CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
March 31, 2020

This meeting was held electronically
to allow a Councilmember and Staff to participate.

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

CONDUCTING	Mayor Richard F. Brunst
ELECTED OFFICIALS	Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, 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; Jason Earl, Deputy Fire Chief; Gary Giles, Police Chief; Ryan Clark, Development Services Director; Charlene Crozier, Library Director; Chris Tschirki, Public Works Department Manager; Brandon Nelson, Finance Department Manager; Karl Hirst, Recreation Department Manager; Jason Bench, Planning Division Manager; Nicole Lareau, Budget Officer; Ernesto Lazalde, I.T. Division Manager; Pete Wolfley, Communication Specialist and JoD'Ann Bates, City Recorder

DISCUSSION - Amended Contract with Sleepy Ridge

Mr. Bybee addressed the Council and indicated Mr. Hirst was also present and is the staff representative for the Recreation Department. Mr. Bybee reviewed some historical information regarding the agreement with Sleepy Ridge Golf Course.

Mr. Davidson indicated the intent of the contract has always been to be in a relationship where both parties benefit from the golf course. Several years ago, they began discussions with Golden Holt of Golden Landscaping regarding the agreement and performance of that agreement. It was presented by Mr. Holt that they have struggled to recoup his investment as part of this relationship, and he asked if the city would be willing to consider amending the agreement to extend the term of the lease agreement beyond 2046. With this in mind and understanding there needed to be a basis for this extension the city asked Lewis Young Robertson & Burningham (LYR&B) to take a look at how the golf course, suites and relationship has done since the inception and if consideration should be extended to Golden Landscaping in extending the lease beyond 2046 based on a financial advantage not just for Golden Landscaping but for both parties.

DRAFT

Mrs. Laura Lewis of LYR&B reviewed their involvement in the agreement and indicated they have reviewed all the data and have come up with the base Mr. Davidson indicated and turned the time over to her co-worker to present the findings.

Ms. Teresa Pinkal of LYR&B reviewed the understanding of the agreement and golf course net income information. Using that information, they built a baseline projection assumptions and golf course net income. She continued to review information regarding the green fee revenue, green fees & golf cart revenue, driving range revenue and the suites net income (commercial space) which made up their proposed baseline projection assumptions.

Mayor Brunst inquired due to the club house doing wedding receptions if that was included. Ms. Pinkal indicated those revenues were included in the Suite figures.

Ms. Pinkal continued to review the combined net income.

Discussion ensued regarding how the golf course development came to be and some specifics understood by staff as to the process. Further discussion continued regarding the ownership, the clubhouse and possible future uses and needs.

Mrs. Lewis reviewed the considerations of the contract extension and indicated it is typically not feasible for a city to own a golf course and felt that even if the agreement is extended neither party will fully recoup the original investment.

Mr. Davidson stated from the perspective of the city and the surrounding neighborhoods this property was always intended or envisioned to be open space. If the city ever went down a path that would differ from that expectation, he feels it would be extremely controversial. He echoes Mrs. Lewis's feelings, he has worked for 3 cities that owned, in one way or another a golf course and none of them could make money those golf courses. As he looks at this agreement with Sleepy Ridge, he sees it as the most ideal relationship compared to previous ones he has been involved with in other cities. They have a unique facility where they own the property and open space but has an operator that maintains and runs the golf course with almost zero out of pocket expense to the city. He feels that due to prior experience, the primary question is, come 2046 does the city want to be in the golf course business. He feels by extending the agreement they continue to have open space; a golf course and they have the opportunity to benefit from something that is really no out of pocket to the city.

Discussion ensued regarding the expectation of that area being maintained as open space and what would happen at the end of the lease with the buildings and the open space. Discussion continued regarding options and fallout of either party that withdrawals from the agreement and the ownership once the agreement is complete.

General consensus of the council was to move forward with the city meeting with Golden Landscaping to amend the lease agreement and bringing it back before the Council for further review and approval.

BUDGET DISCUSSION - Fiscal Year 2019-2020 Budget

Mr. Davidson voiced his appreciation to Mr. Nelson and Ms. Lareau for their efforts in compiling the budget information. They were in the middle of getting the budget done for 2020 & 2021 and felt good about the direction it was going, then the pandemic hit, and it has thrown a little chaos into the planning. It has required them to not only look at next years budget but also have conversations with each department about the current fiscal year. What they would like to share involves the current year budget and changes they have made along with how they are moving forward with the next years budget. He stated this has been like looking at a crystal ball in trying to figure out what the pandemic will do to the economy in the short and midterm. He feels it will impact both this year and next year's budgets, he's just not sure how it will affect them.

Mr. Nelson reviewed the current fiscal year 2020 revenue operations starting with the city-wide budget cuts. Staff was asked to cut approximately 3% from their ongoing operational budget with exception to accounts tied to personnel and benefits. He continued to review the major general fund revenues to date.

General discussion ensued regarding the amount of sales tax that will be affected due to the current pandemic and projections as to the length of the pandemic and how that will affect the budget.

Mr. Nelson continued to review other major revenue funds and rather they would be affected by the lack of sales tax due to the pandemic. He also stated there may be a potential issue that may arise due to the sales tax submissions being pushed back.

BUDGET DISCUSSION - Fiscal Year 2020-2021 Revenues & Compensation

Mr. Nelson reviewed the fiscal year 2021 major General Fund revenues indicating this is something that will change as the pandemic issue continues. For the time being they have left the budget as proposed but he asked the Council to keep in mind some of the amounts will indeed change over the coming weeks. He indicated the property tax may increase if they maintain the current rate levy. He continued to review other major revenues stating they are not proposing any increases with the exception of the storm water and solid waste fees. Those fees they are moving forward with an increase due to either it is part of the master plan or due to increases from the vendor they work with.

Mr. Nelson reviewed the Compensation and Benefits in relation to the 2021 budget.

Discussion ensued regarding making decisions in unknown times and the concern of those discussions.

Mr. Davidson reviewed the public safety tier II retirement changes in the 2019 & 2020 legislative sessions. He stated that at this point in time they are not sure where they will be at the beginning of the new fiscal year of July, 2020 and commented that all budget numbers are reflective of the July 1, 2020 implement date.

Discussion ensued regarding the deadline to approve the budget and how they would present these numbers not knowing what the what they are going to become the time the budget is approved.

DISCUSSION - Southwest Orem Area

Mr. Bench stated they were able to go around and see what other temples have done with the surrounding areas. They have not been able to have any public meetings due to the current pandemic. He continued to review the information that was collected from the Draper, Mtn. Timpanogos, Jordan River, Ogden, Oquirrh Mtn. and Payson LDS Temples.

Mr. Davidson indicated he feels the City Council will need to have the conversation in the near future, regarding the general plan. They will need to look at the need to make a change if necessary and what those changes would be.

Agenda Review & Preview of Upcoming Agenda Items

The City Council discussed the items on the evening's agenda; Mr. Bench provided additional information regarding the scheduled item.

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

There were not reports/new business.

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

CONDUCTING	Mayor Richard F. Brunst
ELECTED OFFICIALS	Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, 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; Jason Earl, Deputy Fire Chief; Gary Giles, Police Chief; Ryan Clark, Development Services Director; Charlene Crozier, Library Director; Brandon Nelson, Finance Department Manager; Karl Hirst, Recreation Department Manager;Chris Tschirki, Public Works Department Manager; Jason Bench, Planning Division Manager; Ernesto Lazalde, IT Division Manager; Steve Earl, Deputy City Attorney; Pete Wolfley, Communications Specialist; and JoD'Ann Bates, City Recorder.
INVOCATION / INSPIRATIONAL THOUGHT	Jeff Lambson

PLEDGE OF ALLEGIANCE Steven Downs

MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

Natural Resource Stewardship Committee Annual Update

A video power point was given remotely to the Mayor and City Council.

Mayor Brunst conveyed his appreciation for the Natural Resource Stewardship Committee and all they do and continue to do for the residents of Orem.

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 make a comment provided staff with written comments.

There were no personal appearances.

CONSENT ITEMS

- Approval of the March 10, 2020 City Council Meeting Minutes
- RESOLUTION – Interlocal Agreement with the Utah County Election Office for the purchase of the Election Ballot Boxes.

Mr. Macdonald moved to approve the Consent Agenda as listed. **Mr. Spencer seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, and Brent Sumner. The motion **passed.**

SCHEDULES ITEMS

PUBLIC HEARING – Amending Section 14-3-3 Freestanding Signs: Pole & Monument (7) by clarifying language and Wall Signs of the Orem City Code by adding the PO zone as a permitted zone and amending the Sign Zone Map of the City of Orem by applying Sign Zone D to properties located generally at 825 East, 950 East, 1020 East, 1040 East, 1068 East, and 1145 East 800 North

Mr. Bench stated the first proposed amendment would provide that parcels that are not denoted with a specific sign zone and that are either (1) located in a commercial zone or (2) located in a residential zone, the primary use of which is a legal non-residential use shall be considered to be in Sign Zone D. This would apply primarily to churches and schools in residential zones. The language of the proposed amendment is shown in the agenda information. The second proposed amendment would update the sign code to allow wall signs in the PO zone. The language of this proposed amendment is also shown in the agenda information. The final proposed amendment

would amend the Sign Zone Map of the City of Orem by applying Sign Zone D to properties located generally at 825 East, 950 East, 1020 East, 1040 East, 1068 East, and 1145 East 800 North. With recent commercial and office development along 800 North, applying Sign Zone D to the proposed properties would place them on the same footing with other commercial and office properties on the east end of 800 North with respect to signage.

Mr. Spencer moved to approve to approve amending Section 14-3-3 Freestanding Signs: Pole & Monument (7) by clarifying language and Wall Signs of the Orem City Code by adding the PO zone as a permitted zone and amending the Sign Zone Map of the City of Orem by applying Sign Zone D to properties located generally at 825 East, 950 East, 1020 East, 1040 East, 1068 East, and 1145 East 800 North as presented. **Mr. Peterson seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, and Brent Sumner. The motion **passed**

CITY MANAGER INFORMATION ITEMS

Mr. Downs reviewed information regarding the preparations and concerns of the Orem City Celebration of Summerfest and the current pandemic limiting group events. He continued to state the Summerfest committee has identify some specific directions they would like to take, 1) cancel some of the Summerfest events that create large gatherings specifically the carnival and the parade. 2) look at the other parts of Summerfest that could be considered standalone events like the pool party, storytelling event the car show and many others that they could identify another time in late summer or fall to have some of those events, and 3) They would like to try and have the firework show around Labor Day. All these are subject to many things, but the committee would like to move in that direction.

Discussion ensued regarding alternative issues and concerns in relation to the Summerfest Celebration with coordination and availability with vendors and individuals.

Mr. Davidson stated the Summerfest discussion is just a small glimpse as to some of the changes made over the last couple of weeks due to the Covid-19 situation. He stated he was incredible proud of the staff, not just the way they have responded to the Covid-19 issue and the recent earthquake but also to how they have modified the way the city does business and provide services. He indicated we are encountering both those that appreciate our efforts and those that are frustrated and believe we have exceeded the necessary actions. He feels that on all fronts they have relied heavily on the employees to deal with a normal never experienced before and feels they are making progress on a number of fronts that are not directly tied to Covid-19 and are moving forward and address ongoing needs and concerns. He asked for the Councils continued patience and help as they navigate these unchartered waters. Again, he stated how incredibly proud and appreciative he is of the employees of Orem, the work they are doing, and the attitude they have in dealing with what is a first time for all of us and a challenging time. Based on prior conversations and direction the city had keep the parks open but tried to limit the activity in those areas. Due to residents not heading the recommendations they are in the process of taking down nets and locking those parks they can and are posting notices indicating the parks and facilities are now closed. The city buildings are now subject to a hard closure. This does not mean that services are not available from the city, we are just encouraging residents to use telephone, email or the city chat application to communicate and conduct business with the city. On occasion they will work with those that

need to meet with our employees on an appointment basis. He anticipates the closers will be part of the operations for the next 15-30 days and then they will re-assess the situation while also continuing to take direction from the State and county government. He stated he meets with the Emergency Management Team at least 3 times a week to address any issues that come forward and continues to keep employees up to date. He concluded he feels the staff are continuing to do their best weathering this storm and feels they are coming out stronger and better.

General discussion continued regarding public places and residents out and about and the cities responsibility to address this issue.

Mayor Brunst voiced his thanks for all the staffs efforts, he feels the pandemic has made people tense and he sees employees putting extra efforts into keeping things moving forward. He continued to share some statistics regarding the amount of cases confirmed versus the number of deaths in Utah. He feels what they are doing as a city is helping with the slowing of the spread of the virus.

ADJOURNMENT

Mr. Lambson moved to adjourn the meeting. **Mr. Sumner seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, and Brent Sumner. The motion **passed.**

The meeting adjourned at 6:56 p.m.

JoD'Ann Bates, City Recorder

CITY OF OREM CORPORATE SEAL STATE OF UTAH

Approved: April 14, 2020