



COUNCIL BUDGET

STAFF REPORT

CITY COUNCIL of SALT LAKE CITY

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TO: City Council Members

FROM: Kate Werrett
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Project Timeline:

Briefing: May 20, 2025
Budget Hearing: May 20 & June 3, 2025
Potential Action: June 10 or 12, 2025

DATE: May 20, 2025

RE: FY2026 BUDGET – PUBLIC SERVICES DEPARTMENT

Budget Book Pages: Key Changes: 53, Department Overview: 231-239

DEPARTMENT BUDGET AT-A-GLANCE

The Public Services Department manages public-facing services through its Streets and Compliance Divisions and provides support for internal City functions through the Facilities Services, Engineering, Administrative Services Divisions, and the Fleet Enterprise Fund. The Fleet Enterprise Fund is briefed separately, while this briefing covers the General Fund Divisions. Much of the equipment and infrastructure for projects Public Services handles is covered separately in the Capital Improvement Program (CIP) budget, which is briefed later in the year.

The FY26 budget includes renaming one Public Service division and the transfer of several teams, both within the Public Services Department and other City departments. With the addition of expanded services, the Compliance Division is proposed to become the Urban Services Division.

The proposed budget for FY 2026 is \$49,273,018, which is 6.8% (\$3.1 million) more than the adopted budget for Fiscal Year 2024-25 (FY25) largely due to the shifting of City functions into Public Services.

Public Services General Fund Budget			
FY25 Final Adopted	FY26 Proposed	Difference	Percent
\$46,144,257	\$49,273,018	\$3,128,761	6.8%

KEY BUDGET HIGHLIGHTS:

Urban Services Division: The most significant changes in the proposed Public Services budget includes the change to the Urban Services Division (formerly the Compliance Division) in response to some of the most common themes in discussions in the past year involving Public Services – bio-waste cleanup and urban cleanliness – with a focus on Westside.

These changes are seen through:

- Expansion of the Compliance Division into the Urban Services Division to provide more broad ‘compliance and dispatch’ services. This includes:
 - Transfer of three Homeless Engagement and Response Team (HEART) members from the Community and Neighborhoods Department
 - Transfer the Graffiti Response Team from Public Lands
 - Transfer 23 FTEs from the Facilities Services Division, including the Rapid Intervention Team (RIT)
 - The Facilities Services Division will have 35 FTEs more concentrated on general maintenance for the 98 City-owned buildings
 - Moving the RIT Team to Urban Services will provide a holistic response to cleaning City property and reduce response times as they work with sub-teams in the Clean City Team.
 - System improvements for the City’s response and deployment of the Rapid Intervention Team (RIT) for services requests.
 - Five proposed new full time employees (FTEs) in Urban Services:
 - \$218,000 for three new FTEs for the new Clean City Team. They will be tasked with improving cleanliness by handling waste removal, illegal dumping, camping mitigation, and surface cleaning on City property. Their focus will be on improving cleanliness response times, graffiti removal within 24 hours, and daily trash can emptying.
 - \$131,000 for two new FTEs for the proposed Right of Way Services North Temple Team. This dedicated team will service North Temple with limited clean-up services similar to the Central and Sugar House business districts.

The Urban Services budget increase of 123% (\$6,181,392) reflects the transfer of members of the RIT Team, HEART Team, the Graffiti Response Team, and a request for five new FTEs. The division will increase from 32 FTEs to 70 FTEs.

Engineering Division: Within the Public Services budget, the Engineering Division will decrease by 65.4% (\$2,520,816) due to:

- Proposed move of 37 FTEs in the Engineering Division from Public Services to Community and Neighborhoods (CAN). This division transfer is expected to increase multi-division collaboration on roadway projects from conceptual design to project completion
- The remaining 13 FTEs of the Engineering Division will include the Architect and the architecture team. Public Services requests to change the name to the Architecture, Facilities and Construction Management Team (AFCM) and move the AFCM team within Public Services’ Administrative Services Division.

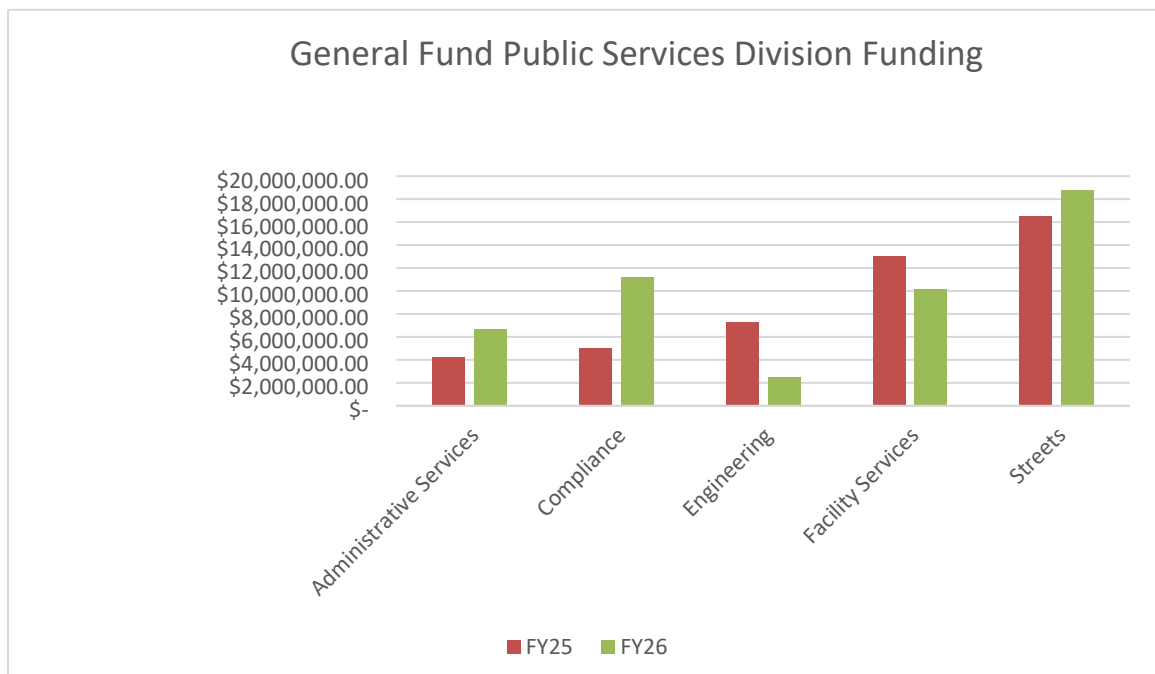
Other Budget changes:

- All other division budget increases include increases to Personal Services costs for employees, which include salaries, merit changes, and insurance rate changes.

- **Staffing** Public Services employees covered by the General Fund (including Funding Our Future), with the proposed transfers, would be a total of 254 FTEs.

Base to Base Changes	\$1,718,465
4% Salary Proposal	\$841,036
Insurance Increase	\$31,190
Pension Changes	\$42,346

- \$796,015 for Smith's Ballpark Property Management
- \$750,000 for an increased level of service related to Homeless Advantage Services
- \$300,000 Street striping redesign and maintenance
- \$11,850 Fire Station Yard Maintenance, a transferred expense from the Fire Department



Vacancies

The Department reports multiple vacancies throughout their divisions. There will be six vacant funded positions if all division transfers are approved. The vacancies broken down by division include:

- Compliance/Urban Services: There are 2 existing funded open positions. One compliance enforcement officer position has been open for more than two months. As part of the proposed changes to the division, Urban Services plans to reclassify the position as an operations manager to oversee parking enforcement functions.
- Engineering (Proposed AFCM Team): While overall for Engineering, there are 4 funded open positions, only 1 of these positions is planned to stay in the AFCM Team. Two Engineer positions have been open for more than 2 months. Public Services has advised that hiring licensed engineers has been a challenge due to competition from the private sector.

- Streets: There are 2 funded open positions in Streets, including a Traffic Maintenance Operator and an Asphalt Maintenance Lead. The vacant positions are posted on Workday.
- Facility Services: There is 1 funded open position for a Facilities Specialist 1. While no positions currently have been vacant for more than two months, the division had two positions remain vacant for more than two months this fiscal year. The vacancies were due to current labor market conditions.

POLICY QUESTIONS

1. The Council may wish to discuss the changes to the Clean City Team proposed in this budget.
 - a. The Council may wish to ask the Administration to outline the benefits of consolidating the rapid response team members into Public Services, and to discuss the benefits of consolidating instead of keeping these responsibilities shared through multiple departments.
 - b. The Council may wish to discuss the proposed creation Right of Way Services Team for North Temple, its proposed two new FTEs, and how the Administration will track and report their impact on the neighborhood. The Council may wish to suggest key metrics of importance.
2. The Council may wish to discuss the proposed Engineering Division transfer from Public Services to Community and Neighborhoods.
 - a. The Council may wish to discuss where they want to see the Engineer Division placed in order to provide the best results for the City.
3. The Council may wish to continue the policy discussion of who should pay for electric vehicle charging electricity (City currently subsidizes) and whether to explore privatizing the chargers.
4. City-owned asset maintenance, like roads, can often be behind schedule despite significant investments of staff and fiscal resources in recent years.
 - a. The Council may wish to ask for more information on funding timelines and strategies, and whether the most urgent concerns are sufficiently funded.
 - b. The Council may wish to hold a policy discussion on overall goals for City-owned asset conditions.
 - c. The Council may wish to discuss with the Department what the Department's goals are for street maintenance.
 - i. Is proposed funding for streets maintenance sufficient to meet the Council's goals?
 - ii. Is the funding distribution between local and major roads meeting the Council's policy goals?
5. The Council may wish to ask about the status of the Space Needs Assessment and how plans for City facilities, expansion, and remodeling will be considered over the coming year.

BACKGROUND AND ADDITIONAL INFORMATION

Public Utilities and Contractual Charges. A large portion of Public Services' budget is related to paying expenses whose ultimate amount is largely determined by other departments. The primary example is utility bills for departments that are housed in the City County Building and Plaza 349. Other examples are: Facilities pays for public EV charging, and Streets pays street signal electricity costs. Several

other departments—Fire, Police, and Public Lands—along with most enterprise funds, do pay their own utilities. Budgeting in the face of this variety is further complicated by year-to-year fluctuations that depend on weather conditions, the City’s new asset purchases, contractual changes, and more.

Several years ago, at the Department’s request, the Council adopted an approach that funds Utilities and Contractual Increases for Public Services on an annual basis. By explicitly placing anticipated amounts for these items in the annual budget, the Department avoids the mid-year budget amendment to shift funding from approved areas into what are essentially predictable but unfunded expenses.

In addition, the annual Utilities and Contractual budget request is based on CPI plus proposed rate increases for public utilities.

Contractual increases included software and other services, like the security provided by All Pro Security. For FY26, the majority of the proposed increase is due to utilities.

	FY25 Adopted	FY26 Recommended
Total Contractual and Inflationary Increases	\$943,417	\$632,664

Other Changes by Division:

- A. **Administrative Services Division (\$6,649,862, 19 FTEs)**. The Administrative Services Division provides the management, financial operations, project management, technology, and communication coordination and support required for all Public Services operations. This Division also includes the Citywide internal security program.

Staffing. As part of the transfer of Engineering to CAN, one Financial Analyst I-IV is proposed to move to CAN and the AFCM Team’s 13 FTEs will join Administrative Services. The Administration is revising the Mayor’s Recommended Budget and Staffing Document to correctly reflect the addition of the AFCM Team budget (\$2,520,816) and 13 FTEs within the Public Services Administration Division.

- B. **Streets Division (\$18,774,624, 117 FTEs)**. The largest General Fund-funded Division in Public Services would remain so, with 13.5% budget growth. (*Note: Streets is separate from the Transportation Division located in the Community and Neighborhoods Department*). The Streets Division provides snow plowing, street sweeping for storm water management, and traffic signals maintenance—all of which require after-hours response capacity. In addition, the Division provides all roadway painting (including crosswalks), maintenance activities such as pothole patching and chip seal projects, and significant asphalt road maintenance.

Staffing: No new FTEs are being proposed within this Division for FY26. The Streets Response Team within the division has a lot of turnover due to their schedule, which includes frequent swing, graveyard, and weekend shifts.

Based on Council interest, staff asked questions about the budget needs for the City’s road maintenance programs. As has been the case for several years, the road construction needs outpace the budget available. However, staff is providing the following information from the Administration as context given that the issue of funding for road projects will be considered in the CIP

conversations later this year and will also likely be evaluated over the coming year and included in FY27 budget proposals.

Mill and Asphalt Overlay Program. The program adds a middle layer to the current approach of road maintenance by focusing on overlaying roads that are not sufficiently deteriorated to need reconstruction, but are in poor enough condition to merit more than standard upkeep. Otherwise, reconstructing the worst roads first is Engineering role's and typically funded through CIP with contracts and some City-performed work; and maintaining roads in good condition is Streets' role and typically funded in the General Fund, including Funding Our Future sales tax dollars), The City uses the Overall Condition Index (OCI)¹ to determine which roads fall under which conditions and prioritize maintenance.

In FY24, this was a pilot program funded at \$130,000 to reach 5 lane miles of treatment. The pilot program was considered successful and is now part of the Streets Division's maintenance operations. In FY25, the budget included a proposal of \$296,000 to treat 10 lane miles. For FY26, Streets is targeting to mill and overlay 10 miles of local roads. The Administration estimates that as of Spring 2025, there are 108 local street lane miles that could use a mill and overlay. However, current staffing and equipment are budgeted to cover a maximum of 10 miles in one fiscal year.

The Engineering Division submitted a CIP request for a 2025 pavement condition survey to gauge the impact of the last four years of roadway capital investments and to assist in future strategies.

Public Services provided the following chart to report the estimated current condition of City roadways:

Overall Condition Index (OCI) Range	Condition Description	Percentage of Network 2017	Percentage of Network 2021	Estimated OCI Percentage of Network as of 5/13/2025
86 - 100	Good	1.60%	9.61%	14.98%
71 - 85	Satisfactory	8.89%	26.30%	17.50%
56 - 70	Fair	25.84%	25.10%	20.78%
41 - 55	Poor	36.61%	17.10%	17.66%
26 - 40	Very Poor	21.31%	15.60%	13.30%
11 - 25	Serious	5.41%	6.13%	11.80%
0 - 10	Failed	0.34%	0.15%	2.88%
	Total	100.00%	100.00%	100.00%

Based on the 2021 pavement condition survey, \$45 million per year for 5 years was recommended to achieve the industry standard of the ratio of roadways needing maintenance. Streets anticipates that the requested late summer 2025 pavement condition survey will likely reflect road reconstruction or overlay needs totaling \$50 million-\$55 million per year for 5 years or longer to reach the industry standard roadway maintenance ratio. The table below displays the City's spending on street reconstruction requests and awards from FY2017 to FY2025.

¹ [SLC Pavement Condition Map](#)

Fiscal Year	Street Reconstruction / Overlay Request	Street Reconstruction / Overlay Award
2024-2025	\$8,000,000	\$8,000,000
2023-2024	\$ 6,000,000	\$ 6,000,000
2022-2023	\$ 12,920,000	\$ 6,700,000
2021-2022	\$ 3,500,000	\$ 2,046,329
2020-2021	\$ 3,500,000	\$ 2,046,329
2019-2020	\$ 7,076,400	\$ 5,576,400
2018-2019	\$ 6,346,790	\$ 1,200,000
2017-2018	\$ 6,620,900	\$ 3,620,900
2016-2017	\$ 6,691,000	\$ 3,667,846
Averages/YR	\$ 8,415,013	\$ 4,710,103

- C. **Facilities Services Division (\$10,143,218, 35 FTEs).** The Facilities Division manages City-owned buildings and public spaces. This includes everything from maintenance to tracking the condition and needs of all City assets.

Asset Management. Part of the division's responsibilities is overseeing and maintaining city-owned properties. The Division maintains a list of factors, including contractual obligations, threats to property and infrastructure, and funding availability/timeliness to determine which assets to prioritize for updates or repairs. Ongoing maintenance typically falls within the Public Services budget, while addressing and prioritizing onetime capital replacements or improvements is usually part of the annual CIP discussion.

Staffing. No new FTEs are proposed within this division for FY26. The Facilities reports very positive impacts from apprenticeship positions, with one apprentice taking a FTE position after gaining the necessary qualifications in FY25. 23 FTEs are proposed to move to the Urban Services Division.

- D. **Proposed Urban Services (\$11,184,498, 70 FTEs).** The proposed Clean City Team is housed within the Urban Services Division. Below is the proposed Clean City Team organizational chart:

