

CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
September 8, 2015

3:30 P.M. WORK SESSION – PUBLIC SAFETY TRAINING ROOM

CONDUCTING	Mayor Richard F. Brunst
ELECTED OFFICIALS	Councilmembers Hans Andersen, Margaret Black, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner
APPOINTED STAFF	Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Greg Stephens, City Attorney; Richard Manning, Administrative Services Director; Karl Hirst, Recreation Director; Chris Tschirki, Public Works Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Ryan Clark, Economic Development Division Manager; Neal Winterton, Water Division Manager; Reed Price, Maintenance Division Manager; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder

UPDATE – Mayoral Compensation Review Committee

Kathy Gowans, chair of the Mayoral Compensation Review Committee, introduced committee members Kevin Stocks and LaNae Millett. Ms. Gowans thanked the Council for the opportunity to present their findings, and she hoped each would learn something from the presentation. She highlighted the assignment the committee was given and the approach the committee took to complete that assignment. She reviewed the committee’s objectives which were to:

- 1) Presume good intent,
- 2) Use correct terminology,
- 3) Wait to form decisions/recommendations until all information was collected & analyzed together,
- 4) Keep private control of the process – public sharing of the deliverables would be done collectively to Mayor, City Council, and City Manager.

She said they took their assignment seriously to present an objective report of their findings, observations, and recommendations. She turned the presentation over to Mr. Stocks.

Mr. Stocks said he was not suggesting any one form of government was better or worse than another, and his intent was to share data and observations from his research. He said Orem had a Council/Manager form of government and was one of six cities in Utah with that grandfathered form of government. He said while only six specifically had this form of government, many others described themselves as operating under a “new” or “revised” Council/Manager form of government. In the Council/Manager form of government, the city manager’s role was the administrative head of the city; the CEO role in a corporate setting. The mayor’s role was as one

of seven members of the Council, which was the legislative body for the City, and ceremonial figurehead. He noted that the Council/Manager form of government used in Orem and the five other Utah cities was no longer available per State statute, but was grandfathered in and managed by Orem City Code. Because it was no longer available, some referred to this form of government as obsolete but that was incorrect terminology. His findings were that 59 percent of cities in the United States had a Council/Manager form of government and it was the most common form of government particularly for cities with populations over 10,000, mainly in the Southeast and Pacific coast areas. He said they looked specifically at the roles of mayor and city manager, not at specific persons or personalities in those roles. He said while detailed operations within cities under the Council/Manager form of government varied from city to city, Code clearly distinguished between executive and legislative roles.

Mr. Stocks said they looked at Utah cities with the same Council/Manager form of government for a range or spectrum in how they applied that form in their city. He said he found West Jordan City at one end of the spectrum, and at the other end was West Valley City. The City of Orem generally fell somewhere in the middle. In his research he found that the mayor of West Jordan had recently moved to full-time and assumed duties of the city manager. He said the West Jordan mayor was trying to move to a Mayor/Council form of government, but the West Jordan City Council also had strong leadership. The city staff he spoke to said having multiple “heads” of the city led to confusion, and political views and individual personalities were major factors in how the city was operated. Staff tried to please both the mayor and the council, and the assistant city manager was currently acting city manager.

Mayor Brunst asked if West Jordan was looking to hire a full-time city manager rather than a transitional one. Mr. Davidson said they had recently hired a full-time city manager.

Mrs. Black asked if the mayor of West Jordan was actively campaigning to change the form of government. Mr. Stocks said he did not know how active that campaign might be, but he understood West Jordan’s mayor was looking to move that direction. A strong mayor would match public perception of the role of mayor, and would be able to set and address the agenda. He said one challenge West Jordan had seen was difficulty recruiting and retaining people, both elected officials and staff.

Mr. Stocks said in West Valley the mayor and council delegated decision-making power to the city manager and the mayor’s role was primarily ceremonial. The mayor was still a voting member of the legislative body, but it seemed the mayor’s function was mostly as the “face of the city” to the public. The council in West Valley had similar legislative and ceremonial duties. He said while the mayor of West Valley was highly visible, his role might not match public perception and they might be underutilizing the talents of the mayor and council. That said, under a strong city manager there was consistent operation in the city over the years and they had been able to focus on long-range issues without being subject to major political swings. For whatever reason, West Valley saw less citizen involvement than West Jordan saw.

Mr. Stocks wanted to stress again that there were advantages and challenges with all forms of government, and he was not saying any was right or wrong. He said the ideal implementation of the Council/Manager form of government would be to take the best practices from within the spectrum to find a balance. The middle of the spectrum would be a mayor and council that coordinated and collaborated with the city manager on city issues and interests. The mayor

would act as the “face of the city” and would be a representative of city interests in outside affairs. The city manager would oversee staff, and provide objective insight and information to help the mayor and council make decisions that would be in the best interest of the city. He felt Orem generally fell in the middle area of the spectrum.

Mr. Sumner asked if this was always a work in progress, because elections could cause shifts on the spectrum. Mr. Stocks said that was true, and the pendulum could swing. He again emphasized how the Council/Manager form of government was open to interpretation.

Mr. Stocks said effective cities could exist in the entire range of the spectrum. He said the personalities of candidates were a huge factor in effectiveness within a city. As he spoke to people in many different cities he found that residents, as well as those looking to run for office, in a given city generally did not understand their city’s form of government.

Mr. Macdonald asked for clarification that though the Council/Manager form of government was not increasing in the State of Utah, it was predominant and increasing throughout the country. Mr. Stocks said that was correct.

Mr. Davidson spoke to the history of the Council/Manager form of government in the state. He said in 2008 the conversation centered on political conflict between elected officials in municipalities. There was some concern that, under the Council/Manager system, elected officials did not have adequate opportunity to participate in the operations of the city. On the flip side, it was argued that it was not the role of the elected officials to be administrators but to legislate. The compromise that was met was the creation of the five- or six-member council form of government, where the council could appoint a city manager if desired and vest them with whatever responsibilities the council deemed appropriate. It was in that spirit that the city manager by statute section of the code disappeared. There was the assumption that the creation of this five- or six-member council gave sufficient latitude to give a city manager all of the responsibilities of administrative authority, or to limit that authority according to the will of the elected body. The assumption was not that the role of city manager would change, but that it could change if the council as a body were to choose to change it.

Mr. Stocks said the mayors they spoke to with the Council/Manager form of government said Orem should not make the mayoral position full-time unless the form of government were reconsidered. He said that in West Jordan, where the former mayor advocated for a full-time position and the new mayor came into a full-time position, both mayors indicated that they would not do that again. He said that, basically, they wished they had not made the change or that they would not do it again.

Mr. Stocks reviewed the questions they asked council members present and former and provided a narrative of the findings in the report. Mr. Stocks said the distinction of full-time and part-time for elected officials in the Council/Manager form of government were not necessarily based on the number of hours worked. They felt full-time was classified more as employment, and part-time was more public service. He said the decision of how much time to spend was up to each individual. He said that, whether the position were classified as full-time or part-time, the person could spend every hour of every day doing something related to the position.

Mr. Stocks said the majority of former and current council members suggested that the time demands on the mayor have remained about the same, except for the need to represent the city at outside activities. They said that more of those activities seemed to be happening now than in the past. Mr. Stocks observed that the amount of time the mayor spent on these activities varied with the desires and operating style of the individual. He said that all the mayors chose their priorities, and that effective prioritization and delegation were the keys to effectively working within time constraints. The respondents said it was important that some responsibilities for representing the city should remain with the mayor; that there were critical things where the mayor should be there. They said it was also critical for the mayor to build relationships with others so he/she could lobby and leverage influence for Orem at critical decision-making times. Some responsibilities, particularly those of a ceremonial nature, could be delegated to council members as appropriate.

Mr. Stokes said that the time demands on the mayor seemed to be about three times that of the demands on the council. He said that a change in the role classification of the mayor without a change in the form of government could create a perceived increase of mayoral administrative responsibilities that would not be possible per state code.

Mr. Stocks said that the recommendations of the committee were:

- Acknowledge the increased demand on and importance of the role of the mayor in representing the City on various local, regional and state commissions, and with the state legislature.
- Recognize the designation of full-time and part-time for elected officials was not based on the number of hours spent but reflected the type of service focus of the position.
- Establish and implement a process to prioritize time demands and allocate assignments.
- The legislative leadership of the Orem City Council and Mayor should continue to be classified as part-time public service.

Mr. Stocks said the local, regional, and national data they collected showed a stronger correlation between city manager compensation and population than between mayoral compensation to population in the region. Most Utah cities were above average for mayor and city council compensation compared to the region. The committee's recommendations were for the Mayor's compensation to increase from two times to three times that of the City Council, and for the City Council to receive a modest increase in their compensation as well. The City Manager should have a range established that reflected experience, performance and local/regional comparisons.

Mr. Macdonald said he spoke to a council member from a different city who was part of their city's compensation committee. He wondered if that was a common practice. Mr. Stocks said some cities had compensation committees that were comprised of outside sources and perhaps one or two council members may be assigned to that committee for a time.

Mr. Stocks said the committee's recommendation was that any change to compensation should be done at the end of a term, not mid-term. Mr. Macdonald asked how that could be done for the council, since the terms were staggered. Mr. Stocks said that was just the suggestion from the committee, but ultimately the Council would decide if and when to implement any changes.

Mr. Stocks said their suggestions for the interplay of roles were as follows:

- Set clear agreements to be set on accountability for communication, collaboration and recognition between the City Council, Mayor and City Manager, and acknowledge the effort of all when representing the city, interacting with others, recognizing and receiving recognition for accomplishments and challenges, etc.
- Encourage all to be fully engaged and pro-active in the discovery and self-education of issues facing the city. Multiple options or views on issues being considered should be presented and sufficient time for study and discussion prior to decision-making should be provided.
- Utilize the talents and insights of all by effective delegation and assumption of responsibility. Consider setting regular times for allocating assignments and reporting actions taken.
- Review the city strategic plan of Orem and utilize this to focus and coordinate efforts.
- Recognize that the Mayor, City Council, City Manager and staff all work for the citizens of Orem. Differing views are valuable and should be encouraged. The ability to work together should be fostered.

Mr. Andersen said he was surprised that all of the mayors they spoke to strongly said not to make the mayor position full-time unless the form of government was changed. He wondered what their reasons were. Mr. Stocks said one reason they shared was that it was hard for someone who was there full-time not get involved in administrative duties. That was the comment they heard most often.

Mr. Seastrand clarified that a full-time mayor created confusion between the distinction of roles of mayor and city manager.

Mr. Seastrand asked if all three of the committee members came to the same conclusions for their recommendations. Mr. Stocks said overall they did come to the same conclusions. They did not discuss their conclusions until they were compiling the report.

Ms. Gowans said they had many discussions and many opinions were expressed between the three committee members. She said it really was a collective learning experience where each committee member came to the same conclusions individually.

Mr. Sumner asked if West Jordan downsized any staff after the mayor went full-time. Mr. Stocks said to his knowledge they had not.

Ms. Gowans said that if the mayor, council and city manager were not on the same page, and if there was no clear communication about the roles and responsibilities each would have then it would cause problems down the road.

Ms. Millett said statutorily the roles were defined for each position in Orem's form of government.

Mr. Andersen asked the committee to clarify if their recommendation was that the mayor's compensation be increased from two times to three times that of the council, and that the position be made full-time. Mr. Stocks said they recommended that the position stay part-time but to increase the compensation.

Ms. Gowans said there was an algorithm Orem used for mayoral compensation which was consistent with other cities, which was two times what the council received. In looking at the increased time commitment for the Mayor, the committee's recommendation was to change that algorithm from two times to three times Council's compensation.

Mrs. Black reiterated that the recommendation was to leave the mayoral position as part-time, but to increase the compensation. She also clarified that the recommendation was to make changes at the end of a term. Ms. Gowans said that was correct, but the decision of amounts increased and when to implement was up to the Council.

Mr. Macdonald said through the presentation he learned that the distinction of full-time and part-time was more than just hourly compensation. He said public service was unique because the thought was, "I've never been paid so much for volunteer service, and on the other hand, I've never worked for so little." It was a privilege and a challenge. He said these were difficult issues to discuss and the premise of public service was that these kinds of discussions were always in the public eye. He said what he appreciated about the committee's work was their uniform recommendations and the cooperative nature of their service as volunteers. He felt he could learn from their example.

Bob Wright, resident, said state law was specific about the mayoral compensation being two times that of the council, and asked where they had the authority to change that.

Mr. Stocks said they did not find that in State Code. He thought it may have been specific policy for Orem, but it was not in the State Code.

Mayor Brunst appreciated their service. He said from the perspective of a sitting mayor, he felt that when the mayor was "at the table", good things could happen.

Mr. Seastrand thanked the committee for their service, their methodical approach and their cooperation. He said he did not know how prevalent this form of government was throughout the country, and he appreciated learning that.

Mr. Andersen asked what the three committee members had learned throughout their process.

Ms. Gowans said she did not know anything about Orem's form of government going in, but learned a great deal through the process. She learned there were common issues with someone learning what their role was, how to be effective in that role and to support others. She said the political aspect of their roles would make working together difficult, but she thought it was possible for them to do so.

Ms. Millett said she was surprised at how much she had to learn about the form of government. One of the mayors she had interviewed in her process made a comment about how people expected government to run like a private business, but that could not work because there would not be the checks and balances that were needed for government. She had learned to appreciate that aspect of government.

Mr. Stocks said it had been a fascinating process. The thing he had learned most of all was that there were very good people trying to do the best as they saw it. There were differences in how they saw it, which was good so long as they were able to work together. Everyone he spoke with from the City was professional and interested in what was best for Orem.

Mayor Brunst said one of the Council's identified goals for the year was to build harmony within the Council. He said there were areas of disagreement, but for the most part the Council did their best to work together. He appreciated Mr. Davidson and city staff for all they did.

UPDATE – Utility Open Houses

Mr. Tschirki presented an update on the Utility Master Plans. He said a website was launched in July to share information about Master Plans. The website was utilities.orem.org, and it was updated regularly in an effort to present the most current information available. There were two videos on the site that were to educate the public on the process as well as what was being recommended. He said approximately 22,000 fliers were mailed in July to residents, which included basic information of comparisons to other cities as well as where Orem was in this process. He said there had been two open houses, with eighty-one residents in attendance at the first and fifty residents in attendance at the second, where people could learn more about the proposals. From those open houses they had received public comments, which they planned to make available on the website. He said there was mixed feedback, with some people stating some of their concerns and others sharing their support for the proposals.

Mr. Tschirki said the Council would go on a tour in the next Council meeting on September 22, 2015, to the Alta Springs water facility as well as the Canyon Springs facility that was under construction in the Mt. Timpanogos Park. He reviewed the schedule of the tour and encouraged those who would be attending to outfit appropriately.

Mrs. Black asked about the road to the Alta Springs facility. Mr. Tschirki said the road had been widened and was safer than it had been in the past.

Mr. Tschirki said there was an update for the Sewer Base Rate report. They had been studying that issue and looking at how to implement that more fairly citywide. He said they hired an intern who had provided valuable information and had spent a lot of time gathering data regarding utility billing. Mr. Tschirki said the City currently billed by physical connection to the sewer, not by door or unit. He said they hoped to apply the rate per door or unit to make it more fair and equitable across the city.

Mr. Andersen said he had visited a single man who lived in a condo and only used 2,000 gallons of water a month. Mr. Tschirki said the right to connect was \$9.32 regardless of usage; the usage was what determined the production fee, which was \$1.42 per 1,000 gallons. So that particular man would pay the connection rate of \$9.32 and the production rate of \$1.42 x 2 for the 2,000 gallons.

Mr. Tschirki said in their financial model the estimate for what this change would generate was approximately \$500,000. In the Sewer Base Rate Study done by Lewis, Young, Robertson and Burningham, Inc. (Lewis and Young), they had applied the rate assuming it would be adopted. The results of the study indicated that amount may be underestimated, and could be as high as about \$1 million dollars. With that, rates would not need to go up as much. He said they would

present a final report and financial study to the Council in about a month. He said the rates that were being recommended were based on the \$500,000 assumption that the City was losing today as a result of subsidizing those who were not paying a connection rate per door or unit.

Mrs. Black clarified that applying the rate to every door was what made the difference in that amount. Mr. Tschirki said that was the case.

Mr. Sumner asked about how that would be applied for businesses. Mr. Tschirki said there was a component for non-residential that was based on the American Water Works Association (AWWA) industry standard multiplier. It would be calculated a little bit differently, but took all non-residential units into account. Mixed-used components were slightly different as well.

Mayor Brunst asked to clarify if this change in sewer base rate would bring in an additional \$1 million to the City. Mr. Tschirki said the report from Lewis and Young calculated the amount to be much higher than the initial conservative estimate.

Mrs. Black asked if their final report would include a recommendation for rates. Mr. Tschirki said it would.

Mayor Brunst asked about smart meters and asked for some clarification on why the city would consider those.

Mr. Tschirki said if the City made a change to smart meters, about 90 percent of the cost would be the physical meter and the installation. They were looking to do an RFP for better details on cost for unit and installation. He said more than half of Orem's water meters were over 40 years old, and industry standard timeline for replacement was around 20 or 30 years. He said the City was getting about 90 percent of its due revenues, but there were outliers where some people were paying more than they should and others less. He said replacing the meters would provide more accurate readings.

Mrs. Black said she had a smart meter on her home and she personally saved hundreds of dollars when her smart meter detected a leak and staff recognized the leak and responded.

Mr. Tschirki said staff would have access to all the data and have the capability of noticing leaks like that. He said it was hard to go through non-electronic data for thousands of accounts. He said they could look at accounts with a base-line flow and recognize leaks based on anomalies. The leak could be with the sprinklers or plumbing, etc. They had about 20 smart meters in place currently.

Mr. Macdonald said 20 accounts were easier to review than 29,000. He asked the probability of such a leak being detected by staff, and if there was an alert consumers could receive. Mr. Tschirki said there was a smart alert app for consumers to check for leaks, see their consumption numbers, make adjustments, etc. He said there was a smart alert for staff as well, so he anticipated they would catch those leaks.

Mayor Brunst asked if the projected savings of using said figuring might save 300,000 gallons of water a year. Mr. Tschirki said he anticipated even more savings than that. He said smart meters had backflow detection, which was important from a water-quality standpoint. Having accurate

and current data that consumers had access to put the power in their hands with respect to their consumption. The Governor's office had identified water conservation as a key issue in his "Prepare60" plan, and had highly recommended the use of smart meters for consumer awareness.

Mr. Davidson asked if there was data that suggested a correlation between this technology and water conservation. Mr. Winterton said he regularly spoke to water managers in other areas, and each had indicated about 10 percent conservation. He did not have a documented statistic, but when dealing with billions of gallons a year 10 percent was a big deal.

Mr. Downs said an article in The Wall Street Journal titled, "Water Meters Begin to Get Smarter", referred to Park City's use of smart meters. He said the article said Park City was on track to meet a statewide goal of reducing water use per person 25 percent from their year 2000 level by 2025.

Bob Wright, resident, said the city installed a smart meter without his request, and he wondered how long he would have to pay for that. Mayor Brunst clarified that Mr. Wright was not paying for the meter, but was paying for the utility services and consumptions.

Mr. Sumner asked about the per-door rate and how it would apply to illegal accessory apartments. Mr. Tschirki said when they were reported, they could be included. Any known accessory apartment would be considered a separate door.

Mr. Bell said the city had close to 1,000 legal accessory apartments.

DISCUSSION – Dog Park Locations

Mr. Hirst said he had spoken to many citizens about a dog park for many years. He said they had identified a budget in July. He said that two weeks ago the subject of where to put the park was introduced to the Council. He knew it would be a difficult process, there was no perfect site and there would be some compromise. He said they were looking for some guidance from the Council.

Boyce Campbell, principal at Cascade Elementary, said Orem schools had beautiful parks next to the schools. He said there were benefits and headaches with those placements. He said he had been contacted by many residents about locating the dog park near Cascade. He said there were concerns about where the school ended and where the park began. He said that, as the principal, he was always looking for who was in the park and what brought them there. He said he used to live near the Provo dog park. He noted that the amount of people and traffic there was alarming and he thought it would be high in Orem as well. He acknowledged that dog owners were really responsible, but there were some less responsible owners that could cause some issues. He felt that parking and unknown persons were concerns, as was having a dog park near any school for the same reasons.

Shawna Howell, resident, said she lived in the Cascade neighborhood and was opposed to the dog park at Cascade. She said she had concerns about a dog park next to any elementary school. She said there were children who were afraid of dogs; there were parking problems; the playground would need to be passed to reach the dog park; etc. She said that when they needed to rebuild the school it would be even closer. There were concerns about things being removed from the park.

Another resident said she lived across the street. She said the dog park would require taking out the volleyball court.

Mr. Hirst said he had heard those issues, as well as that a lot of people were afraid of dogs. He said he had not realized how prevalent that fear was. He said people had told him they would not take their children to a park if the dog park were there.

Mr. Davidson thanked Mr. Hirst for his research and all he had done. He said the City and the Alpine School District had worked closely to align park acreage with the schools. He said schools used the parks, and the City did as well. He said that many of the parks and schools in the community abutted each other. He said he had asked Mr. Hirst to continue exploring the possibilities for placement of the dog park.

Mr. Andersen asked how many parks were not next to schools. Mr. Hirst said there were two smaller neighborhood parks, Spring Water and Bonneville; and the larger regional parks, such as Nielson's Grove, Timpanogos, Lakeside Sports Park, City Center and Palisades.

Mrs. Black asked if the dog park would be fenced. Mr. Hirst said it would. He said that Windsor Park was the farthest away from a school, of those parks connected to schools.

Mr. Davidson said there were also different uses for different parks, such as ballfields. He said that was why the study effort was so important.

Mrs. Black asked where the Provo dog park was located.

Mr. Hirst said it was not close to a school, but it was heavily treed and backed up to residences. He said it was at Centennial Park, about 1400 South and 1300 East, almost to Springville, near the cemetery.

Mayor Brunst said people would love to have it at Bonneville. Mr. Hirst said that location had some advantages. They could potentially build a large park, depending on the response of the neighbors. He said it had the least amount of elementary and junior high school kids passing it. He said installing a drinking fountain would be tricky, since it was a submersible area, but there were some nice advantages there. He suggested that the neighbors be contacted and asked for their input.

Mr. Macdonald said he liked that location and asked if there were other recommendations. Mr. Hirst said he was looking for guidance. He said they were also looking at Palisades and Spring Water.

Mayor Brunst said Palisades would be busy with other activities, including the splash pad, tennis, and soccer.

Mr. Hirst said he would reach out to the Bonneville neighborhood and look for the feedback.

Mr. Seastrand asked if there was any undeveloped land the City could develop as a new park. Mr. Hirst said there was a piece at about 1350/1400 South and 360 West that had some topography issues and a canal.

Mayor Brunst said that developing raw ground was more expensive, but that was still an option.

Mr. Seastrand asked about possibilities for a collaborative effort with Lindon. Mr. Davidson said there were four or five specific conversations with other cities. He said that Provo's interest was contingent on the development of a water tank, and they were looking for a very large investment, which was a deal-breaker for Orem.

Bob Wright, resident, said he lived near Bonneville Park. He said he did not want the baseball field taken away at Bonneville. He asked about the north end of Scera Park.

Mrs. Crozier said they initially looked at Scera Park, but there were concerns brought forth by the Arts Council as they had been developing the Arts District overlay zone. She said they were certainly open to looking at all possibilities. Mr. Davidson said Scera Park had a school, a pool, the SCERA, Center for the Arts, Frisbee golf, and adding one more piece to that would make it unmanageable.

5:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

CONDUCTING

Mayor Richard F. Brunst

ELECTED OFFICIALS

Councilmembers Hans Andersen, Margaret Black, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner

APPOINTED STAFF

Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Greg Stephens, City Attorney; Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Karl Hirst, Recreation Director; Chris Tschirki, Public Works Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Ryan Clark, Economic Development Division Manager; Neal Winterton, Water Division Manager; Reed Price, Maintenance Division Manager; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder

Preview Upcoming Agenda Items

Staff presented a preview of upcoming agenda items.

Agenda Review

The City Council and staff reviewed the items on the agenda.

City Council New Business

There was no City Council new business.

The Council adjourned at 5:52 p.m. to the City Council Chambers for the regular meeting.

6:00 P.M. REGULAR SESSION – COUNCIL CHAMBERS

CONDUCTING

Mayor Richard F. Brunst

ELECTED OFFICIALS

Councilmembers Hans Andersen, Margaret Black, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner

APPOINTED STAFF

Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Greg Stephens, City Attorney; Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Karl Hirst, Recreation Director; Chris Tschirki, Public Works Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Ryan Clark, Economic Development Division Manager; Reed Price, Maintenance Division Manager; Brandon Stocksdale, Long Range Planner; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder

INVOCATION /

INSPIRATIONAL THOUGHT

Will Fowlke

PLEDGE OF ALLEGIANCE

David Ninow

APPROVAL OF MINUTES

Mr. Macdonald **moved** to approve the July 28, 2015, City Council meeting minutes. Mrs. Black **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

Mr. Macdonald **moved** to approve the August 26, 2015, Joint City Council/Alpine School District meeting minutes. Mrs. Black **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

MAYOR’S REPORT/ITEMS REFERRED BY COUNCIL

Upcoming Events

The Mayor referred the Council to the upcoming events listed in the agenda packet.

Appointments to Boards and Commissions

Mr. Andersen **moved** to appoint Norman Tong to the Heritage Advisory Commission. Mr. Seastrand **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

Mr. Andersen **moved** to reappoint Bill Hoops to the Recreation Advisory Commission. Mr. Seastrand **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

Recognition of New Neighborhoods in Action Officers

There were no new neighborhood officers recognized.

CITY MANAGER'S APPOINTMENTS

Appointments to Boards and Commissions

There were no appointments to boards and commissions.

PERSONAL APPEARANCES

Time was allotted for the public to express their ideas, concerns, and comments on items not on the agenda. Those wishing to speak should have signed in prior to the meeting, and comments were limited to three minutes or less.

David Huntbach, resident, wanted to address the possible location of the dog park near Cascade elementary school. He shared an anecdote about a dog park in New York where a large dog was able to jump the fence of the dog park easily. He did not think it was a matter of if a dog would get out, but when. He did not think it was a good idea to put a dog park next to a location where children would play loudly. He did not think it was a good idea to put a dog park next to an elementary school.

Randy Hunter, resident of Lindon, said the problem he had involved Orem storm water. He said there were streets and cul-de-sacs that accommodated about 87 homes from 800 West to 1030 West, and from 1650 North to about 1800 North, and they all drained to the border of Orem. He said the storm water had nowhere to go, and it ended up in his basement. He would like the problem resolved, because if it has happened once it would likely happen again. He said Orem paid for the problem when it happened, but that now the City's insurance adjuster had told him that the Cities had no responsibility for storm water. He felt the City had an obligation to take care of the problem in front of his house.

CONSENT ITEMS

There were no Consent Items.

SCHEDULED ITEMS

RESOLUTION – Authorizing the Mayor to execute an agreement with Utility Service Partners Private Label Inc. d/b/a/ Service Line Warranties of America (SLWA) to educate and market its services to residential property owners within the City of Orem

Mr. Downs, Assistant to the City Manager, recommended that the City Council, by resolution, authorize the Mayor to sign the agreement with SLWA.

Residential property owners within the City called the City weekly asking for repairs to the water or sewer lines that provided service to their homes, only to find out that it was their responsibility to pay for the repairs. Often these repairs could cost thousands of dollars. The City was making an effort to be proactive in educating residential property owners about this responsibility, and to provide them with an optional solution that could help them mitigate the risk of a line breaking and/or leaking.

In April, 2015, the City requested proposals from organizations that would consider partnering with the City in an effort to educate and offer a solution to residential property owners regarding their responsibility for the water and sewer lateral lines to their homes. The City received three proposals. After reviewing the proposals, the City determined that SLWA offered a superior product at the lowest price.

The proposed agreement between the City and SLWA grants to SLWA a non-exclusive license to use the City's name and logo on letterhead, bills, and marketing materials that will be sent to residential property owners within the City educating them about their rights and responsibilities for the sewer and water lateral lines servicing their properties as well as offering for sale warranties and other products related to the repair and maintenance of sewer and water lateral lines that service their properties

Mr. Downs said that each week the City received phone calls about their utilities and often they learned that that part of the connection was their responsibility. He said it was a difficult time to educate them was when they had a break. The intent of the program was to introduce property owners to their responsibilities. It did not prevent other companies to market their services, but it was a partnership to help educate residents. It was 100 percent optional.

Mr. Downs said that SLWA was endorsed by the National League of Cities and had an A+ rating with the Better Business Bureau. He said they were chosen because of their experience, the price, and the service they offered. He said the partnership would allow SLWA to market two times per year through direct mailing, using the City's logo and a signature from a City official to ensure that it was a legitimate partnership. He said all materials would be approved by the City prior to the mailings and all products offered would be 100% optional, which would be clearly stated in the materials. All materials would educate property owners as to their responsibilities between the street and the home.

Mr. Downs said that the amounts for coverage were fixed and could be paid monthly or yearly and had no deductibles or caps. He said that if residents had galvanized water lines, the replacement would be plastic to limit the possibility of future breaks. He said all contracts were

month-to-month and would be directly between SLWA and the home owner and SLWA would handle all phone calls and complaints. He said that SLWA would use local, licensed contractors, who would contact the home owner within 30 minutes of the report of the problem.

Mr. Downs said the next step was to formally enter into agreement, and then the City would provide information regarding the partnership on the City website.

Mr. Andersen said it mentioned a non-exclusive license and asked what that meant.

Mr. Downs said SLWA would have the license to use Orem's logo on their marketing materials so that it was clear to the public that this was a legitimate partnership. He said "non-exclusive" just meant that other people also had access to the City's logo.

Mr. Andersen asked if the other two companies who had made proposals could have access to the addresses of property owners in the city. Mr. Downs said they already had the ability to market to anyone in the city, but it would not be under this partnership.

Mr. Stephens said SLWA would have a non-exclusive right to use the logo, but the exclusive right to use it for this purpose. He said that any other company could come in and provide that service, they just could not do it under the City logo. The agreement included a clause that City could not enter into a similar contract with a competitor during the term of the contract.

Mr. Sumner asked if the City would give utility information to this company. Mr. Downs said only public information would be available and it would be the property owner who was contacted, not necessarily the utility account owner. Mr. Sumner asked if the company could re-sell his information. Mr. Downs said the contract excluded the sale of information, and other cities that had similar contracts with SLWA had not had any such problems.

Mr. Sumner said that, with a third party, some residents would not be treated fairly.

Mr. Downs said that if there were unfair practices the City would end the agreement and disallow the privileges. He said that a company would be more inclined to treat people fairly when they were involved in this type of contract with a city. He said that SLWA had about a .04 percent denial rate, whereas a company that marketed on-on-one might have a denial rate closer to 40 percent. He said that, in this type of situation, the company would protect the partnership.

Mr. Macdonald said there was a responsibility on the end of the resident for their utility lines and this was an opportunity for residents to buy insurance. He reiterated that this was not a requirement. He felt many people did not know of this responsibility and the City should alert people.

Mr. Macdonald **moved**, by resolution, to authorize the Mayor to execute an agreement with Utility Service Partners Private Label Inc. d/b/a/ Service Line Warranties of America (SLWA) to educate and market its services to residential property owners within the City of Orem. Mr. Seastrand **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer. Those voting nay: Hans Andersen, Brent Sumner. The motion **passed, 5-2**.

RESOLUTION – Authorizing the Mayor to Enter into an Interlocal Agreement with Utah County for the joint administration of the Municipal General Election and the Utah County Special Election on November 3, 2015 and to Designate One Election Day Voting Center

Mr. Davidson reported that the Interlocal Agreement, which was the responsibility of Utah County, was not yet completed and so he asked that the matter be continued.

Mrs. Black **moved** to continue the matter of the Interlocal Agreement with Utah County. Mr. Macdonald **seconded** the motion. The motion **passed** unanimously.

CONTINUED ITEM – PD-45 – 12x12 NW Crossing – 1187 North 1200 West – Proposed Jive Location

ORDINANCE – Enacting Section 22-11-58 (PD-45 zone) and Appendix MM, and amending Section 22-5-1 and Section 22-5-3(A) and the zoning map of Orem City to change the zone on 4.77 acres generally at 1187 North 1200 West from the Highway Services (HS) zone to the PD-45 zone

Mr. Macdonald recused himself from the discussion and vote.

This item was continued from the August 25, 2015 City Council meeting to allow neighbors to meet with the developers on neighborhood concerns. The applicant would like to construct a new development consisting of two 140 foot tall office buildings on the west side of 1200 West at 1187 North 1200 West. In order to allow this type of development, the applicant requested that the City Council approve the creation of the PD-45 zone.

The proposed PD-45 zone would incorporate most of the standards of the HS zone (which is the current zoning on the subject property) with a few modifications. For example, the PD-45 zone would allow a building height of 180 feet whereas the HS zone only allowed a building height of 60 feet. The PD-45 zone would also expand the list of acceptable exterior finishing materials to include stone, glass, fiber, reinforced concrete, composite metal panel and architectural formed concrete. Lastly, the PD-45 zone would require three accesses from 1200 West to meet the needs of this particular property. All other development standards would be the same as the HS zone.

The applicant's concept plan showed underground parking in both buildings. The concept plan also required a six (6) foot sidewalk buffered by an eight foot landscaped strip along the length of the applicant's property.

As part of this project, 1200 West would be widened to five lanes from 1200 North to the southern boundary of the subject property. Although the full five lanes would be paved in this area, only three lanes would be striped until traffic levels justified the need for all five lanes. Longer term, it was anticipated that 1200 West would be widened to five lanes between 800 North and 1600 North as funding allowed or as re-development occurred.

A neighborhood meeting was held on May 7, 2015. Fourteen people were in attendance including the applicants and City staff. Those in attendance brought up concerns regarding traffic and improvements on 1200 West to accommodate the additional traffic as well as making sure there was adequate parking on site.

Mr. Clark gave a staff background presentation on the item from an economic development point of view. He reported that Orem was the second most densely populated city in Utah and the most densely populated city in Utah County. He said that, as of December 2014, with only 12 percent of parcels within the city vacant, the city was reaching a full build-out condition and further development would take place through redevelopment. He said that the in Economic Development Strategic Plan, adopted by the Council in February of 2015, the #1 goal was to increase the sustainability of the city's tax base through increased property values. Relying solely on sales tax revenue meant that the City was subject to the peaks and valleys of the economy for tax revenue. Rather than raise property taxes, he said it was important to work to improve property values through the development of high quality office space. He reported that Orem's assessed values were growing slower than other cities which had ample green fields for new development.

Mr. Clark said that the City could generate tax revenues from office space that were comparable to retail sales tax. The Canyon Park Technology Center generated almost as much in property taxes as University Mall generated in sales tax. The EDSP reported that the City should facilitate the development of Class A office space to attract and retain the high paying jobs in Utah's fast-growing technology field. It reported that information technology jobs paid 1.8 times the average wage plus similar investments in infrastructure. He said the employer in question developed software applications and thus fit into the EDSP.

Mr. Clark said the City worked to attract primary employers – those where the majority of their products and services were exported out of the region, thus infusing new money into the local economy and creating local jobs. He reported that three such employers had recently left Orem, but Jive started in Orem, provided primary jobs, and wanted to stay. These jobs then supported secondary jobs in the retail industry.

Mr. Clark said, according to a press release from the Governor's Office of Economic Development, dated February 13, 2014, Jive had grown by more than 100 percent annually in the previous three years and were projected to create 570 primary jobs in the next five years. He said the Jive employees earned at least 125 percent of the Utah County average wage and the company was expected to pay over \$130 million in wages in the next five years. He said this money trickled down into the local economy.

Mr. Clark said Jive was a leader in their industry and had recently been awarded the Frost & Sullivan Best Practices Award. He suggested that Jive was not small time but was a large player in their market. Jive received an incentive from GOED to remain in Utah, as they were being recruited by other states. He said that there was a local incentive required with the state incentive, but it did not have to be a direct dollar value to Jive. Instead, the City would provide the road improvements and right-of-way purchase, which would cost the City about \$553,000. He said that Jive would be leasing the building, so if they left, the City could backfill the class A office space with other companies.

Mr. Clark addressed the question of why the City would incentivize a large business. He discussed several small businesses and how Orem City was helping them. They were Drop Note, Creative Media Group, Pura Scents, Dairy Queen, and Culvers. He reiterated that the City did not help just big businesses, but small businesses as well.

Mr. Clark said that the biggest reason Jive wanted to be at this location was as an advertisement to recruit employees. He said that recruiting software engineers was a challenge in this economy. This project also gave Orem an identity on I-15 and could be catalyst to redevelop the I-15 corridor. He said the project fell in line with long-term planning and node development and added an additional employment component near the Northgate community.

Mr. Sumner asked about the property tax valuation in the area. Mr. Clark said that the area currently generated \$1,543 per acre. He said that for every \$10 million assessed value that went into that area, the City would receive \$16,520. He said that, overall, the school district would receive \$81,000 for a total property tax of \$114,000 off of a \$10 million valuation. He estimated that the project was a \$17 million valuation.

Mr. Seastrand asked if he could show the overlay with the surrounding area. Mr. Bench clarified that the Security Metrics 85 feet to the top. He said the other proposed project on the overlay would be about 58 feet. Mr. Bench said the maximum height in the Williams Farm area across the freeway would be 125 feet with a 30 foot window for mechanical on top. He said Northgate allowed a 96 foot building.

Mr. Bench reviewed the location of the property and the site plan. The proposed property was a 140 foot building with surface parking and one level of underground parking and nine stories of office building. The second phase would have a mirror image second building. The Council removed the option for high-density residential in the area on May 12, 2015, with the intent to encourage office space developments. This would tie in with access to I-15 and the proximity to the restaurants and shops of Northgate. Mr. Bench shared a map showing a cross section of city elevations, west to east in the area. As people went further east they would not be able to see the proposed Jive building because of the change in elevation.

Mr. Seastrand asked about a tall power pole in the cross section. Mr. Bench said it was approximately 80 feet.

Mr. Bench showed a map of zoning height maximums that had previously been approved by the Council, including University Downs and the Hampton Inn. He said that Orem Community Hospital was 84 feet; Midtown was 96 feet at the base and approved up to 111 feet; University Mall had height of 180 feet. He said this was not an unusual request and was done through PD zones. He referred to all the technology high-rises that were being built along the I-15 corridor including in Lehi, Murray and Sandy. He said this was the trend these high tech companies wanted for visibility and for access; some were near residential areas.

Mr. Spencer asked about Jordan Commons. Mr. Bench said it was 148 feet.

Mayor Brunst said the new wing of the IHC hospital in Provo would go to 212 feet and it was fronted by homes on two sides. He said the Novell building was 135 feet, NuSkin was 132 feet, and the Kimball Tower at BYU was 165 feet.

Mr. Andersen asked how many employees would be in the three buildings. Mr. Bench said up to 500 employees in the first building. He said this plan accounted for only two buildings. He said

if they added a third building they would have to come back to the Council for approval. They projected approximately 1,200 employees, total.

Mr. Andersen asked about the traffic from the parking lots. Mr. Rondo Fehlberg, the developer, said Mr. Goodrich would address the parking issue later in the presentation. He said that two buildings were in a concept plan and they were only requesting permission to build the one building currently. He said they hoped to create the kind of environment to allow for such buildings. They could not justify full development of 1200 West, in accordance with Orem City guidelines, until the second or potentially third building were built out. He said that they were nowhere near the employee levels of the Canyon View Technology Center was at 1600 North and 800 East and they only had a two lane road with a turn lane.

Mr. Goodrich spoke to the nature of 1200 West. Many years ago it was classified as a minor arterial street with future needs to expand to a potential five lanes. Other minor arterial streets included 1600 North, 800 East, and 400 North west of State Street. None had been widened yet, and they would get there once the traffic volumes warranted the need for the five lanes. He said the future five lanes on 1200 West would be spurred by future growth, not the Jive project. If the project were approved, the goal would be to have 1200 West wide enough to stripe it for five lanes but initially to stripe it for three lanes with generous shoulders.

Mr. Goodrich said the standard practice in Orem had been to acquire right-of-way and install improvements as development occurred. He said that if Jive were approved it would be time to widen it now and re-stripe to five lanes later.

Mr. Goodrich discussed the traffic patterns at Canyon Park Technology Center. He said they ranged from 13,000 to 15,000 vehicles per day, with volumes increasing on 1600 North toward the west, with 22,000 near 1200 West. He said that on 800 East the volume was 9,700, approaching 15,000 vehicles per day closer to the elementary school.

Mayor Brunst pointed out that there were four schools near Canyon Park, as well as a lot of residences.

Mr. Goodrich compared the Canyon Park numbers with current numbers along 1200 West and 1200 North. He said that projections were that 47 percent of the traffic from the new Jive building would go to the north and 45 percent would go to the south. Some of the traffic, approximately 5 cars per hour, would go east. There would be peak times.

Mrs. Black was asked about an average of how many cars per hour, since this building would be a 24-hour building. Mr. Fehlberg said it was flexible time, but not 24-hours. They would spread out the 8-hour work day from 7:00 a.m. to 6:00 p.m. Mrs. Black asked for clarification on the previously mentioned peak hours. Mr. Goodrich said the national average would show 178 exiting the site at the peak evening hour, but it could be less than the national average because of the flexible scheduling. Mrs. Black asked how office buildings compared to retail buildings, in terms of traffic. Mr. Goodrich said office had a higher peak hour, while retail had a peak but it was flatter. He said the flexible time would flatten the peak in the office building.

Mr. Seastrand asked how these numbers were obtained. Mr. Goodrich said they had traffic counts done all over the city on a regular basis. He said the quoted numbers came from a traffic count last May before the school was out. The numbers were actual counts, not estimates.

Mr. Seastrand asked how much more traffic they would anticipate per day if they were adding 500 employees. Mr. Goodrich said the calculations they made were off the square footage of the building and the results were as shown. He said they studied 1200 West from 1600 North to 800 North. Mr. Goodrich said the biggest problem in the study area was at the 1600 North and 1200 West, where they needed to fix the intersection. He said the City had some MAG funding to widen the intersection in about two years. He said things could be done immediately with re-striping and then fix other problems in the future with federal funding.

Mr. Seastrand asked what the traffic had to be to trigger the striping to five lanes. Mr. Goodrich said it was a combination of the different friction factors on the street, such as number of driveways; number of intersections; peak hour factors; whether or not there was a continuous left turn lane; and how right turns were negotiated. He said there was not a magic number. Close to where the road needs to be worked by. He said that the intersection of 1600 North and 1200 West was at a failure level and had federal funding available now to fix it. Mr. Goodrich said that at 1200 North and 1200 West there would need to be a traffic signal in the future. He said they were talking about putting in the conduits and wiring now, along with the widening of the street, so when it reached the necessary level they could put in the signal.

Mr. Seastrand asked how it was determined how many cars would likely go north, south or east. Mr. Goodrich said in traffic modeling they looked at higher volume traffics. He said they looked at the I-15 interchanges because not all of the employees would live in Orem, and even those who did would be going to the larger streets. He said there was already a plan to widen 1600 North because it already met the warrants to get federal funding Part of the money was for a study on what was the least impactful way to achieve the widening, balanced with the costs.

Mr. Goodrich said 1600 North would be the priority for expansion. The Jive building would not require the road at 1200 West to be widened. If they eliminated parking the west side of the road, they could restripe for three lanes to give better capacity during high, peak hours.

Mr. Andersen said he thought 800 East was wider. Mr. Goodrich said they were widened years ago and had three lanes with shoulders for parking. Mr. Andersen asked what it would cost to widen 1200 West going both directions, four blocks. Mr. Goodrich said it was shorter to widen down to 800 North, as it was already widened past the hotels. He reiterated that, whether or not the Jive project was approved, the widening of 1200 West was already on the transportation master plan. Mr. Goodrich said the costs varied too much due to zoning and other factors, and he did not have a total cost for the project.

Mrs. Black asked if currently, even with this project, the road as it was now could carry that capacity. Mr. Goodrich confirmed that Hales Engineering looked to see if a three lane road would handle the Jive project and it would. The master plan for many years had been to expand 1200 West when the traffic volume justified that expansion. He said the traffic volume would not come with the Jive building.

Mayor Brunst said there was no sidewalk where the Miller Ski building was. Mr. Goodrich said

there were ways to restripe 1200 West just with paint costs only, to get to three lanes. Where the three lanes would be needed the most would be right in front of the proposed building and its three entrances.

Mr. Andersen asked if the widening would go along the west. Mr. Goodrich said that was what was proposed along the Jive building. He said there were several options going northbound when there were higher traffic volumes. The City could get the federal funding to do the studies and find the best way to do the actual widening.

Mr. Spencer asked what a traffic signal would cost. Mr. Goodrich said it would be approximately \$125-\$150,000 dollars. He reiterated that it would only be built when traffic levels warranted it. With the Jive proposal, that level would probably be reached when the second building was completed, but it could be completed sooner if needed.

Mr. Spencer asked if the part of the federal money for 1600 North could be used for the traffic signal. Mr. Goodrich said the federal funding would have to be used for the design study and for the widening of 1600 North.

Mayor Brunst opened the floor for public input from five people who were against the project and five who supported it. The actual public hearing was held during the previous Council meeting held on August 25, 2015.

Dan Howlett, resident, said he was not opposed to Jive but opposed to the location. He said there would be hundreds of additional vehicles on the roads where were children walking to school, riding bikes, etc. He said there had already been four children and one adult killed by vehicles in that area. He felt the council was supposed to represent the people and they felt betrayed and angry and scared for the lives of their children. He said the building did not belong in a residential neighborhood. He felt it should be moved to the other side of the freeway for safety issues.

Lance Brimhall, resident, said he had lived in Orem as a child and as a University student, and in January he took a position at Jive. He said he was committed to the idea of living where he worked and Jive provided a job worth moving for. He said the idea of economic development tied into livability was very real to him. He said the most important factor to him was that he could live and work in the same city.

Ben Jenkins, resident, said he lived right next to where the building would be. He wondered how many of those speaking for the proposal worked for Jive and how many lived on the streets being affected. He reviewed the oath Council members took when they became councilmembers. He then quoted Article 7 Section 20 of the Utah state constitution, supporting a free-market system. He said a free-market system existed when buyers and sellers were able to transact freely without state intervention in the form of taxes, subsidies, or regulation. He said that saying yes to the proposal would be a direct violation of the state constitution. He said Jive was getting subsidies from the State and local incentives. If said that if Jive were doing this on their own dime he would not have a leg to stand on, but that the focus needed to be on the constitution. He said people's constitutional rights were being pushed down in the name of the process.

Marci Mollinor, resident, said she had been a Jive employee since 2009 and had lived in Orem for 16 years. She loved her job and the city. She said Jive employees were just people like everyone else who wanted to work and provide for their families. She said the employees were currently split up into different buildings and locations. She pointed out that the elementary and junior high schools were east of the proposed location and the site was not on a residential street. She said that Jive employees would provide additional support to the community by going to the nearby restaurants. She said the company also had an agreement with Townplace Suites so out of state employees, recruits and such would stay there. She said Jive would provide benefit to other businesses in the immediate area, in addition to beautifying the area that was currently an eyesore.

Chris Spencer, resident, said he would be directly affected by this project in regards to traffic. He said the city belonged to the people and the people decided what happened, not the Council. He said the people -- not the city, nor the employees of the city, nor the business leaders -- elected the Council. He said he was not against development, but he was against a project of that size and magnitude going into that location. In comparing the heights of nearby buildings, he asked what justified putting in such a tall building. He said there was nothing that justified that. He said that the taxes generated would not cover the cost of widening the road, putting in the sidewalk, and moving the utilities. He asked if the project justified the money that would have to be spent. He asked it would take a child getting hit on the way to school to justify doing something different.

David Ninow, resident, said he had been a Jive employee for about two years. He said he understood this was an emotional issue. He also understood that there was danger for the children but he was not going to throw out numbers. He said his family was preparing to buy a house in Orem so that he could walk, run, or ride a bike to work. He assured the audience that Jive would do everything it could to protect the children, including widening the road and putting in shoulders and sidewalks. He said that if Jive had to go elsewhere, the professionals they recruited within Orem and from outside Orem would have to find somewhere else to go. He said Jive's industry was growing at about 30 percent a year. He said the professional jobs Jive provided would increase the quality of living for everyone, even those living in immediate vicinity. He said he was for the proposal.

Isaac Northlund, resident, referred to a handout from Rosemary Mortensen which had a photo of a weather balloon at about the height of the proposed building. He said it could not be extended to the full height because of the wind the day it was raised. He also said that Jive should discuss all three buildings at once. He said talking about one building at a time was not quite transparent. He said the building did not belong in a neighborhood. He felt the city would be better served by a smaller development that would better fit the aesthetic and would maintain the property values of the homes on the other side of the street. He said there would be years of construction noise. He did not see the property values being increased because there were no amenities for the residents being added to the area. He felt this building would be a huge advertisement for Jive unless Jive went away. He referenced a study from a San Francisco company that collected reviews from employees and former employees of companies. He said it reported that Jive had a 3.4 out of 5 rating and only 63 percent would recommend that a friend work there. He said only 66 percent approved of the CEO.

Katie Thompson, resident, said she and her husband relocated to Orem specifically for her career with Jive. She said she understood the confusion and the concern about the project. She said her plan was to raise her children in the city. She said that Jive was leading in its industry and if there were poor reviews they were from disgruntled employees. She said her experience at Jive had been wonderful, and there were good things happening in the industry and they were recruiting the best and the brightest minds of this generation. She said people were relocating from all over the nation to work for Jive. She said they were not bringing just tax dollars, but they were bringing their families to be a part of the community. She felt Orem could not afford not to bring in these people who were innovative and ready to be a part of the heart of the community. She said Jive brought good people and nothing but benefit could come from bringing in that kind of people.

Vaughn Grow, resident, said the building would go up directly in front of his house. He said one of the biggest issues would be the noise of construction. He said that when Planned Parenthood put in a retaining wall that caused two months of noise that caused problems for his small children. He said he had no idea how long the noise would be to put up three buildings. He said his family bought their home partially based on the view over the lake to Saratoga Springs, and on a stormy night his family would sit out on the porch and watch the storm come in. He said he saw the quality of life would go down in the area. He said sitting with your daughter watching the sunset was something that could not be paid for. He asked the Council to really think about their decisions, and make wise decisions for the future of the families in the area. He said he did not want to kick Jive out of Orem but not to put it there or to reassess the height.

John Pope, the CEO of Jive, a Spanish Fork resident, expressed appreciation for those who had said it was not Orem vs. Jive. He said he thought Jive had done a lot of good for the City. He said there was a Jive in the Bay area that was not the same company. His company was based out of Orem and started in a basement in Orem. He said they were fortunate enough to have 450 employees and the company continued to grow at a very healthy pace and had added 200 jobs in the past 18 months or so. He said that when they realized they would outgrow their location they started looking at new places and were being wooed by some of the northern areas. He said the employees expressed a desire to stay in Orem. He said that their three goals for this project were to have easy access for employees in terms of travel and restaurants; exposure along the freeway; and keep the workplace near the employees.

Mayor Brunst addressed the topic of noise during the building process. He said that in Northeast Orem they had been doing construction for a couple of years on water tanks, with big trucks starting early in the morning. He said there was noise, but the City was getting a better water facility. He said those water tanks were for all of the community. He said there was a lot of construction going on in the city and that it was a sign of the city progressing and growing.

Mr. Sumner asked if there was an ordinance to limit their hours of construction. Mayor Brunst said there was a city noise ordinance that the contractor would have to follow.

Mayor Brunst addressed the question of the view. He noted that there already was a lot of commercial development in the area that blocked residential views. He said the proposed buildings would block part of the view but not all of the view. He said the reality was that there were property rights for those who owned property on both sides and a view was not a

guaranteed thing in a city. He said people had the right to buy a piece of property to protect their view if they wanted.

Mayor Brunst discussed the impact of the Canyon Park Technology Center on the school children in northeast Orem. He said there were 7,000 employees in the area and there were four schools in the area. He said there was a lot more traffic in that area than what would be in the proposed area. He said things had gone well there for years. He said the good thing about Canyon Park was that it provided jobs for many families in Orem.

Mayor Brunst addressed the traffic question. He said the road and sidewalk needed to be improved in the area where Jive would go. He said it was a priority and was already in the City's plans. This project would allow that to happen. He thought it would be an improvement for traffic going through the area. He believed the traffic would be mostly going north and south.

Mayor Brunst said that UVU was growing and expected to have 10,000 more students in the next ten years and most of those students were children from this community and would want good-paying jobs in this area. He said Jive brought jobs the city was in desperate need of. He said Orem had a lot of retail and new high density housing, but not a lot of new jobs. He said these jobs along a freeway corridor made sense. He said the community needed to look at what would be best for the community as a whole. He said it would beautify the area and be a great help to the area.

Mrs. Black acknowledged that people were felt very strongly about this issue but requested that people be kind to one another about it. She said she was very bothered by some of the things that had gone on in the meeting. [Note: There had been, and continued to be, several outbursts while others were talking. The Mayor had needed to call for order several times.]

Mrs. Black said this was a very difficult decision. There were many viewpoints expressed, and a lot of fear had been generated about things that probably were not going to happen. She said the area needed to be beautified. She said it was not a residential area on that street but currently was highway services.

Mayor Brunst invited some in the audience to leave because they would not be polite to the speakers. He said people had been allowed to speak and needed to give others the same respect.

Mrs. Black said it was her responsibility to speak as a public official. She had some concerns, but did not think the traffic would be a huge problem. She thought it would go up and down. She said the height seemed very high to her. She understood the need for Jive had to propose the 140-foot building, which would top out at 147 feet. She said she would favor limiting the height to 147 feet for any building in the area. She thought that would help. Her other thought was that residences that overlooked the area were probably at a minimum 30 feet and 53 feet higher. She said that Midtown Village was 111 feet, and there were residences right next to that which were actually closer than residents would be to the proposed Jive building. She said she did the math subtracting the 30 feet and, separately, the 53 feet from the 147 feet proposed. She said that made it equate to Midtown Village. She also wanted to know what the plans were to beautify the area.

Mr. Fehlberg said there would be quite an extensive landscaping plan. He said they had a number of conceptual designs and were still working with the landscape architects. He said they were

still working with the people on the traffic side of things. He said they wanted an impressive entryway, for Jive and other tenants. He said there would be other significant tenants that would also be using the building until Jive's growth justified occupying the entire building. He felt it would be attractive for Jive and also for the neighborhood.

Mrs. Black said she lived by the Canyon Park Technology Center and she had children and grandchildren. She said there had been concern about the traffic at that development but it had not turned out to be the dangerous situation they were worried about. She found it important to remember the economic benefit to the entire city. She said that many Jive employees were still citizens of the city even if they did not live in the neighborhood, and they had an interest, as everyone in the city should, about economic development and good jobs in the city. She conceded that the employees for Jive were biased just as those who lived in the neighborhood were biased. She asked what the best thing was for the city. She said it was a hard thing to serve on the Council because members had to take all the facts into consideration. She said she did want the height to be capped.

Mr. Andersen said one of the great things about our country was that people could have differences of opinion. He said 8 percent of city residents made their income in the computer industry business. He said he was more persuaded about the fact that constitutionally the City should not be subsidizing business. He said the City had subsidized the newly annexed area in the southwest. He said the city did the same thing with the mall. He said he did not want more subsidies even though he would like more businesses here. He said he had watched the traffic and that to compare 1600 North/800 East to 1200 West was oranges to apples. He said they were wider roads. He said the Councilmembers had different perceptions about what would happen. He felt the road improvements would be very expensive for the city and would be another subsidy.

Mr. Spencer said asked about Jive's salaries being 125 percent of the Utah County average, and what that average was. Mr. Davidson said it was about in the low 40 range.

Mr. Spencer said he had driven the area and was concerned about the traffic. He liked the idea of a traffic light and thought the City should find the money for the light as soon as the building was finished.

Mr. Spencer asked for clarification on the Wasatch heights. Mr. Bench said the ordinance allowed 125 feet with a 35 foot extension to cover mechanical equipment.

Mr. Spencer asked if the widening of 1200 west would take out any homes. Mr. Goodrich said the current proposal for the widening along the subject property to be on the west side, which would not take any homes. He said that could change in the future according to the need. He said the City had paid tax dollars into the federal government and got it back for projects like this when they were needed. He said the first phase was widening along the new project and the next phase would be widening to 800 North.

Mr. Spencer asked again about the height. Mr. Bench said the ordinance allowed 15 feet for mechanical needs.

Mr. Fehlberg said the current design was 147 feet up to the top of the top occupied floor.

Mr. Sumner asked how much additional space that would be. Mr. Fehlberg said that was still being designed. He said building heights were measured to the top of the occupied space.

Mr. Seastrand asked what would be done to mitigate glare and reflections from the building.

Mr. Fehlberg said anytime there was a glass surface there would be reflection. He said the building would be see-through. He said Jive wanted people to drive by and see employees in the building. He said it would not be highly reflective, but would absorb light.

Mr. Seastrand asked if there were state codes for freeway glare. Mr. Goodrich said building officials knew what the standards were better than he did. He said city officials had spoken to UDOT about the site and they were aware of the issues. Mr. Fehlberg said the architect had indicated that they viewed this as rocket science in terms of the kind of glass to be used, and said this was one of the real assets of the building.

Mr. Seastrand expressed concern about the building preventing sunlight and creating ice or hazardous conditions. Mr. Goodrich said UDOT had experience with taller buildings. In the winter there were longer hours of darkness and UDOT knew that they needed to get those chemical applications on the road even when there was no sunlight. Mr. Seastrand asked if there would be icing challenges on 1200 West and 1200 North. Mr. Goodrich said a north/south road was less of a problem than an east/west road.

Mr. Seastrand asked about plans to alleviate construction noise. Mr. Fehlberg said there were noise ordinances the contractors would need to comply with. He said the construction method being used was innovative and the building would go up in about half the time of a normal building.

Mr. Seastrand asked if freeway noise would be shielded or amplified by the new building. Mr. Goodrich said he did not see the building reducing noise levels from I-15.

Mr. Seastrand asked about fire-related issues. He asked at what point the fire engine ladder was ineffective and at what point the building needed to have its own fire suppression system. Chief Gurney said Orem was the same as other departments throughout the country. When buildings reached 75 feet from the lowest point, fire codes came into compliance. Mr. Seastrand asked if the City had the necessary equipment to deal with a building of the proposed size. Chief Gurney said there was no fire department in the nation that had that capacity. He said Orem had a 105 straight-stick ladder, but it did not actually go up 105 feet because it had to start away from the building, so its limit was about four or five stories. He said the building codes for high-rise buildings made them safer for the occupants and for the fire fighters.

Mr. Seastrand asked if the City would need to purchase additional fire equipment. Chief Gurney said structure fires, whether ground level or vertical, the most valuable resource the City had was the fire personnel. He said they had the skills necessary to fight fires in high-rises, and they also had mutual aid agreements partnering with neighboring communities.

Mr. Seastrand said he appreciated this neighborhood for their emails. He said he had tried to spend time in the neighborhood talking to individuals. He said that the people with whom he had

interacted were very polite and those who were disrespectful in this meeting did not represent the majority of the people in the affected neighborhood. He acknowledged that there was an emotional aspect of this question because people did care. He said some felt that if the Council did not agree with them it meant the Council was not listening. He said this was a very important decision for the neighborhood and the city and he had lost sleep over this issue. He said he was concerned about making the right decision for the long-term. He had tried to talk to residents from all over the city, and heard concerns from a variety of people. He said he knew the fears were real, but, whether this was the right thing at the right time or not, the land would develop at some point and there would be increased traffic. He thought it was important to try to address those issues. He said the challenge was that not everyone would agree. He was anxious to hear from the City Manager on this issue.

Mr. Sumner said he appreciated the turnout and the emails and said he had read every one of them. He said this was a tough decision for him. He was trying to please people and to do what was right. Speaking for or all the council members, he said they had done their due diligence -- they did not come and flip a quarter and decide heads or tails. They struggled with the decision like everyone else.

Mr. Sumner asked if the widening of the road was to be about 1100 feet in front of the proposed building. Mr. Goodrich said it would be along their entire frontage and would be curb, gutter, and sidewalk on both sides of the street, with the sidewalk buffered by a park strip on the west side. Mr. Sumner asked if the partial widening would create a bottleneck. Mr. Goodrich said one the initial striping would be for one lane each direction with a center turn lane. He said they would be able to fix the intersection at 1200 North.

Mr. Sumner said he wanted everyone to know that they studied this, and at the end of the day there would be people that were happy and some that were unhappy. He said they had been studying this for weeks and months. He said where he lived he had a great view of the lake and the mountains and then along came a classroom building and now all he saw was UVU's building. He said the property owners had the right to develop. He felt views were important but it was sometimes hard to consider that in a decision. He remembered that when he was just out of college he had written a newspaper article about the University Mall. He said people were furious about the mall development, and it was a time with a lot of fear and pressure on everyone. He said they needed to be mindful of what different businesses could do for the city. He noted that this type of building was being located all along the freeway because of the easy access. He said he did have concerns about the height and traffic.

Mr. Davidson said he appreciated the opportunity to provide some feedback. He explained that the charge to the staff was to provide the information to the Council for them to make good decisions. He felt they had done that. He said Orem was a full-service community and was recognized as one of the most livable communities in the nation. He said Orem was a great place to live, work, and play, with wonderful neighborhoods, schools, and parks. He said Orem was also recognized as one of the safest communities. He said there were fantastic recreational amenities, the envy of not just neighboring cities of people who came from far beyond to see them. He said Orem had a thriving retail base.

Mr. Davidson said the last piece of the puzzle was employment. He said Orem historically had a wonderful job base which allowed people not to just have a job but to maintain a lifestyle with a

wonderful quality of life. He said Orem was losing its position in the job market and was not maintaining the necessary job core that was important for the community. He said the health and sustainability of this community rested on its ability to maintain quality neighborhoods, quality recreation amenities, quality retail, and quality jobs. He said Orem needed to continue to be not just a great place to live and play, but a great place to live, work, and play.

Mr. Davidson said he had no direct voice in the decision, but he said that jobs were an important part of any healthy, thriving community. He said Orem needed to do all they could to sustain and grow the job base in the community, not just for those in the community today but for all who would come in the future. He referenced the many students at UVU, a super-majority of whom were from Utah Valley. He said Orem needed to develop a job base that allowed them to progress in their lives.

Mr. Davidson commented on what was happening along the I-15 corridor. He said that, from a planning perspective, the appropriate placement of many of these projects was along key transportation routes. He thought there was a confusing message in the economic world telling projects that we could not find a home for them in Orem. He was sensitive to the concerns he had heard from the residents, but he believed the project could be of value to the community.

Mr. Spencer said the height still needed to be discussed. He wanted to know the bottom line before moving forward.

Mrs. Black asked if they could limit it to 140 feet, still allowing for the HVAC.

Mr. Spencer wanted the traffic signal to be in the ordinance. Mr. Goodrich said that state and federal requirements needed to be met before putting in a traffic signal. He said if a signal were installed without meeting the federal and state warrants it would be the first thing an attorney would look at if there were an accident at the intersection. He said that as soon as those requirements were met the City could install the light. He said sometimes accidents actually increased with a signal.

Mayor Brunst said asked if the requirements were less for a hawk signal. Mr. Goodrich said it the requirements were different, but there needed to be a high volume of traffic both vehicular and pedestrian.

Mayor Brunst asked if the City could do a study to see if the area would meet the requirements for a hawk signal. Mr. Goodrich said if it met criteria then yes, it could be put in. He said there still needed to be a certain number of people who crossed the street.

Mr. Sumner asked if there was anything that could be done now. Mr. Goodrich said they could stripe a left turn pocket at 1200 North, from southbound 1200 West.

Mrs. Black said the consensus was that they wanted it as safe as possible and as soon as possible. She said the underground items would need to be installed as soon as possible.

Mr. Seastrand asked for specifics of how the intersection would be made safer. Mr. Goodrich said they would stripe a left-turn pocket for turning eastbound from the north. He said that widening on the west, south of the intersection, would help straighten out the road at that

intersection. He said they could look at the option of taking the left turn lane farther north, which they could do if they eliminated the parking on the west side of the road. That extended left turn pocket would be of benefit to people who needed to make left turns into their driveways. He said a left turn lane would also increase the capacity by 20% to 30%.

Mr. Spencer asked Mr. Fehlberg about the building timeframe being cut in half. Mr. Fehlberg said the build would take about nine months. He said that if the project were approved they would get started as soon as possible on the horizontal development, which would include the improvements on the road.

Mr. Goodrich said building occupancy permit could be held until the roadwork was finished.

Mr. Fehlberg said that, in light of citizen concerns, he thought they should look at sources of funding to widen the road southward as soon as possible. He said that would guide people naturally to the 800 North intersection while the 1600 North intersection was being fixed.

Mr. Goodrich said the connection to 800 North was the connection to the path of least resistance. He said the City applied for federal funding every two years and that application process would come up this spring. He said there would also be County funding available. He said approval for federal funding took a few months and the actual funds would be received in 3-5 years, although there were ways of expediting the process, especially with the County funds.

Mayor Brunst said there would also be funding from the motor fuel tax starting next year.

Mr. Davidson said that, as to building heights, he wanted to remind the Council about the mechanical component at the top.

Mr. Fehlberg said the codes were strict for fire safety for buildings at this height. He said the building materials needed to be coded to make them meet the 2-hour fire rating. He said that the stricter codes kicked in at the 5th story and that was why few buildings were 6-8 stories. He said once a building was at least 5 stories, it was more cost effective to build more floors.

Mr. Sumner asked if the financing was in place if this project were approved. Mr. Fehlberg said when they sat down with the bankers they asked what the Council was saying. They talked to bankers and got ahead of themselves a little, but they had three banks that wanted to lend for the project. He said everything had to wait on the Council's decision.

Mr. Seastrand asked about mitigating traffic at the 1600 North and 1200 West intersection. Mr. Goodrich said that the 63-foot left turn lane on the northbound side, turning toward I-15, could be tripled in length by changing the paint. He said the federal funding to widen the intersection would come into play in 2017.

Mr. Spencer asked if there could be two turn lanes. Mr. Goodrich said the problem was the timing of the signal and the choke point on 1600 North. He said the federally funding would widen the intersection and then the signal could be re-timed. He said that a dual left would not fit in that area with the current curbs and retaining walls. He said they could make the left turn lane longer by eliminating parking along the road.

Mr. Seastrand asked if Mrs. Black had additional questions about on the greenspace, and Mrs. Black said she felt comfortable with what had been reported. Mr. Earl said landscaping requirements were built into the zoning ordinance itself and the builders would have to comply with the landscaping on the concept plan.

Mr. Fehlberg said that they would be going beyond the basic landscaping requirements in the code. He also asked for clarification that the building height would be 140 from the curb. Mayor Brunst said the 140 feet would be from the base of the land, not from the curb.

Mayor Brunst **moved**, by ordinance, that the City enact Section 22-11-58 (PD-45 zone) and Appendix MM, and amend Section 22-5-1 and Section 22-5-3(A) and the Zoning Map of the City of Orem to change the zone on 4.77 acres located generally at 1187 North 1200 West from the Highway Services (HS) zone to the PD-45 zone with the building height set at 140 feet and that the applicant amend the concept plan to comply with new maximum building height of 140 feet plus the 15 feet for the HVAC, and for the safety and traffic features requested. Mrs. Black **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, David Spencer, Brent Sumner. Those voting nay: Hans Andersen, Mark E. Seastrand. The motion **passed**, 4-2.

COMMUNICATION ITEMS

There were no communication items.

CITY MANAGER INFORMATION ITEMS

There were no city manager information items.

Mayor Brunst mentioned that the employee appreciation luncheon would be on Thursday at Nielsen's Grove at noon. Employees were also participating in the United Way Day of Caring.

Mr. Bybee said 7:30 a.m. for the breakfast and actual projects would start at 8:30.

Mr. Davidson said several had expressed an interest in participating in the Chambers summit. Contact Kristie for that. Mayor Brunst asked if an agenda was out yet, Mr. Davidson said not yet. League of Cities and Towns was behind it.

ADJOURNMENT

Mr. Andersen **moved** to adjourn the meeting. Mr. Seastrand **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

The meeting adjourned at 9:20 p.m.

Donna R. Weaver, City Recorder

Approved: December 8, 2015