

SPECIAL SERVICE LIGHTING DISTRICT
of the
CITY OF OREM
May 12, 2026

CONDUCTING BOARD OF DIRECTORS	Mayor Karen McCandless Karen McCandless, Crystal Muhlestein, Jeff Lambson, Jenn Gale, LaNae Millett, Chris Killpack, Quinn Mecham
APPOINTED STAFF	Brenn Bybee, City Manager; Ryan Clark, Assistant City Manager; Keri Rugg, Deputy City Manager; Steve Earl, City Attorney; Chris Tschirki, Public Works Director; Bryce Merrell, Library and Recreation Director; Brandon Nelson, Finance Director; Marc Sanderson, Fire Chief; BJ Robinson, Police Chief; Gary McGinn, Community Development Director; Peter Wolfley, Communications Manager, PIO; Teresa McKitrick, City Recorder

SSLD CONSENT ITEMS

Meeting Minutes Approval - June 10, 2025

Mr. Killpack moved to approve meeting minutes from June 10, 2025, **seconded** by Mr. Lambson. Those voting yes: Karen McCandless, Chris Killpack, Crystal Muhlestein, Jeff Lambson, Jenn Gale, LaNae Millett and Quinn Mecham. The motion **passed**.

SSLD SCHEDULED ITEMS

RESOLUTION - Special Service Lighting District of the City of Orem (RDA) Fiscal Year 2026-2027 Tentative Budget - *Presenter: Brandon C. Nelson, CPA, Chief Financial Officer*

Mr. Nelson presented Item 17, a resolution to accept the tentative fiscal year 2026–2027 budget for the Special Service Lighting District. Nelson explained that because the Street Lighting Fund operates as a separate legal and financial entity from the standard municipal ledger, its operations, revenues, and structural rates must be examined under an isolated budgetary resolution.

A primary highlight of the proposed lighting budget is the strategic deployment of historical capital reserves, displayed on the ledger as an appropriation of surplus funds. The district will systematically draw down these accumulated long-term reserves to finance targeted capital improvement initiatives, specifically focusing a \$420,000 capital allotment toward replacing and upgrading obsolete, legacy street poles originally erected by Rocky Mountain Power. Consequently, this targeted reserve injection temporarily inflates the fund's capital expenditure baseline far beyond typical historical levels.

The fund's operational expenditure matrix covers localized staff personnel alongside comprehensive regional power grid costs. Beyond funding standard electricity delivery for the thousands of streetlights lining Orem's public thoroughfares, the fund covers the extensive power requirements and equipment maintenance for the city's annual holiday lighting displays hosted throughout City Center Park.

Furthermore, the Street Lighting Fund is contractually obligated to pay a major portion of the city's shared energy savings lease, an active municipal debt instrument tracked within the centralized Debt Service Fund. This interfund transfer repays the upfront capital utilized to systematically retrofit Orem's entire municipal streetlight network with energy-efficient LED bulbs, an initiative that continues to yield substantial utility cost-reductions for the district.

To offset rising regional energy delivery costs and self-fund the ongoing system maintenance, the tentative budget proposes a modest utility rate adjustment. The street lighting fee assessed to local households will transition from \$3.28 to \$3.36 per month, representing a 2.4% rate increase that will be added directly to residents' standard monthly municipal utility statements.

Commercial entities and local business owners, however, operate under an entirely separate payment framework. Rather than paying a recurring monthly utility fee, businesses pay their lighting district assessment as a single, upfront annual fee of \$40.32, which is automatically integrated into their mandatory yearly business license renewal statements.

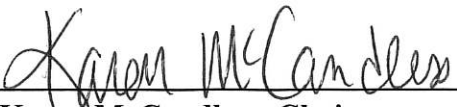
Ms. Millett moved to accept, by resolution, the Special Service Lighting District Fiscal Year 2026-2027 Tentative Budget and to set a public hearing to adopt the final budget on June 9, 2026, at 6:20 PM, **seconded** by Ms. Muhlestein. Those voting yes: Karen McCandless, Chris Killpack, Crystal Muhlestein, Jeff Lambson, Jenn Gale, LaNae Millett and Quinn Mecham. The motion **passed**.

ADJOURN

Mr. Killpack moved to adjourn, **seconded** by Ms. Gale. Those voting yes: Karen McCandless, Chris Killpack, Crystal Muhlestein, Jeff Lambson, Jenn Gale, LaNae Millett and Quinn Mecham. The motion **passed**.

(These minutes were created with the help of AI)

PASSED and APPROVED on this 26th day of June 2026.



Karen McCandless, Chair

ATTEST:


Teresa McKittrick, Secretary



<u>BOARD MEMBERS</u>	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mayor Karen McCandless	☒	☐	☐	☐
Chris Killpack	☒	☐	☐	☐
Crystal Muhlestein	☒	☐	☐	☐
Jeff Lambson	☒	☐	☐	☐
Jenn Gale	☒	☐	☐	☐
LaNae Millett	☒	☐	☐	☐
Quinn Mecham	☒	☐	☐	☐

