BOARD OF DAVIS COUNTY COMMISSIONERS MINUTES

Board of Davis County Commissioners - Work Session Minutes
Tuesday, April 29, 2025

The Board of Davis County Commissioners met for their regularly scheduled meeting at 8:30 AM on April 29, 2025, in room 306 of the Davis County Administration Building, 61 South Main Street, Farmington, Utah. Required legal notice of this meeting was given.

All documents from this meeting are on file in the Davis County Clerk's Office. The agenda for this meeting is incorporated into the minutes as item headers.

Following the approved Davis County policy, artificial intelligence (AI) was utilized in the preliminary creation of these minutes. The final minutes were edited and completed by Davis County Clerk's Office staff.

ROLL CALL

Chair Lorene Kamalu
Vice Chair John Crofts
Commissioner Bob Stevenson [joined virtually at 8:33 AM]
County Clerk Brian McKenzie
County Controller Curtis Koch
Chief Deputy Civil Attorney Neal Geddes
Civil Attorney Mike Kendall
Civil Attorney Bret James
Animal Care Director Ashleigh Young
Facilities Director Lane Rose
Information Systems Director Jeff Hassett
Human Resources and Risk Director Chris Bone
Commissioners' Office Cynda Melville
Deputy Clerk Jessy Turner

AGENDA ITEM

1 8:30 - 9:30 AM
#2025-424. A Work Session to discuss Animal Care of Davis County Project Decision Options - *Presented by Ashleigh Young, Director, Animal Care*

[Minute 01:02] Commissioner Kamalu gave a brief summary of previous discussions regarding funding for a new animal shelter, the feasibility study, that the use of opioid settlement money for the project was determined to be unviable, and the options discussed on how to move forward. She also said Animal Care used to have a high turnover of employees and even directors, but has finally stabilized. The current staff have been expecting a new building for the last three years and she expressed concern that delaying the project would negatively impact the department.

Commissioner Crofts stated that lots of outreach was done last year about the project and there is a mixture of residents for and against the tax increase and the new building. Commissioner Kamalu clarified last year was specifically regarding an increase to Animal Care's tax, not constructing a new facility. Commissioner Crofts expressed his concerns about the financial "storm clouds," like federal cuts, rising tariffs and a potential recession, on the horizon and the need to prepare for them. He agrees that a new building is needed, but it comes at a cost to the County and the residents. He does not want the County to be put into a financial situation where cuts to essential services or personnel must be considered when delaying spending funds could have prevented the issue. Additionally, the average citizen is already under large financial strain due to high housing prices and inflation raising the cost of food. Commissioner Crofts expressed concerns that if the County proceeds with the construction project, it may cause more financial strain. He acknowledged that a lot of work has already been done on the project, but cautioned everyone to be aware of how a project of this magnitude could negatively impact citizens financially.

[Minute 13:35] The three Commissioners discussed raising funds by raising taxes. Director Young said a verbal promise had been made to the cities that Animal Care taxes would not be raised in the first year after moving Animal Care to its own tax fund. Last year's tax increase was in many ways, a "catch-up" increase to cover operational costs. She then suggested going with Option Three [see Attachment A] as it would still be within the budget and fit the immediate needs. She did point out that something additional may need to be done in 25 years to accommodate the County's growing animal population. The substandard conditions of the current facility were discussed, including the lack of space, the presence of animals in inappropriate areas, and issues with heating, cooling, and plumbing.

[Minute 21:32] Commissioner Stevenson discussed how if it was decided to go back to the drawing board how it may cost more now, but could pay off in the long run. He said a new building needs to be built and expressed concern over waiting too much longer, especially as the tariffs and pre-fabricated nature of the building is already lengthening the timeline.

In response to Commissioner Kamalu asking what has been cut from the design so far, Director Young said the "bells and whistles" and other things have been removed or adjusted without sacrificing or compromising necessary services. Director Rose said, from a Facilities and operational standpoint, they have made the old building work as well as it could, but it is time for a new one. He would rather build a building that fits the needs than sacrifice to build it cheaper. Currently, $14 million is budgeted for the physical construction, and $2.5 million is budgeted for the soft costs, like permit fees.

[Minute 29:17] Director Hassett asked how the ongoing upkeep of the building would be funded. Director Young said it has not been discussed at this time. Controller Koch explained that the County established the project's budget during the request for proposals (RFP) process and that anyone who bid on the contract was aware of the budgeted amount. He also said the $2.5 million for the soft costs was a "gift" pulled from the General Fund, as approved by the Commissioners at the time. Attorney Kendall agreed that the contractors are aware of the budget and will bid out to subcontractors accordingly. The architect wants confirmation of the budget so the building can be designed to the appropriate level.

[Minute 39:18] Controller Koch also said the "gift" amount from the General Fund is gone and that if the project's budget needs to increase, either more revenue needs to be found or budget cuts will need to happen. He also explained the concept of an interfund loan as a possible funding mechanism, which is a loan from a different reserved set of funding that would still need to be paid back. Director Hassett said the ongoing funding needs to be factored into the decision, especially when considering the physical maintenance of a building.

[Minute 52:46] Commissioner Stevenson expressed his opinion that the project should stick to the original $16.5 million budget and meet everything possible within that parameter.

Commissioner Crofts expressed his opinion that if the project continues as is, it may diminish other opportunities later. He proposed delaying the project until the "storm clouds" blow over.

Before giving her opinion, Commissioner Kamalu asked Controller Koch what the fiscal impact of inflation has been in the last ten years. Controller Koch said what could be done for $10 million in 2017 would now cost $18.9 million. Many things have impacted this, and it continues to fluctuate. This issue is compounded by previous financial decisions by previous Commissioners and sales tax revenues flatlining. He reiterated that the choice is either to get more money or stay within the already established budget.

Commission Kamalu said it is important to understand that this discussion is part of a much larger picture and that a good tax policy is to do small increases every five to eight years. She then advocated for continuing with the project using the existing $16.5 million budget. She feels confident that Director Young will still make the building work. She also said there will be more discussions on the donation policy which may have an impact.

[Minute 1:08:43] Commissioner Crofts agrees the building would benefit Davis County; his concern is still the potential financial difficulties ahead. Even though he would prefer to wait, if two of the three Commissioners agree to move forward, then he will respect that decision.

Commissioner Kamalu said caring for the animals of Davis County is a public health and safety requirement, and this project has required a lot of work over the last few years. Director Young thanked the Commissioners for the decision.

MEETING ADJOURNED

The meeting adjourned at 09:43 AM.

ATTACHMENTS

All publicly distributed materials associated with this meeting are noted as the following attachments:

A. Board of Commissioners Shelter Project Decision Options

Minutes Prepared by:
Jessy Turner
Deputy Clerk

Minutes Approved on:
05/27/2025

Brian McKenzie (May 27, 2025 14:57 MDT)
Brian McKenzie
Davis County Clerk

Lorene Kamalu (May 27, 2025 13:25 MDT)
Lorene Miner Kamalu
Commission Chair

Animal Care of Davis County

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Purpose

The purpose of today's meeting is to go over three different options for the Animal Care of Davis County shelter project. Each option comes with its own set of challenges and benefits, so it's important that we take the time to carefully consider all the factors before making a decision. Below, you'll find a breakdown of each option along with some key things to keep in mind as we move forward.

Option 1: Continue on the Current Path Despite the Shelter Budget Overrun

The current shelter project is set to exceed the approved budget, and in our recent budget meeting, it was confirmed that no additional resources will be available from the County. Continuing with the project as is, without significant adjustments, could lead to several complications:

- **Contract Issues:** Moving forward with the current plan could lead to significant contract complications. If we decide to revert to the original budget later, additional redesign work by the architect could cost between $100,000 and $500,000. This expense would be added to the existing budget overrun, increasing financial strain and potentially resulting in further disputes with contractors and suppliers.

- **Unrealistic Fundraising Goals:** The current goal of raising two million dollars in just a few months is not feasible, especially with the county's restrictive donation policy, which would require time to adjust. Discussions with other animal shelters show that raising such a sum within this timeframe is unlikely, with larger shelters typically securing only a few hundred thousand dollars annually. Grants are a possible option, but most of the cycles do not line up with the current project timeline.
  - SLC (2024) $93,524, 3 full-time staff on development team
  - HSUS (2023) $3.56 million, 5 full-time staff on development team

- **Need for Dedicated Staff:** To continue on this path, we would need to hire a temporary, full-time marketing and development staff member to focus on fundraising and public relations. However, even with this resource, the ambitious fundraising goals may still fall short of covering the budget overrun.

Key Considerations:

- High financial risk due to continued budget overruns and added redesign costs.
- Potential for contract disputes and damaged trust with contractors and stakeholders.
- Fundraising goals are unrealistic within the current timeframe.
- Need for additional staffing to manage fundraising efforts.
- **A clear timeframe and strategy for securing funds are essential to move forward with this option.**

Option 2: Pause the Project Until Sufficient Funds Are Raised

This option suggests pausing the project until enough funds are raised to proceed without risking further budget overruns. This approach would involve:

- **Finding Additional Revenue:** Pausing the project would provide time to establish a more sustainable fundraising strategy, which may include smaller, more manageable donations, animal grants, or even exploring bond options or tax increases. This would reduce the pressure to raise an unrealistic amount of money in a short time frame.
- **Project Delay:** Delaying the project could significantly extend the timeline, but this could allow the organization to adjust its strategy and secure the necessary funds without rushing, potentially avoiding future budget overruns.
- **Increased Project Cost:** Delaying the project may lead to higher overall costs due to inflation in labor and material prices over time.
- **Minimal Costs to Contracts:** Pausing the project now would not incur significant additional costs to existing contracts, as work can be halted without triggering major penalties, minimizing the financial exposure at this stage.

Key Considerations:

- Potentially lengthy delay while funds are raised.

- The overall project cost may increase once work resumes.
- Reduced financial risk compared to Option 1, as funds will be secured before proceeding.
- Opportunity to adjust the fundraising strategy and involve more stakeholders.
- Minimal contract costs for halting the project now.

Option 3: Redesign the Shelter to Fit Within the $14 Million Budget

This option involves adjusting the shelter's design to fit within the existing $14 million budget. While this approach offers certain advantages, it also comes with several considerations:

- **Potential Compromises in Shelter Quality:** A redesign could result in a shelter that meets current needs but might not be sufficient for future growth. The facility may lack certain features or capacity, leading to possible renovations or expansions in the future.
- **Immediate Feasibility:** This is the most likely option to allow the project to move forward quickly. By scaling back the design, the shelter could proceed with minimal delays, which is crucial given the current substandard working conditions at the existing shelter.
- **Highest Priority Needs:** The need for a new facility to better serve the public, ensure that staff have appropriate working conditions, and provide proper care for the animals is of the highest priority. While the shelter may be scaled down in size or features, meeting these fundamental needs should remain central to the redesign. The current shelter is not meeting best practices for staff and animal care, and this option would allow us to address those critical issues more immediately.
- **Long-Term Considerations:** While the shelter may be built within the $14 million budget, it may not fully meet the community's long-term needs. Future renovations or expansions could be necessary to accommodate growth.

Key Considerations:

- The shelter may be smaller or less functional, potentially limiting future expansion.

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- The project could proceed more quickly than in other options.
- Long-term planning should account for potential future upgrades or redesigns.
- The highest priority remains ensuring proper conditions for both staff and animals, while meeting the immediate needs of the public.

Recommendation and Conclusion:

The Board of Commissioners faces a difficult decision, with each option presenting unique challenges and benefits:

- **Option 1** continues on the current path, which risks additional budget overruns, unrealistic fundraising expectations, and the possibility for significant contract redesign costs ($100,000 - $500,000).
- **Option 2** offers a pause in the project, allowing time to secure adequate funds but resulting in a significant delay. It also incurs minimal additional contract costs.
- **Option 3** proposes a redesign to fit within the existing $14 million budget, allowing the shelter to proceed more quickly but with potential limitations on its long-term capacity.

It is critical that the Board weighs the community's future needs, the feasibility of securing necessary funds, and the project's timeline. A thoughtful decision will ensure that the shelter project remains sustainable and serves its intended purpose for years to come.