BOARD OF DAVIS COUNTY COMMISSIONERS MINUTES

Board of Davis County Commissioners - Work Session Minutes
Tuesday, August 19, 2025

The Board of Davis County Commissioners met for their regularly scheduled meeting at 8:30 AM on August 19, 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
County Clerk Brian McKenzie
County Controller Scott Parke
County Treasurer Matt Brady
County Surveyor's Office Bas Bouwmeester
County Recorder Kelly Sylvester
County Assessor Andy Hansen
Library Director Josh Johnson
Public Works Director Adam Wright
Health Department Director Brian Hatch
County Sheriff Kelly Sparks
Human Resources and Risk Director Chris Bone
Commission Office Carrie Batte
1347 Applicant Robert Squire
Deputy Clerk Jessy Turner

Arrived between 8:33 AM and 8:40 AM
Commission Office Shauna Brady
Chief Deputy Civil Attorney Neal Geddes
Community and Economic Development (CED) Director Kent Anderson
CED Planning Manager Jeff Oyler
Information Systems (IS) Director Jeff Hassett

Arrived at 9 AM
IS Geographic Information System (GIS) Team Leader Cheryl Larsen
IS Chief Deputy Mike Pace
IS Software Manager Blaine D. Smith

AGENDA ITEM

1 8:30 - 9:00 AM
#2025-936. A Work Session to Approve/Deny 1347 Applications: Robert & Alexis Squire; Training in Life Choices LLC - *recommended by Lorene Kamalu, Davis County Commission Chair, Commissioners' Office*

Chief Deputy Attorney Neal Geddes explained that a 1347 application is a mechanism under Utah's Tax Code 59-2-1347 where an individual can apply to the legislative body for a tax adjustment or deferral. The legislative body has broad discretion to determine if granting the adjustment is in the best interest of the state and county. Commissioner Kamalu remarked how many of the 1347s she has seen involved the government making an error.

[Minute 3:36] Commissioner Kamalu invited Robert to explain his perspective regarding his application [see Attachment A], then County Assessor Andy Hansen would present his perspective. Robert explained that when he and his wife bought their first home three years ago (mid-2022), they overlooked that the property was registered as a secondary residence, despite it being their primary home. As a result, they had been paying property taxes at the higher secondary residence rate for three years and were seeking a refund for the overpaid taxes.

Assessor Hansen stated that the issue stemmed from a more burdensome process of establishing primary and secondary residences placed on the Assessor's Office five or six years prior, aimed at identifying individuals avoiding state income taxes. He confirmed that Robert was a "victim" of this system. The Assessor's Office did research and agreed that the Squires qualified for the primary residential exemption for 2023 and 2024.

However, for 2022, they technically did not qualify because the statute requires 186 consecutive days of residency in a calendar year, and the Squires purchased the home in August 2022. The correction for 2025 has already been made and sent to the Tax Administration office to update the tax notice.

VOTING:
Motion to Approve Application 1: Lorene Kamalu. Second: John Crofts. All Commissioners present voted aye.

[Minute 6:41] Clerk McKenzie requested clarification on what the official motion entailed, as the application was for three years, which Assessor Hansen explained was not possible. The specific amounts were stated as $2,881.88 for 2023 and $2,830.56 for 2024.

VOTING:
Motion to Amend Approval of Application 1 to be for the Appropriate Amount as Allowed Under the Law: Lorene Kamalu.

Before a second or final vote could be taken, Commissioner Stevenson asked Assessor Hansen if it was a fair statement to say the mistake was in "two parts" – the County's part for not catching it, and the homeowners' part for not realizing it sooner. Assessor Hansen agreed and said that is part of why the 1347 process exists. Robert admitted it was an "embarrassing oversight" and that, as first-time homeowners, they found the initial $5,000.00 property tax bill "reasonable" due to their excitement. Commissioner Stevenson asked if there was a legal reason why all three years could not be approved. Chief Deputy Attorney Geddes said the definition is broad and the Commission decides where the "line is drawn." Despite Robert's desire for a refund for all three years, citing the potential capital savings if the overpaid money had been contributed to his home's principal, Robert said he appreciated the hearing and any refund that was granted. Commissioner Stevenson expressed his opinion that the two-year refund is appropriate, as it reflects shared responsibility for the mistake.

[Minute 11:44] Commissioner Crofts asked for clarification on what the current motion entails. It was explained the motion is to approve the amounts for 2023 and 2024, as the law is clear that 2022 is ineligible.

[Minute 12:32] Robert inquired if the law allows any relief towards the "missed opportunity" of not having that money to pay down his principal or for general interest, mentioning a potential 5% penalty rate used for late taxes. It was confirmed that the County did not charge any penalties to the Squires as they had paid their taxes on time. Furthermore, the County has never provided interest on refunds and is "super careful about setting precedent."

Recorder Sylvester briefly discussed the closing process, with Robert mentioning his mortgage company made the full payment, and the funds were moved into escrow by the previous owner. Commissioner Stevenson, Recorder Sylvester, and Assessor Hansen said the previous owner's potential secondary residence status might have contributed to the property being initially coded incorrectly. Since this was not pointed out in the closing documents, there was no apparent way to catch the mistake before it happened. Assessor Hansen also noted that title companies are reluctant to take on the burden of providing 1347 applications at closing due to potential legal liability. Robert said he has been in contact with his lending company who redirected him to the County. Assessor Hansen explained the escrow amount is determined based on what the County charges the company.

[Minute 18:06] Robert asked if there is any relief possible for the "missed opportunity" in paying more down on the house's principal and/or the general interest. It was again stated that the County did not impose any penalties as the taxes were paid on time. Additionally, the County has never offered relief toward the house's principal, and does not intend to do that now. It is the government's and homeowners' responsibility to ensure the accuracy of the records.

VOTING:
Motion to Amend Approval of Application 1 to be for the Previously Stated 2023 and 2024 Amounts: Lorene Kamalu. Second: Bob Stevenson. All Commissioners present voted aye.

[Minute 22:38] Commissioner Crofts remarked that, despite the title and lending companies contributing to the mistake, Robert is the one here requesting the change. He then asked how often these mistakes happen. The Assessor noted that while such mistakes are not rare, they don't happen often, occurring perhaps a couple of times a year out of thousands of properties. Recorder Sylvester said these issues are more likely to occur when properties transition from private ownership to an entity and back, or if they were previously a second residence. Assessor Hansen said that statewide, this is a regular occurrence, with some counties requiring annual applications for the primary residential exemption.

Following this, a second 1347 application from "Training in Life Choices LLC" was mentioned. This application had only been received at the end of the previous week, and Commissioners had not yet had a chance to review it. Therefore, it was proposed and approved to table this application until next week.

VOTING:
Motion to Table Application 2: Lorene Kamalu. Second: John Crofts. All Commissioners present voted aye.

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2 9:00 - 9:45 AM
#2025-930. A Work Session to Discuss Software Costs for the Environmental Systems Research Institute (ESRI) and Auto Computer-Aided Design (AutoCAD) - *recommended by Jeff Hassett, Director, Information Systems*

[Minute 26:54] Using a presentation, Director Hassett discussed future licensing challenges, including immediate and long-term impacts, particularly for the Environmental Systems Research Institute (ESRI) and Auto Computer-Aided Design (AutoCAD) programs [see Attachment B]. He began by defining software licensing models:

- Open Source vs. Commercial: Open source allows public access to code, often perceived as "freeware," but can incur costs for integration with other platforms or for maintenance contracts. Commercial software is proprietary with no source code access.
- Perpetual vs. Subscription: Perpetual licenses are owned indefinitely, while subscription licenses require ongoing payments; access ceases when payments stop.
- Site License vs. Individual Licensing: Site licenses cover an entire organization, whereas individual licenses are per user or machine.
- Machine vs. User Licensing: Machine licenses allow installation on one device for multiple users to share, while user licenses are tied to specific individuals.
- Named User vs. Concurrent: Named user licenses require a separate license for each individual, while concurrent licenses allow a larger group of users to share a set number of licenses, as long as the active users do not exceed the license count simultaneously.

[Minute 30:42] Director Hassett then discussed general software trends, noting growth in open source, but with increasing costs due to ties to cloud functionalities, other integration pieces, and the need for maintenance contracts to support that version. Commercial trends show a strong shift towards subscription-based models, individual licensing, and named user or "belly button" licensing (cost per individual, regardless of usage), leading to significantly rising costs. Implementing new software also incurs high initial costs, sometimes four times the annual cost, along with significant time, resources, and retraining efforts. Challenges with open source include a lack of consistent maintenance, compatibility issues, and increased security risks due to public code visibility, especially when AI is used to find vulnerabilities.

[Minute 37:03] The primary "current challenge" discussed was ESRI, the County's Geographic Information System (GIS) software that powers all County maps. It is a baseline technology used by departments like the Recorder's Office, Surveyors, Library, and Sheriff's Office.

- Current Cost: The County currently pays $150,000.00 annually for ESRI licensing.
- Renewal Impact: The new 3-year contract structure will nearly double the cost to almost $300,000.00 by the third year. This means an immediate budget increase by $80,000.00 for the next year and an almost $150,000.00 increase by year three. Even a stripped-down quote to replicate current usage for a single year results in a 50% increase, totaling $214,000.00, with no guarantee for 2027 pricing.

Director Hassett then presented several alternatives to address the rising ESRI costs:

1. Continue As Is: This would mean accepting the price increase, requiring an additional $350,000.00 over the next three years.
2. Purchase a Lower Cost Commercial Version: This is risky as companies often start with low prices to gain market share, then switch to subscription models and increase fees. It would also involve a "heavy lift" to implement new technology and rebuild everything currently running on ESRI, with potential compatibility issues since the State also uses ESRI.
3. Move to Open Source: While potentially saving money long-term, this also requires a significant initial investment to rebuild existing systems, as the County would need to license ESRI for at least another

year during the transition. Open-source options can be less mature and lack consistent long-term support. The State is not currently moving to open source, though some governmental entities are.

4. Consolidate GIS Work: The County currently has 50 ESRI creator licenses spread across departments, with some departments having as many as eight or nine licenses used by part-time staff. Consolidating these into fewer dedicated, full-time GIS positions could reduce the number of licenses needed. This would not be a direct one-to-one cost reduction due to underlying server components, but it would lower the overall annual cost. This approach might lead to prioritizing GIS work, leaning more on the IS GIS team, and potentially longer timelines for some projects.
5. Outsource GIS Work: This option involves eliminating internal GIS resources and using project-based outsourcing, meaning work would only be completed as budgeted annually.

[Minute 46:22] In answer to a question from Commissioner Stevenson, Director Hassett expressed that the County's current GIS setup, where work is spread across many users rather than dedicated specialists, is not ideal. He emphasized the need for a clear vision for GIS in Davis County, to determine core functions and the appropriate scope of services. Library Director Josh Johnson asked if it would be possible to consolidate users who support the core functions and do other GIS projects by outsourcing. Director Hassett said that is also a possibility. Commissioner Kamalu expressed a desire to know how the different departments are utilizing the GIS. Commissioner Crofts said he went through a similar consolidation effort at the State level and found it to be effective. A follow-up discussion is planned in two weeks.

[Minute 53:19] The discussion expanded beyond ESRI, highlighting that rising software costs are a broader issue. Director Hassett called it the "tip of the iceberg," noting that other major software, like Microsoft, the Assessor's software, and Munis, could see similar massive price increases in the future if they change their pricing models or if the County's needs shift.

Health Director Hatch raised the question of bringing more software development in-house. Director Hassett explained that the County already evaluates this; if commercial solutions are not financially or functionally viable, they develop in-house. However, developing large systems would and has taken years and millions of dollars to build and maintain. He reiterated that the County will continue to consider internal development for core services where it makes sense, but they cannot replicate large commercial software like Google or Microsoft.

[Minute 59:17] To facilitate considering the different options, Cheryl will provide each department with a list of their current GIS licenses. Departments are asked to evaluate how they might consolidate their licensing needs, potentially by reorganizing their GIS resources or offloading work to the central GIS team. Director Hassett requested this be done within the next month as the ESRI contract expires in January.

HR Director Bone asked about transferring Munis to the cloud version. Director Hassett said the plan is to transition to the cloud based service to stay current with the system; it does not effect the license count at this time.

In response to a question from Commissioner Croft, Director Hassett detailed how the GIS team of three developers and one integration developer provides services. They do a lot of projects for County departments and municipalities, including collecting and creating data sets. Currently, much of this work, including packaging contours and slopes used by various entities, is done on a no-fee basis. The County does charge municipalities for raw data from Light Imaging Detection Aerial Radar (LIDAR) flights on a per-square-mile basis, but it only recoups about a quarter of its cost. Director Hassett suggested the County might need to start looking at a better cost-recovery model. LIDAR flights, which involve bouncing lasers to get elevation and other ground information, are very expensive and are only conducted about every 10 years or when significant changes occur, like new highways. The County conducts its own LIDAR flights because the State focuses on active earthquake zones. The County is required to submit specific reports that utilize some data collected from LIDAR flights to the State twice a year. Commissioner Crofts said there are federal agencies that do similar data collection, like the Automated Graphic Reference Center (AGRC) and the Federal Emergency Management Agency (FEMA). The last LIDAR flight was conducted in 2024 when the West Davis Corridor was completed. These data sets are also provided to other entities, such as taxing entities and Hill Air Force Base.

[Minute 1:11:12] Finally, Auto Computer-Aided Design (AutoCAD) was briefly mentioned as another example of expensive software with potential licensing model changes. It is used in departments like Public Works and the Surveyor's Office.

MEETING ADJOURNED

The meeting adjourned at 09:44 AM.

ATTACHMENTS

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

A. Squire 1347 Application
B. Future of Software Licensing Discussion

Minutes Prepared by:
Jessy Turner
Deputy Clerk

Rebecca L Abbott for

Brian McKenzie
Davis County Clerk

Minutes Approved on:
09/16/2025

Lorene Miner Kamalu

Lorene Miner Kamalu
Commission Chair

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DAVIS COUNTY