high. She stated she is supportive of reviewing the policy in a future meeting.

City Council Special Meeting
March 18, 2016

[3:41:59 PM](#)

COUNCILMEMBER MAUGHAN MOVED TO ADJOURN THE MEETING. COUNCILMEMBER ANDERSON SECONDED THE MOTION; ALL VOTED IN FAVOR.

Terry Palmer
Mayor

Cassie Z. Brown, CMC
City Recorder

Date approved: April 12, 2016