

CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
January 12, 2016

3:00 P.M. WORK SESSION – PUBLIC SAFETY TRAINING ROOM

CONDUCTING Mayor Richard F. Brunst

ELECTED OFFICIALS Councilmembers Debby Lauret, Sam Lentz, Tom Macdonald, Mark 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; Paul Goodrich, Transportation Engineer; Sam Kelly, Engineer; Neal Winterton, Water Division Manager; Reed Price, Maintenance Division Manager; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder

EXCUSED David Spencer

DISCUSSION – CARE Policies

Mr. Downs began the discussion about the upcoming year's Cultural Arts & Recreation Enhancement funds (CARE). Some desire had been expressed to consider grants for projects that fit somewhere between the mini-and major grants. There would be an estimated increase in revenues of \$82,000, including \$40,000 surplus from last year. He noted that State law defined specific rules for the use of CARE tax revenues, including mini- and major grants. While major grants—which had strict standards—had not seen growth in the number of applications, many more applications were being submitted for mini-grants with its looser criteria.

Mr. Downs said the increase in the number of applications had brought about requests for something in between the mini- and major grants. He then made a presentation on a possible new grant: mid-major grants.

General Rules for Cultural Arts Grants

- Grants to qualifying organizations should be utilized to build organizational capacity, to create stability and to enhance the City of Orem's cultural arts offerings and community.

- Qualifying organizations must come from one of the following eligible disciplines: natural history, art, music, theater, dance, cultural arts, literature, motion picture, storytelling
- Qualifying organizations must have as their primary purpose the advancement and preservation of natural history, art, music, theater, dance, cultural arts, literature, motion picture, or storytelling, as well as a preponderance of activities that are within their eligible disciplines, and not just have some element of cultural activities.
- CARE funds should not be the sole or major source of funding received by applicant organizations. Priority will be given to organizations that can solicit and receive matching funds. Priority will be given to organizations that can demonstrate a strong connection to the community, have a substantial track record and show a stable history.

Mini-Grant Specific Information

- Organizations applying for mini-grants may be awarded up to \$4,999 for qualifying operating expenses as defined in these policies and procedures.
- Private nonprofit cultural organizations requesting mini-grants must be 501(c)(3) nonprofit entities or registered with the State of Utah as nonprofit corporations with an active status at the time of the application deadline.
- Preference will be given to mini-grant applicants that have a significant presence, and manage and present, in the City of Orem.
- Organizations headquartered outside of Orem may qualify for mini-grant to present in the City of Orem, based on their intent to establish a more significant ongoing presence in the City of Orem
- Last year there were 15 recipients (12 the prior year)

Major Grant Specific Information

- Organizations applying for major grants of \$5,000 or more may be awarded up to 35% of their total qualifying operating expenses as defined in these policies and procedures.
- Private nonprofit cultural organizations requesting major grants must be 501(c)(3) nonprofit entities at the time of the application deadline.
- Organizations will not qualify to receive major grants of \$5,000 or more unless they have a significant presence, and manage and present, in the City of Orem.
- Last year there were 3 major grant recipients (5 the prior year)

Mid-Major

Mr. Downs said that over the last couple of years several councilmembers had brought up the idea of creating another category. It would allow for some cultural organizations to apply for grants larger than \$5,000 without meeting the requirements of a major grant, usually because their operating expenditures weren't high enough to qualify for a major grant. A larger grant would allow them to grow their programs and pay for their ongoing operating expenses

Mr. Davidson observed that the operating thresholds had been set by the Council. They could be changed. Mr. Downs added that State law only determined what projects/organizations could qualify. The amounts were determined by the Council.

In the subsequent Council and staff discussion, the following issues were raised:

- The Colonial Heritage event was a possibility, as was the music festival.
- Reaching a greater part of the community as a possible requirement for more funding.
- More solidly define what it meant to have a “significant presence in Orem.”
- CARE money did not go to Summerfest, and the Colonial Heritage Festival might be more on par with that, needing a long-term solution rather than applying each year for CARE funding.
- While Summerfest was a City-sponsored event and had other sponsors, the General Fund paid the difference. Any funding given to a new event would have to be weighed against other needs, such as parks, public safety, etc.
- The way the ballot’s opinion question was worded did limit what could be done, including the 50/50 split between cultural arts and recreation.
- This was the first year with the full 50/50 split.
- CARE applications would go out in about a month, and if there was going to be an addition of a mid-major grant, the discussion needed to happen sooner than later.
- They must ask themselves as they considered these different organizations if the CARE money was being used to maintain or enhance what they did. Those using it to maintain should be cautioned that the City wanted a catalytic growth effort made with these funds.
- There could be a rush on grants if the amount were raised.
- The amount might need to be between \$10,000 and \$15,000 to be a compromise between the mini-grants and major grants.
- It would need to be more than simply holding one or two performances in Orem in a year.

Mr. Stephens was tasked with coming up with criteria for the Council to consider such as amount of outreach, effects/helps the community, number of people touched.

DISCUSSION – CARE Project Updates

Mr. Hirst presented information about dog parks and splash pads. They had tried to avoid the schools and parks that already had a lot of activity going on or parking/restroom issues.

Dog Park

The Council and staff discussion included:

- The State had been approached about using detention basin areas as dog parks, and at this point they did not like the idea, though some communities around the valley had used them for that purpose.
- The detention pond by the skate park was an option, though:
 - The bathrooms there had a lot of vandalism problems.
 - There was no playground.
 - It was close to the fire station #3, which could be good or bad.
 - The slope to access it was steep and would be challenging to make handicap-accessible
 - There was also a kind of creek there, which could be good or bad. Of the three options, it would be the most expensive.
 - With fencing, it would create mowing issues.
 - There were only eighteen parking stalls.
 - It was the most expensive to develop of all the options being considered.

- If animals were to get loose, proximity to the freeway could be a danger.
- Moving the entrance could not be done for the \$75,000 amount.
- Parking on the north was red-curbed.
- Some suggestions for putting a dog park in the detention basin involved bringing in fill which would have a negative impact on its capacity. That would have to be made up somewhere else.
- Community Park was another option, partly because the City was the only one scheduling it.
 - Mountain View High School also used it.
 - It was a potential site for a future underwater tank.
 - It was a little more hidden than other locations.
 - If all programmed activities were moved, there would be forty-three parking spots.
 - It would be south of the tennis courts, and they would try to keep it fifty or sixty feet from the six or seven neighbors bordering that side, though it would still be visible and they could hear.
 - They were pushing on the deadline to open it by this summer.

Mr. Macdonald asked what Mr. Hirst's preference was, and he indicated Community Park first, followed by Bonneville and then the skate park. He said he would put out a flier and ask for residents to come speak to him about the sites. He would be back in about two weeks.

Splash Pad – Palisades Park

Mr. Hirst said the company that would be building the splash pad was supportive of the site. When they constructed Palisades Park, they planned for pumps and chlorine tanks. The restrooms would need to be within 140 feet of the splash pad, by health code.

Some of the issues included:

- Flow-through system for irrigation was relatively new, where water was sprayed up and then used to irrigate.
- They would use culinary water.
- The cons were unique to the site.
- It was expensive, and they would need to build the tank to fill every day.
- If they went with what was basically a giant sprinkler, the flexibility would go away.
- Another downside was water conservation, with it using 300,000 gallons per season going back into the sewer.
- St. George might use recycled water.
- Most splash pads had a recirculated system which had to be treated with an operating cost of about \$28,000-35,000, and this was Mr. Hirst's recommendation.
- Additional expenses include employee costs, chemicals, filters, UV bulbs, etc.
- The more pressure in the system, the better.
- Palisades Park provided the best design flexibility and was the preferred site.
- The pavilion had the possibility of providing some off-set for the cost via concessions.
- Staff preferred a look of rock or granite rather than colorful tubes that only looked nice for about three years.
- Spanish Fork paid about \$900,000 for their splash pad.
- Shade structures were the big thing right now for parks, pools, etc.

- The Council must decide what they could build for half a million dollars, among the four options being proposed.
- The current vision for the project went beyond the current funding.
- While there were some risk management issues, they were not any different from other playgrounds.
- A splash pad could affect revenues for paid pools, perhaps even significantly.
- Some trees would be left to keep the separation between the splash pad and programmed sports.
- Since the bid of \$500,000 was from last year, the City could do a second tranche.
- There were many great opportunities for use of the CARE funds and, while they could make them all work, they could not make them all work immediately.
- The costs needed to be weighed with the interests of the Recreation Advisory Commission.
- CIP funds could be used to augment the CARE funds, but the Council would have to consider what other necessary project would not be done because of the money diverted to the splash pad.
- Since it would be a one-time expense, it could be financed, using the CARE dollars to retire the debt.
- Splash pads were a relatively new thing, but it was estimated they could last between twenty and twenty-five years. The one at Olympic Park was going on sixteen years.
- Conservation was not really an issue with the recycle option, but the other options had waste concerns.
- Because of the nature of a splash pad, it was an on-demand use, so breezes would generally only be a problem in the mornings and later evenings.
- Staff would work with management to prepare a plan.

UPDATE – Storm Water Utility Master Plan

Mr. Price handed out an executive summary from the financial report by Lewis & Young. For the benefit of the new Council members, he reviewed the process they had gone through to evaluate areas that needed improvement to help in preparing the Storm Water Utility Master Plan. They identified about fifty years' worth of projects that they would like to start chipping at. With the master plan complete and with Lewis Young Robertson & Burningham conducting a financial study, they now had a vision for how to proceed. Rate structure options had been proposed for five, seven, or ten year increases. The proposal was taken to the Public Works Advisory Commission (PWAC) where some modifications to decrease the amounts were made. Mr. Price said that, in order to meet expectations, they would need \$1.00 per ESU (equivalent stormwater unit) and smaller increases over the next several years. They would be formally presenting this at the meeting on January 26, 2016.

Mrs. Lauret asked if he preferred one scenario over another, and Mr. Price said he would like it as aggressive as was feasible.

Mr. Davidson said if the Council were comfortable adopting the master plan, there would be a financing mechanism to make it happen. Different scenarios would be proposed. He noted that it would not make sense to adopt the master plan without also adopting a fee.

In response to a query by the Mayor about the sewer base rate fee, Mr. Davidson said the utility fees were all interconnected in some way. They could be adopted with an effective date into the

future. He cautioned again about adopting a master plan with the intent to move forward but not also putting an appropriate financing mechanism in place.

Mr. Lentz noted that the changes to the base rate were intended to get rid of inequity among users and wondered if that was also the case with the stormwater user rate. Mr. Price said there was no inequality, based upon the ESU and relating to the amount of impervious surface. Residential was determined to be 2,700 square feet to an ESU. Commercial businesses are charged one ESU for every 2,700 feet of impervious area, such as asphalt, concrete, and roof. When it rained, the water needed to go somewhere. Since businesses replaced bare ground with asphalt, concrete, and roofing, the rain could no longer percolate into the ground. If businesses made improvements to lessen the impact, they were given credits.

Mr. Sumner inquired about property owners, and Mr. Price said a fourplex would be treated like a business.

Mr. Tschirki said that single-family homes were treated as a benchmark for the ESUs. Some developments might have fifty ESUs, but most had one.

Mr. Sumner said he would like to see them as one package, to piggyback on the discussion about sewer base rates. Mr. Davidson said they were happy to speak to the idea of bringing them forward separately. Strategically, there were reasons staff wanted to bring them to the Council separately. The Council could establish different effective dates, for example, with storm water taking place in five years, water in ten years, etc. It was a complex issue, and they hoped to provide the most flexibility. They wanted to address all the questions and give the Council time to learn about the issue.

Mr. Tschirki said the main reason with the sewer base rate was that this decision needed to be decided before looking at rates prospectively. They felt the inequity issue needed to be resolved first.

DISCUSSION – Sewer Base Rate Options

Mr. Tschirki said K.C. Shaw, Mike Collins, Neal Winterton, and Steven Downs would all be presenting on the issue at the 6 p.m. meeting. Mr. Tschirki reviewed what they had done in the form of outreach about the issue.

Mr. Sumner asked if it would be a public hearing. Mayor Brunst said it was a public hearing, but they had opened and closed the public hearing in December. Interested parties had had many opportunities to bring forward their concerns and more information.

Mr. Tschirki and Mr. Winterton reviewed the material again that they had presented to the Council in previous work sessions.

Mr. Tschirki said an important element to keep in mind was that they needed to build the system to handle peak times. Having a sewer system capable of handling only the average amount of flow would lead to problems during peak demand times.

Mayor Brunst observed that when everyone decided to go to the bathroom during Super Bowl halftime, the sewer needed to be able to handle it.

Mr. Tschirki said residents were not simply paying for their use but for potential use. It was the same with purchasing a car that had the capacity to go 120 mph. The 1998 study looked at volume and not at the important issue of peak capacity in the system. A fourplex had the same ability to hit peak capacity as a residential home, so staff felt they should be charged the same. Over the years since the 1998 report, the number of multifamily units in Orem had continued to grow, making the amount single-family homes were subsidizing even greater.

Mr. Winterton said the Utah Apartment Association's argument against making the changes were not valid because they did not address the peak flow. The base rate was not intended to address the number of people in a unit.

Mr. Macdonald said there were homes with more than one washer/dryer set or multiple bathrooms that apartments did not have. It was arguable that a peak for an apartment was something less than a single-family home. He said the Mayor had a proposal to address that.

Mayor Brunst said the comment had been made that the apartment was using less than the house. He would argue that a smaller, single-family home could be using less than an apartment. He said he compared utility bills with his neighbors, two retired people. They used eight times less than his family did. It was not only apartments that used less.

Mr. Winterton reviewed a comparison of how much more 10 accounts with 196 units would pay if billed the way surrounding communities charged. He stressed again that the difference was how much more they would pay. All communities did it a little differently. None were perfect. The underlying principle was fairness. Mr. Winterton shared some of the arguments against changing the base rate, such as landscaping and fire flow.

Mr. Sumner asked about peak flows, and Mr. Winterton said at the plant it was 10:00 a.m., measured in million gallons a day. Mr. Tschirki said pipes closer to the treatment facility were larger to accommodate the water flowing that way.

Mayor Brunst suggested charging the full price for the first unit in a multi-unit complex and then doing a discounted rate for the rest since the City did not have the expense of billing them all individually.

Mr. Sumner asked about examples of the nonresidential category. Mr. Winterton said Costco might have a two-inch connection, as did many hotels, schools, and Utah Valley University (UVU).

Mr. Tschirki said schools were a good example of facilities that had meters large enough to accommodate landscaping. Mr. Winterton noted that some had elected to have separate meters for different uses. Fire was not metered.

Mr. Shaw, representing the PWAC, said the commission spent months working on the master plan recommendation. In the end they suggested increasing fees to generate about \$1.1 million. While reviewing the way the City billed they realized not paying per living unit meant single-family homes were subsidizing multi-family units. Mr. Shaw said 10 might be the average of 9 and 11, but it was also the average of 20 and 2. There were no perfect billing systems, but they tried to bring increased fairness.

Mr. Davidson said they should be prepared to recalibrate the rate according to how much growth Orem had. For example, the current proposal did not include a completed Midtown.

Mr. Shaw said the PWAC members supported the per-living-unit billing system. The proposal moved them closer to fairness. He used his ninety-year-old mother as an example of someone who used very little water generally, but did place a much larger demand on the system when family came for a visit.

Mr. Lentz asked how assisted living facilities would be billed. Mr. Winterton said that since they were basically apartments they would be billed per living unit, the same as accessory apartments.

Mr. Seastrand said some had asked if the Mall or Midtown were getting special deals. Mr. Winterton said there were no “sweetheart” deals. Midtown would be charged for each living unit plus the commercial.

Mr. Sumner asked staff to give an explanation of peak uses.

Mr. Davidson said the Mall’s parking lot was sized to accommodate the Saturday before Christmas or Black Friday. The City was sizing the system to accommodate the highest peak flow. He said telecommunications was another example. People complained about slow Internet because they were not taking into consideration when it was slow because of the number of others trying to use the system during peak times.

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

CONDUCTING

Mayor Richard F. Brunst

ELECTED OFFICIALS

Councilmembers Debby Lauret, Sam Lentz, Tom Macdonald, Mark 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; Paul Goodrich, Transportation Engineer; Keith Larsen, Traffic Operations Engineer; Sam Kelly, Engineer; Neal Winterton, Water Division Manager; Reed Price, Maintenance Division Manager; Steven Downs, Assistant to the City Manager; and Donna Weaver, 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.

Mr. Davidson said the appointments to the UIA and UTOPIA boards were made by the city manager. The UIA appointment also had to be ratified by the Council. Because of that he thought it appropriate to receive input from the Council. He said he recommended appointing an appointed representative to one and an elected representative to the other. Whoever served should be engaged to address some things that would be coming forward.

Mayor Brunst said UTOPIA and UIA were big deals to Orem. He said the City spent more on UTOPIA debt than on road maintenance, and they needed to find solutions to deal with it. The majority of residents were not in favor of forced participation. UTOPIA could become revenue generating.

Mr. Davidson said it would help if the person assigned already had some experience/training in telecom. It was a technical assignment but also a political one.

Mayor Brunst said he would prefer someone on the UIA board who had been on the Council for a while. He suggested Mr. Macdonald.

Mr. Macdonald said he had neither the time nor the expertise for such an assignment and suggested Mr. Lentz. Mr. Davidson said he could support that, and Mr. Lentz said he could do it.

Mr. Spencer said at a recent meeting he had asked to bring the issue back to the Council for a vote. The board moved ahead anyway, leaving Orem out. Mayor Brunst said that had been a problem in the past as well and not just with Orem.

Mr. Seastrand asked how to involve the Council more. Mayor Brunst said he wanted to have a session at their retreat on UTOPIA. He would also like to have a report on UTOPIA monthly during Council sessions. Orem was the largest customer in UTOPIA and had a huge demand for the service.

Mr. Sumner said there were three or four cities that controlled UTOPIA. Mayor Brunst said if some people retired, there might be some change. He noted that UTOPIA had been without a CEO for two years.

Mr. Lentz asked about reestablishing a UTOPIA citizen committee and engaging more with citizens. It would not have to be called a UTOPIA committee but could be about telecommunications.

Mr. Davidson said it was appropriate to involve citizens but it was also important for them to understand the system and the limitations Orem had to operate under. He would not want to create an expectation that was not supportable.

Mr. Stephens said it should be an agenda item at the next meeting.

Mr. Davidson said Mr. Sumner had asked if it would result in significant changes. Mr. Davidson said he did not think it would. One area that would help was discussion about Orem's operational invoice expense that had been outstanding for about eighteen months. Conversations were taking place but one statement that was being made by not making the payment was that Orem was not a "dues paying member." He suggested that, in order to participate, the debt be paid. Mr. Davidson said he believed the board would be willing to then roll those funds into infrastructure in Orem.

Mayor Brunst said it was a complicated issue and suggested discussing it further at the next meeting. |

He passed out a list of the 2016 Council assignments:

Mayor Brunst

- Envision Utah Executive Board
- Envision Utah Board of Directors
- Mountainland Association of Governments Exec. Council
- Mountainland MPO Regional Planning - Transportation
- Mountainland MPO Finance Committee
- Utah Valley Chamber of Commerce Board of Directors
- Utah Valley Chamber of Commerce Govt. Review Committee
- Utah Valley Chamber of Commerce Public Policy Committee
- Joint Policy Advisory Committee - Transportation
- ULCT Legislative Policy
- US Ignite Steering Committee
- Miss Orem Scholarship Board
- NIA: Heatheridge & Northridge

Debby Lauret

- Heritage Commission
- Library Advisory Commission
- Beautification Commission
- NIA: Cherry Hill, Orem Park, Orem East

Sam Lentz

- UCCU Board
- Orem Youth Council
- Planning Commission
- NIA: Lakeridge, Sharon Park, Sunset Heights West

Tom Macdonald

- Intermountain Healthcare Outreach
- Transportation Advisory Commission
- Historical Preservation Commission
- NIA: Hillcrest, Orem, Geneva

Mark Seastrand

- Utah Lake Commission
- Arts Council
- NIA: Aspen, Sharon, Lakeview

David Spencer – Councilmember

- ULCT Board/Legislative Policy
- Public Works Advisory Commission
- Recreation Advisory Commission
- Senior Citizen Advisory Commission
- NIA: Sunset Heights East, Stonewood, Windsor, Canyon View

Brent Sumner – Councilmember

- Summerfest
- UVU Community Relations
- NIA: Suncrest, Orem North, Timpview

City Council New Business

There was no City Council new business.

The Council adjourned at 5:54 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 Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand, David Spencer, and Brent Sumner

APPOINTED STAFF

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**INVOCATION /
INSPIRATIONAL THOUGHT
PLEDGE OF ALLEGIANCE**

Tai Riser
Carol Walker

APPROVAL OF MINUTES

Mr. Seastrand **moved** to approve the November 17, 2015, City Council meeting minutes. Mr. Spencer **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, Mark E. Seastrand, David Spencer, and 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

Mayor Brunst **moved** to appoint Brayden Santo to the CDBG Advisory Commission. Mr. Macdonald **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed unanimously**.

Recognition of New Neighborhoods in Action Officers

There were no new neighborhood officers recognized.

RECOGNITION – State Champions – Orem Youth Baseball

Karl Hirst stated that Orem City had a long history of producing excellent young athletes. The time was then turned over to Rod Sweeten to speak more about the program.

Rod Sweeten thanked Mr. Hirst for all of the support that he provided Orem Youth Baseball. He noted that hundreds of kids participated in Orem Youth Baseball, ranging from ages seven to fourteen years old. He then introduced three all-star teams, all of which won the District Tournament prior to competing in the State Tournament. After winning the State Championships, these teams represented the State of Utah, Orem City and Orem Youth Baseball in the California Zone Tournament. Mr. Sweeten noted it was only the second time all three teams had won the State Championships.

Mayor Brunst invited the Orem Youth Baseball Orem All-Star Pony, Bronco, and Mustang teams as to come forward for a photograph and to shake hands with the Council.

Mr. Spencer recognized Mr. Sweeten and Mr. Todd Monson, indicating that they practically ran Orem Youth Baseball.

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.

Jim Hadlock, resident, said that he had lived in Orem for nearly forty-four years, and had observed many changes that had taken place over the years. He read a statement from the recent newsletter, and expressed that in his opinion the City's focus was primarily on business and apartments. He hoped that the Council would put citizens first this year, especially when making considerations for projects that the citizens did not want approved. Mr. Hadlock made mention of large apartment complexes like the Ivory project near UVU, as well as the Jive building.

Jan Jensen, resident, said he had lived in Orem all his life, and reviewed his family history of service to Orem. He said he was opposed to the Ivory project because it would destroy his neighborhood, as it had a higher density than Deseret Towers in Provo. He questioned if there were enough people to fill all the apartments that had been approved in Orem and Vineyard. He expressed appreciation to the Council members for their service.

CONSENT ITEMS

There were no Consent Items.

SCHEDULED ITEMS

CONTINUED ITEM – Sewer Base Rate

ORDINANCE – Amending the sewer base rate for multiunit residential buildings and for nonresidential buildings with a water meter size greater than ¾”

The City of Orem presently charged a monthly “sewer base rate” for City sewer services. That charge was the same for all land uses and was charged by the total number of physical sewer connections that service the account, regardless of the number of residential or nonresidential units associated with that account. That meant, for example, that an account holder with a twelve-plex with one sewer connection pays the same sewer base rate as a single-family homeowner. Furthermore, a large commercial business paid the same base rate that a single-family homeowner pays. The sewer base rate was intended to compensate the City for the cost of making sewer service available at a particular connection point, including costs related to infrastructure and maintenance. The “sewer volume charge” was a separate charge that was based on actual sewage flow and was intended to compensate the City for the cost of handling and treating the user's quantity of sewage flow.

Summary of Proposed Amendments:

Effective July 1, 2016, the City of Orem sewer base rates would change as follows:

1. Each residential living unit found in a single-family dwelling, multifamily dwelling, apartment complex, condominium complex, etc. would be charged a sewer base rate. In other words, a twelve-plex would now be billed for twelve sewer base rates and not one sewer base rate.
2. Nonresidential accounts would be charged a sewer base rate according to their water meter size and the associated industry standard American Water Works Association (AWWA) equivalent meter information.

- Mixed-use developments would be charged by combining these two methods—paying for each residential living unit plus the equivalent meter size necessary to service the nonresidential portion of the building.

The sewer base rate for single family residences and the sewer volume charge remain unchanged.

The new fees and charges information would read as follows:

Monthly Sewer Rates

Residential Base Rate ¹	\$9.32/Residential Living Unit (unchanged)
Nonresidential Base Rate ²	\$9.32 x AWWA Multiplier
Mixed-Use Base Rate ³	\$9.32/Residential Living Unit + Nonresidential Component
Volume Charge ⁴	\$1.42/1,000 Gallons (unchanged)

¹ Each residential utility account would be assessed a sewer base rate according to the number of residential living units associated with the account. For example, a single-family dwelling would be billed for 1 sewer base rate, a duplex (including single-family dwellings with an accessory apartment) would be billed for two sewer base rates, a fourplex would be billed for four sewer base rates, a twelve-plex would be billed for twelve sewer base rates, etc.

² All nonresidential utility account holders would be billed using a water meter size multiplier based on American Water Works Association (AWWA) guidelines. (Table 28-2 from American Water Works Association Manual of Water Supply Practices M1 – “Principles of Water Rates, Fees, and Charges” for water meters up to 3-inches in size and Table 2-2 from American Water Works Association Manual of Water Supply Practices M6 – “Water Meters – Selection, Installation, Testing, and Maintenance” for water meters larger than 3-inches in size.) The following table details the AWWA Multiplier for various water meter sizes. All nonresidential utility account holders for water meter sizes 2” and larger might request an adjustment to the multiplier based on qualifying site-specific criteria.

Water Meter Size	¾"	1"	1½"	2"	3"	4"	6"	8"	10"
AWWA Multiplier	1.00	1.67	3.33	5.33	10.00	20.00	41.67	53.33	96.67

³ Mixed-use utility accounts would be assessed according to (1) the number of residential living units and (2) the nonresidential component of the mixed-use development. The nonresidential component was calculated by determining the equivalent water meter size required to service only the nonresidential portion of the mixed-use development using the International Plumbing Code 2012 version, Appendix E201.1 (pressure range over 60) and E103.3(2). The AWWA multiplier associated with the equivalent water meter size would then be applied to determine the nonresidential component of the sewer base rate.

⁴ Effective July 1 of each year, the monthly charge shall be based on the average winter water usage for the preceding winter months.

Mr. Tschirki introduced KC Shaw, vice chair of the Public Works Advisory Commission; Tai Riser, chairman of the Public Works Advisory Commission; and Carol Walker, member of the

Public Works Advisory Commission. It was also noted that Keith Larson from Bowen, Collins & Associates was present at the meeting.

Mr. Tschirki and Mr. Winterton presented the commission's recommendation to the City Council, which was proposed for adoption by ordinance with an effective date of July 1, 2016. The ordinance would charge a sewer base rate for each residential living unit, and amend the sewer base rate for nonresidential buildings having a water meter size greater than $\frac{3}{4}$ ". Mr. Tschirki then presented a PowerPoint Presentation.

Steven Downs reviewed the noticing for the item, noting that mailers, phone calls, and email were all used. Approximately 10,100 emails were sent to all utility account holders, as well as specific emails to businesses and multifamily living units. Every address on file received notification in some form, and staff felt that they had done as much as possible to inform the citizens on the issue.

Keith Larson explained that sewer rates were based on principles that were established in a cost causation procedure. The goal of the method was to assign costs of the system to the actual cost of service of each customer. In doing so, the information was organized into a number of cost categories, including the following: waste water volume, waste water strength, use of the system capacity and customer related costs. Waste water volume and strength were variable costs that were tied to how much water was actually used; however, the other two categories were fixed costs. Mr. Larson explained that there was a difference between volume and capacity. Volume represents the total amount of waste water produced, whereas capacity represents how quickly that waste water was used. The concept was illustrated by using a flushing toilet as an example.

Mr. Tschirki explained that the cost of service analysis that was performed in the 1998 was done so in order to equitably recover costs from all customers. A statement from City Attorney, Greg Stephens, was then read. The statement indicated that if someone challenges a City service fee, such as a sewer fee, the ultimate question was whether the fee was reasonable. Courts do not require the fee structure to be the best or optimal solution; only that it was reasonable. Mr. Tschirki stated that tonight's proposal was more equitable and fair for the entire community. The 1998 Water and Sewer Rate Study indicates that the cost of allocation provides the basis for recovering revenues from classes of customers, according to the demand that they place on the utility. Costs were allocated to functional categories for sewer and water, including operational, maintenance, capital, administrative expenses, etc. Costs were then distributed to customer classes based on peak capacity, which were predictable.

The cost of services provided to nonresidential accounts had not been equitably recovered since the Water and Sewer Rate Study in 1998. The study clearly stated that nonresidential units were not taken into consideration; in other words, all of those accounts had been subsidized by everyone else in the community since that time. The sewer rates were adopted by the City, but not recommended by the consultant. The adopted sewer rates did not consider peak, but rather monthly volumes and averages. The sewer conveyance and infrastructure was not designed based on monthly volumes or averages. The report states that $\frac{3}{4}$ inch meter customers pay substantially more than allocated costs, while costs were under-recovered for larger, meter sized customers. Since 1998, Mr. Tschirki argued that the subsidy had increased.

The Utah Apartment Association stated in an email that they would not oppose the change for three reasons. Mr. Tschirki emphasized the third reason, which explains that the new system would be like what everyone else already does. He explained that they were trying to follow cost positive allocations for services that were provided to the community.

Neal Winterton, Water Resources Division Manager, presented a particular example of 10 accounts comprised of 196 living units, comparative between different cities. With regards to water reclamation fund rates, there were no exact guidelines or principles that the Council must follow as a legislative body. The AWWA multipliers could be modified as they see fit. Mr. Winterton explained that different cities, entities and districts had all chosen various ways to fund their utilities.

Several concerns had been expressed from the public. First, each individual unit was not billed; rather, the landlord collects. Furthermore, the City did not have billing costs for each unit because it doesn't read a meter for each unit. Billing should be mostly based on volume, and the distance between multi-family units isn't 80 or 100 feet, like it was in single family homes; rather, they were stacked and therefore there was less pipe in the road. These questions were addressed these concerns by making the following suggestions: 1. Apply a water meter multiplier across every account, whether it's residential or nonresidential. 2. Apply a reduction factor for multifamily units. 3. Charge 100% of the sewer base rate for every residential living unit as originally proposed. 4. Eliminate the volume charge altogether. 5. Implement a base fee that includes a minimum amount of flow. The pros and cons of each of these suggestions were then reviewed and discussed by Mr. Winterton.

KC Shaw, Vice Chair of the Public Works Advisory Commission, stated that he was a Professional Engineer. He explained that Orem suffers from aging infrastructure and was ahead of most communities in addressing the problem, because they had done so in a methodical way. Over the past 18 months they had identified \$1.1 million worth of projects that were needed. The discussion had evolved into a discussion regarding rate fairness, when it was really a utility maintenance issue. In speaking to the fact that individual units aren't billed in multifamily residential buildings, the Public Works Advisory Commission noted that apartments use less waste water than single family homes. They were also aware that almost every other city charges by a living unit basis and that Orem's system was unique. He reiterated previous statements made that it was determined that a more equitable solution would be to charge each unit a fixed fee, thereby buying into the capacity of the system. Mr. Shaw stated that there was no perfect billing method, and there would always be someone who feels that they were being mistreated. However, the Commission believes that the proposed amendments would bring the City closer to a more fair system.

Mayor Brunst asked staff to reiterate the reasons behind the proposed changes, and how they would affect the City's infrastructure and future rates. Mr. Tschirki responded that before they bring forward the Sewer Master Plan, they felt it was necessary for them to look at any inequities or unfairness that existed in the current billing system. The proposed increases would be tied to fixed costs related to expenses already made. Fixed costs were those which relate to operations and maintenance, equipment, personnel and capital improvements. Variable costs were chemicals such as fuel and power that were associated with plant processes, or provide services to the City. Mayor Brunst asked what the proposed increases would mean for the future, and Mr. Tschirki answered that they would have a broader foundation from which they could draw.

These changes had been delayed for many years, and it was time to have a course correction for the benefit of future generations.

Mrs. Lauret inquired the subsidy, and whether or not it had increased over time. Mr. Shaw responded that prior to the changes that were made in 1998, the fixed fee was around \$9.50 and the volume fee was about \$.55. Under the scenario, the single family homes were subsidizing multifamily units by about seven to ten percent. The inequity had increased since that time, to greater than 10 percent. Mr. Tschirki added that the nonresidential uses were not addressed in the 1998 study.

Mr. Sumner thanked the Commission for their work on the project. In response to a question from Mr. Sumner, Mr. Tschirki explained that it was determined that the adjustment would generate \$1.1 million, and of that money \$800,000 was for apartments and the remaining amount was for business. Mr. Sumner remarked that the increase would probably be easier for businesses, and reviewed other anticipated increases. He expressed concern that duplexes would carry a heavier burden, to which Mr. Tschirki replied that it would depend upon the size of the meter. Furthermore, peak volume anticipated for a particular use would be taken into consideration, and some businesses would have more indoor water consumption, thereby resulting in sewer discharge.

Mr. Spencer asked Mr. Tschirki to elaborate on peak capacity. Mr. Tschirki referenced summer water use in Orem, and explained that collectively the community would produce 60 million gallons of water. That was about six times as much water as was used in the City during the winter time. Likewise at the water reclamation facility, peak use was rated at about 13 million gallons, and today's average flows were around 8 million gallons. If a system was designed for average and not peak capacity, issues would arise during peak times. Mr. Davidson added that shopping centers design parking for Black Friday and not an average shopping day. The same principle applied with sewer needs.

Mayor Brunst commented that this proposal was similar to what was taking place in other cities. If they did not prepare for the future, then they would be incapable of dealing with peak usage.

Mr. Shaw explained that there were two ways to address the issue; first, they could either implement a "pay as you go" system to accumulate funds, or they could bond. If Orem did not do something now, then they would have to bond later. Mr. Shaw noted that he worked for Central Utah Water Conservancy District (CUWCD), and Orem was in the top one percent of cities that planned ahead and anticipated maintenance, upkeep, and expansion. Other cities were of the opinion that they would bond whenever a problem arose. It was noted that Salt Lake City had had several water main breaks over the last few years.

Mr. Tschirki added that Orem had had the philosophy that they would bond when necessary. A hybrid approach could be used for larger projects; however, a "pay as you go" approach could be implemented for addressing issues on an annual basis.

Mr. Lentz said he had heard from several renters who were concerned with increased rent. His understanding was that rent was typically built off of market rates. He asked if renters would bear the brunt of these rate increases. Mr. Tschirki replied that his assumption was that landlords would pass the cost on to their renters.

Mr. Davidson stated that the City had a \$1.1 million “nut to crack.” The nut would be cracked in terms of funding for future infrastructure, either on the base or variable rate. Regardless of who bore the brunt of those rate increases, there was going to be an increase in cost.

Mr. Sumner brought up the issue of franchise taxes being increased as well. He stated that the increases would be passed on to tenants, which was of concern to him because many of those citizens were young people making minimum wage. Mr. Tschirki said the franchise percent would remain the same, and would be applied across services fees.

Mayor Brunst commented that in most cities each living unit paid the base rate; therefore, that which they were proposing to implement was normal throughout the cities within the area. He read a quote made by Mike Collins, of Bowen & Collins. Mayor Brunst stressed that they were trying to bring everyone to an equal level, and much of the City’s infrastructure had been previously constructed. If they wished to pass the infrastructure on to future generations, then they needed to maintain it properly. Mr. Tschirki explained that the direct costs were billed to the sewer utility, and Mayor Brunst suggested taking off the \$.85 from the \$9.32 rate for all apartment units, since they did not need to pay for the billing structure. He stated that while the changes were not easy to make, they were necessary to keep the system current and in proper repair.

Mr. Lentz asked staff to elaborate on how the City would address hotels, hospitals, assisted living facilities, and accessory apartments. Mr. Tschirki responded that the nonresidential component was tied to the American Water Works Association meter multiplier. Any type of nonresidential would be charged based on the equivalent water meter size. The proposal included qualifiers that would take into account water that did not make it into the sewer system. Furthermore, facilities would be allowed to request an adjustment to their multiplier based on qualifying site specific criteria, such as landscaping, and what was being used inside that facility. Using the International Plumbing Code, the equivalent meter would be determined for the facility. Care facilities would be treated similar to residential units, apartments or condos. Hospitals would be billed for any water that was consumed inside of the facility. Accessory apartments would also be treated as living units.

At Mr. Macdonald’s request, there was continued discussion relating to the \$.85 reduction for apartment buildings. Mr. Macdonald explained that he had been the City Council representative to the Public Works Advisory Committee, and he had become very well educated on this issue. He believes that it’s a fair assessment that a typical apartment or house had less impact on the infrastructure.

Mr. Seastrand commented there had been many documents to review on this issue, and he expressed appreciation for the discussion. He agreed there was diversity in how the system was used based on homes and residents. He also agreed with sentiments that had been expressed earlier, that while there isn’t one way to achieve a perfect system, they could get closer to making it fairer with the changes that had been addressed. Similar to what happened with the water system in the summer, the City needed to be able to supply water at the peak usage amount. The sewer system changed from hour to hour, and therefore it was critical that it function properly all of the time.

Mr. Seastrand recapped the proposal as presented. The first aspect of the proposal pertains to usage; second was that of capacity, which was where inequities had applied. Namely, some apartment units might have one person while others might have several. Mr. Seastrand stated that he had received a number of emails expressing concerns that apartments were not paying a fair access fee. He explained that he understood multiple perspectives on the proposed changes. Mr. Seastrand argued that, ultimately, it was not a matter of how many bills were sent out; rather, it was fairer to base rates on the number of dwellings that were associated with an address.

Mr. Lentz stated that he was reviewing the mailer that was distributed last week, and in particular Option 2, which indicated that additional units on a bill would receive consideration for a discount of effectively 20 percent. He wondered how that amount had been determined.

Mr. Winterton said that it was a number created in order to generate conversation. The 20 percent figure was never mathematically derived.

Mayor Brunst said that while he felt it was important they go ahead and look at the \$.85 deduction, he was not comfortable with what was proposed in Option 2 on the mailer. He suggested eliminating a dollar off of the remaining units of a multifamily dwelling. The full amount of \$9.32 would be charged for the first unit, and a \$1.00 would be deducted for each of the other units. Going any lower would take too much from the needed revenues. He reaffirmed that the City should be charging by living unit with a qualifier, as was discussed.

Mrs. Lauret noted that Option 2 had been created at her request.

Mr. Sumner stated that while he understood the need for additional revenues, he was concerned with the increases being implemented all at once.

Mr. Seastrand said that the real estate owners he had spoken to suggested that shut off and reconnection fees be considered, which might occur due to occasional vacancy issues.

Mayor Brunst **moved**, by ordinance, with an effective date of July 1, 2016, to approve the proposed sewer base rate ordinance with the following change: that for multi-unit residential buildings on a single utility account, only the first residential living unit will be charged the full residential base rate of \$9.32; additional residential living units on the same utility account will each be charged a reduced residential base rate of \$8.32, and (2) amend the sewer base rate for nonresidential buildings having a water meter size greater than ¾". Mr. Lentz **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand, and David Spencer. Those voting nay: Brent Sumner. The motion **passed, 6-to-1**.

6:00 P.M. PUBLIC HEARING – Building Projections in Setbacks

ORDINANCE – Amending Section 22-6-8(C) (3) and Section 22-6-8(E) of the Orem City Code pertaining to permitted projections into setbacks in a residential zone

Mr. Jason Bench presented Development Services Department's request that the City amend Section 22-6-8(C)(3) and Section 22-6-8(E) of the Orem City Code pertaining to permitted building projections into setbacks in a residential zone.

City ordinances currently allowed certain building projections such as bay windows, box windows and chimneys to encroach up to 24 inches into a residential setback. However, the current ordinance did not define bay windows or box windows and also did not provide any guidance on how many bay windows could encroach into a setback or how large those bay windows could be.

Because of the lack of clarity regarding the definition of those terms, City staff proposed to amend section 22-6-8 to more clearly specify what was allowed under that section. Specifically, the proposed amendment would clarify that only building projections that were “cantilevered” (not supported by a foundation) might encroach into a setback. In addition, the proposed amendment would limit:

- The width of a building projection to ten feet
- The total number of building projections to two
- To no more than one building projection for any elevation of a single-family dwelling.

The Planning Commission recommended the City Council amend Section 22-6-8(C) (3) and Section 22-6-8(E) of the Orem City Code pertaining to permitted projections into setbacks in a residential zone. Staff supported the recommendation of the Planning Commission.

Mayor Brunst asked for the reasoning behind the request. Mr. Bench said that for the past several years, builders had been making this request and staff had had to deny them. Therefore, staff decided to come forward with a recommendation that addressed those concerns and provided some options. Mayor Brunst asked Mr. Bench if he foresaw any problems that could arise with the proposed amendment, and Mr. Bench said staff recommended approval. Furthermore, there would be a limit to two of the projections on a house, and they would need to be on separate elevations.

Mr. Macdonald asked for mathematical clarifications, to which Mr. Bench explained that the maximum for any projection would be twenty-four inches beyond the buildable area. Mr. Lentz inquired as to the reasoning behind limiting projections to two per building and one per side. Mr. Bench said currently they did not allow any projections into a setback, other than the bay window. If the City was going to start allowing them to go all the way to the floor, then it would not be desirable to have two of those projections to utilize the entire width on one elevation.

Mayor Brunst opened the public hearing. No one came forward to speak, so he closed the public hearing.

Mr. Macdonald **moved**, by ordinance, to amend Section 22-6-8(C) (3) and Section 22-6-8(E) of the Orem City Code pertaining to permitted projections into setbacks in a residential zone. Mr. Sumner **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed unanimously**.

6:00 P.M. PUBLIC HEARING – Development Standards in the PRD zone
ORDINANCE – Amending a portion of Article 22-7 of the Orem City Code pertaining to development standards in the PRD zone

Mr. Bench presented Development Services Department's request that the City amend portions of Article 22-7 of the Orem City Code pertaining to development standards in the Planned Residential Development (PRD) Zone.

City staff proposed to make several amendments to the PRD zone in order to improve developments in that zone. The principal changes being proposed along with an explanation for each proposed change were provided below.

1. Require a concept plan to be submitted with any application to rezone property to the PRD zone and make the concept plan binding.

Developers who requested a rezone to the PRD zone typically provided a concept plan showing the layout and architectural style of their proposed development. However, City Code did not actually require a developer to comply with the concept plan after a rezone to the PRD zone was approved. Thus, it was currently possible for a developer to show the City Council a certain plan at the time it requested a rezone and then do something entirely different after approval (within the confines of the PRD standards). Because PRD zones were intended to blend in with existing residential areas and because PRDs were generally allowed to have a density of at least seven units per acre, staff believed it was important for the City Council to have some assurance as to what would actually be built at the time they approved a PRD zone. Staff therefore proposed to make an approved concept plan part of Appendix "RR" and require a developer to substantially comply with the approved concept plan in developing the property.

2. Require all streets in a PRD to be public and to have a buffered sidewalk on each side of the street.

Developers of property in the PRD zone currently had the option to make streets in the PRD either public or private. The developers of many PRDs had chosen to develop with private streets because under the current ordinance, private streets were only required to have a minimum width of thirty-six feet (36') while public streets were required to have a minimum width of forty-six feet (46'). However, private streets could become a maintenance issue for a homeowners' association (HOA) when the time came to repair or repave the street. Often, the HOA would ask the City to take over a private street at such time because the HOA could not afford the maintenance. However, because those private streets typically did not meet City standards for public streets, the City was hesitant to accept responsibility for them.

In order to address the issue, City staff proposed to require that all streets in a PRD be public and built to City standards and specifications for public streets. Public streets that were estimated to have average daily trips of 800 or fewer would be required to have a width of at least 32 feet while all other streets must have a width of at least 46 feet. Staff also proposed to require a buffered sidewalk to be constructed on both sides of all streets in a PRD. That was consistent with the requirements for other new residential development in the City and would improve walkability.

The proposed amendments also provided clarification regarding the required setbacks from public streets with buffered sidewalks and required all dwellings to follow the street setbacks shown on Appendix K of the Code which was the current sub-local street design standard.

3. Allow private drives in a PRD provided that no more than four units were accessed from a private drive.

Private drives were currently allowed in a PRD and might be constructed with a minimum width of only twenty-four feet. Outside of the PRD zone, private drives were currently only allowed where needed to access deep lots and there was a restriction providing that no more than four deep lots might access a private drive. Consistent with that existing practice, staff believed that private drives should only be used in limited circumstances in a PRD zone where necessary to provide access to just a few units and should not be used as roads intended to provide significant traffic circulation. Therefore, staff proposed to allow private drives only where they provided access to no more than four units and only where approved by the City Council in the concept plan. There were thirteen locations in the City where the PRD zone had been approved. Only one of those locations had not been developed, due to UVU purchasing the property and developing a parking lot.

The Planning Commission recommended the City Council amend a portion of Article 22-7 of the Orem City Code pertaining to development standards in the PRD zone as described above. Staff supported the recommendation of the Planning Commission.

Mr. Sumner questioned if those amendments would affect the proposed housing development on 800 West and 800 South. Mr. Bench said the project in question fell within the PD zone.

Mayor Brunst asked if there had been situations in which what had been presented to the Council had not been constructed. Mr. Bench said he was not sure; however, the developers had in the past had the option of changing their concept plan, which was what staff would like to change. Developers should be bound to their concept plan, so that more forethought took place while developing the proposal.

Mr. Lentz asked if a parking lot would need to be a public street, and Mr. Bench replied that the twin homes would front the street and would have garages.

Mr. Seastrand asked who would be responsible for deciding if a PRD developer could convert back to a public street. Mr. Bench explained that some private streets did not meet public standards in the first place, and therefore staff did not want to perpetuate that problem into the future. Mr. Seastrand asked how taking over a private street and making it public would benefit Orem. Mr. Bench said the City did not take over private streets because they become dilapidated and were expensive to repair. Higher density developments should have higher standards in order to compensate for the impact.

Mr. Bell said the proposed ordinance would not allow private streets; all requests moving forward would be required to have public streets.

Mr. Spencer made reference to an upcoming project that was already in the process. Mr. Bench replied that the project in question would be the last one with a private street. Mr. Stephens explained that they had encountered people who lived on private streets who complained about not receiving the same services as residents who lived on public streets.

Mayor Brunst opened the public hearing. No one came forward to speak, so he closed the public hearing.

Mr. Seastrand **moved**, by ordinance, to amend a portion of Article 22-7 of the Orem City Code pertaining to development standards in the PRD zone. Mayor Brunst **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed unanimously**.

RESOLUTION – A resolution of the City Council of the City of Orem outlining their support for adoption of the 2015 International Energy Conservation Code (IECC) and other possible air quality enhancements for Utah

Mr. Ryan Clark explained that the valleys in Utah suffered from inversions each winter season. The inversions caused health problems and could also affect economic development efforts. Businesses had eliminated Utah from their site selection searches because of the inversions.

The City of Orem, Provo City, Mountainland Association of Governments (MAG), Utah County, Utah County Health Department, and local business leaders were members of the Utah Valley Clean Air Task Force (UVCATF). The task force actively evaluated and implemented solutions to reduce air pollution during the inversion season. Over the last two years the task force had encouraged the residents of the valley to reduce automobile emissions. The task force was also looking for solutions to reduce pollution from homes and buildings, which accounted for 39 percent of the pollutants in the air.

One way to reduce pollution from homes and buildings was to adopt energy-efficient building codes. The UVCATF had asked Orem, Provo, and MAG to support adoption of the 2015 International Energy Conservation Code as part of a planned update to the state building code by the Utah legislature in the upcoming legislative session.

Mr. Clark said he recommended the Council adopt the request to outline their support for adoption of the 2015 International Energy Conservation Code (IECC) and other possible air quality enhancements for Utah. In addition, it was recommended that the City Council instruct staff to transmit copies of this resolution to the President of the Utah Senate, to the Speaker of the Utah House of Representatives, to the Clerk of the Legislature, and to the news media to include the *Daily Herald*, *Salt Lake Tribune*, and *Deseret News*.

Mr. Clark explained some of the accomplishments of UVCATF, which included a clean-air pledge program, pledge cards and pins, electronic billboard ads, air-quality flag sets, and UTA bus-idling thermometers. He noted that using the air-quality flag sets, the City would fly a flag each day to indicate the weather quality forecast for the next day; i.e., yellow, orange, red, etc. Orem had not had a red weather quality day since the task force was established.

Inversions were an issue every winter that not only caused health problems, but also affected economic development. Businesses had eliminated Utah from their site selection searches because of inversions. The largest source of contaminants was automobiles, which contributed between 50 to 60 percent; industry contributed between 10 and 15 percent, and homes and buildings contributed 30 to 40 percent. The 2015 new requirements included increased R-value (thermal resistance) insulation to be installed in ceilings, skylights, windows, doors, wood frame

walls, floors, basement walls, slab, and return ducts in attics. The new code also accounted for duct leakage and other HVAC control requirements. Duct leakage also needed to be mitigated according to the new code requirements.

One disadvantage to the new requirements was that of increased construction costs that would range from approximately \$1,000 to \$3,000 for a typical home. However, the advantage of implementing the new construction requirements was that new homeowners would save an average of \$297 per year in utility costs. After accounting for the upfront costs and additional costs financed in the mortgage, homeowners should see net positive cash flows within two years. In addition, pollutants including CO₂, PM_{2.5}, and ozone would be reduced. Energy demand from new construction would be reduced, mitigating the need for new infrastructure.

Adoption of the proposed resolution would indicate that the City Council was interested in State legislators adopting the 2015 IECC for Utah. Furthermore, the City Council would instruct the City Recorder to transmit duly authenticated copies of the resolution to the President of the Utah Senate, to the Speaker of the Utah House of Representatives, to the Clerk of Legislature, and to the news media of Utah to include the *Daily Herald*, *Salt Lake Tribune* and *Deseret News*. Mr. Clark noted that Provo City had passed a similar resolution in December.

Mrs. Lauret asked if there had been any businesses in particular that had chosen not to relocate to Orem, specifically because of issues pertaining to inversion. Mr. Clark said that while there had not been any specific instances in Orem, EDC Utah had generally stated that as a fact through site visits they had made.

Mr. Lentz asked if there were any policies found in the code that had flexibility to adapt based on geography and populations. Mr. Clark said the studies were based upon Utah's climate. Mr. Bell added that there were ways to change the code, through a process that would go through the State for review and then ultimately to the Legislature.

Mayor Brunst observed that the 2015 International Energy Conservation Code (IECC) was a huge document, and he was not comfortable supporting a document he had not read. Mr. Bell clarified that the State had already adopted the 2009 version the code, and the residential code had been adopted in 2006. The codes went through a three-year code cycle, and the 2015 version would go before the legislature this session. In other words, the code was already in effect and had already been adopted.

Subsequent to a brief discussion regarding a proper motion to make on the item, Mr. Macdonald **moved**, by resolution, to support air quality enhancement for Utah and instruct staff to transmit copies of this resolution to the President of the Utah Senate, to the Speaker of the Utah House of Representatives, to the Clerk of the Legislature, and to the news media to include the *Daily Herald*, *Salt Lake Tribune*, and *Deseret News*. Mayor Brunst **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed unanimously**.

RESOLUTION – Adopting the Canyon View, Orchard & Cascade Neighborhood Plan and amending the City of Orem General Plan to include the Canyon View, Orchard & Cascade Neighborhood Plan as Appendix C

Mr. Brandon Stocksdale and Mr. Bench presented a request from the Development Services Department that the City Council approve, by resolution, the Canyon View, Orchard & Cascade Neighborhood Plan and amend the Orem City General Plan by adopting the Canyon View, Orchard & Cascade Neighborhood Plan as Appendix C.

Before the Council was the first neighborhood plan to be completed in the City of Orem's Neighborhood Plan Program. The major goals of the plan included promoting community planning by working with residents to identify local concerns and needs, improving communication with residents, and applying citywide plans at the neighborhood level. Three public open houses were held and a citizen-driven advisory committee was formed to help identify concerns, shape the vision statement, and assist in drafting the plan. Community outreach was also supported by the City's MindMixer and mySidewalk pages. The major elements of the plan included an introduction, an inventory of existing conditions, future land uses, transportation, neighborhood preservation, and implementation.

Some of the major objectives of the plan included:

- Preserving the character of the neighborhoods while allowing for appropriate growth and redevelopment
- Addressing current and future traffic congestion concerns
- Improving nonvehicular access throughout the community
- Maintaining and improving parks and recreational facilities
- Improving coordination and ordinance enforcement
- Providing sufficient amenities throughout the neighborhoods

The plan included the following two specific recommendations:

1. Concentrating new commercial/retail development on the 800 North corridor while preserving existing single family neighborhoods.
2. Allowing appropriate infill development to accommodate growth and redevelopment within the context of the existing single family neighborhoods.

Each neighborhood plan served as a guide for future planning decisions made by City staff, the Planning Commission, and the City Council based on the goals and vision established by the residents. It was intended that each neighborhood plan be updated at least every five years. The Planning Commission recommended that the City Council approve the Canyon View, Orchard & Cascade Neighborhood Plan and amend the City of Orem General Plan by adopting the Canyon View, Orchard & Cascade Neighborhood Plan as Appendix C. City staff supports the Planning Commission recommendation.

Members of the advisory committee commented on their experiences while serving in this capacity. Diane Fraser stated that working on the advisory committee had been a fun experience. She enjoyed getting to know people and learning how the City operated. Katrina Larsen commented that she had gotten involved because of an insert in her utility bill. She had gained a lot of confidence in the City staff through the experience, as well as what resources were available to citizens.

Mickey Cocheran stated that he lived in the Orchard neighborhood, and said that many people had come to the first meeting. They were asked to get involved and talk to neighbors, and he

particularly liked the school visits. The citizens who attended meetings cared about what happened to their families, and he believed that continuing the process in other neighborhoods would have a positive influence on Orem.

Mr. Stocksdale commented that this had been a community-driven process, and it was a great opportunity to work with citizens. He explained the vision statement, which reads as follows:

Enhance our quality of life by improving public safety and awareness; expanding transportation options through making streets safer for pedestrians, children, and bicyclists; increasing access to parks and open space; and making wise land use choices to consider future growth as we create homes that support the preservation and beautification of our neighborhoods.

In response to a question from Mr. Sumner, Mr. Stocksdale explained that in the implementation section, potential funding sources were addressed. Part of that included incorporating objectives from plans that were already in place, such as the Bikes and Trails Master Plan and the Capital Improvement Plan. Mr. Stocksdale said they looked into different potential grant funding sources. One improvement that had been identified through the process was that of a missing sidewalk on the south side of 800 North. It was brought forward to the State and was now being reviewed.

Mayor Brunst **moved** to adopt the Canyon View, Orchard & Cascade Neighborhood Plan and amend the City of Orem General Plan to include the Canyon View, Orchard & Cascade Neighborhood Plan as Appendix C. Mrs. Lauret **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed unanimously**.

COMMUNICATION ITEMS

The Monthly Financial Summary for November 2015 was provided to the Council.

CITY MANAGER INFORMATION ITEMS

Mr. Davidson noted the legislative session would begin on January 25, 2016, and he reviewed some of the upcoming issues:

- Police body cameras
- Prop 1
- Land use
- Water
- Sales tax, especially Internet

Mr. Macdonald asked if the online businesses might pay a lesser tax since they had less of an impact. Mr. Davidson explained that they were not necessarily seeing retailers go away but they were rather starting to downsize. No one understood how it would play out long term. The State would be looking at how to spend one-time money, a situation similar to what Orem was experiencing.

ADJOURNMENT

Mr. Seastrand **moved** to adjourn to the meeting. Mayor Brunst **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed unanimously**.

The meeting adjourned at 8:58 p.m.

Donna R. Weaver, City Recorder

Approved: February 9, 2016