KAYSVILLE CITY COUNCIL
WORK SESSION
October 25, 2024

Minutes of a special Kaysville City Council work session held on Friday, October 25, 2024 beginning at 8:07 a.m. in Kaysville City Hall at 23 East Center Street, Kaysville, UT.

Council Members present: Mayor Tamara Tran, Council Member John Swan Adams, Council Member Mike Blackham, Council Member Abbigayle Hunt, Council Member Nate Jackson, Council Member Perry Oaks

Staff Present: City Manager Jaysen Christensen, City Attorney Nic Mills, Finance Director Dean Storey, City Recorder Annemarie Plaizier, Public Works Director Josh Belnap, Parks and Recreation Director Cole Stephens, Community Development Director Melinda Greenwood

Others Present: Grange Gordon

OPENING

Mayor Tran opened the work session and welcomed everyone present.

CLOSED SESSION

Council Member Oaks made a motion to recess the city council work session at 8:07 a.m. and convene a closed session to discuss the character and/or competency of individual(s), pending or reasonably imminent litigation, the purchase, sale, exchange, or lease of real property, water rights or shares, and/or the deployment of security personnel, devices, or systems, as permitted under Utah Code §52-4-205. The motion was seconded by Council Member Hunt and passed unanimously.

Council Member Jackson arrived at 8:19 a.m.

Council Member Oaks made a motion to adjourn the closed session at 8:32 a.m. and reconvene the city council meeting. The motion was seconded by Council Member Adams and passed unanimously.

City Attorney Nic Mills and Community Developer Director Melinda Greenwood were excused from the meeting.

PRESENTATION ON UTILITY MAINTENANCE COST PROJECTION MODELING

Jaysen Christensen introduced Grange Gordon from Waterworth, who presented on their cloud-based utility rate and financial planning software. Mr. Gordon discussed the city's challenges with rising infrastructure costs, referencing a recent unexpected $2 million expense for a waterline replacement on 200 North. He highlighted the potential of the Waterworth software to ensure the city’s water rates are set sustainably, enabling the city to save for future infrastructure needs while maintaining affordability.

Grange Gordon provided a detailed walkthrough of the Waterworth platform, emphasizing its user-friendly, dynamic, and visually driven design. He explained that the software allows for long-term financial modeling of utility rates, forecasting capital costs, rate adjustments, and revenue impacts. The platform’s transparency and collaborative interface enable city staff and council members to run real-time scenarios, making it easier to understand the implications of financial decisions during meetings. Mr. Gordon noted that the tool supports multiple utilities, including water, wastewater, stormwater, and streets. He showcased its ability to provide data-driven recommendations and generate reports that could be easily communicated to the public, addressing current needs while planning for long-term sustainability. Using hypothetical scenarios, he demonstrated how the software could analyze capital costs, cash flow impacts, and rate adjustments to create a proactive approach to financial planning. Mr. Gordon shared that the software has been implemented in over 275 municipalities, including several in Utah, with positive feedback for its efficiency and transparency.

Council members and city staff engaged in a detailed discussion about the software’s utility and costs.

Council Member Blackham asked about the benefits of borrowing versus saving for projects.

Grange Gordon affirmed that using reserves is typically more cost-effective but noted that the software can model either approach.

Council Member Hunt inquired about the software’s ability to integrate interfund transfers, which Mr. Gordon confirmed.

Council Member Jackson highlighted the value of the platform for improving transparency with residents and providing future councils with clear data to guide decisions. He advocated for a tool that could remove political bias in rate setting and streamline the decision-making process.

Council Member Adams and others reflected on the merits of adopting gradual, incremental rate increases rather than reactive adjustments. The discussion highlighted the software’s potential to address these challenges by providing a clear, data-backed framework for decision-making.

Grange Gordon outlined the pricing structure, explaining that the annual subscription for a single utility, such as water, would cost $9,950, with additional utilities increasing the cost. A multi-year subscription would provide discounts and protection from annual price increases.

The council debated whether to start with a one-year subscription for water to evaluate the tool’s effectiveness or to implement it across all utilities immediately. Some members were cautious about the expense, while others saw the value in starting small before expanding its use.

There was general consensus on the tool’s potential to improve long-term planning and financial transparency. Finance Director Dean Storey emphasized the benefits of the tool in managing future costs and prioritizing projects.

While concerns about the expense were acknowledged, the council leaned toward initiating a trial subscription for water services and revisiting the decision to expand its use after gaining experience with the platform. The council expressed gratitude for the research and efforts that went into exploring this tool, recognizing its alignment with the city's goals of improving planning tools and processes.

The mayor and council members expressed appreciation for the presentation and agreed that the software could enhance decision-making by providing clearer insights and enabling proactive financial management. While no formal motion was required, the council signaled its support for moving forward with a trial subscription for water services as an initial step.

CITY CAPITAL PLANNING

Jaysen Christensen introduced the topic of upcoming large capital projects, emphasizing that the discussion was not a formal budget session but an opportunity to update the council on various initiatives. These projects included major building efforts, such as the Operations Center (Ops Center), library, gymnasium, and fire station, as well as significant road improvements like the 200 North upgrades, Crestwood Road project, and Angel Street extension.

OPERATIONS CENTER PROJECT

Mr. Christensen detailed the history of the Ops Center project, which was initially estimated at $36 million in 2022. This estimate included a new power building, upgrades to the existing Ops Center, and site improvements. Due to inflation, the cost has risen to $40 million, making the original plan less feasible. City staff proposed a phased, cost-effective approach to address immediate needs, including expanding office space, replacing and relocating the aging fuel island, and constructing covered storage for vehicles and equipment. This revised plan, estimated at $4-5 million, would extend the life of the existing facilities by approximately 10 years while addressing critical issues.

Council Member Blackham expressed concerns that the phased approach might only offer a temporary solution. He suggested bonding for a new power building now, citing the power fund's revenue potential. Council Member Blackham argued that constructing the power building immediately could free up space in the existing Ops Center for other departments and improve efficiency. However, concerns were raised about potential rate increases needed to service a bond.

Cole Stephens noted that phase one of the power building alone would cost $23 million, excluding covered storage or additional space for Public Works.

Council Member Adams voiced hesitation about initiating major construction projects amid high construction costs and suggested waiting for costs to stabilize.

Council Member Jackson emphasized the importance of addressing immediate needs, such as protecting equipment and materials from weather-related damage.

Cole Stephens explained that the proposed covered storage would include lean-to structures with solid back walls to shield vehicles and supplies from the elements.

The council discussed reallocating $100,000 currently budgeted for interior upgrades at the Ops Center to fund design work. Staff suggested using these funds to engage CRSA Architects to refine cost estimates and develop plans for the phased approach. This would enable the city to better evaluate options during the upcoming budget cycle, whether to proceed with the $4-5 million remodel or reconsider the larger power building project.

Mayor Tran noted that pushing the power building project out another decade could make financial sense if phased improvements address immediate needs. She also mentioned the potential to acquire nearby property, such as the emissions center, to reduce the need for new construction.

The council reached a consensus to reallocate the $100,000 for design and engineering work to refine the project scope and provide detailed options for future budget discussions.

KJH GYMNASIUM PROJECT

Jaysen Christensen provided an update on the gymnasium project being planned in partnership with the school district. The district has included the construction of two gymnasiums in its capital plans and has secured bond funding. Mr. Christensen noted that the district is motivated to proceed and is open to collaborating with the city on financing. Preliminary discussions indicate the cost may be lower than anticipated, and the district appears flexible with repayment arrangements.

Council Member Oaks inquired about the timeline for construction.

Cole Stephens clarified that 2027 remains the target date, though the district hopes to finalize agreements early to allow for advanced planning.

Council Member Adams suggested issuing a Request for Proposals (RFP) with two variations—one for a single gym and another for two gyms—so the city's share could be calculated as the cost difference between the two types of projects.

Cole Stephens explained that the district typically uses a usage-based formula to allocate costs, accounting for the district's use during school hours and the city's use for community programs during evenings and weekends.

Mayor Tran emphasized the need for clarity on the city's financial contribution.

Council Member Blackham proposed adding amenities like a walking track, which has been included in similar gymnasium projects.

Cole Stephens highlighted the significant benefits the project would bring to the community, including expanded availability for youth and adult basketball, volleyball, and other recreational programs that are currently limited due to space constraints.

The council discussed financing options, including the use of RAMP funds, which are allocated for recreation, arts, and parks projects. Cole Stephens noted that the city could potentially use RAMP funds, which are allocated for recreation, arts, and parks projects. The city has been saving a portion of these funds annually in anticipation of the gymnasium project.

Council Member Blackham cautioned that RAMP funding is subject to voter renewal every ten years, creating some uncertainty for long-term commitments.

Cole Stephens pointed out that similar projects in neighboring cities have relied heavily on RAMP funding. The city received approximately $500,000 in RAMP funds last year and has been saving around $125,000 annually for future use.

Another option discussed was a general obligation bond, which could be presented to residents for approval. Jaysen Christensen suggested that the project would likely receive strong public support given its relatively low cost and high community value.

Cole Stephens noted that the district is motivated to add two gyms, as it benefits their programs as well as the city's recreational needs.

The council expressed general support for advancing planning efforts and emphasized the importance of continued collaboration with the district. Members acknowledged the gymnasium's potential to address current space constraints for youth and adult recreation programs.

FIRE STATION PLANS

Jaysen Christensen provided an update on the city's fire station plans, proposing an addition to the existing station as an interim solution to address space constraints. A $1.5 million placeholder has been included in the Fiscal Year 2027 plan. The proposed addition would provide bunkrooms and office space, accommodating the fire department's growth until a new west-side fire station is constructed. Mr. Christensen suggested that the new station might not be built until after the police station bonds are paid off in 2031 but noted that the timeline would be reassessed as needed.

The council discussed using a general obligation (GO) bond for the new station. Council Member Hunt expressed interest in this option, citing lower interest rates and the public approval process as potential benefits.

Jaysen Christensen cautioned that the city would need full commitment to the project before pursuing a GO bond to avoid issues like those faced during the police station funding process.

The discussion emphasized that while the fire station addition is not an immediate priority, it should remain on the radar for future planning.

LIBRARY REDEVELOPMENT

Community Development Director Melinda Greenwood rejoined the meeting.

Jaysen Christensen shifted the discussion to the redevelopment of the former library building in partnership with Alchemy Development, a local group proposing to convert the space into a food hall with six restaurant spaces. The estimated cost of the project is $4.2 million, with Alchemy proposing to finance half the amount while asking the city to contribute $2 million. Initially, the city had anticipated leasing the space back to Alchemy to recoup some of the costs, but Alchemy has stated that the financial model does not allow for lease payments.

Mayor Tran strongly supported the project, emphasizing its potential to revitalize downtown and attract visitors. She highlighted the historical significance of the building and argued that this investment would create a valuable long-term asset for the city.

The council discussed the project's return on investment, including increased sales tax revenue and broader downtown revitalization. While some members expressed concern about the financial risks, others noted the community value of the project.

Council Member Jackson questioned the inclusion of a paved food truck area in the plan, expressing concern about its alignment with the city's vision.

Council Member Blackham emphasized the importance of demonstrating a clear return on investment to justify the use of taxpayer funds.

Council Member Adams likened the project to investing in a park, where the primary benefit is community value rather than direct financial returns.

The council discussed financing options, including using redevelopment agency (RDA) funds or community reinvestment area (CRA) increments. Finance Director Dean Storey noted that CRA funds would take years to generate sufficient revenue, requiring the city to cover bond payments in the interim.

The issue of timing was raised, with the Utah Department of Transportation (UDOT) planning to pave Main Street in the spring. Utility upgrades, required to support the restaurant space, must be completed before paving to avoid a two-year delay due to UDOT's moratorium on road cuts. The council considered allocating $92,000 to cover the cost of these upgrades.

The discussion concluded with a consensus to proceed with utility upgrades, provided Alchemy takes responsibility for project management and coordination with UDOT. The council emphasized the importance of securing a firm commitment from Alchemy to move forward with the project.

Melinda Greenwood was excused from the meeting.

CRESTWOOD ROAD PROJECT

Josh Belnap provided an update to the Crestwood Road infrastructure project and explained that the project cost has been revised from $26 million to approximately $23 million covering extensive underground utility replacements, curb and sidewalk installations, shoulder improvements, and a full road repaving. Enhancements along the cemetery frontage for angled parking are also included. A proposed multi-use trail on the south side of Crestwood aims to improve connectivity and safety for pedestrians and cyclists.

A significant discussion point was the proposed road realignment along Crestwood Road from 700 East to Brookshire Drive. This realignment, aimed at addressing accident volumes in this area, would cost nearly $3 million and require considerable right-of-way acquisition. Concerns were raised about the high cost, the maintenance of any resulting wall structures, and whether the realignment is the most effective approach. Alternatives like adjusting the road's super-elevation to enhance safety were suggested

The proposed multi-use trail also sparked debate. The trail, designed to provide safer access for Morgan Elementary students and nearby residents, was seen as beneficial by some council members but questioned by others for its cost and necessity.

Council Member Hunt emphasized the importance of improving safety for cyclists and pedestrians, particularly given the number of children who use the road.

Council Member Blackham questioned why a simpler sidewalk or other routes, like 200 North, would not suffice.

Josh Belnap stated that funding opportunities through grants for active transportation could offset costs if the trail is included in the project.

200 NORTH ROAD PROJECT

Josh Belnap also presented the 200 North infrastructure project, which is estimated to cost $12.8 million. This project includes similar elements to the Crestwood Road project, including curb and sidewalk work, underground utility replacement, and road repaving. A $3 million grant is expected to help reduce costs.

During the discussion, Council Member Jackson proposed adding street trees along 200 North to enhance safety and aesthetics. Research presented by the Utah League of Cities and Towns indicate that streetscape improvements, like tree-lined roads, can slow traffic and improve safety. Council Member Jackson emphasized the long-term benefits of such investments and noted residents' interest in improving the street's appearance.

The tree proposal involves the city purchasing and planting trees at an estimated cost of $500 per tree, which includes installation. Maintenance and irrigation would fall to residents, who could choose from an approved list of tree species.

Mayor Tran supported the idea but stressed the need for resident buy-in to ensure success.

Council Member Blackham suggested gauging resident interest first, before any money is spent, expressing concerns about trees being neglected or dying if residents are not truly interested in maintaining the trees.

Council Member Jackson countered that even adoption of these trees by only a portion of the residents could significantly enhance the street's appearance, making the investment worthwhile.

Josh Belnap estimated the project using around 120 trees at a total cost of $60,000, though actual costs could vary based on participation and site-specific challenges.

The discussion broadened to include the city's approach to aesthetics and infrastructure planning. Council members considered adopting strategies similar to Farmington, where tree-lined streets and artistic treatments have enhanced the community's identity.

Josh Belnap suggested codifying standards for aesthetic investments, such as designating a percentage of project costs for landscaping or identifying specific streets for targeted improvements in the general plan.

While acknowledging budget constraints, council members expressed a desire to create a visually appealing and functional urban environment, balancing long-term community benefits with fiscal responsibility.

Council Member Hunt was excused from the meeting at 11:15 a.m.

ANGEL STREET EXTENSION

Josh Belnap presented the Angel Street Extension project update, which revisited plans originally designed in 2018. Initially, the project aimed to extend Angel Street from the new roundabout to tie into Angel Street near Western Drive, requiring the acquisition of about a third of an acre from the Sunset Equestrian Center. An independent appraisal valued the property at over $1 million due to the need to demolish and relocate buildings. At the time, staff and the council decided against moving forward due to the high costs.

Council Member Adams inquired about funding, recalling that grant money initially covered the entire project, including the Angel Street extension.

Josh Belnap clarified that when the extension was removed during the design phase, the remaining grant funds only covered completed portions of the project. The current estimate for completing the extension is $3.5 million, which does not include further right-of-way acquisition as UDOT has agreed to donate the necessary land. The estimate could decrease significantly if development occurs in the area, as developers could be required to build the road as part of their agreements, similar to arrangements made for other development in the city.

Council members discussed the practicality and timing of the project, with general agreement that the extension is not immediately critical. The current traffic flow, aided by recent road improvements, adequately serves the area. However, as developments progress and traffic increases, the need for the Angel Street extension will likely grow.

Further, the discussion touched on UDOT's decision-making regarding the approval of traffic signals at key intersections along the corridor's trail system and connector roads, which has led to frustration over safety and traffic flow. Council members also noted ongoing conversations with Symphony Homes, which is involved in planning residential developments in the area on the south end of the city, near the corridor's on-ramps near 950 South. The potential for connectivity, trail systems, and landscaped enhancements as part of these developments was emphasized, along with opportunities to negotiate trade-offs like building the Angel Street extension as part of the development process.

Lastly, Mayor Tran mentioned updates regarding the proposed gymnasium project with the school district, suggesting that the timeline could accelerate to fiscal year 2026 or potentially earlier.

200 NORTH INTERCHANGE

Josh Belnap discussed the 200 North interchange at I-15, which UDOT plans to redesign within the next 15-20 years. The city hopes to work with UDOT to accelerate this timeline, citing worsening traffic issues and the potential benefits of improved access before the Olympics. Mr. Belnap mentioned that city staff is working to set up a meeting with UDOT in the near future to discuss this matter.

ADJOURNMENT

Council Member Adams made a motion to adjourn the work session with a unanimous vote by the council at 11:39 a.m.