



CITY OF OREM
CITY COUNCIL MEETING
56 North State Street, Orem, Utah
March 12, 2019

*This meeting may be held electronically
to allow a Councilmember to participate.*

3:00 P.M. WORK SESSION - CITY COUNCIL CONFERENCE ROOM

**DISCUSSION - Critical Home Repair and Neighborhood Preservation Programs
Resolution (15 min)**

The City Council will discuss the administration and funding allocation of the City's Critical Home Repair and Neighborhood Preservation Programs with the Deputy City Manager and Community Services Manager.

Presenter: Steven Downs and Kena Mathews

[RES--CDBG Critical Home Repair Program.docx](#)

DISCUSSION - Centennial Update (15 min)

An update on the Orem Centennial activities will be provided; the City Council shall provide input.

Presenter: Kathi Beckett

DISCUSSION - BUDGET -- Operations, Fleet, and I.T. (45 min)

Discussion on 2019-2020 Fiscal Year Budget

Presenter: Richard Manning, Thayne Carter, and Ernesto Lazalde

DISCUSSION - Library Hall Finishes and Colors (60 min)

The City Council shall provide input.

Presenter: Ryan Clark and Method Studio

1. AGENDA REVIEW

The City Council will review the items on the agenda.

2. PREVIEW UPCOMING AGENDA ITEMS

Staff will present to the City Council a preview of upcoming agenda items.

3. CITY COUNCIL REPORTS (BOARDS & COMMISSIONS, NEW BUSINESS, ETC.)

This is an opportunity for members of the City Council to raise issues of information or concern.

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

4. CALL TO ORDER

5. INVOCATION/INSPIRATIONAL THOUGHT: BY INVITATION

6. PLEDGE OF ALLEGIANCE: BY INVITATION

7. MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

7.1. UPCOMING EVENTS

For Review

[Upcoming Events.pdf](#)

7.2. PRESENTATION -- Walter C. Orem Award - Charlene R. Winters

The Walter C. Orem award will be presented to Charlene R. Winters in recognition of and gratitude for Charlene's outstanding efforts in writing the 2019 historical book of Orem, "City of Orem: A Centennial Benchmark".

Presenter: Kathi Beckett

8. PERSONAL APPEARANCES – 15 MINUTES

Time has been set aside for the public to express their ideas, concerns, and comments on items not scheduled as public hearings on the Agenda. Those wishing to speak are encouraged to show respect for those who serve the city. Comments should focus on issues concerning the city. Those wishing to speak should have signed in before the beginning of the meeting. (Please limit your comments to 3 minutes or less.)

9. CONSENT ITEMS

9.1. APPROVAL OF MEETING MINUTES

Minutes of City Council Meeting - February 26, 2019

[02.26.2019.ccmn DRAFT.docx](#)

9.2. APPOINTMENTS TO BOARDS AND COMMISSIONS

Appointment to the Beautification Advisory Commission - Vickie Johnson

[Vickie Johnson.pdf](#)

10. SCHEDULED ITEMS

10.1. PUBLIC HEARING

ORDINANCE – FY 2018-2019 Budget Amendments

The City Manager recommends the City Council hold a public hearing to discuss amending the current Fiscal Year 2018-2019 Budget and, by ordinance, amend the Fiscal Year 2018-2019 Budget.

Presenter: Richard Manning & Brandon Nelson

[AS--Budget Amendments-ORD - 2019 - Feb.docx](#)

[ORD--Budget Amendment-Feb 2019.docx](#)

10.2. RESOLUTION - Supporting and Encouraging the Utah Department of Transportation to acquire, develop, and operate 1600 North in Orem from I-15 to US-89 State Street in Orem

The Mayor and City Council have the opportunity to encourage the State of Utah to improve an important east/west arterial road in Orem by transferring ownership of a portion of 1600 North.

Presenter: Jamie Davidson

[RES--1600 North UDOT transfer.docx](#)

11. CITY MANAGER INFORMATION ITEMS

This is an opportunity for the City Manager to provide information to the City Council. These items are for information and do not require action by the City Council.

12. ADJOURN TO CLOSED MEETING

The City Council moves to adjourn to a closed meeting in Room #107 to discuss "the character, professional competence, or physical or mental health of an individual", pursuant to Utah Code Section 52-4-205(1)(a).

CLOSED MEETING

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL CITY COUNCIL MEETINGS.

**If you need a special accommodation to participate in the City Council Meetings and Study Sessions,
please call the City Recorder's Office at least 3 working days prior to the meeting.
(Voice 801-229-7000)**

This agenda is also available on the City's webpage at orem.org



Agenda Item No:

City Council Agenda Item Report

Meeting Date: March 12, 2019

Submitted by: Kena Mathews

Submitting Department: City Manager' s Office

Item Type: Discussion Item

Agenda Section:

Subject:

DISCUSSION - Critical Home Repair and Neighborhood Preservation Programs Resolution (15 min)

Suggested Action:

The City Council will discuss the administration and funding allocation of the City's Critical Home Repair and Neighborhood Preservation Programs with the Deputy City Manager and Community Services Manager.

Presenter:

Steven Downs and Kena Mathews

Background:

Potentially Affected Area:

Citywide

Attachments:

[RES--CDBG Critical Home Repair Program.docx](#)

DRAFT

RESOLUTION NO. _____

A RESOLUTION AMENDING THE COMMUNITY DEVELOPMENT BLOCK GRANT USE OF FUNDS ALLOCATIONS FOR FISCAL YEAR 2018-2019

WHEREAS the City of Orem has historically allocated a portion of its Community Development Block Grant (“CDBG”) funding to support a Critical Home Repair Program; and

WHEREAS the City of Orem entered into an agreement with the Habitat for Humanity of Utah County on August 31, 2016, to administer the Critical Home Repair Program on behalf of the City; and

WHEREAS in a resolution dated May 8, 2018 (Resolution No. R-2018-0007), the City Council allocated money to Habitat for Humanity of Utah County for Critical Home Repair and Neighborhood Preservation Programs for fiscal year 2018/2019; and

WHEREAS Habitat for Humanity of Utah County has since indicated that it will not be able to utilize the CDBG funds for Critical Home Repair and Neighborhood Preservation Programs and authorized the release and reallocation of those funds to another entity that can make better use of the funds; and

WHEREAS Critical Home Repair and Neighborhood Preservation Programs are still needed to serve low to moderate-income residents in the City of Orem; and

WHEREAS the City of Orem Community Development Block Grant Advisory Commission has recommended that the City of Orem, with the use of an experienced rehabilitation consultant and staff from Orem Community Services department, take over the administration of Critical Home Repair and Neighborhood Preservation Programs for the City of Orem.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The City Council hereby amends the Community Development Projected Use of Funds for fiscal year 2018/2019 (Exhibit “A” to Resolution No. R-2018-0007) as follows: the funding allocation made to Habitat for Humanity of Utah County shall be changed to the City of Orem. The City Council hereby authorizes the City of Orem to take over administration of Critical Home Repair and Neighborhood Preservation Programs.
2. If any part of this resolution shall be declared invalid, such decision shall not affect the validity of the remainder of this resolution..
3. All resolutions and policies in conflict herewith are hereby repealed.
4. This resolutions and policies in conflict herewith are hereby repealed.

DRAFT

PASSED and APPROVED this **26th** day of **March** 2019.

Richard F. Brunst, Jr., Mayor

ATTEST:

JoD'Ann Bates, City Recorder

COUNCILMEMBER	AYE	NAY	ABSTAIN
Mayor Richard F. Brunst	☐	☐	☐
Debby Lauret	☐	☐	☐
Sam Lentz	☐	☐	☐
Tom Macdonald	☐	☐	☐
Mark Seastrand	☐	☐	☐
David Spencer	☐	☐	☐
Brent Sumner	☐	☐	☐

UPCOMING EVENTS

DATE	BUSINESS AND LOCATION	TYPE	
March 14	Hillcrest Elementary School	Celebrating 65 Years	6-8pm
	Hillcrest Elementary School		
March 15	Hillcrest Elementary School	Gala	6-8:30pm
	Orem High School		
March 19	Utah Valley Chamber of Commerce	Pillar of the Valley	7pm
	Utah Valley Convention Center		
March 25	UVU Noorda Center for Performing Arts.....	Ribbon Cutting	1pm
	Noorda Center Atrium (SE of Gunther Trades Building		
March 27	UVU Baseball	Orem City Night	5:45pm
April 20	Sunset Heights East Neighborhood	Picnic	11:30am
	Community Park		
April 24-26.....	Utah League of Cities and Towns	2019 Midyear Conference	
	Dixie Center, St. George		
April 25	NPU	Spanish Resource Night	6:30pm
	St. Francis Catholic Church		
May 4	City of Orem.....	Centennial Birthday Party	5pm to Dusk
	The Orchard, University Place		
May 11	Miss Orem Organization	Scholarship Pageant	7pm
	SCERA Center for the Arts		
May 16	City of Orem Police	Suncrest Police Picnic	5:30pm
	Community Park		
May 27	City of Orem Heritage Advisory Commission	Memorial Day Program	9am
	Orem Cemetery		

DRAFT

CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
February 26, 2019

4:00 P.M. WORK SESSION – CITY COUNCIL CONFERENCE ROOM

CONDUCTING

Mayor Richard F. Brunst

ELECTED OFFICIALS

Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand, Brent Sumner and David Spencer

APPOINTED STAFF

Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Steven Downs, Deputy City Manager; Greg Stephens, City Attorney; Karl Hirst, Recreation Department Director; Richard Manning, Administrative Services Director; Brandon Nelson, Finance Division Manager; Ryan Clark, Development Services Director; Scott Gurney, Fire Chief; Jason Adamson, Risk Manager; Charlene Crozier, Library Director; Chris Tschirki, Public Works Director; Neal Winterton, Water Resource Division Manager; Jason Bench, Planning Division Manager; and JoD'Ann Bates, City Recorder

DISCUSSION – Water Quality

Mr. Tschirki indicated drinking water was disinfected in the late 1800's early 1900's using Ozonation, Ultraviolet Radiation and Chlorination which promoted cleaner water and aided in public health improvements.

Mr. Winterton discussed current drinking water sources which are:

- Ground Water (25%)
 - o Nine Deep Wells
- Spring Water (15%)
 - o Alta Springs
 - o Canyon Springs
- Surface Water (60%)
 - o Provo River
 - o Weber River
 - o Duchesne River
 - o Deer Creek Reservoir
 - o Jordanelle Reservoir
 - o Strawberry Reservoir

He continued to state that drinking water treatment is not required for ground water but is required for spring and surface water. Ground and spring water is treated with Chlorine which is safe, reliable and economical. Surface water treatment is done by the Central Utah Water Conservancy District at the Don A. Christiansen Regional Water Treatment Plant. He continued to discuss what is done in order ensure daily supply of clean water:

- Each water source is visited at least one time each day
- Data points are collected and recorded manually every day and continuously monitored and recorded electronically
- There are 300+ years of experience associated with the 16 certified Utah Water Distribution System Operators
- They do a general walk around
- Visual and audios assessments are made
- Doors and locks are checked
- Hatches are checked
- Leaks are documented

Mr. Tschirki reviewed some data that has been reported with the SCADA system which is how they maintain water information on an electronic level.

Gerard Yates of Central Utah Water Conservancy District stated they provide water for various cities and may use wells, springs or both. Orem city has a very high quality of water and he has enjoyed working with the employees at Orem City. He continued to discuss the water treatment plant and their process. He relayed how even minor events affect the water treatment plant and how they are able to react to those issues in keeping water safe and clean. He continued to show equipment and data that they use in the treatment of water and the quality of the water through their plant since 1996. The plant has received the Excellence in Water Treat Award for 15 years and is the only plant in Utah that has been given this award. They accomplish this by hiring good people and providing them with the resources and resiliency.

Mayor Brunst indicated that the in 2016 the City of Orem received a state award for the Best Tasting Water in Utah.

Discussion ensued regarding the availability of water used on average and having enough to provide Orem residents through buildout.

DISCUSSION – BUDGET - Revenue & Compensation

Mr. Manning reviewed the current business climate, population, employment outlook, property and sales tax projections. Discussion continued regarding the following projected revenues:

- Sales Tax projection is \$23.5 million
- Franchise Tax projection is \$8 million
- Building Fees projection is \$1.4 million
- Dedicated Street Maintenance projection is \$5.4 million
- Water
 - o Water Sales \$16.4 million
 - o Recurring Revenue \$17.3 million

- o Total Revenue of \$20.4 million.
- Water Reclamation
 - o Recurring Revenues \$11.3 million
 - o New Revenue \$1.3 million
- Storm Water projection is \$4.8 million
- Solid Waste projection is \$4 million

Mr. Manning stated that residents will see a monthly increase of about \$9.62 a month to their utility billing. There will be others that will see a change if they live where the street lighting fee will be coming off. He continued to review the general fund and the overall revenue growth over time. Discussion ensued regarding an overview of State Compensation data and the wages portion of the General Fund which includes:

- Full-time employee compensation is projected at \$21million
- Non-benefitted employee compensation is projected at \$2 million
- They are proposing a 1% market adjustment equaling \$198,151
- They are proposing a 3% merit increase equaling \$594,566

Further discussion continued regarding compensation city-wide and retirement rates.

Mr. Davidson indicated they are working closely with PEHP and Orem City is trending very well. For the amount of premium the city is paying, they are able to cover the current claims and all of the administrative costs. The medical growth is increasing and the premiums will reflect that anticipated growth. They are budgeting an increase of 4% for health care costs.

Mr. Manning continued to review compensation citywide and retirement changes with the Tier1 and Tier 2 for Fire Departments. Mr. Davidson explained the issues of the new Tier 2 for law enforcement and how pensions are done in Utah versus other cities. He continued to state how this issue is being discussed at the recent legislative sessions.

Discussion continued regarding the option of raising taxes to help fund new police officers and the process that would need to take place, as well as discussing non-benefitted employees and how the city rewards them for their work and years of service.

Preview Upcoming Agenda Items

The City Council briefly reviewed items that would be coming before the Council in future meetings. Mr. Bench shared information related to upcoming zoning items.

Agenda Review

The City Council and staff reviewed the items on the evening's agenda. The Mayor reviewed the upcoming events as listed in the agenda.

City Council Reports (Boards and Commissions, New Business, Etc.)

DRAFT

Mayor Brunst commented that NPS had opened and they had approximately 250 people waiting for their doors to open on the first day and has had a full parking lot since. They also have been able to pick up employees from stores that had recently closed.

Mr. Davidson stated the Recreation and Library Bond had closed and they have received the funds. They had a Family Fitness Center visioning meeting with the architect's making sure the top priorities are addressed. This is a precursor to the public process and enables them to a foundation to build upon. Mr. Davidson indicated they continued to progress with the library process and meetings will begin in the upcoming weeks.

Mr. Davidson reviewed some of the recent legislative issues which include:

- Tier 2 State Retirement changes
- Tax Reform – This is a 240 page bill; they anticipate seeing a draft of the bill by the end of the week. They are not sure exactly what this bill represents but they have been told there are provisions within the bill that will hold city's harmless.

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

CONDUCTING

Mayor Richard F. Brunst

ELECTED OFFICIALS

Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand, David Spencer, and Brent Sumner (participated electronically)

APPOINTED STAFF

Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Steven Downs, Deputy City Manager; Greg Stephens, City Attorney; Karl Hirst, Recreation Department Director; Ryan Clark, Development Services Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Pete Wolfley, Communications Specialist; and JoD'Ann Bates, City Recorder

INVOCATION /

INSPIRATIONAL THOUGHT

Chase Tylor

PLEDGE OF ALLEGIANCE

Kyson Taylor assisted by Joshua Page and Hayden Llewelyn

MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

UPCOMING EVENTS

Mayor Brunst reviewed the upcoming events, as listed in the agenda packet.

REPORT - BEATIFICATION ADVISORY COMMISSION

DRAFT

Mr. Aaron Orullian, Commission Chair introduced commission members Elaine Parker, Jason Bond which are new to the commission, and existing members Sheralyn Bennett and Sean Orullian.

Mr. Sean Orullian presented to the Council events they had accomplished during the past year and what they have planned for the upcoming year.

2018 accomplishments included:

- Adopt a pot program
- Summerfest Parade participation
- Arbor Day Participation
- Improvements to the Facebook page
- Holiday decoration Awards
 - o Residential Awards
- Beautification Awards
 - o Residential Beautification Awards
 - o Business Beautification Awards

Goals for 2019 were presented by Jason Bond, Sheralyn Bennett and Sean Orullian which included:

- Participate and support in the Centennial Celebration
 - o Plant 100 trees
 - o Center street improvement between I-15 and 800 West
 - o Be involved with any other centennial activities or events that help to beautify the City.
- Promote worthwhile projects
 - o Encourage Orem residents and business to beautify their yards and properties
 - o Recognize residents and businesses during the holiday season
 - o Encourage the City Council to approve the proposed xeriscaping policy.
 - o Participate in the City's Arbor Day activities that help sustain Orem's designation of "Tree City USA"
 - o Educate residents on city code regarding posting of yard sale signs and advertisements on city street light posts and signs.
- Promote the roles and activities of the Beautification Commission
 - o Update and maintain the Commissions bulletin board at City Hall
 - o Continue to promote the Commission and Beautification activities and education opportunities through its Facebook page and city newsletter.
 - o Participate in the Summerfest parade.

Mr. Arron Orullian thanked the City Council for their continued support and participation.

Mr. Lentz commented while at a ribbon cutting for Experian they had commented they would like to participate in the beautification of the corner next at their location. Mr. Davison indicated they are working with UDOT and had run into some restrictions.

PERSONAL APPEARANCES

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

There were none who signed up to speak.

CONSENT ITEMS

- Approval of February 12, 2019 City Council Meeting Minutes
- City Managers Appointment of Barry Roberts to the Planning Commission
- ORDINANCE - Amendment of Orem City Election Code 2-3-3- and 2-3-4

Mayor Brunst moved to approve the Consent Agenda as listed. **Mr. Lentz 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**.

SCHEDULED ITEMS

PUBLIC HEARNG / ORDINANCE – Amending Section 22-5-3(A) and the Zoning Map of the City of Orem by changing the zone on approximately 6.2 acres of property located generally at 1187 N. 1200 West from the PD-45 (Jive) zone to the HS (Highway Services) zone.

Mr. Bench stated the applicant recently acquired the subject properties that are currently zoned as PD-45 (Jive). Having no plans to develop an office building according to the PD-45 zone development standards and concept plan, the applicant is requesting the site be rezoned to the Highway Services (HS) zone. The property was zoned HS prior to the creation of the PD-45 zone. The applicant has provided a concept plan for the near future. The southern portion of the property will be used as an RV sales lot. The RV lot would be paved and have a mobile sales office trailer. In addition, the applicant has recently rehabilitated the existing building on the northern portion of the property and has leased the building as a retail market and event center. Planning Commission did recommend approval.

Mayor Brunst opened the public hearing at 6:22 p.m. Hearing no comments the Mayor closed the public hearing and brought the discussion back to the City Council.

Mr. Macdonald moved, by ordinance, to amend Section 22-5-3(A) and the Zoning Map of the City of Orem by changing the zone on approximately 6.2 acres of property located generally at 1187 N. 1200 West from the PD-45 (Jive) zone to the HS (Highway Services) zone. **Mr. Seastrand 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**.

CITY MANAGER INFORMATION ITEMS

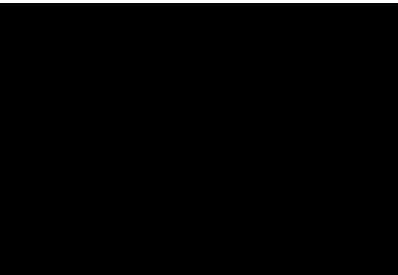
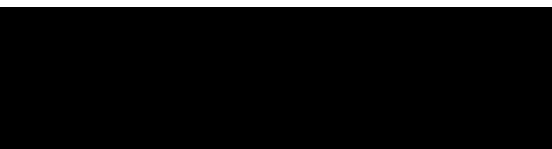
Mr. Davidson reviewed current legislative issues:

- HB320 - The Container Regulatory Act; this is a bill that was introduced in order to prohibit plastic bags. The conversation that is being held is more about local control rather than plastic bags. The arguments municipalities are making is that this should be a local issue, rather than umbrella-style legislation. There are a number of bills this session that have some type of overreach similar to this one.
- HB119 - Referendum Language Amendments; Representative Daw's is proposing this amendment and has been very willing to openly have a conversation relative to the referendum process. One point they have yet to agree upon is the question of when a referendum becomes a referendum. There are additional provisions relative to communication, referendum information pamphlet, education and due process in the event someone has violated the terms of communicating. He stated they appreciate Representative Daw in his willingness to continue to have this conversation.
- HB311 - Government Immunity; Some of the changes proposed are not just for the City Recorder and the filings of a claim but the potential for the claimant to approach the Mayor or Council to file the claim. There are other provisions regarding the ability for that claimant to take legal action up to 2 years from the Notice of Claim when the current deadline is 1 year from the Notice of Claim. This goes again, to hurting the way they administer some of the risk management acts at the city and opens the window for more claims against the city.

ADJOURN

Mr. Spencer moved to adjourn the meeting. **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**.

The meeting adjourned at 6:31 p.m.

First Name: Vickie

Last Name: Johnson

Street Address 1: 

Street Address 2:

City: Orem

State: Utah

ZIP: 

Phone Number: 

Email: 

Board/Commission

: Beautification Commission

If a position on your preferred board or commission isn't available, would you like to be considered for openings on other boards or commissions?: Yes

Summarize why you wish to serve on a city commission and if there are areas of concern that you would like to see addressed by a city commission.: I enjoy being involved as a volunteer.

Please tell us a little about yourself. Also include a summary of the special skills and qualifications you have acquired from employment, previous appointments, previous volunteer work, or through other activities.: My term on the CDBG commission is coming to an end. I have served two terms and have thoroughly enjoyed it. I am retired and love to spend time volunteering. I am currently a Meals On Wheels volunteer. Years past I have volunteered at Timpanogas Hospital, United Way (Welcome Baby) and CASA. My husband and I enjoy living in the city we grew up in.

First Name: Vickie

Last Name: Johnson

Email: 



City Council Agenda Item Report

Meeting Date: March 12, 2019

Submitted by: Brandon Nelson

Submitting Department: Administrative Services

Item Type: Ordinance

Agenda Section:

Subject:

PUBLIC HEARING

ORDINANCE – FY 2018-2019 Budget Amendments

Suggested Action:

The City Manager recommends the City Council hold a public hearing to discuss amending the current Fiscal Year 2018-2019 Budget and, by ordinance, amend the Fiscal Year 2018-2019 Budget.

Presenter:

Richard Manning & Brandon Nelson

Background:

The Fiscal Year 2018-2019 City of Orem budget has many adjustments that occur throughout the fiscal year. These adjustments include grants received from Federal, State, other governmental or private entities/organizations; sign replacement funds from developers for public development notices; administrative fees received from RDA agreements; and to account for the issuance of the 2019 General Obligation Bonds approved by the voters in November 2018.

The City is also dropping the \$3.25/mo. ELU street lighting fee for those residences that have completed paying their portion of the street lighting bonds. This fee is to be replaced by a \$2.34/mo. ELU fee per residence or business in order to continue to maintain the City's street lighting system and complete buildout of the system. The new fee will be assessed on a per unit basis rather than the existing frontage based assessment. Businesses will be billed as part of their business license renewal. Apartments and PRD housing developments will be billed for each unit beginning July 1, 2019. Residences will begin this new fee as the prior fee expires according to a schedule which was based upon their street lighting installation date.

Potentially Affected Area:

Citywide

Attachments:

[AS--Budget Amendments-ORD - 2019 - Feb.docx](#)

[ORD--Budget Amendment-Feb 2019.docx](#)

[Budget Amendments FY 2019 - Feb & SL Fee.pdf](#)

CITY OF OREM
CITY COUNCIL MEETING
MARCH 12, 2019



REQUEST:	6:30 P.M. PUBLIC HEARING ORDINANCE - Amending the Current Fiscal Year 2018-2019 Budget
APPLICANT:	City Manager
FISCAL IMPACT:	\$28,322,978.40

NOTICES:

- Posted in 2 public places
- Posted on City webpage
- Posted on State Noticing Website
- Faxed to newspapers
- E-mailed to newspapers
- Neighborhood Chair

SITE INFORMATION:

General Plan Designation:
N/A
Current Zone:
N/A
Acreage:
N/A
Neighborhood:
N/A
Neighborhood Chair:
N/A

PREPARED BY:

Brandon C. Nelson
Accounting Div. Mgr

APPROVED BY:

RECOMMENDATION:

The City Manager recommends the City Council hold a public hearing to discuss amending the current Fiscal Year 2018-2019 Budget and, by ordinance, amend Fiscal Year 2018-2019 Budget

BACKGROUND:

The Fiscal Year 2018-2019 City of Orem budget has many adjustments that occur throughout the fiscal year. These adjustments include grants received from Federal, State, other governmental or private entities/organizations; sign replacement funds from developers for public development notices; administrative fees received from RDA agreements; and to account for the issuance of the 2019 General Obligation Bonds approved by the voters in November 2018.

The City is also dropping the \$3.25/mo. ELU street lighting fee for those residences that have completed paying their portion of the street lighting bonds. This fee is to be replaced by a \$2.34/mo. ELU fee per residence or business in order to continue to maintain the City's street lighting system and complete buildout of the system. The new fee will be assessed on a per unit basis rather than the existing frontage based assessment. Businesses will be billed as part of their business license renewal. Apartments and PRD housing developments will be billed for each unit beginning July 1, 2019. Residences will begin this new fee as the prior fee expires according to a schedule which was based upon their street lighting installation date.

DRAFT

ORDINANCE NO. _____

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, AMENDING THE FISCAL YEAR 2018-2019 BUDGET

WHEREAS on May 22, 2018, the City Council adopted a final budget following State law; and

WHEREAS the City Council held a public hearing on March 12, 2019, to receive input from the public regarding proposed amendments to the Fiscal Year 2018-2019 budget; and

WHEREAS the budget has been revised as deemed appropriate to accommodate unexpected revenues and expenses.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The Council hereby amends the Fiscal Year 2018-2019 Budget as shown in Exhibit “A” and Exhibit “B” which are attached hereto and incorporated herein by reference.
2. The City Manager is directed to implement these budget amendments in accordance with State laws and appropriate City procedures.
3. This ordinance shall take effect immediately upon passage and publication in a newspaper of general circulation in the City of Orem.

PASSED, APPROVED and ORDERED PUBLISHED this **12th** day of **March** 2019.

Richard F. Brunst, Jr., Mayor

ATTEST:

JoD’Ann Bates, City Recorder

COUNCILMEMBER	AYE	NAY	ABSTAIN
Mayor Richard F. Brunst	☐	☐	☐
Debby Lauret	☐	☐	☐
Sam Lentz	☐	☐	☐
Tom Macdonald	☐	☐	☐
Mark Seastrand	☐	☐	☐
David Spencer	☐	☐	☐
Brent Sumner	☐	☐	☐

EXHIBIT "A"
BUDGET AMENDMENTS
FISCAL YEAR 2018-2019

REVENUES			Previous Budget	Current Budget
Account Number	Note	Description		
GENERAL FUND				
10-3316	1	Library - CLEF Grant	\$ 20,000.00	\$ 21,500.00
10-3414-002	2	Fees - Notices - Sign Replacement	250.00	689.00
10-3690-003	1	Misc Revenues - Police Department Donations	10,530.00	15,686.62
10-3995-013	1	Cont. From - Fund 73 - Orem Foundation	1,000.00	2,171.00
10-3995-028	3	Cont. From - Fund 23 - UP CDA - Overhead	-	44,738.84
Total			<u>\$ 31,780.00</u>	<u>\$ 84,785.46</u>
Net Fund Increase				<u>\$ 53,005.46</u>
MAJOR CRIMES TASK FORCE (MCTF)				
25-3424-004-002	1	MCTF - Forfeitures Revenues - Federal (Treasury)	\$ 77,428.72	\$ 87,428.72
25-3424-005	1	MCTF - Restitution/Seizure Revenues	29,060.00	66,060.00
Total			<u>\$ 106,488.72</u>	<u>\$ 153,488.72</u>
Net Fund Increase				<u>\$ 47,000.00</u>
CAPITAL IMPROVEMENT PROJECT FUND				
45-3995-013	1	Cont. From - Fund 73 - Orem Foundation	\$ 100,000.00	\$ 106,019.37
Total			<u>\$ 100,000.00</u>	<u>\$ 106,019.37</u>
Net Fund Increase				<u>\$ 6,019.37</u>
CAPITAL IMPROVEMENT PROJECT FUND - 2019 G.O. BONDS				
47-3000	4	Bond Proceeds - 2019 General Obligation Bonds	\$ -	\$ 24,500,000.00
47-3000	4	Bond Premium Proceeds/Discounts - 2019 G.O. Bonds	-	3,709,763.20
Total			<u>\$ -</u>	<u>\$ 28,209,763.20</u>
Net Fund Increase				<u>\$ 28,209,763.20</u>
OREM FOUNDATION TRUST FUND				
73-3910-003	1	Donations - Orem Library	\$ -	\$ 1,071.00
73-3910-004	1	Donations - Orem City	1,000.00	6,100.00
73-3910-005	1	Donations - Library Hall / Fitness Center	100,000.00	101,019.37
Total			<u>\$ 101,000.00</u>	<u>\$ 108,190.37</u>
Net Fund Increase				<u>\$ 7,190.37</u>
Total City Funds			<u>\$ 339,268.72</u>	<u>\$ 28,662,247.12</u>
Net City Funds Increase				<u>\$ 28,322,978.40</u>

EXHIBIT "A"
BUDGET AMENDMENTS
FISCAL YEAR 2018-2019

EXPENDITURES

Account Number	Note	Description	Previous Budget	Current Budget
GENERAL FUND				
Planning				
10-6020-430	2	Public Notice Sign Replacements	\$ 1,119.03	\$ 1,558.03
Support Services				
10-6550-250-012	1	Equipment - VIPS	-	3,500.00
Communications				
10-6551-230	1	Employee Development	7,400.00	9,056.62
Recreation / Outdoor Programs				
10-8100-130	1	Salaries & Wages - Temporary - Apple Inc Donation	48,000.00	48,100.00
Library Administration				
10-8510-250-010	1	Equipment - CLEF Grant	-	1,500.00
Patron Services				
10-8530-240-013	1	Supplies - Maker Space - Donations	-	1,071.00
Non-Departmental Expenditures				
10-9910-999-003	3	Contingency - Budget	267,164.10	311,902.94
Total			<u>\$ 323,683.13</u>	<u>\$ 376,688.59</u>
Net Fund Increase				<u>\$ 53,005.46</u>
MAJOR CRIMES TASK FORCE (MCTF)				
25-6531-250	1	Equipment	\$ 9,511.27	\$ 24,511.27
25-6531-250-005	1	Equipment - Forfeitures (Treasury)	10,000.00	20,000.00
25-6531-280	1	Telephone & Communications	80,000.00	100,000.00
25-6531-290	1	Maintenance & Repairs	6,723.14	7,723.14
25-6531-290-021	1	Maintenance & Repairs - Fleet	2,110.44	3,110.44
Total			<u>\$ 108,344.85</u>	<u>\$ 155,344.85</u>
Net Fund Increase				<u>\$ 47,000.00</u>
CAPITAL IMPROVEMENT PROJECT FUND				
45-6034-720-306		Fitness Center	\$ -	\$ 509.69
45-6034-720-445	1	Library Hall	100,000.00	100,509.68
45-6034-732-442	1	Geneva Park Renovation Project	-	5,000.00
Total			<u>\$ 100,000.00</u>	<u>\$ 106,019.37</u>
Net Fund Increase				<u>\$ 6,019.37</u>
CAPITAL IMPROVEMENT PROJECT FUND - 2019 G.O. BONDS				
47-8015-600	4	Bond Issuance Costs - 2019 G.O. Bonds	\$ -	\$ 327,825.00
47-8015-730-306	4	Fitness Center / Library Hall Capital Projects	-	27,881,938.20
Total			<u>\$ -</u>	<u>\$ 28,209,763.20</u>
Net Fund Increase				<u>\$ 28,209,763.20</u>
OREM FOUNDATION TRUST FUND				
73-8591-920-002		Cont. To - Fund 10 - Orem Library	\$ -	\$ 1,071.00
73-8591-920-004		Cont. To - Fund 10 - Orem City	1,000.00	1,100.00
73-8591-920-013	1	Cont. To - Fund 45 - Orem City	100,000.00	106,019.37
Total			<u>\$ 101,000.00</u>	<u>\$ 108,190.37</u>
Net Fund Increase				<u>\$ 7,190.37</u>
Total City Funds			<u>\$ 633,027.98</u>	<u>\$ 28,956,006.38</u>
Net City Funds Increase				<u>\$ 28,322,978.40</u>

EXHIBIT "A"
BUDGET AMENDMENTS
FISCAL YEAR 2018-2019

NOTES

These notes are attached to the budget amendments summary to describe the more unusual or extraordinary amendments to the Fiscal Year 2018-2019 City of Orem Budget that have been necessitated to this point in the fiscal year. Some of the amendments listed in the summary may be immaterial and/or are technical corrections that any organization of this size would expect to encounter during an operating year and therefore, no specific note has been given for these items. Please contact Brandon Nelson, Accounting Division Manager, at 801-229-7010, if you have any questions or concerns.

- 1) The City receives grant or donation funds during the year to aid many different operations such as the Police Department (Major Crimes Task Force Grants) and the City's new library hall (private donations). The funds are received from Federal, State, and other governmental (or private) entities. These entries represent the adjustments necessary to adjust the appropriate budgets.
- 2) Development notice signs need to be replaced and the funds received for this purpose exceed the budgeted revenue by this amount.
- 3) The University Place CDA received property tax funds and the City is to receive 5% of these funds as an administrative fee under the agreement. Since no funds were budgeted for this administrative fee, this amendment adds the transfer from the RDA to the General Fund.
- 4) The City issued 2019 General Obligation Bonds in February 2019 as authorized by a vote of the citizens of Orem in November 2018. The City received the funds from this bond sale on Tuesday, February 26, 2019. This amendment adds these funds into a Capital Project fund in order to account for the costs associated with the construction of a Library Hall and improvements and renovation of the City's Fitness Center.

Exhibit “B”

Street Lighting Fee

Current Fee:

	ELU
Billed per equivalent lighting unit	\$3.25/month

New Fee: \$2.34/month per equivalent lighting unit (ELU)

The New Fee will be implemented at various times according to the schedule set forth below. Until the New Fee is implemented, the City will continue assessing the Current Fee (\$3.25/month/ELU) according to the assessment methods previously used for the Current Fee. When the New Fee is implemented, it will be assessed according to the assessment methods described below.

Street Light Fee	Implementation Date	Rate
All Businesses (one ELU assessed per business license*)	July 1, 2019	\$2.34/month
All apartments, condos and townhomes (one ELU assessed per residential unit)	July 1, 2019	\$2.34/month
Institutional Accounts (Schools, Churches, Non-profits, etc.) (one ELU assessed per facility)	July 1, 2019	\$2.34/month

* Includes businesses that should have a business license by ordinance, but don't. Does not apply to home occupation businesses, which are billed the regular residential fee.

Single family residential homes will switch from the Current Fee to the New Fee by neighborhood, according to the schedule set forth below. The schedule reflects when each neighborhood has completed paying its portion of the street lighting bonds.:

April 1, 2019	July 1, 2019	July 1, 2020	July 1, 2021	July 1, 2022
Cherry Hill	Geneva Heights	Sunset Heights West	Sharon Park	Canyon View
Lakeview	Windsor	Aspen	Timpview	
	Orem	Sharon	Hillcrest	
	Orem North	Northridge	Cascade	
	Suncrest	Heatheridge	Orchard	
	Lakeridge			
	Stonewood			
	Sunset Heights East			
	Orem Park			

Exhibit “B”

Street Lighting Fee

- 1) The purpose of the fee is to maintain and replace the existing street lighting system.
- 2) The assessment method for the current fee is based on frontage. The assessment method for the New Fee is to charge one ELU per unit. Each residence, business, school, church, etc. will be considered one unit and charged one ELU.
- 3) Businesses will be assessed their portion of the street lighting fee with their business license.

Street Lighting Billing Policy

With the Street Lighting bond paid off the City has need to continue funding the day-to-day operation and maintenance of the system. The system is a benefit to all within the City without regard if there is a street light in front of a given home, business or apartment or within a private residential development neighborhood. The benefit is from the lowered crime rates, the improved ability to travel about the City after dark. Because of this each residence, business and institution equally benefits from a functioning street light system. Therefore, each residence, business or institutional unit in the City will be billed the same monthly fee. This will be referred to as an equivalent lighting unit (ELU).

This method of billing for the operational cost of the street lighting system was chosen for its overall ease in implementation as well its overall fairness to all who benefit from the system. By equally billing all who benefit from the system, the monthly bill is kept to a minimum while producing enough revenue to cover ongoing system expenses.

Businesses will be billed the street lighting fee when they renew their business license instead of on their monthly utility bill. This change will reach all licensed businesses even those that do not have a monthly utility bill. Licensed home occupation businesses will not have a street lighting fee in addition to their regular residential fee.

The following types of utility accounts will not be charged a street lighting ELU fee: sprinkling system accounts, HOA accounts not associated with a building unit, and vacant lots.



City Council Agenda Item Report

Meeting Date: March 12, 2019

Submitted by: Sam Kelly

Submitting Department: Development Services

Item Type: Resolution

Agenda Section:

Subject:

RESOLUTION - Supporting and Encouraging the Utah Department of Transportation to acquire, develop, and operate 1600 North in Orem from I-15 to US-89 State Street in Orem

Suggested Action:

The Mayor and City Council have the opportunity to encourage the State of Utah to improve an important east/west arterial road in Orem by transferring ownership of a portion of 1600 North.

Presenter:

Jamie Davidson

Background:

Since the late 1990's, 1600 North has been identified as a major transportation corridor that provides access to I-15 for Vineyard, Lindon, Orem, and Pleasant Grove. The portion of 1600 North located between Geneva Road and I-15 is currently owned by UDOT while the section between I-15 and State Street is owned by the City. As Orem and other areas of Utah County have grown, 1600 North has seen significantly increasing traffic volumes. Some of the pressure on 1600 North has been relieved by the construction of the Pleasant Grove interchange in 2002 and the widening of the portion of 1600 North west of I-15 that occurred during the I-15 CORE project. The portion of the corridor east of I-15 to 1200 West has also been widened to accommodate a 5-lane facility through the private development process, which occurred mostly in the mid to late 2000's.

However, the section of 1600 North located between 1200 West and State Street is currently over-capacity and failing in some locations, as it is one lane in each direction and carries more than 28,000 Annual Average Daily trips. In today's dollars, the needed corridor expansion would cost an estimated \$30 Million. The City is in the process of receiving federal funding through MAG, but the process to fully fund this project would take 12-15 years as funding is available only every two years and each community is competing for a portion of the available federal funding allocated for regional transportation projects.

To construct the corridor in a timelier manner and to alleviate the growing traffic congestion, the City has had conversations with UDOT to find a collaborative solution to fund the widening project sooner rather than later. UDOT understands the need to improve a State Route grid network in Utah County similar to Salt Lake County and sees the importance of the connection of 1600 North to I-15 and State Street. The City recognizes that at one point 1600 North was designated a State Route and supports the transfer of ownership back to a State Route in an effort to better maintain the movement of traffic in Utah County.

In order to facilitate the transfer of that portion of 1600 North located between I-15 and State Street to the State of Utah, staff propose that the City Council adopt a resolution stating the City's support for such a transfer. The 24

State can then take the additional steps necessary to complete the transfer of this portion of 1600 North to the State.

Potentially Affected Area:

Attachments:

[RES--1600 North UDOT transfer.docx](#)

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RESOLUTION NO. _____

A RESOLUTION SUPPORTING AND ENCOURAGING THE UTAH DEPARTMENT OF TRANSPORTATION TO ACQUIRE, DEVELOP AND OPERATE 1600 NORTH IN OREM FROM I-15 TO US89 STATE STREET IN OREM

WHEREAS 1600 North in Orem interchanges with I-15 to provide interstate access to Vineyard, Lindon and Orem's State Street; and

WHEREAS this road is classified as an important arterial on UDOT's Functional Classification Map; and

WHEREAS between 1200 West and State Street, this important east-west arterial is one lane each direction, has more than 28,000 Annual Average Daily trips on it, is over capacity and is failing daily; and

WHEREAS there is currently a great need to expand and improve 1600 North between 1200 West and State Street in order to more effectively handle existing traffic volumes and to accommodate future additional traffic volumes; and

WHEREAS it is estimated that the cost to make the necessary improvements to 1600 North is approximately thirty million dollars; and

WHEREAS the City does not currently have funding sources available to make the necessary improvements to 1600 North in a timely manner; and

WHEREAS Salt Lake County has enjoyed the State of Utah's past investment at each one of its I-15 interchanges including 146th South, 138th South, 123rd South, 114th South, 106th South, 90th South, 72nd South, 53rd South, 45th South, etc.; and

WHEREAS the City of Orem and Utah County have implemented every transportation tax available to keep up with the transportation demands necessitated by the successful growth that Orem and Utah enjoy; and

WHEREAS the City of Orem and Utah County are considered the current and future epicenter of growth for Utah by the Kem C. Gardner Policy Institute at the University of Utah and as such need additional assistance to expand and maintain their regional transportation system and arterials of state-wide importance; and

WHEREAS UDOT currently owns and maintains that portion of 1600 North located between Geneva Road and I-15; and

WHEREAS because of the region-wide importance of 1600 North, it would be in the best interest of the City of Orem, Utah County and the State of Utah for the City of Orem to transfer ownership and

DRAFT

responsibility for that portion of 1600 North located between I-15 and State Street to UDOT so that the necessary improvements to that section of 1600 North can be made in a timely manner; and

WHEREAS the Orem City Council supports the transfer of this section of 1600 North to UDOT.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, that the City Council and Mayor of the City of Orem, Utah hereby express their support for and encourage the State of Utah to acquire, develop and operate that portion of 1600 North in Orem located between I-15 and State Street and to make the improvements to that section of 1600 North necessary to keep up with the demanding growth rate of the Utah County economy and to maintain the quality of life we enjoy and value.

PASSED and APPROVED this 12th day of **March** 2019.

Richard F. Brunst, Jr., Mayor

ATTEST:

JoD'Ann Bates, City Recorder

COUNCILMEMBER	AYE	NAY	ABSTAIN
Mayor Richard F. Brunst	☐	☐	☐
Debby Lauret	☐	☐	☐
Sam Lentz	☐	☐	☐
Tom Macdonald	☐	☐	☐
Mark Seastrand	☐	☐	☐
David Spencer	☐	☐	☐
Brent Sumner	☐	☐	☐