

SALT LAKE CITY COUNCIL STAFF REPORT

BUDGET AMENDMENT #2 – FISCAL YEAR 2006-07

DATE: December 8, 2006

SUBJECT: Budget Amendment #2 FY 2006-07 – Public Hearing

STAFF REPORT BY: Sylvia Richards

CC: Sam Guevara, DJ Baxter, Ed Rutan, Steve Fawcett, Gordon Hoskins, LuAnn Clark, Chief Querry, Chief Burbank, LeRoy Hooton, Louis Zunguze, Rick Graham, Russ Pack, Susi Kontgis, Kay Christensen, Gina Chamness, Doug Wheelwright, Cheri Coffey, Shannon Ashby and Sherrie Collins

POTENTIAL MOTIONS:

1. *["I move that the Council"] **Adopt an ordinance amending the fiscal year 2006-2007 budget as proposed by the Administration and the Council, including the following items:***

A-13, a request for \$200,000 to assist the Tracy Aviary, with the understanding that \$75,000 will come from General Fund fund balance, and \$125,000 will come from the CIP Cost Overrun Account.

I-1, a request for \$81,000 to administer an historic survey with the intent of expanding the University Historic District by adding certain blocks.

2. ***I further move that the Council adopt an ordinance amending the 2006-2007 employment staffing document.***

OR

3. *["I move that the Council"] **Request additional information or refer the budget adoption to the January 2, 2007 meeting for discussion or for further consideration.***

NEW INFORMATION:

Attached for the Council's consideration is the Staffing Document which includes the addition of two full time equivalent positions (FTEs) to allow the option for both the Council Office and Mayor's Office to reorganize staffing using internal budget resources. Please note that this is a staffing document change only – this is not a recommendation to increase the budget for either office.

The following information was previously provided in Council packets for the budget amendment follow-up briefing on December 5, 2006. It is provided again for your information.

The following information is provided in response to questions raised by the City Council during the November 21st briefing for Budget Amendment Number 2.

Grant Tower funding, TRAX Extension funding and Fund Balance Update:

During the November 21st briefing, the City Council requested clarification regarding the bonding for Grant Tower, funding for the TRAX extension, and how these and other proposed projects may impact the City's fund balance. **Council staff has addressed these issues in a separate staff report which will be discussed during the December 5th Work Session.**

A-13 Request for funding – Tracy Aviary (\$75,000 from General Fund fund balance and \$125,000 from CIP Cost Overrun)

Recently, the Tracy Aviary lost its accreditation with the American Zoological Association (AZA) because of substandard facilities that do not represent modern zoological practices and philosophies; historical lack of activity and involvement with the AZA and its programs; deferred maintenance; insufficient past and uncertain future funding; and the AZA's need to see continuing progress addressing these concerns.

The Aviary can apply for reaccreditation in the spring of 2008. In the meantime, the loss of accreditation may dramatically affect the Aviary's operation, according to the Administration. The Aviary has prepared a plan that it will present to the City Council on December 5th. The Aviary is requesting \$75,000 from fund balance and \$125,000 from the CIP Cost Overrun Account. According to Administrative staff, the Aviary's request of \$125,000 would reduce the funding in the CIP Cost Overrun Account to approximately \$258,900.

The Council may wish to ask whether this funding will solve the accreditation issue, and whether the Aviary has contacted the AZA to ask which specific improvements are necessary to maintain accreditation in the future. The Council may also wish to consider whether the loss of accreditation constitutes an emergent situation which needs to be addressed now as opposed to waiting until the annual budget process.

A-3: Garfield School Facility Maintenance - Amended Request - (\$106,800 – General Fund) source: Fund Balance

The City Council requested additional information regarding the estimated operations and maintenance costs for the Garfield School Facility for the remainder of this fiscal year. According to the Administration, maintenance and utility costs have been paid since July on this property. The Department of Public Services reexamined the numbers previously submitted for this budget amendment item and determined they can reduce the ongoing amount of the request by \$20,000 for a new total of \$106,800. This represents \$92,700 on-going funds plus \$14,100 of one-time costs they have incurred as well. (The original budget request was for \$126,800.)

B-1: Grant – Department of Justice Meth Enforcement & Cleanup (\$148,084 – Grants Fund)

During the budget amendment briefing, Chief Burbank made a clarification regarding the proposed use of \$60,500 of the grant funding. Instead of using these funds to hire a contract employee to develop and produce a meth public awareness campaign, the Police Department will use existing staff to accomplish this task and reprogram the \$60,500 for other meth enforcement and meth clean up needs.

I-1 Council Member Saxton's Amended Request for funding for D-4 Historic Survey (\$81,000) (source: Fund Balance):

Council Member Saxton has revised her request and is now asking the Council's support for \$81,000 of General Fund fund balance monies for surveys relating to the expansion of the University Historic district. **Planning staff indicated that the estimated cost for surveys relating to the extension area is approximately \$81,000 instead of \$212,000.** If the Council is willing to approve the request for \$81,000, Council Member Saxton would then request CDBG funding next year to update the other areas of the University Historic District which may need to be studied again in order to include more accurate information.

Council Members asked a number of questions during last week's briefing and the Planning Division has responded. **Please see the attached response from the Planning Division.**

The proposed budget amendment contains 39 adjustments. The Administration proposes the use of fund balance for eight initiatives for a total decrease in fund balance of \$986,059. **As the Council has discussed previously, it is always difficult to consider major projects outside of the annual budget process. These fund balance requests will not be analyzed against other one-time needs, future budget amendment requests or other priorities that the Council may wish to consider funding.**

Council staff asked the Administration for the approximate current fund balance in the general fund. According to the Administration, the estimated fund balance as of June 30, 2007, adjusting for fund balance requests from Budget Amendments 1 and 2, the fund balance is \$23,408,000, or 12.77%, which is approximately \$5 million above the 10%. Without the expenditures proposed in this budget amendment, the dollar amount available above 10% is approximately \$6 million. A Council Member suggested an additional possible budget item, which would require appropriations of fund balance of \$212,000 (see item I-1). The public hearing for this budget opening is tentatively planned for December 12, 2006.

The Council requested that a current-year revenue forecast be included with each budget amendment. The attached revenue forecast projects that overall general fund revenue will exceed budget by \$650,000 primarily because of favorable sales tax revenue.

MATTERS AT ISSUE

**The Administration classified the following as:
New Items:**

A-1: Airport CIP (\$9,492,000 – Airport Enterprise Fund) source: Airport passenger facility charges

The Department of Airports is requesting that three projects be added to its capital improvement program with funding to come from passenger facility charges:

- \$2,579,000 – Sterile Corridor Extension to increase the number of international gates from three to five. Gates D8 and D10 will be added to the current international gates D2, D4, and D6. The sterile corridor will be extended so that arriving international passengers will proceed to the federal inspection services facility in the International Terminal. This expansion will meet the future growth of international flights as Delta comes out of bankruptcy and aggressively pursues more international flights.
- \$3,124,000 – Federal Inspection Services Facility Remodel to add a second bag carousel for arriving international passengers and to expand the number of inspector positions from four to eight. Current space is available in the International Terminal for this expansion.
- \$3,789,000 – Purchase six new passenger boarding bridges to replace old deteriorated bridges with new boarding bridges that will allow the airlines to be more flexible in the types of aircraft used at the airport including aircraft ranging from smaller regional jets to large wide-body aircraft. Once a new terminal facility is built, these boarding bridges will be repositioned to the new concourses.

A-2: Downtown Parking Token Subsidy (\$15,000 – General Fund) source: Fund Balance

The Downtown Alliance has submitted a request asking Salt Lake City to assist with the Downtown Token program in the amount of \$15,000. The City contributed \$150,900 in 2003 and 2004 for this program and the Redevelopment Agency provided some start-up funds. Last year, the RDA provided another subsidy in the amount of \$50,000. In order to get the usage from participating merchants and businesses, the Downtown Alliance has had to discount the sale of the tokens. Currently, the Alliance is requesting \$15,000 to fund the program through the end of its fiscal year, July 2007. The Downtown Transportation Master Plan will be making recommendations on whether this program should be continued, modified or discontinued.

A-3: Garfield School Facility Maintenance (\$126,800 – General Fund) source: Fund Balance

The Garfield School property, recently purchased by the City, is now in need of operational and maintenance expense funding. The rent from the two existing tenants is being deposited into the CIP Fund, and will be used for one-time improvements to the building. The Administration is requesting \$112,700 from the general fund for ongoing operational costs including utilities, janitorial services for common areas, and snow removal services. Additionally, the Administration is requesting \$14,100 of one-time funding to re-core door locks, and for repairs to the air conditioning units, ventilation fan, concrete steps, and the boiler.

A-4: Worker Compensation Actuarial Services (\$12,100 – Insurance & Risk Management Fund) source: Reserves in the Insurance & Risk Management Fund

Each year the City is required to report an estimated liability for the total costs of worker's compensation as well as general liability. This estimated liability is to recognize that the City will incur future costs as a result of accidents or incidents that have already occurred. The Department of Management Services has contracted with a firm to provide the actuarially determined liabilities. The Department is requesting an appropriation in the Insurance & Risk Management Fund for these services. *The Council may wish to ask why this expense wasn't anticipated during the annual budget process.*

A-5: Energy Reduction City & County Building (\$164,980 – CIP Fund) source: Fund Balance from the General Fund

The Administration is recommending that the Council approve a request in the amount of \$164,980 to assist with energy savings and the reduction of environmental impacts relating to the City & County Building, in keeping with the City's energy-saving initiative. This project will include converting the outside air system to VAV (variable air volume, which fluctuates the volume of air), providing evaporative cooling to the outside air system (similar to a swamp cooler), installing direct digital controls, and converting the hot water system to variable air volume. In their initial site visit report, Rocky Mountain Power outlined the potential savings of these energy-efficient improvements. If the project is funded, Rocky Mountain Power will then conduct an energy analysis for the City and County Building (at Rocky Mountain Power's cost).

As a result of these changes, the Administration estimates a savings of nearly \$22,000 in natural gas and electricity per year using today's energy prices. The Administration anticipates the City would recover the monies expended for this project in 6.5 years. Rocky Mountain Power will provide nearly \$25,000 in energy conservation incentives payable 45 days after the project is completed, according to the Administration. *The Council may wish to weigh whether this project should be included for review in the annual budget process, and whether CIP applications have been submitted to fund items A-5 and A-6.*

A-6: Energy Reduction Plaza 349 (\$259,079 – CIP Fund) source: Fund Balance from the General Fund

In conjunction with the previous request (A-5), the Administration is requesting \$259,079 for energy upgrades to Plaza 349 on 200 East. The project would include installing new rooftop air handling heating and cooling units with economizers and evaporative condensers, and upgrading the direct digital building controls and parking terrace lighting.

The Administration estimates a savings of \$52,000 per year and anticipates that the monies expended for the project would be recovered in 5 years. Rocky Mountain Power will provide \$78,663 in energy conservation incentives, payable 45 days after completion of the project, according to the Administration. The Administration has applied for and received a \$15,000 grant from the Utah State Energy Program. The grant is payable upon the completion of the project. *The Council may wish to weigh whether this project should be included for review in the annual budget process, and whether CIP applications have been submitted to fund items A-5 and A-6.*

A-7: Building Plans Examiner - Fire (\$13,000 – General Fund) source: Fund Balance

During the Fiscal Year 2006-07 budget process the Building Services and Licensing Division requested an additional FTE, a Building Plans Examiner/Fire Engineer, to assist with the implementation of the one-stop counter. The Council funded the position at \$64,408, which was \$16,712 less than requested after the Administration determined fire reviews could be conducted by a non-engineer. The Division advertised the position but was unable to attract qualified candidates at the funded level. The Council encouraged the Division to request the additional funding necessary to recruit at a competitive salary. Comparisons to similar jurisdictions indicate a \$13,000 funding gap, which is the amount of the request. *The Council expressed support for this funding previously, and may wish to ask about the hiring status.*

A-8: Public Safety Building Garage Demolition (\$260,000 – CIP Fund) source: Fund Balance from the General Fund

The multi-level parking structure next to the Public Safety Building is unusable due to safety and environmental concerns. The Administration proposes that the parking structure be demolished down to the existing floor slab, resurfaced and restriped. Costs are estimated as follows: Demolition: \$170,000; permits, bonds and utility disconnection - \$30,000; floor slab repair - \$20,000; security fence installation on north and east sides - \$10,000; contingency - \$30,000. According to the Administration, there will be a gain of at least 15 to 20 parking spaces.

Council staff understands that demolishing this structure will remove an existing weight/fitness room for police personnel, a fire department storage area, as well as a police department evidence storage area for recovered stolen bicycles. Regarding the fitness area, the Police Department is working with the Administration to allow police personnel to use vacation time to pay for a gym membership. The Fire Department will be finding another place to store cleaning supplies, medical supplies and personal protective equipment.

This situation with the parking garage is apparently long-standing. *The Council may wish to ask why this request is being made mid-year as opposed to the annual budget process. The Council may also wish to ask whether the Administration has considered applying for CIP funds for this project. Additionally, the Council may wish to ask whether the Administration has considered renting parking spaces in the vicinity of the public safety building.*

A-9: Police Investigative Overtime (\$78,000 – General Fund) source: Fund Balance

Non-budgeted Police Department overtime costs related to the child abduction case earlier this summer were \$31,500. In addition, the Police Department used \$46,500 of unplanned special event overtime in support of President Bush's visit to Salt Lake City and related free speech activities. The Administration requests funding from the General Fund fund balance.

A-10: Bond Proceeds – Westside Railroad Re-alignment and Public Way Improvements (Grant Tower) (\$5,720,000 – CIP Fund)

The Administration requests a budget to recognize bond proceeds of \$5,720,000 and authorize expenditures of this amount. Of this amount, \$5,600,000 is for the project and \$120,000 relates to the cost of issuing the bonds. Council staff's understanding is that the Redevelopment Agency will pay the debt service on \$3,100,000 of this amount. In addition to these funds, Salt Lake County will provide \$3,500,000 in sales tax collections for transportation projects that were authorized by the 2006 state legislature (see initiative A-11). The requested budget does not include \$4,000,000 that was previously appropriated by the City Council to fund the purchase of land which will ultimately be used in the realignment of the railroad tracks.

A-11: Salt Lake County Contribution – Westside Railroad Re-alignment and Public Way Improvements (Grant Tower) (\$3,500,000 – CIP Fund) source: Salt Lake County

In the 2006 General Session, the Utah legislature authorized Salt Lake County to expend \$3.5 million out of sales tax collections for transportation projects for the Grant Tower work. The Administration has been working with the County to secure the funds and expects to execute an Interlocal Agreement with the County to transfer the funds to Salt Lake City in one lump sum in January 2007. The Administration is requesting that the budget be created now in order to receive and start expending the funds as soon as they are

received. Funds will be used for cash payments to Union Pacific and right-of-way acquisitions.

A-12: Foothill Drive Transit Study (\$70,000 – General Fund) source: Fund Balance

The Northeast Salt Lake City Traffic and Transportation Committee was formed earlier this year to discuss transportation issues relating to this portion of the City. The Committee has discussed the need for a transit alternatives analysis to be performed to determine the best means of providing transit services along Foothill Drive given the increase in traffic volumes and congestion. The Utah Department of Transportation (UDOT), the University of Utah, and the Utah Transit Authority (UTA) have all expressed willingness to contribute \$50,000 each towards a transit corridor analysis, and the Wasatch Front Regional Council has agreed to manage the study and provide computer modeling services as their contribution. The Administration is requesting that the City contribute \$70,000 towards the study. *The Council may wish to ask the Administration for a projected timeline for the study.*

**The Administration classified the following as:
Grants Requiring Existing Staff Resources**

B-1: Grant – Department of Justice Meth Enforcement & Cleanup (\$148,084 – Grants Fund)

The Police Department applied for and received grant monies of \$148,084 from the U.S. Department of Justice, Office of Justice Program under a Bureau of Justice Assistance Congressional mandate for methamphetamine enforcement and clean-up. This grant requires no match. The funds will be used as follows:

\$ 60,500	Hire contract employee to develop and produce meth public awareness campaign, including public service announcements, video production, billboard announcements and display costs.
\$ 5,000	Police training (meth clean up)
\$ 10,000	Send presenter to the third Drug Endangered Children Conference to provide courses for clergy as well as parent and teen mentors regarding issues associated with teen substance abuse.
\$ 22,500	Program evaluation required by the grant (evaluates Police Department's efforts at meth eradication and enforcement)
\$ 50,084	Supplies including printing, brochures, mailings, education/training materials, local media news clips and production of student banners.
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\$148,084	Total

The Administration requests that the Council adopt the necessary resolution authorizing the Mayor to accept and sign the grant agreement and appropriate the necessary budget to facilitate the grant. *The Police Department currently employs a meth coordinator position. The Council may wish to ask whether it is necessary to hire a contract employee for this campaign, and whether more resources could be used for training and education if the salary costs were not incurred.*

B-2: Grant – Department of Justice COPS Meth (\$197,466 – Grants Fund)

The Police Department applied for and received grant monies of \$197,446 from the U.S. Department of Justice, Office of COPS (Community Oriented Policing Services), under the methamphetamine grant program to increase the level of law enforcement equipment,

training and cross training of joint agency responders to meth drug cases and community awareness. There is no required match for this grant. The funds will be used as follows:

\$ 38,813	Defray costs associated with Police Narcotic Squad overtime for their “Knock and Talk” program.
\$ 84,969	Equipment purchase, including personal protective suits for officers, software and manual/reference book needed for on-site processing of clandestine drug labs and surveillance equipment.
\$ 17,458	Travel and training (national training for meth enforcement).
\$ 56,206	Supplies, including training, educational and awareness campaign materials, a laptop computer, software and web design for a marketing tool to promote community awareness.
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\$197,446	TOTAL

B-3: Grant – Office of National Drug Control Rocky Mountain HIDTA (\$167,030 – Grants Fund)

The Police Department applied for and received grant monies of \$167,030 from the Executive Office of the President, Office of National Drug Control. The grant will continue to partially fund three officers assigned to Metro Narcotics/Drug Enforcement, of which one officer is assigned to the Airport and is working with a drug detection dog.

This is a continuation grant which caps benefits at 35% of base salary for the three officers, and the remaining funds will be requested during the Fiscal Year 2007-08 budget process in the Police Department’s budget. There is no required match. A resolution was previously passed authorizing the Mayor to sign and accept this and any additional grants relating to the original grant. *The Council may wish to ask whether the officer assigned to the Airport could be paid with Airport Enterprise funds rather than this grant, and whether doing so would free those resources for the use of the program. Further, the Council may wish to clarify whether the Administration intends to request general fund monies for this project including the officer assigned to the Airport.*

B-4: Grant – Utah Victims of Crime (\$28,040 – Grants Fund)

The Police Department applied for and received annual grant monies of \$28,040 from the State of Utah, Office of Crime Victims Reparations, Victim of Crime Act (VOCA), for continuation of the Mobile Response Team program. Of this amount, \$26,450 will be used for partial salaries and benefits of two part-time victim advocates who provide on-scene crisis counseling and resource services to victims of domestic violence.

In addition, \$1,590 will be used to pay registration fees for victim advocates and other police personnel to attend two VOCA conferences and trainings during the year. The required 20% match of \$5,671 will be met within the Police Department’s budget. A resolution was previously passed authorizing the Mayor to sign and accept this and any additional grants relating to the original grant.

B-5: Grant – Utah Department of Health, Drug Free Community (\$100,000 – Grants Fund)

The Mayor’s Office applied for and received \$100,000 of grant funding from the Department of Health and Human Services for continuation of the Mayor’s Drug Free Communities program, which supports the Mayor’s Coalition on Alcohol, Tobacco and other Drugs in the

reduction and prevention of substance abuse.

The funds will be used as follows:

\$56,780	Salary and benefits of the Coalition Coordinator who coordinates and supports the program implementation and activities.
\$ 5,352	Fund the grant monitor's time to monitor and oversee the grant.
\$ 3,309	Travel and training at mandatory conferences.
\$ 2,839	Printing brochures and pamphlets and other media packets.
\$ 1,000	Memberships and conference registration.
\$30,720	Contractual program evaluation, three \$5,000 mini grants to local service providers for drug abuse prevention, IMS website costs, and consultant fees to assist in the annual strategic planning process.

\$100,000	Total
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The grant requires a \$100,000 in-kind match which will be met with Mayor's Office staff and Coalition volunteer time, IMS Brown Bag Lunch taping, volunteer Brown Bag speakers, and mini-grant Subgrantees who will match the \$5,000 mini-grants. A resolution was previously passed authorizing the Mayor to sign and accept this and any additional grants relating to the original grant.

The Administration classified the following as:
Grant requiring additional staff resources

None.

The Administration classified the following as:
Housekeeping

D-1: CDBG Adjustment in the CIP Fund (\$23,341 decrease – CIP Fund)

During the CDBG budget process last spring, the Council awarded \$1,759,023 of CDBG funds in the CIP Fund. However because of an oversight, the amount that was formally adopted in June was in excess of this amount by \$23,341. The Administration is requesting that the Council decrease the budget for CDBG in the CIP Fund by this amount.

D-2: Donation Fund Contributions and interest (\$41,168 – Donation Special Revenue Fund)

The City uses a donation fund to account for individual private and intergovernmental contributions held in trust by the City for contributions received for a specific purpose. For a few years, the Council made an annual appropriation of \$400,000 so that donations could be expended without approaching the Council for a specific appropriation. During fiscal year 2006, the Council reduced the budget to \$50,000 so that the Council would be informed of significant donations. In fiscal year 2007, the Council again appropriated \$50,000 for the use of donated funds. This appropriation was placed in a "budget only cost center" within the special revenue funds. As contributions are received appropriations are moved from the "budget only cost center" to the project to match the actual amount of available cash. The Finance Director reports that \$41,168 has been moved from the budget only cost center to reflect donations received and interest earned between July 1, 2006 and October 15, 2006. The Finance Director is requesting that the appropriation be increased by this amount to bring the budget for future donations and interest back to the \$50,000 amount. Donations were received for the following programs:

Be Safe Be Seen	\$14,000
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Parks Maintenance	5,755
Crisis Intervention Team	4,470
Memorial House Maintenance	1,753
YouthCity Programs	252
Sorensen Technology	30
Interest earned on all projects	14,908

The Council may wish to ask the Finance Director for additional detail on some of these projects.

D-3: Grants Carryover (\$142,786 – Grants Operating Fund)

On June 30, 2006, unexpended budgets in special revenue funds lapsed in accordance with State law. In Budget Amendment #1, the Administration provided a list of the carryover amounts and the appropriated these carryovers. Due to an oversight, the Administration left off some YouthCity grants to be carried over from the U.S. Department of Education:

U.S. Department of Education Grant	\$38,518
Ottinger Hall – U.S. Dept of Education	22,770
Fairmont – U.S. Dept of Education	31,005
Liberty – U.S. Dept of Education	8,204
YouthCity Administration – U.S. Dept of Education	27,189
Central City Program Income	15,100

The Administration is requesting that the Council bring forward or “carryover” the balances for these funds.

D-4: Water Utility Fund Carryover, Filter Replacement, and Watershed Purchase (\$4,061,055 – Water Fund)

On June 30, 2006, unexpended appropriations lapsed in accordance with State law. The Administration is requesting that the Council bring forward, or “carryover” the appropriations for existing construction projects in progress of \$1,589,095 (primarily for the City Creek Treatment Plant) and for outstanding purchase orders for equipment of \$271,960. The fiscal year ends on June 30th of each year, which falls in the middle of a normal summer construction period. Equipment is similar, having been ordered and encumbered in one fiscal year but received in the next fiscal year.

The Administration labeled this initiative as housekeeping because the Council traditionally approves carryover budgets for capital projects and equipment orders. ***However, this budget request also includes two new items:***

Big Cottonwood Treatment Plant filter media (water filter) \$800,000 – The filters at the Big Cottonwood Treatment Plant are 20 years old. They were originally expected to last 15 years. The Department was hoping that the replacement could be deferred until fiscal year 2009-10, but testing has shown that the media should be replaced sooner to guarantee high quality water. The Department of Public Utilities is requesting that the Council appropriate reserve funds within the Water Fund for this project.

Watershed purchase \$1,400,000 – The Department of Public Utilities has the opportunity to purchase a prime parcel of watershed property in Big Cottonwood Canyon. The Department of Public Utilities has been working to acquire this parcel for several years and is very pleased with this outcome. The Water Fund has sufficient reserves for this purchase.

D-5: Sewer Utility Fund Carryover (\$2,325,337 – Sewer Fund)

On June 30, 2006, unexpended appropriations lapsed in accordance with State law. The Administration is requesting that the Council bring forward, or “carryover” the appropriations for existing construction projects in progress of \$2,146,000 (primarily for the sewer treatment plant) and for outstanding purchase orders for equipment of \$179,337.

D-6: Stormwater Fund Carryover (\$1,607,000 – Stormwater Fund)

On June 30, 2006, unexpended appropriations lapsed in accordance with State law. The Administration is requesting that the Council bring forward, or “carryover” the appropriations for existing construction projects in progress of \$1,607,000 primarily for the 900 South storm drain project.

D-7: Salt Lake Valley Solid Waste Facility Engineering Support (\$1,600,000 – CIP Fund)

Salt Lake County and Salt Lake City are co-owners of the Salt Lake Valley Solid Waste Landfill and Transfer Station. By agreement, Salt Lake City provides engineering and construction management on a reimbursement basis for capital projects. The City Council will receive a separate briefing on the budget for the Landfill including proposed capital projects. The City’s Engineering Division is requesting an appropriation of \$1,600,000 for engineering support including consultants. Actual amounts spent will be reimbursed by the Salt Lake Valley Solid Waste Facility.

D-8: CIP Fund Recapture (\$110,010 decrease – CIP Fund)

Each year the City Council “recaptures” remaining appropriations from completed capital improvement projects (CIP). Five CIP projects are ready to be closed out. The Administration is proposing that these funds be transferred to the CIP cost overrun account. The cost overrun account is also a holding account. This account is reviewed in connection with the annual budget to determine whether there are any excess funds that can be appropriated for CIP projects.

D-9: CIP Fund CDBG Recapture (\$110,122 – CIP Fund)

Each year the City Council “recaptures” remaining appropriations from completed or closed CDBG projects in the CIP Fund. This request reduces the remaining budgets of five completed CDBG CIP funded projects totaling \$110,122 and increases the budget of the same year’s CDBG cost overrun account which will be reprogrammed during the next CDBG process.

D-10: HOME, CDBG and Revolving Loan Fund Program Income (\$2,409,081 – Grants Fund)

a. The City uses loan repayments from an old Urban Development Action Grant loan (City Center Project) for its Small Business Revolving Loan Program. The final payment has been received of \$1,446,467. The Administration is requesting that the Council appropriate this final payment to the Small Business Revolving Loan Fund.

b. Interest and principle of \$695,000 has been received from housing rehabilitation loans and from first time home buyers loans. HUD Federal Guidelines require program income to be reallocated to programs that have the same eligible activity. The Administration is

requesting that these funds revolve back into these programs and be available for future loans.

c. Interest and principle payments totaling \$267,614 have been received relating to HOME grant funding. The Administration proposes that this amount be placed in a holding account for next year's allocation.

D-11: Copy Center Closeout (\$11,340 – Transfer to General Fund)

The old Copy Center Fund (internal service fund) account has \$11,340 of remaining cash after the disposition of all of the supplies and assets. This request will transfer that remaining cash to the General Fund.

D-12: Lowe's Property Purchase (\$8,105 – Surplus Land Account)

In Budget Amendment #1, the Council approved funding for the transfer of property from Lowe's on 1300 South 300 West for a turn lane and driveway approach into a small business to the south of Lowe's. The amount listed in the budget amendment was \$40,000. The total amount the City owes to Lowe's is \$48,105. The City originally sold property to Lowes at \$15 per square foot and has negotiated to buy a portion back at the same cost per square foot. Funds are available in the Surplus Land Account. The Council previously expressed support for this transaction.

**The Administration classified the following as:
Grants Requiring No New Staff Resources**

E-1: Grant – State Homeland Security (\$321,080 – Grant Fund)

Each year the City's Emergency Management Services applies for and receives a grant from the State of Utah Homeland Security for the purchase of equipment necessary to prepare in the event of a terrorist or weapons of mass destruction attack. There is no match required. The funds will be used as follows:

\$195,173	Purchase of automated dialing and notification system (alert/notification system similar to reverse 911), and pandemic supplies
\$ 65,407	Purchase of 120 Chemical, Biological, Radiological, Neurological, Environmental (CBRNE) Ensembles (protective masks), 1 Mack air distribution (allows high speed refilling of air packs), automated dialing and notification system, and 12 water purification systems for fire services.
\$ 47,000	Purchase of 115 CBRNE Ensembles and 2 water purification systems for law enforcement.
\$ 13,500	Purchase of EOC Communications system (radios), and 2 water purification systems for Emergency Management.
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\$321,080	Total

The Administration recommends that the Council adopt the necessary budget to facilitate the grant. A resolution was previously passed authorizing the Mayor to sign and accept this and any additional grants relating to the original grant.

E-2: Grant – Utah Department of Health Medical Services (\$104,337 – Grant Fund)

Each year the Fire Department applies for and receives grant funds from the Utah Department of Health, Bureau of Emergency Medical Services for the purchase of medical equipment and supplies as well as training or schooling.

\$98,569 will be used to purchase medical equipment, \$4,500 will be used for training and \$1,268 will be used to purchase a bariatric transport flat (similar to portable ambulance cots). A \$1,500 match is required for the training portion of the grant, and a \$1,268 match is required for the bariatric transport flat which will be met within the Fire Department's budget.

The Administration recommends that the Council adopt the necessary budget to facilitate the grant. A resolution was previously passed authorizing the Mayor to sign and accept this and any additional grants relating to the original grant.

E-3: Grant – Utah Department of Public Services Medical Response (\$104,337 – Grant Fund)

Each year the Fire Department applies for and receives this grant from the State of Utah Department of Public Services under the Homeland Security Metropolitan Medical Response (MMRS) grant program. The grant is awarded to jurisdictions across the County for the purpose of planning and implementing a medical response mechanism in the event of a mass casualty or weapons of mass destruction terrorist attack.

The Fire Department will purchase equipment and provide a training/drill exercise for jurisdictions valley-wide, provide minimal amounts of funding to local hospitals for their participation in this exercise, and pay for the two contract personnel who provide pharmaceutical oversight and clerical duties. There is no required match.

The Administration recommends that the Council adopt the necessary budget to facilitate the grant. A resolution was previously passed authorizing the Mayor to sign and accept this and any additional grants relating to the original grant.

E-4: Grant – Utah Department of Public Safety Emergency Services Citizen Corps Council (\$6,000 – Grant Fund)

Each year, the City's Emergency Management Services receives this grant from the State of Utah Department of Public Safety, Division of Emergency Services and Homeland Security to organize, develop and implement a citywide strategic plan and to organize and implement the Citizen Corps Council.

The funds will be used to defray costs associated with training and educating the Citizen Corps Council in community preparedness and family safety measures, and other costs associated with marketing and advertising special events that promote the Citizen Corps Council. There is no required match for this grant.

The Administration recommends that the Council adopt the necessary budget to facilitate the grant. A resolution was previously passed authorizing the Mayor to sign and accept this and any additional grants relating to the original grant.

The Council may wish to request further information regarding this program and request a briefing on the citywide strategic plan when it is developed.

E-5: Grant – Salt Lake City Arts Council – Global Artways (\$2,000 – Grant Fund)

YouthCity Global Artways received a \$2,000 grant from the Salt Lake City Arts Council to

engage youth, teachers and families in dance, theater, opera and visual arts. The grant does not require a match. The Administration requests that the Council adopt the necessary resolution authorizing the Mayor to accept and sign the grant agreement and appropriate the necessary budget to facilitate the grant.

E-6: Grant – Utah Department of Community Culture – Arts Education (\$6,160 – Grant Fund)

YouthCity Global Artways received a \$6,160 grant from the Utah Department of Community Culture to contract with three artists for puppetry workshops for elementary students and for productions involving high school students. No match is required.

E-7: Grant – Kennedy Center Performing Arts – Global Artways (\$7,500 – Grant Fund)

YouthCity Global Artways received a \$7,500 grant from the John F. Kennedy Center for the Performing Arts for the Imagination Celebration, which is an on-going art workshop program that includes exhibits and public art-making activities. Global Artways receives this grant on an annual basis. This grant requires a dollar-for-dollar cash match, which will be met from within Global Artways' general fund budget for personnel expenses.

The Administration recommends that the Council adopt the necessary budget to facilitate the grant. A resolution was previously passed authorizing the Mayor to sign and accept this and any additional grants relating to the original grant.

E-8: Grant – Sustainable Business Education (\$10,000 – Grant Fund)

The Mayor's Office applied for and received a grant from the E.P.A. to assist with costs associated with the Mayor's Environmentally and Economically Sustainable (e2) Business Program. The purpose of this program is to educate small business owners on best management practices that lead to pollution prevention and resource conservation. Of these funds, \$9,549 will be used for printing services and display advertisements and \$451 will be used for mailings of meeting announcements and outreach brochures. A match of \$3,600 will be met with a portion of the City's Environmental Advisor's salary. The Mayor received a similar grant last year.

**The Administration classified the following as:
Donations**

F-1: Daniels Fund YouthCity After School Program (\$50,000 – Donation Fund)

The Public Services YouthCity Program received a \$50,000 donation from the Daniels Fund, which offers grants to communities providing services for education, youth development, aging, alcohol and substance abuse, amateur sports, disabilities and homeless/disadvantaged. Grant monies will be used as follows:

\$13,000	Salary and benefits of the part-time employee assistant coordinator for the Central City YouthCity site
\$ 5,000	Cost of living allowances paid to youth participants of the YouthCity Employment program (stipend for participation in employment program)
\$32,000	Part time teacher positions for all YouthCity sites.

The Administration recommends that the Council adopt the necessary budget to facilitate this donation.

F-2: Arts Works for Kids – Imagination Celebration (\$30,000 – Donation Fund)

The Salt Lake City Foundation has received a private donation of \$30,000 from the Art Works for Kids Foundation. Global Artways will use the donation to fund costs associated with three events, including *The Kennedy Center Imagination Celebration on-tour production of Willy Wonka, the Children's Opera Showcase, and the Imagination Celebration Art Workshops*.

The Administration recommends that the Council adopt the necessary budget to facilitate this donation.

The Administration classified the following as:
Cost Overruns

None

The Administration classified the following as:
Follow-up on Previously Approved Items

None.

Additional Items that the Council May Wish to Consider including in the amendment:

I-1 Council Member Saxton's Request for funding for D-4 Historic Surveys (\$212,000) (source: Fund Balance)

As noted in Budget Amendment Number One, Council Member Nancy Saxton expressed interest in the potential expansion of District Four historic districts, and asked the Planning Division for a cost estimate for a number of surveys.

A meeting was held on October 19th with representatives from the State of Utah Division of State History, Administration staff and community members in the East Central, Douglas and Central City Community/Neighborhood Councils to discuss in detail the potential expansion of historic districts in District Four and further refine the parameters of the project. Community members committed to provide more detailed information to assist the Administration in providing cost estimates for the Council's consideration. The Planning staff has indicated that the assistance provided by the community will be used in the studies.

The Planning Division has submitted the estimated costs for the surveys necessary to study the potential expansion of District Four historic districts. (See attached memo from the Planning Division.) Council Member Saxton is asking for the Council's support in her request for \$212,000 of fund balance to fund the requested surveys.

As support for this request, Council Member Saxton cites the Historic Landmark and Planning Commissions' recommendations in 1991 to include five additional blocks to the University Historic District.

Fiscal Year 2006-07 Position Titles	Grade	Original Adopted	Admended	Changes
CITY COUNCIL				
City Council				
Council Person	xxx	7.00	7.00	
Executive Director	002	1.00	1.00	
Deputy Director/Senior Legislative Auditor	004	1.00	1.00	
Budget & Policy Analyst	U06	1.00	1.00	
Policy Analyst	U06	1.00	2.00	Additonal position
Planning & Policy Analyst	U06	1.00	1.00	
Policy Analyst/Constituent Liaison	U06	1.00	1.00	
Constituent Liaison	U04	3.00	3.00	
Council Staff Assistant	U02	2.00	2.00	
RPT Council Staff Asst	U02	0.60	0.60	
CITY COUNCIL TOTAL		18.60	19.60	
Full Time		18.00	19.00	
Part Time		0.60	0.60	
OFFICE OF THE MAYOR				
City Administration				
Mayor	xxx	1.00	1.00	
Chief of Staff	003	1.00	1.00	
Senior Advisor	003	1.00	1.00	
Sr Advisor For Econ. Development	003	1.00	1.00	
Communication Director	006	1.00	1.00	
Environmental Advisor to the Mayor	U05	1.00	1.00	
Special Projects Manager	U05		1.00	New position
Economic Development Manager	U04	1.00	1.00	
Assistant to the Mayor	U03	1.00	1.00	
Office Mgr Mayor/Community Affairs	U03	1.00	1.00	
Executive Office Asst I	U02	1.00	1.00	
Mayor's Office Staff Assistant	U02	1.00	1.00	
City Administration Total		11.00	12.00	
Full Time		11.00	12.00	
Part Time		0.00	0.00	
Community Affairs				
Community Affairs Manager	U05	1.00	1.00	
Community Affairs Analyst	U04	2.00	2.00	
Constituent Services Specialist - Need Line	U02	1.00	1.00	
Administrative Assistant - Minority Affairs	U05	1.00	1.00	
Community Affairs Analyst / ADA Coordinator	607	1.00	1.00	
Community Affairs Total		6.00	6.00	
Full Time		6.00	6.00	
Part Time		0.00	0.00	
OFFICE OF THE MAYOR TOTAL		17.00	18.00	
Full Time		17.00	18.00	
Part Time		0.00	0.00	

SALT LAKE CITY ORDINANCE
No. _____ of 2006
(Amending the Final Budget of Salt Lake City,
including the employment staffing document,
for Fiscal Year 2006-2007)

AN ORDINANCE AMENDING SALT LAKE CITY ORDINANCE NO. 32 OF 2006 WHICH ADOPTED THE FINAL BUDGET OF SALT LAKE CITY, UTAH, AND ORDINANCE NO. 57 OF 2006 WHICH RATIFIED AND RE-ADOPTED THE FINAL BUDGET THE FISCAL YEAR BEGINNING JULY 1, 2006 AND ENDING JUNE 30, 2007.

PREAMBLE

On June 15, 2006, the Salt Lake City Council adopted the final budget of Salt Lake City, Utah, including the employment staffing document, for the fiscal year beginning July 1, 2006 and ending June 30, 2007, in accordance with the requirements of Section 118, Chapter 6, Title 10 of the Utah Code Annotated, and said budget, including the employment staffing document, was approved by the Mayor of Salt Lake City, Utah. On August 8, 2006, the City Council ratified and re-adopted the final budget.

The City's Policy and Budget Director, acting as the City's Budget Officer, prepared and filed with the City Recorder proposed amendments to said duly adopted budget, including the amendments to the employment staffing document, copies of which are attached hereto, for consideration by the City Council and inspection by the public.

All conditions precedent to amend said budget, including the employment staffing document, have been accomplished.

Be it ordained by the City Council of Salt Lake City, Utah:

SECTION 1. Purpose. The purpose of this Ordinance is to amend the final budget of Salt Lake City, including the employment staffing document, as approved, ratified and finalized by Salt Lake City Ordinance No.32 of 2006 and Ordinance No. 57 of 2006.

SECTION 2. Adoption of Amendments. The budget amendments, including amendments to the employment staffing document, attached hereto and made a part of this Ordinance shall be, and the same hereby are adopted and incorporated into the budget of Salt Lake City, Utah, including the employment staffing document, for the fiscal year beginning July 1, 2006 and ending June 30, 2007, in accordance with the requirements of Section 128, Chapter 6, Title 10, of the Utah Code Annotated.

SECTION 3. Certification to Utah State Auditor. The City's Policy and Budget Director, acting as the City's Budget Officer, is authorized and directed to certify and file a copy of said budget amendments, including amendments to the employment staffing document, with the Utah State Auditor.

SECTION 4. Filing of copies of the Budget Amendments. The said Budget Officer is authorized and directed to certify and file a copy of said budget amendments, including amendments to the employment staffing document, in the office of said Budget Officer and in the office of the City Recorder which amendments shall be available for public inspection.

SECTION 5. Effective Date. This Ordinance shall take effect on its first publication.

Passed by the City Council of Salt Lake City, Utah, this _____ day of

_____, 2006.

CHAIRPERSON

ATTEST:

CHIEF DEPUTY CITY RECORDER

Transmitted to the Mayor on _____

Mayor's Action: _____ Approved _____ Vetoed

MAYOR

ATTEST:

CHIEF DEPUTY CITY RECORDER

(SEAL)

Bill No. _____ of 2006.

Published: _____.

APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date 11-6-06
By [Signature]