



COUNCIL BUDGET

STAFF REPORT

CITY COUNCIL of SALT LAKE CITY

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TO: City Council Members

FROM: Kira Luke
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DATE: May 30, 2024

RE: FY2025 BUDGET – PUBLIC SERVICES DEPARTMENT

Budget Book Pages: Key Changes, 59. Department Overview, 227 to 234

The Public Services Department manages public-facing services through its Streets and Compliance Divisions, and also 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 rest of the Divisions, which receive funding through the General fund. 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 proposed budget for FY 24 is \$46,261,467 which is about 6% (\$2.8 million) more than the adopted budget for Fiscal Year 2023-24 (FY24).

This budget includes funding for eight new full time employees (FTEs) since FY24, which includes two seasonal positions reclassified to FTEs.

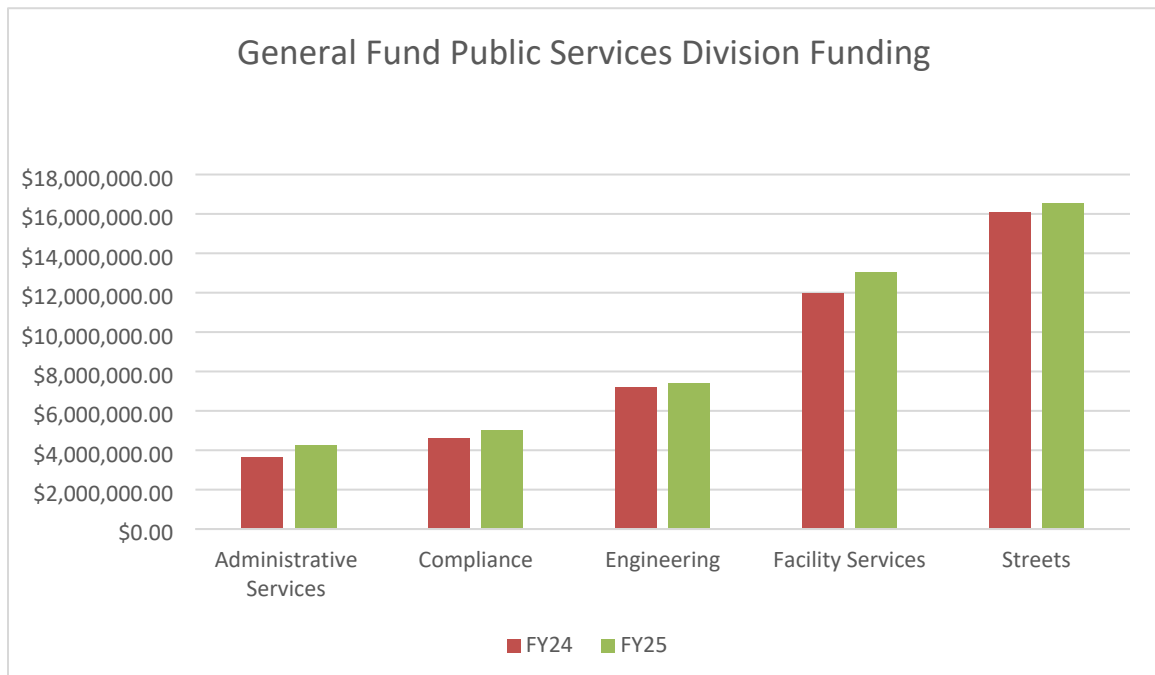
Street maintenance, new parking stations, and RV mitigation are some of the most common themes in discussions in the past year involving Public Services.

Public Services General Fund Budget			
FY24 Final Adopted	FY25 Proposed	Difference	Percent
\$43,449,292	\$46,261,467	\$2,812,875	6%

This report concerns the general fund-supported divisions of Streets, Compliance, Facilities, Engineering, and Administrative Services. The Fleet fund is briefed separately. Each of the Divisions would see an

A. increase, ranging from 3% for Engineering and Streets, up to 18% for Administrative Services and Compliance. This primarily reflects increases to Personal Services costs for existing and new employees, which includes salaries, merit changes, and insurance rate changes. Other notable changes include:

- \$603,308 for contractual services
- \$75,000 for vulnerability assessment consulting
- \$100,000 Funding our Future dollars for RV Removal and Disposal
- -\$130,000 representing the conclusion of the Mill & Overlay *pilot* program
- \$296,000 increase for the now ongoing Mill & Overlay program within the Streets division



Staffing

Base to Base Changes	\$92,358
5 % Salary Proposal	\$ 212,849
Insurance Increase	\$134,884
Pension Changes	\$33,080

Public Services employees covered by the general fund (including Funding Our Future) would be a total of 277. Since FY24, Public Services staffing has undergone significant restructuring, including 4 FTEs shifted to the newly-created Public Lands Department in Budget Amendment 2 of FY24.

The proposed new FTEs are outlined in each respective division's section. These positions are funded for only 10 months, which means additional ongoing funds would be needed for their fully annualized salaries in FY26. See each Division for additional detail.

Staff note: at the time of publication, several inconsistencies were noted in the Mayor's Recommended Budget book Staffing Section. Staff is working on clarifying these.

Vacancies

The Department reports multiple vacancies throughout their divisions. The Rapid Intervention Cleanup Operator and Senior Engineering Construction Project Manager positions have been vacant for more than two months. The Department reports that entry-level positions in Streets, in particular, have proven challenging to fill and challenging to offer pay competitive with the private sector. The 5% salary proposal and the Department's recent restructuring, which includes multiple pay scale changes and updated job titles and descriptions, are expected to pave the way to filling these positions. Other vacancies include road maintenance positions and office support positions.

POLICY QUESTIONS

1. The Council may wish to discuss the Rapid Intervention Team funded in FY23, as part of the goal of evaluating the City's diversified response pilot programs. The team has been difficult to maintain at full staffing levels, but the team's use has been so needed and effective, FY25's budget includes a proposal to double the team.
 - a) The Council may wish to discuss, given the difficult situations that can be part of clean-up responsibilities, is the team's existing pay scale (grades 16-19) sufficient to attract and retain long-term employees?
2. The Council may wish to hold a discussion about the RV mitigation strategies (Section E), which could include:
 - a) The proposed \$100,000 removal incentive pilot. Discussion could include metrics for success, and how many incentives \$100,000 is expected to provide.
 - b) Updates on the mitigation team funded in FY24
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 (including standard maintenance and the new Mill & Overlay program).
 - i. Is proposed funding for streets maintenance is 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 Parking Pay stations are planned for replacement this fiscal year. During discussions, the Council and Administration identified multiple policy considerations concerning the City's goals of paid parking locations, dynamic pricing, smart city upgrades, and general curb management strategies. The Council may wish to ask if the Administration has a timeline in place to bring these policy discussions for consideration.

BACKGROUND AND ADDITIONAL INFORMATION

Public Utilities and Contractual Charges. Unlike many other City departments, Public Services is responsible for paying expenses whose ultimate size is largely determined by other departments. The primary example are utilities bills for departments that are housed in the City County Building and Plaza 349. Facilities pays for public EV charging. 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 need to shift funding from approved areas into what are essentially predictable but unfunded expenses. Now, 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 CBI Security, which was recently renegotiated at the State level.

	FY24 Adopted	FY25 Recommended
Utilities Changes	\$548,400	\$340,109
Contractual Increases	\$ 696,000	\$943,417
Total	\$1,244,000	\$1,283,526

- A. **Administrative Services Division (\$4,263,050, 20 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 new Citywide internal security program.

Staffing. No new FTEs are being proposed within this Division for FY25, but staffing changes in this division do include 4 paygrade increases and one FTE transferred from facilities.

- a. One new line item for this Division is \$75,000 onetime consultant funding to support the Security Director in performing vulnerability assessments.

- B. **Streets Division (\$16,540,679, 116 FTEs).** The largest general fund-funded Division in Public Services would remain so, with 3% budget growth and two proposed conversions from seasonal employee to FTE. (*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.

Although the personal services costs are seeing the same 5% salary increase as all departments, the overall Division budget is only increasing by 3%. Some of this is accounted for by vacancy savings, as well as the reduction of onetime funding for the Mill & Overlay pilot program (which is now an ongoing program with ongoing expenses).

Staffing: The Streets Division has requested to convert two existing part time positions to FTEs (See Attachment 1 for job description). The Division reports that this change will add capacity to traffic sign and marking maintenance crews. Streets is one of the divisions most impacted by high turnover or hard-to-fill entry-level positions.

Mill and Asphalt Overlay Pilot Program. The program adds a middle layer to the current approach of reconstructing worst roads first (Engineering role's and typically funded through CIP), and maintaining roads in good condition (Streets' role and typically funded in the general fund, including Funding Our Future sales tax dollars), by focusing on overlaying roads that are not sufficiently deteriorated to need reconstruction, but are in too poor of condition to merit standard upkeep. 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 with the goal of reaching 5 lane miles of treatment. The pilot program was considered successful, and this is now a part of the Streets Division's maintenance operations. The budget includes a proposal of \$296,000 to consolidate the program and treat 10 lane miles. The Division included the following chart to report the program's projects to date:

Street	Original OCI	New OCI after Mill & Overlay
2 nd Avenue (State Street to A Street)	52.91	94.71
Marion Street (500 North to 600 North)	42.62	94.55
Kensington Avenue (700 East to 800 East)	51.62	94.83
Post Street (600 South to 500 South)	38.79	94.84
1200 West (1200 North to Dupont)	28.77	94.82
2300 East (1300 South to Foothill Drive)	45.56	94.85



- C. Facilities Services Division (\$13,042,062, 58 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.

¹ [SLC Pavement Condition Map](#)

Asset management. As part of the Division’s role in oversight and maintenance of City-owned properties, Facilities noted that many assets are overdue for replacement. 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. In FY24, Facilities added five new FTEs, including the new Building Administrator and four positions in the Trades Apprenticeship program. The Department reports very positive impacts from the apprenticeship positions, with at least one apprentice taking an FTE position after gaining the necessary qualifications. This year, three new FTEs are requested for the Rapid Intervention Team expansion. (See Attachment 2 for full job description.)

	10 months (FY25)	Full year (FY26)
Clean-up Equipment Operator (3 FTEs requested, funding shown is for 1)	\$84,342	\$101,210
Total requested for FY25	\$253,026	

- D. **Engineering Division (\$7,412,570, 51 FTEs).** The Engineering Division oversees the City’s construction work, and manages a significant amount of data mapping, survey work, and new subdivisions and roadways.

Staffing. Engineering has requested three new FTEs for FY25. One is a new Engineer position to improve their ability to enforce construction violations in the public Right of Way (ROW) (See Attachment 3 for job description). Two more FTEs are requested to support the Public Lands Division from the engineering portion of the design process. These positions are expected to oversee new Public Lands project elements like construction scope, bidding, contracting and construction management.

	10 months (FY25)	Full year (FY26)
Engineer IV	\$117,210	\$140,652
Project Managers (2 FTEs requested, funding shown is for 1)	\$124,847	\$149,816
Total requested for FY25	\$366,904	

E. **Compliance Division (\$5,003,106, 32 FTEs)**. The Compliance Division enforces City codes and manages customer service requests, parking pay stations, school crossing guards, and impound operations, among other things. The occupied vehicle mitigation team funded in FY24 is also housed within the Compliance Division.

Staffing. No additions or reductions in staffing levels are proposed for FY25.

Parking Pay Stations: In FY24, the Council opted to fully fund Parking pay stations that were overdue to be replaced in FY23. The modernization of parking pay stations is expected to provide a more reliable and cost-efficient service to the City and the users of the metered parking spaces. The Division reports plans to replace the stations this fiscal year are proceeding, with installation beginning this calendar year. The next step in the process will include a public information campaign to prepare users for the transition.

RV Enforcement: The Division reports that the mitigation team funded last year (See Attachment 4 for program description provided June 2023) is fully staffed and has shown significant improvements in responding to RV encampment concerns, from 8 weeks down to 1-3 weeks. The team coordinates closely with the City's Homeless Engagement and Response Team (HEART) to complement enforcement efforts with outreach and resources for people being displaced.

This year's funding also includes \$100,000 for a new RV removal and disposal incentive. The Department anticipates the need for this program will be ongoing, but proposes \$100,000 onetime funding to gauge funding needs for future years. The problem this pilot hopes to solve is the issue of unoccupied, unclaimed RVs sitting for an extended period of time, due to low recycling or resale value. The program provides financial incentives to companies to tow, impound, or properly dispose of unclaimed RVs.

ATTACHMENTS

Attachment 1 – Traffic Maintenance Operator I Job Description

Attachment 2 – Clean-up Equipment Operator Job Description

Attachment 3 –Engineer IV Job Description

Attachment 4 - Occupied Vehicle Mitigation Team Description