



Orem Public Works Advisory Commission Meeting Minutes

7:00 a.m. Tuesday, June 16, 2015
Orem Public Works Department
Conference Room 2
1450 West 550 North

CONDUCTING: Tai Riser

ATTENDING: K.C. Shaw Luke Peterson Bill Peperone
Chris Tschirki Neal Winterton Lawrence Burton
Lane Gray Kim Watson Brandon Stocksdale
Debbie Lindsay

ABSENT/EXCUSED: Val Hale Carol Walker Tom Macdonald
Reed Price

APPROVED

Tai Riser welcomed everyone. He turned time over to our newest commission member, Luke Peterson. Luke is a professor in the Political Science Department at UVU. He works on government innovation and runs the Office of New Urban Mechanics which is a partnership with the City of Boston and the City of Philadelphia. The name comes from the former Mayor of Boston, Thomas Menino who was called “The new urban mechanic”. He has recently moved to Orem and is excited to be involved with the commission.

Tai *asked for a motion* to approve the April 21, 2015 meeting minutes. Bill Peperone *made a motion* to approve the minutes. K.C. Shaw *seconded the motion*. *Minutes were unanimously approved.*

Tai turned time over to Chris Tschirki to discuss the Capitol Facility Plan update.

Chris gave an update on the video that is being produced. There is about an hour of raw footage from the interviews that took place. This has been narrowed down to three minutes. Chris felt it was very difficult to narrow it down to three minutes. Some of those interviewed were Tai Riser from PWAC, Gene Shawcroft from Central Utah Water Conservancy District, Chris Tschirki as well as Mayor Brunst. The hope is to have at least a draft of the video done this month. He will send PWAC members a link to the draft when it is available. Neal said they hope to have it finalized by for the City Council meeting next Tuesday, June 23rd. Chris said that PWAC members are welcome to come to that meeting. There will be a brief update given on the Master Plan. The focus will be on the information that is going out to the public. The informational flier has been “tweaked”. Both the flier and the video will be presented to the Council.

Based on the recommendation from PWAC members in May's meeting, we will hold two open houses in August. They will be held on the first and third Tuesdays which are off-set from the City Council meetings. Chris asked if this was still the recommendation of the PWAC members. K.C. said that is still the recommendation.

Chris reminded everyone of the discussion in May of HB362 which was passed in the State Legislature. This will be about a 4.9% increase on a gallon of gas sold. This is a state-wide sales tax. In actuality it is a 12% tax increase which equates to 4.9¢. It is currently at 24.5¢ per gallon which will take it up to 29.4¢ per gallon. There is a local option to this as well that could go before the voters in the November elections. This is a .25% general sales tax with 40% of that going to the City and 40% going to the County. The remaining 20% would go to transit. We would anticipate \$440,000 this coming fiscal year between January and June. As of July 1, 2016 we will have an increase in our B & C road funds of about \$440,000. We could realize an additional \$1.64 million from the local sales tax option if County puts it on the ballot and citizens vote in favor of it. In last month's PWAC meeting it was recommended to not move forward with any kind of support or recommendation. The City Council did craft a resolution to support it and move forward with it or at least recommend it this year. There have been multiple cities in Utah County that have drafted resolutions in support of moving forward with the local option. It may or not go on the County ballot in this year's election. It will be up to the discretion of the Utah County Commissioners. It has to be noticed to the County by the third week of August. The County Commission would craft the ballot language for the November election. Tai asked if Chris knew how the County Commissioners were leaning. Chris said that historically they have been 2 to 1 in favor of issues similar to this. He is not sure at this time what their opinions are. He knows that there is one commissioner who is most likely not in favor of this.

Chris gave an update on the annual City Budget. It passed but did not include the CIPs and the associated rates. We will move forward with the open houses in August. The goal is to come back to the City Council as early as September 8th.

Since Reed was ill and not able to attend today's meeting, Chris will be presenting on the Capital Improvement Projects (CIPs). He displayed a PowerPoint presentation that was shown to the City Council for the budget this year. It divides the Capital Projects and significant Capital Purchases. CIPs include infrastructure such as pipe that goes in the ground vs. other major capital purchases which might include equipment such as a JetVac truck or a backhoe for example. Chris gave a background on the different funds the City uses (first page of presentation). Fund 10 is the General Fund. Parks 45 Fund supports Parks Department operations. Traffic Fund 45 is an internal CIP fund which is seeded by General Fund money.

K.C. asked about a flier he received in the mail informing him that Orem City had transferred out of several funds in to the general fund. He is confused as were other members of the commission. Chris said he is confused as well and he is supposed to know all about it! K.C. questioned if we are transferring money out of the Water Fund and we are asking the residents for \$10/month increase why in the world are we transferring money out of the water fund? Chris said that the language used in the flier is taken verbatim from the State Code. A new law was created approximately 2-3 years ago. The same informational flier was sent out last year. All cities in the State are required to do the same thing. The reason for this is that the State Legislature wanted all the services provided by the City identified and paid for with the City

funds and not waive those fees and charges. For example, Parks uses a lot of water and don't have the resources to pay for that water. There is no revenue stream for this. Chris said that in actuality it is a shell game. He doesn't feel it is presented very well. Enterprise Funds are virtually transferred in to the General Fund. The General Fund then pays them back the same dollars. It is an account tracking. It has created problems with citizen questions. Citizens have gone to the City Council and said that they can't support our fee increase because of this confusing law and flier. Chris said that we estimate every year what Parks and other Public facilities are providing in services to them but that they are not being billed for. So in a minute's time, we transfer money in and then back. Neal received the same sort of notice with the same language from Lindon where he also owns property. Neal likened to paying your child for babysitting and then having that child purchase his own clothes with the money he got for babysitting. There is no money actually changing hands. It is an internal and comes right back. Tai asked why there was not an explanation sent to make it understandable. Chris replied that while the notice comes from the City, it is language prepared by the State. Chris would like to have additional language explaining it better. Tai said that the purpose for the open houses is to build support for the utility increases, but that this mailer makes it difficult and makes it look that the City has plenty of funds without an increase. K.C. said that if he were to explain it to his son he would tell him that the Water Fund is giving money to the Parks department so that Parks can pay the Water Fund for the water that they have provided. He suggested that this is the type of explanation that should go with the flier. He also stated that it should say this is so we don't have to charge for the use of the City Parks. Because there are no taxes when it comes to Sewer, Water and Storm Water (these are fees, not taxes), the transfers to the General Fund has to happen. The General Fund is supported by sales tax, property tax, and excise tax. There would have to be an increase in these to the General Fund to pay for this. In the flier it does state that in an effort to keep taxes low this transfer needs to happen. Chris suggested that perhaps PWAC could craft some language for this for next year. Tai suggested that before any mailers of this type is sent out that it ought to be reviewed and run by Public Works or PWAC.

Chris went back to the slide presentation. He went over the funds for the various sections in Public Works as well how the funds function. He pointed out that Fund 20 is our B & C road fund. He said that this last year Traffic had no CIP dollars. However Keith Larson our Traffic Operations Engineer submitted applications for Federal funding that help stretch our local dollar quite a bit. He pointed out that on the bottom of page 2, Traffic Operations (Fund10/45), there is a \$60,000 match for \$1.3 million Federal dollars. This was a good return on the investment. This went for much needed upgrades for our signal cabinets, closed circuit TVs, video detection and other types of detection including radar that can count the number of vehicles as well as data on speeds and other pertinent information. We were able to replace 18 locations with this detection. We upgraded 13 data collection systems and installed eight new data collection stations as well as 7.5 miles of new fiber in our traffic system.

We have about \$1.4 million available for Streets maintenance this coming year. This will go towards CIP, crack sealing, slurry seals, micro surfacing, overlays and street striping. We are proposing the replacement of one vehicle which is a 1997 15-ton dump truck. The note on the bottom of this page (pg 3) shows the amount of money we stand to gain from the new gas tax. We have no projects identified with this new money at this time. The next nine pages show where the projects are for this coming fiscal year.

The next slide was Water (Fund 51). The top of the chart shows the CIPs. The lower chart shows Capital Purchases. These are not the same. Not all funds go to infrastructure. Chris turned time over to Neal regarding the rest of Water.

Neal pointed out that the Water fund operates very lean. Our employees build a lot of things needed for the projects that end up saving the City money. In Water Reclamation section we have equipment that we will not test the limits on or wait for something to break down. This is something that is not responsible or smart to do. Next year 400 W will have an overlay done. Prior to that overlay, we will install a new water line from Center St to 1200 S. Neal said that they always try to put \$65,000-\$80,000 in to a Miscellaneous Project Fund for repairs that need to be taken care of. Currently we are making several repairs on a weekly basis on main water lines or service lines. At least half of these repairs are done after hours as they are called in. Lane said that approximately 75 after hour callouts were made last year. These are calls that are made after everyone has gone home and have had to return to work and work through the night to make repairs. He pointed out that the \$500,000 shown on the chart for CIP Project is not enough to cover the 400 West but there are funds that will be carried over that will take care of it. There is \$100,000 (the chart shows \$200,000 for this project) that we would like to apply to 2" and 4" replacements which are identified on the Master Plan. The remaining projects listed below this one are unfunded projects.

Phase 1 of 4 will be the Meter Replacement Program (AMI). Neal feels this program is very needed. We currently have older meters that need replacing. This would equalize those that are paying less and some paying more due to inaccurate meters.

Neal also pointed out that the Water Section will be making some new vehicle purchases. We will be replacing a 1997 Backhoe. We do lease other backhoes, but we need to own one. Chris pointed out that this backhoe is 17+ years old. The recommended life expectancy for this type of equipment is approximately 7 years. Our life-cost per mile is about \$8 and it is recommended to be about \$1. Life down-time is 170 hrs. We have spent \$15,000 over 17 years. Neal said that we have relied heavily on the Jet Vac truck to excavate around the fiber optic lines, etc... We are putting away funds for this in a 3-year fund. The Jet Truck costs approximately \$390,000. We are in year 2 of that fund to replace the jet vac truck that is now 16 years old. Chris said we have spent almost \$81,000 in 16 years on parts costs alone. Neal said there are also two pickup trucks that will be replaced. One is a 1999 and the other is a 2005. Most of the trucks from the water fund end up somewhere else. There is an unfunded remaining balance \$183,000 for the vehicle replacement fund. There will be an obvious shortfall for this.

Chris showed the map with the location of the 400 West project. It will be 1.5 miles in length going from Center St to 400 S. This is the one CIP project.

Neal went over the figures for the Water Reclamation Fund (Fund 52). Cost estimates for pipe liner CIP in \$100,000 and Carterville lift station estimates are \$300,000 for a total of \$400,000. The liners are 25 year old technology that will last somewhere between 75-100 years. Chris said that the nice thing about the liners the liner technology patent expired 5-6 years ago so now there is competition with other companies. The liners can be installed without cutting in to the asphalt roadways. We can do it for about .25¢ on the dollar. We are stretching this out 4 times. It can't be utilized in all cases but we will use it wherever we can. Lawrence pointed out that one of the nice things with the liners is the minimal interruption of traffic flows. A line can be redone in 24 hours with the liners vs. months of reconstruction to replace a line. Neal said the unfunded \$2,010,000 represents projects from the Master Plan. Of that there is \$1,300,000 slated for the southwest area that would be recouped in impact fees if that is the direction the Council

chooses to adopt. We can't afford to have equipment at the plant go down without a backup in place. We purchase these items and rotate them through and keep a small inventory at hand. This is a 24/7 utility that we can't turn off so these things need to be on hand. Neal would like to take the commission down to the plant for a tour. Chris pointed out that we've never had a violation with the State of Utah regarding water quality with the discharge to Powell Slough which goes in to Utah Lake.

Chris moved on to Storm Water (Fund 55). There is approximately \$610,000 for total CIP and MCP this year. We are only dedicating \$34,000 to a CIP project in conjunction with a 2015 roadway project. There is a rollover amount of \$151,000 for a project at 400 N between Main St and 400 E. This is also a sinking fund. We are setting aside \$50,000 for miscellaneous projects. For Major Capital Purchases there are several vehicle replacements that we are targeting. This equipment is 20 years old. There will be replacements of two pickups as well as a TV van that is used to inspect Storm Water lines, sumps, etc... This is a critical piece of equipment. We have stretched the life of these vehicles but it is now time to replace them.

The next fund discussed is the Street Lighting fund (Fund 10/58). Every month on your utility bill there is a charge of \$3.25 for street lighting. This covers street lighting and the implementation of street lighting City-wide. There are 300 street lights in six lighting districts in the City that are owned by Rocky Mountain Power (RMP). The estimated cost to replace these is \$1.2 million. Chris explained the lighting districts were created in the 1970s and 1980s. At that time there were no street lights in the City. Neighborhoods would petition the City for streetlights in their area. A geographic boundary would be created. We had approximately 12 lighting districts. We currently have 5-6 left. These were all owned and operated by RMP. RMP currently owns approximately 100 street lights on State St from Center St to 1800 S. These lights were included on the Siemens analysis/energy audit. If we were to replace the lights with LEDs our energy savings would be around 65%. It costs a lot of money to save money. It would take up to ten years to recoup that cost.

Chris asked if there were any questions regarding the presentation. This is the same presentation given to City Council. Chris said that they emphasized to the City Council that we have a lot of aging equipment. We have vehicles that need to be replaced and have been deferred over the years. He pointed out that we do have a Master Plan in place and if it is supported we will be able to do quite a bit. Chris did not cover the Fleet part of the presentation. Reed was to present this portion but was ill and unable to attend the meeting.

Time was turned over to Brandon Stocksdale, Orem City Long-Range Planner to discuss the State Street Master Plan. This is informational only and does not require any action on the Commission's part. Brandon showed a PowerPoint presentation on a master plan for the State Street Corridor. With all the new dense residential development occurring there is concern about losing prime retail space throughout the City. They also want to have a plan in place to address other concerns with the new development such as increased traffic, transportation issues, infrastructure, etc... They are hoping to address all these aspects with State St. This will cover all of State St from the Lindon border in the north to Bulldog Blvd in Provo to the south. We have partnered with UTA, UDOT, MAG, and Provo City as well as key stakeholders in the community, business owners, neighborhood groups, UVU, Scera and other similar groups. The idea is to look at the road as well as over to Orem Blvd and up to 600ft on either side of State St. We are looking at land use, transportation concerns, transit, housing density, infrastructure as well as beautification. This is a 25 year plan but will guide our plans as we move forward.

Brandon went over the vision statement (first page of the presentation) as well as page 2, 3 and 4 which cover the visions and framework goals. Brandon pointed out that the 600' feet mentioned is about 75% covered in asphalt which includes under-utilized parking lots, vacant properties, streets, etc... He feels there is enormous redevelopment potential on State St. There are also quite a few buildings that he feels are reaching the end of their life cycle with a lot of under-utilized space and vacancies. He feels that with proper zoning adjustments and infrastructure improvements State St can be revitalized appropriately. He says the feedback he receives from the public is that State St is ugly and something needs to be done to it. With a massive linear corridor we are looking at a "node development" and encouraging our major activity centers within these nodes (pg 6). Some of the nodes addressed are the mall, City Center and Scera. He would like to use these areas to increase some of the densities in the key points on the visual. He feels there are a number of advantages to this: 1) support future transit options in the form of light rail or BRT down the center of State St, 2) Provide space with appropriate land uses we will be able to accommodate the growth that is anticipated within the City. MAG projects that we will add an additional 30,000 residents by 2050. He said they are also considering light rail to increase capacity on State St. Light rail is coming to Utah County and will end up in Provo. Brandon believes this is an appropriate option for Orem. We are also looking to increase connectivity with the neighborhoods along the corridor (pg 5). Connectivity breaks down along the corridor in to massive blocks. There are a lot of structures right up on the street and vacant space within the block. The thought is that in the future as areas redevelop the City would like to create more connections between State St and Orem Blvd and create more manageable blocks. He is also looking at addressing parks and open spaces which is popular with the public but realizing there are financial restraints that go along with that. There is not much available land for large green spaces so they are looking at plazas and pocket parks along the corridor to create gathering places. He wants to get people on the ground and out of their vehicles. He believes this will enhance retail sales. All in all he wants to create a boulevard on State St along with increased building densities to accommodate growth along the corridor. Brandon then opened it up to questions. Tai asked about budget considering how tight they currently are. He thinks this will cost a tremendous amount of money and wants to know how it would get funded. Brandon said there are some ideas right now in the concept phase. He said their goal is to encourage redevelopment through private property owners as the City is not a major land owner along the corridor. Brandon stated that we have non-financial tools available in form of zoning, upgrades, density bonuses and parking reductions. He also pointed out that this will be an incremental development and we will not see the City come and buy out a large swath of land and redevelop it. As to the transportation upgrades we are looking to MAG, UTA and UDOT to be partners in that. Tai said that in the end it will have to be the private business owners who have to "cough up the dough" to make it happen. Brandon said we can provide help through zoning and guidelines for the framework but it will be in incremental redevelopment. He also reminded the commission that this is a long-range goal. The plan is only the first step. Implementation is in the future. Tai asked if there will be bike paths. Brandon affirmed that there would be along Orem Blvd.

Tai asked if there was any other business? There was none. *Tai asked for a motion to adjourn. Bill Peperone made a motion to adjourn. Tai seconded the motion. Motion unanimously passed.*

Tai adjourned until the next meeting which is scheduled for August 18th. No meeting will be held in July.