

CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
May 14, 2019

2:30 P.M. LIBRARY HALL GROUND BREAKING

3:15 P.M. WORK SESSION – CITY COUNCIL CONFERENCE ROOM

CONDUCTING	Mayor Richard F. Brunst
ELECTED OFFICIALS	Debby Lauret, Sam Lentz, Mark Seastrand, David Spencer, and Brent Sumner
APPOINTED STAFF	Jamie Davidson, City Manager; Steven Downs, Deputy City Manager; Greg Stephens, City Attorney; Karl Hirst, Recreation Department Director; Richard Manning, Administrative Services Director; Ryan Clark, Development Services Director; Scott Gurney, Fire Chief; Gary Giles, Police Chief; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Kena Jo Mathews, Community Services Manager; and Jackie Lambert, Deputy City Recorder
EXCUSED	Councilman Tom Macdonald; Brenn Bybee, Assistant City Manager

DISCUSSION – CARE Allocation Deliberations

Mr. Downs reviewed the process the CARE Advisory Commission went through to make their recommendations for mini and mid-major grant allocations. He said it was now the City Council's opportunity to consider those recommendations and deliberate the remainder of the allocation for both arts and recreation.

Mrs. Lauret shared her experience in those discussions, as well as her personal recommendations as a starting point for the deliberations. Discussion ensued regarding the unique circumstances of this year being the City's centennial and additional money available, past allocations and current recommendations for the major grant applicants, funding as well as fundraising and donations for the Library Hall, and one-time versus ongoing money for specific projects and programs.

Mayor Brunst said he appreciated Mrs. Lauret's service on the CARE Advisory Commission, and said he was comfortable with the recommendations she shared for the major grant applicants.

Mr. Downs reviewed the recommendations from the Recreation Advisory Commission for 2019 proposed allocations for recreational projects. One project identified was additional toddler structures in Scera Park; Mr. Downs said small updates could be made now, or money could be

reserved for a larger toddler recreation project 1 in the future. Discussion continued about Scera Park and the possibility of sand volleyball courts, as well as the use and popularity of the Frisbee golf course in that park. Mr. Downs said he anticipated bringing final CARE recommendations forward at the next City Council meeting for adoption.

UPDATE – Geneva Road Area-wide Plan

Mr. Bench invited consultant Katie-Rose Imbriano with BRS, Inc. to join him in presenting an update on the Geneva Road Area-wide Plan. Ms. Imbriano said the funding for this plan came through the Environmental Protection Agency (EPA) and her presentation was on the final draft of the study. She gave a brief overview of the process up to this point, including the outreach strategies to engage the public, and said the completed plan would be submitted to the EPA toward the end of this month.

Ms. Imbriano reviewed the goals of the plan, and the three proposed districts along the corridor. They would each be mixed use for industrial and commercial, with no residential component to any of the three districts. She said it was important to a city's tax base to retain and protect industrial areas. They detailed the transportation network access points to ensure that all future development would follow the plan and maintain the level of service. Ms. Imbriano said they were revisit the existing zoning in the area after the plan was submitted, as the established zoning was put in place many decades before and may not fit the vision of the plan moving forward. She said the City had applied for additional grant funding to use in the implementation phase, and would likely hear soon whether that additional funding would be awarded. The final plan would be adopted as part of the City's General Plan.

There was continued discussion on public engagement with stakeholders, potential points of controversy, mitigating blight and contamination areas, land uses and zoning, and requirements for area landowners. Mr. Davidson said the surrounding communities like Provo and Vineyard that shared connection to Geneva Road hoped to improve and change the corridor in a much different way than had been discussed in the past. There was a need for more than I-15 for north/south travel, and Geneva Road could be part of the solution for the area.

Mr. Bench shared his experience presenting at a recent Region 8 EPA seminar in Denver, Colorado. He was able to share Orem's experiences and processes for the State Street Master Plan, as well as the Geneva Road Area-wide Plan, and engaging with the EPA for those plans. Mr. Clark mentioned that Mr. Bench had recently received an award from the National American Planning Association for the work done on the State Street Master plan, in particular the use of virtual reality technology in engaging and educating the public.

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. Mr. Davidson mentioned that the evening's meeting would also have meetings of the Redevelopment Agency (RDA) and the Special Service Lighting District (SSLD). The City Council served as the board members for both of those agencies, so they reviewed the RDA and SSLD agendas.

There was discussion on changes on a state level to RDA requirements and funding mechanisms, as well as the differences of state versus local economic development programs and generated tax revenues.

Mr. Clark gave an overview of the proposed agreements with Ken Garff Nissan and Golden Corral. He reviewed the history of auto dealerships in Orem and their expansions, and said the Ken Garff Nissan dealership was at the same critical point other dealerships had reached. Similarly, Golden Corral had a 20 year operations agreement that was coming to term and they would be required to significantly update or rebuild the location. Mr. Clark said they had worked with representatives from each group for the last several years, and felt they had found solution that worked for everyone. It involved some land swapping and shifting of frontage, a new teardrop-shaped traffic control instrument, and realignment and restriping of the ingress/egress to each business and their parking lots.

Mr. Davidson spoke briefly about the rebuild of the Orem Fitness Center, and said it was ultimately the City Council's decision what that building would be like. However, he impressed upon the Council to keep in mind the cost of the rebuild and each of the component parts. They could make changes to the proposed plan as they wished, but the "pie" (so to speak) was only so big, and changing the size of a "slice" would affect the others; adding an additional element to the building would sacrifice another element. Discussion continued about the rebuild and racquetball courts.

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.

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

Mr. Lentz gave a report on his assignments as a City Council liaison to City and community advisory boards and commissions. He was part of the UCCU Center Board, and said the main issue facing the UCCU Center was adequate seating in the venue, but there was not available funding at this time. He discussed current areas of focus for the Natural Resources Stewardship Committee (NRSC), which included the landscaping ordinance on the evening's agenda, additional bike racks available for Summerfest, possible anti-idling ordinances to improve air quality, and HB 411 – the Community Renewable Energy Act.

Mr. Lentz shared information regarding the full build out schedule for UTOPIA, which would be available on the UTOPIA and City website, with the tentative finish date in August 2023. Utah Infrastructure Agency's strategy was to address construction in cities that were current on their OpEx payments first, which Orem now was. He said UIA had addressed the issue of the rocky soil areas in northwest Orem, and UIA felt there may be a higher take rate in that area as well. Discussion ensued regarding availability of fiber, take rates, and revenue generation.

Mr. Lentz addressed the finances of UIA and loan repayment to the cities. He added that there were some cities “backing” their own build out, either through their own UIA bond or funding the cost upfront. He shared additional information on the details.

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

CONDUCTING	Mayor Richard F. Brunst
ELECTED OFFICIALS	Debby Lauret, Sam Lentz, Mark Seastrand, David Spencer, and Brent Sumner
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; Ryan Clark, Development Services Director; Scott Gurney, Fire Chief; Gary Giles, Police Chief; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Pete Wolfley, Communications Specialist; and Jackie Lambert, Deputy City Recorder
EXCUSED	Councilman Tom Macdonald; Brenn Bybee, Assistant City Manager
INVOCATION / INSPIRATIONAL THOUGHT PLEDGE OF ALLEGIANCE	Jennifer Asplund John Asplund

MAYOR’S REPORT/ITEMS REFERRED BY COUNCIL

UPCOMING EVENTS

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

REPORT – Heritage Advisory Commission

Kelly Kirkpatrick, Tech Sgt., United States Air Force and Vice Commander, American Legion Post 72, served at the Heritage Advisory Commission Chair. He invited the Mayor and Council, and all citizens, to celebrate Memorial Day with the City’s program at the Orem City Cemetery on May 27 that 9:00 a.m. The program would include a vintage WWII flyover, speakers WWII veteran Ken Baldrige and youth speaker Joseph Wendt, a flag exchange, and appearances by the UVU Army ROTC and BYU Air Force ROTC. Mr. Kirkpatrick said the program would be approximately one hour long, and was a wonderful, patriotic way to celebrate the holiday. He hoped everyone would come out and enjoy.

PRESENTATION – Orem Centennial 100 Kind Acts Scholarships

Glory Thomas, 100 Kind Acts Committee Spokesperson and newly named Miss Orem, said Timpanogos Regional Medical Center is the donor of three \$333.00 scholarships, one per high school in Orem, for a senior student. This is part of Orem's Centennial 100 Kind Acts and goes with May's Kindness theme, "Be Kind to Teens". TURN Community Services is partnering with this effort.

The winners were:

- Orem High = Mark Jeffs
- Mountain View High = Eliza Lawyer
- Timpanogos High = Aly Hutchinson

The scholarship recipients came forward to be recognized. Each shared information about the projects they had done to qualify for the scholarships, and the opportunities they had to work with youth in Orem's community. Mayor Brunst commended them on their efforts, and took a photo with the winners.

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.

Scott Shiraso said he wished to address the new fitness center design and concept. He said he had recently moved back to Orem, and understood there were concerns about the proposal for the new fitness center. The bond to fund the rebuild had already passed, but he hoped it was not too late to address the concerns of the people. When the original Orem Fitness Center (OFC) opened, it had 14 racquetball courts to meet the demand. He said the data supporting the recommendation for only four racquetball courts seemed to be based on opinions and unseen data. He felt there needed to be a more open and transparent process in how decisions were being made.

Sylvia Sawyer said her main purpose in speaking was to point out the necessity of having at least 8 to 12 racquetball courts. She had been involved with racquetball leagues and competitions for many years, and said this was a lifelong sport with an important legacy to pass on to younger generations. Ms. Sawyer recommended 12 racquetball courts, and that the OFC hire a racquetball specialist to promote the sport.

Rob Burr said he had done medical research online about the value of racquetball in public health. He mentioned that there were five different categories of racquetball play, and only two of the five could be accommodated with a small number of courts. He felt reducing the number of racquetball courts to only four would "absolutely kill" the sport on this side of the point of the mountain. He mentioned that UVU, VASA, and the Provo Recreation Center already had limited the number of courts, which made the OFC possibly the most 1 important racquetball facility for the state. Players came from all over the state and the area to utilize the courts at the OFC, and if they were gone, Salt Lake County would be the only place left for racquetball.

Blair True said he had been an OFC member for many years, and one reason he played racquetball was his confidence in having a court available when he showed up and always a group of players he could join. When he lived in Long Beach, California, they reduced the number of courts from eight to four, and availability issues killed the sport in that area. Mr. True said his vote for the bond was for the upgrade of the OFC, not to demolish it. He agreed that reducing the number of courts would in essence “kill” the sport in the area. Another concern he had was the removal of the shooting range, and said he had used the OFC range to teach his children gun safety. There would no longer be a facility for families to go to.

Jay Stonehawker said he too supported the request for more racquetball courts and indicated all around him facilities were reducing their number of available racquetball courts. He enjoyed playing at the OFC, and was particularly concerned with the ability to prepare for tournament and competitive play if court availability was lost. He said he was grateful for a country that gave him the opportunity to speak, and asked the Council to strive to serve the people they represented.

Roger Flick said he had been conducting racquetball leagues at the OFC since before 2000, and that he specifically wanted to address league play. He felt everyone needed to find a sport which allowed them to improve health, vent frustrations, etc. and said racquetball was a great option. He said the racquetball league had only grown through the years, to the point where it needed to be capped. Only seven courts were allowed for league play, so there was limited opportunity to play singles. Mr. Flick said the sociality between league and other players was some of the best he had seen. He said it was a year-round sport, and was concerned that only four courts would take away opportunities for fitness.

Layne Harmon said he has seen many changes at the center but things that had stayed were the 14 racquetball courts, and the 50 meter swimming pool. He had been a swimmer through his younger years and had recently picked up racquetball. He did not see how they could maintain the sport with only four courts. He suggested that racquetball courts could serve dual purposes, and bring in other equipment like ping pong tables.

Shaun Heaton said this was his third time addressing the Council regarding the racquetball courts at the OFC, and said the passion of the other advocates was palpable. He specifically thanked Mrs. Lauret for speaking with them, and encouraged others to do the same rather than just count the number of players. He thanked Mr. Hirst for joining in and playing, and Mr. Heaton said that was the best way to see what they did and how they felt. Mr. Heaton said there was a perception issue with the bond, because the wording in the available information had said nothing about closing the pool or removing the gun range and racquetball courts. He felt if that information had been known, many may not have voted for the bond. He said that the players would personally work to support and promote the sport.

Debbie Jackson said as a registered instructor she was passionately opposed to the closing of the shooting range. She said many in their classes were individuals that had been in abusive relationships and needed a place to safely learn how to shoot and protect and defend themselves and their families. She related many other benefits of learning gun safety, and felt it was important to keep an indoor range that was family-friendly and affordable. Otherwise, people would drive into the hills and shoot at cans and bottles with no supervision, which was not safe.

David Pollei said the bond and OFC rebuild was like a magic trick; trying to draw attention away from what was really going on. He felt the data presented on court usage was fabricated or prejudiced. He shared his own statistical data, and said 12 courts seemed to be ideal, but that was being ignored because of cost. He also suggested that court space could be used for aerobic or dance classes when not being played in.

Holly Robbins said she envisioned the Council making the bold choice of keeping all 14 courts, and inviting the world to strengthen Orem in becoming a racquetball epicenter for the country. She said young people were plastered to their electronic devices, but they could be taught strength, discipline, comradery, and healthy competition through racquetball, which would help them into adulthood. Ms. Robbins said they could generate huge revenues if they were able to hold tournaments and competitions on the national level.

CONSENT ITEMS

- Approval of April 30, 2019 City Council Meeting Minutes
- MOTION – Cancel June 11, 2019 City Council Meeting
- RESOLUTION – Authorizing the Orem City Police Department to appropriate personal property to public interest use

Mayor Brunst moved to approve the Consent Agenda as listed. **Mrs. Lauret seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed**.

SCHEDULED ITEMS

PUBLIC HEARING

RESOLUTION – Receive Public Comment on the Community Development Block Grant (CDBG) Projected Use of Funds for Fiscal Year 2019-2020

Ms. Mathews shared recommendations that the City Council hold the second of two public hearings to receive public comment on the projected uses of the funds for the 2019-2020 Community Development Block Grant and adopt the recommendation of the CDBG Citizen Advisory Commission. Ken Ransom, CDBG Commission Chair, was also present.

During the February and March of 2019, the CDBG Advisory Commission reviewed and heard funding proposals from community organizations and others who wish to receive CDBG funding for Fiscal Year 2019-2020. The Commission will present its recommendations to the City Council then the public hearing will be opened for comment on the proposed uses of funds. The public hearing will be the second of two opportunities for the public comment on the recommendations before the City Council officially adopts the Final Statement of Projected Uses of Funds for Orem's 2019-2020 Community Development Block Grant. Following today's public hearing, the City Council will adopt a resolution approving the CDBG Final Statement of Projected Uses of Funds for 2019-2020. Please see the allocation recommendations below:

Public Service Recommendations - limited by HUD to 15% of new entitlement funding

- Community Action Services and Food Bank \$12,125
- Friends of the Food and Care Coalition \$8,129
- Mountainlands Community Health Center \$5,000
- Family Support and Treatment Center \$10,670
- Kids on the Move \$5,000 Community Health Connect \$9,700
- People Helping People \$0
- PERC \$5,000
- Friends of the Utah County Children's Justice Center \$19,400
- Center for Women and Children in Crisis \$27,887
- Mary Elliott, LCSW \$0
- Boys and Girls Club \$0

Non Public Service Recommendations

- City of Orem Critical Home Repair \$70,000
- NeighborWorks \$0
- City of Orem Neighborhood Revitalization \$1,667.40
- Collaborative with Entitlements (House of Hope/Family Support) \$94,050
- City of Orem Code Enforcement \$155,000
- City of Orem – Westmore Park \$200,000
- City of Orem – CDBG Administration/Planning \$135,000
- City of Orem – Section 108 Loan Repayment \$87,451.60

Mr. Ransom said there was an adjustment in the proposed allocations because fewer dollars were allocated at the federal level. He also said there was a determination that there would be no recommendations under \$5,000 because of the excessive paperwork each allocation required.

Mr. Lentz asked about the application process. Ms. Mathews said there is a pre-application process, as well as site visits and a final application. Applicants were given guidance on where to apply, be it Utah County or the city in which they were located.

Mayor Brunst opened the Public Hearing at 6:56 p.m.

Karen McCandless, Executive Director at Community Action Services and Food Bank, wanted to express her appreciation to the City and the CDBG committee for their consideration. She said they worked to help Orem residents obtain stability by having their food needs met, and they greatly appreciated the funding they received from the City.

Janelle Christensen, Executive Director at Utah Valley Family Support & Treatment Center, wanted to echo comments of gratitude to Ms. Mathews and the CDBG Advisory Commission as well as the City Council for consideration of funding. They helped residents with mental health issues, and with the allocation they would finally be able to make much needed updates to their capital facility. A beautiful, functional new space could help restore hope and bring needed changes in people's lives.

Dennis Hansen, Director at Center for Women and Children in Crisis, said they appreciated their long partnership with Orem's CDBG program. He said the funding would help maintain the shelter as they began a substantial effort to build a new shelter. The shelter had 25 beds

currently, which equated to one bed for every 27,000 residents in Utah and Juab Counties; it was woefully undersized according to the state average, and the growth in the area would only add to the problem. Mr. Hansen they truly appreciated the funding they received.

Mattathias Westwood said he served as a member of the CDBG Advisory Commission. He thanked Ms. Mathews and Mr. Downs for their work and support, and said he wanted the City Council to know the work and attention the commission members put into understanding how best to make their recommendations. He said participating in site visits and hearing from the organizations had been eye opening. With his involvement, he was able to see the significant impact these organizations had in the community, and he expressed admiration for their abilities to stretch their funding in creative ways to help more people.

Mayor Brunst closed the Public Hearing at 7:01 p.m.

Mayor Brunst moved, by resolution, to approve the Community Development Block Grant (CDBG) Projected Use of Funds for Fiscal Year 2019-2020. **Mr. Spencer seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed**.

PUBLIC HEARING

ORDINANCE – Amending Sections 22-2, 22-6-10(F)(5); 22-6-10(G)(7); 22-7-12, 22-8-8(B)(4); 22-8-9, 22-9-7; 22-11-13(D)(5)(a); 22-11-16(E)(8)(a); 22-11-22(E)(1)(b); 22-11-23(B)(6)(b); 22-11-24(E)(18); 22-11-27(O)(6)(a); 22-11-28(N)(Landscaping)(a); 22-11-29(M)(3),(6)(a); 22-11-33(P)(7); 22-11-35(L)(5)(a); 22-11-36(F)(11)(a); 22-11-42(G)(6)(a); 22-11-43(F)(9)(a); 22-11-44(G)(5)(a); 22-11-45(H)(5); 22-11-46(G)(5)(c); 22-11-47(H)(4)(c); 22-11-50(F)(10)(a); 22-11-51(H)(8)(a); 22-11-52(H)(10)(a); 22-11-53(H)(8)(a); 22-11-54(H)(9)(a); 22-11-56(H)(12)(a); 22-11-60(H)(10)(a); 22-11-61(I)(3)(a); 22-12-2(J)(5)(a); 22-12-7(O)(9)(a); 22-14-13; 22-14-7(B)(1); 22-14-14(A)(3); 22-15-2 and enacting Appendix VV of the Orem City Code by updating landscaping requirements

Mr. Bench said the proposed updates in the code would make the language concise and consistent throughout the code. Also, the updates would reduce vegetation coverage in landscaped areas from 70 percent to 50 percent. Appendix “VV” provided a list of native, drought-tolerant plant species. The intent was to provide residents the option of including xeriscaping or other water-wise landscaping methods on their property if they chose. The Planning Commission recommended that the City Council accept the proposed amendments.

Mr. Bench said the purpose of the landscaping requirements in this Chapter were (1) to promote pleasant and attractive surroundings and thereby enhance, conserve and stabilize property values, and create a more pleasant community, (2) to reduce heat, noise, and glare through the proper placement of green plants and trees, and (3) to support landscape treatments that reflected good design principles, and conserved limited resources. He shared examples of water-wise landscaping, and said these options were at the discretion of the property owner.

Mayor Brunst asked if the proposed changes would apply to commercial properties and backyards as well. Mr. Bench said it would apply to commercial properties, but there was not a requirement for backyards.

Mrs. Lauret asked about the percentage required for vegetation coverage, and said there were some who felt it should go even lower than 50 percent. Mr. Bench said this was a good first step, and in their research and outreach efforts they felt 50 percent was a reasonable amount at this time.

Mr. Lentz said he agreed that this was a good first step, and commended the Natural Resources Stewardship Committee and the Beautification Advisory Commission for their help. He was willing to entertain the idea of going to an even lower percentage, as he liked the idea of giving homeowners more flexibility. If that were the case, he asked if a code amendment be required for each individual code listed like it was for this item or if it could be listed in the Appendix and done that way. Mr. Bench said the many code sections identified were related to individual PD zones, but the code affecting residential would be in one place making it easier for future updates.

Mr. Seastrand said this was a significant change and he felt it was a fantastic first step. He was interested to see what would develop from this change. He said there could be some unexpected consequences to this change, and it was reasonable to see how things would be with this initial step first. He asked about landscaping requirements for vacant lots. Mr. Bench said vacant lots with no primary structures would not be held to the same requirements for landscaping.

Mr. Sumner asked if there were resources for homeowners to learn about xeriscaping. Mr. Bench said single family homeowners could speak to the city about water-wise landscaping, and they were also listing some drought-tolerant and water-wise species in the ordinance. Commercial properties were required to submit a landscaping plan with their site plans. Mr. Sumner asked about enforcement, and Mr. Bench said this would be a part of what the Neighborhood Preservation Unit (NPU) would address. Mr. Lentz said NPU was already addressing this, and the hope was for these changes to lessen the burden of enforcement.

Mayor Brunst opened the Public Hearing at 7:17 p.m. No one came forward, so the public hearing was closed.

Mayor Brunst moved, by ordinance, to amend Sections 22-2, 22-6-10(F)(5); 22-6-10(G)(7); 22-7-12, 22-8-8(B)(4); 22-8-9, 22-9-7; 22-11-13(D)(5)(a); 22-11-16(E)(8)(a); 22-11-22(E)(1)(b); 22-11-23(B)(6)(b); 22-11-24(E)(18); 22-11-27(O)(6)(a); 22-11-28(N)(Landscaping)(a); 22-11-29(M)(3),(6)(a); 22-11-33(P)(7); 22-11-35(L)(5)(a); 22-11-36(F)(11)(a); 22-11-42(G)(6)(a); 22-11-43(F)(9)(a); 22-11-44(G)(5)(a); 22-11-45(H)(5); 22-11-46(G)(5)(c); 22-11-47(H)(4)(c); 22-11-50(F)(10)(a); 22-11-51(H)(8)(a); 22-11-52(H)(10)(a); 22-11-53(H)(8)(a); 22-11-54(H)(9)(a); 22-11-56(H)(12)(a); 22-11-60(H)(10)(a); 22-11-61(I)(3)(a); 22-12-2(J)(5)(a); 22-12-7(O)(9)(a); 22-14-13; 22-14-7(B)(1); 22-14-14(A)(3); 22-15-2 and enact Appendix VV of the Orem City Code by updating landscaping requirements. **Mr. Lentz seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed**.

PUBLIC HEARING

RESOLUTION – Accept Tentative FY 2019-2020 Tentative Budget

Mr. Manning and Mr. Nelson recommended that, following a public hearing, the City Council, by resolution, tentatively adopt the Fiscal Year 2019-2020 Tentative Budget. Mr. Manning said if a property tax increase would be considered, the City Council would direct staff to schedule the final public hearing in August at a date and time to be determined following the procedures outlined in State Code.

The City Council, through a series of work sessions, began reviewing the proposed budget for Fiscal Year 2019-2020. These sessions covered revenue projections, compensation, General Fund operations changes, capital improvements, and the enterprise funds. This budget contained a request to increase the property tax rate. The Tentative Budget was available for review and to download at Orem.org.

Mr. Manning said the budget highlights included new positions, capital projects, fleet replacement, operational expansion requests, a new fund and revenue source dedicated to street maintenance, and a proposed property tax increase to fund four new police officers. He said the City had not raised property taxes for operational needs since 1978.

Mr. Manning reviewed the revenues by fund, and the sources of revenue to the General Fund. Sales tax was the largest single source of revenue in the city. The growth in sales tax was slowing now, with more competition for sales tax, state legislative actions diverting the revenues, and the exemption on manufacturers' sales tax. The State Legislature had thought the loss of manufacturers' sales tax would be offset by internet sales tax, but that had definitely not been the case. Mr. Davidson and Mayor Brunst briefly discussed the "Utah Supreme Court Wayfair" decision, which would affect the City's capturing of internet sales tax.

Mr. Manning said approving the Tentative Budget would allow the City to function fully and completely until the Final Budget could be approved following the required Truth in Taxation hearing, which would be in August per State Code.

Mr. Lentz said Orem property tax was a small portion of the taxes assessed. He asked for clarification on the point that property taxes had not been increased since 1978, because there was some variability from year to year. Mr. Manning said factors that would impact the rate included refinancing of General Obligation bonds, but the biggest factor was growth in population. There was continued discussion on the variables involved with taxes.

Mr. Manning continued his presentation, addressing franchise tax, building fees, and police and fire contracts with other entities. There was discussion on the eventual need for additional firefighters and a new fire station in Vineyard. Mr. Manning then reviewed citywide expenditures by type, by fund, and by department. He showed data comparing the 2019 Property Tax Rate with selected cities in Utah; Mr. Nelson commented that the actual property tax rate from Utah County would not be released until June.

Discussion continued regarding the proposed property 1 tax increase. Mr. Manning shared data regarding the police workload, which showed a 19% increase of calls per officer from 2006 to 2018. Additionally, less traffic enforcement led to an increase in accidents; traffic accidents had

increased 31% since 2013. He also shared data from a recent survey regarding public support of a property tax increase.

Mr. Manning continued, reviewing in detail information on fund summaries, fees and charges, and comparisons to selected cities throughout Utah. Mr. Tschirki answered questions regarding the City's water, storm water, and sewer systems. Mr. Davidson said the City had received a Triple A rating for water and waste water debt.

Mr. Davidson said the information regarding the Orem Fitness Center would need to be recalibrated, as the budget had been based on the assumption that the wet facilities would stay open longer than what was now being discussed.

Mr. Seastrand said he had been asked about the proposed tax increase, and some felt the City had healthy balances that did not reflect the need for the increase. He recommended that people consider that not all funds were available to be spent because they were allocated for critical future projects. He added that four additional police officers would require ongoing funding, not a one-time cost. Mr. Davidson agreed, and said there was a purpose behind the policy of keeping reserves. Additionally, he used the example that water revenues could not be used to fund general operations; certain money did not have flexibility in its use.

Mrs. Lauret commented that the OFC was no longer self-sufficient, and money was coming from the General Fund to subsidize it. It was going to get worse if they did nothing to recapture recreation revenues. Mr. Davidson said relying on what had worked in the past was not helping bridge the gap, so they would need to reevaluate the programming at the OFC.

Mayor Brunst opened the Public Hearing at 8:11 p.m. No one came forward, so the public hearing was closed.

Mayor Brunst moved, by resolution, to accept Tentative FY 2019-2020 Tentative Budget. **Mrs. Lauret seconded** the motion.

Mr. Seastrand asked if a vote to accept the Tentative Budget also committed the City to the Truth in Taxation process. Mr. Manning said that it did.

Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed**.

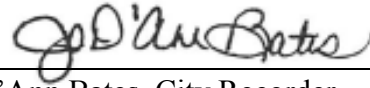
CITY MANAGER INFORMATION ITEMS

Mr. Davidson had no additional items to share.

ADJOURN TO A MEETING OF THE REDEVELOPMENT AGENCY

Mayor Brunst moved to adjourn to a meeting of the Redevelopment Agency of the City of Orem. **Mr. Lentz seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Mark Seastrand, David Spencer, and Brent Sumner. The motion **passed**.

The meeting adjourned at 8:12 p.m.



JoD'Ann Bates, City Recorder

Approved: May 28, 2019

