

CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
June 16, 2020

*This meeting was held electronically
to allow Councilmembers and Staff to participate.*

4:00 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 (at UCCU meeting)
EXCUSED	If applicable
APPOINTED STAFF	Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Steven Downs, Deputy City Manager; Greg Stephens, City Attorney; Gary Giles, Police Chief; Jason Earl, Deputy Fire Chief; Karl Hirst, Recreation Department Manager; Ryan Clark, Development Services Director; Charlene Crozier, Library Director; Chris Tschirki, Public Works Department Manager; Brandon Nelson, Finance Department Manager; Jason Bench, Planning Division Manager; Ernesto Lazalde, IT Division Manager; Pete Wolfley, Communication Specialist; JoD’Ann Bates, City Recorder; and Jackie Lambert, Deputy City Recorder

NOTE: The referenced report and presentation documents for each discussion may be viewed at orem.org/meetings under “City Council Presentations”

DISCUSSION – Storm Water Code Amendment

Mr. Tschirki introduced proposed changes to Orem City Code Chapter 23 pertaining to the City’s Storm Water utility. He reviewed concepts and definitions pertinent to his presentation, and provided a general explanation of the ways Orem managed storm water. Mr. Tschirki said HB226 from the 2020 Utah Legislative Session enacted a provision related to storm water permits and certain appeals related to post-construction retention requirements. The legislation was also the impetus for the reduction from the 90th to the 80th percentile storm event. He shared data related to Orem’s rainfall events and exceedance intervals.

Mr. Tschirki said a five-year Storm Water Master Plan had been approved in 2016 which provided guidance and examples to developers on managing and mitigating storm water quality and

quantity, as well as minimizing adverse environmental impacts and potential property damage. He shared photos of various storm water management options. The City was required to have a Utah Pollutant Discharge Elimination System (UPDES) general permit from the Department of Environmental Quality – Division of Water Quality. It was updated every five years, with the current permit set to expire at the end of February 2021.

In response to a Council question, Mr. Tschirki spoke about the West Union Canal and West Smith Ditch and the City's responsibilities with the canal. General discussion continued regarding the City's storm water infrastructure, maintenance and operations of existing sumps and wells, and harvest and reuse systems within the city. Mr. Tschirki said he planned to bring the proposed code amendments to the next City Council meeting.

ANNUAL REPORT – Gang Loitering Areas

Chief Giles provided a brief report on the City's Gang Loitering Areas. He said the Orem City Council adopted specified gang loitering areas throughout the City in 2009; the areas defined included city parks, public schools, and church buildings among others. He said they had not had major gang issues for many years. Occasionally graffiti was found that "marked" territories, but Chief Giles said it was not on such a scale as to worry. The Orem Police Department had tools in place if necessary to subdue gang activity within the City.

DISCUSSION – Law Enforcement Accountability Update

Chief Giles said recent national events led to questions and discussions regarding policing and law enforcement as well as the Black Lives Matter protests in response to the killing of George Floyd in Minneapolis, MN. He said many in the community had reached out to him regarding these issues, and he wanted to share some of his thoughts and information from the Orem Police Department (OPD). One idea that had come from the protests was to "Defund the Police"; Chief Giles said this did not mean eliminating police departments entirely, but rather redistributing funds to go to other non-police resources, like social workers and mental health advocates. He said Orem was already doing some of these things, including employing two full-time mental health officers and a part-time social worker, and felt the OPD was on the right path.

Chief Giles said he had received letters citing the "8 Can't Wait" Campaign to bring change to police departments. The eight points of the campaign are:

1. Ban chokeholds and strangleholds
2. Require de-escalation
3. Require warning before shooting
4. Require to exhaust all alternatives before shooting
5. Duty to intervene
6. Ban shooting at moving vehicles
7. Require use of force continuum
8. Require comprehensive reporting

Related to point two, Chief Giles said he had a goal for 100% of his officers to be Crisis Intervention Team (CIT) certified. They were currently at about 80% certified, and the remaining

officers were new and would have the chance to certify soon. He said Sgt. Jeremy Jamison, one of the City's mental health officers, took a big role in ensuring that officers become CIT certified. Chief Giles said officers were already required to provide a warning before any type of shooting as was feasible, per Utah Code 76-2-404, though events may escalate so quickly there may not be time to do so. He said Orem police policy already included the exhausting of all alternatives before shooting, which may include use of pepper spray, Taser, baton, or less-lethal shotguns (which may shoot bean bags or rubber bullets) and potentially carotid chokeholds. Chief Giles said the ban on chokeholds was a complex issue that required study and careful consideration. He felt there may be a place for that kind of hold, but he condemned the actions of the Minneapolis officer that knelt on George Floyd's neck; that was deeply wrong and there was never a place for that. He said Orem policy already discouraged shooting at vehicles, and established a force continuum throughout and officers had many tools at their disposal. In Orem, all use of force was reported and investigated by a lieutenant or higher. Chief Giles said there was an argument that police should not investigate themselves, and while he understood that argument, investigators needed a level of expertise and understanding to properly review and investigate. He said they could consider community advisors as part of that audit process.

General discussion ensued regarding police policies in Orem. In response to a question from Mrs. Lauret, Chief Giles said the mental health officers were not always the responding officers that first interacted with individuals but were usually brought in for follow up meetings with those who needed mental health services. Chief Giles said Wasatch Mental Health and other treatment options were available resources the officers had at their disposal, but he said the city could certainly benefit from having more mental health officers, more full-time social workers, more non-police personnel to help bridge the gap. Discussion continued regarding body cameras, dash cam videos, community outreach and events, and the citizen's police academy.

Mayor Brunst said he participated in the citizen's police academy and recommended it to all council members to attend. Others who had participated in the citizen's police academy shared their experiences. In light of Chief Giles' announced retirement, the Mayor and Council expressed their appreciation and heartfelt gratitude to Chief Giles for his work with the police department and the community as a whole. They thanked Chief Giles for his vision in leading the police department and putting out a thoughtful statement as quickly as he did.

DISCUSSION – City Retention Schedule

Mrs. Bates reviewed the plan to adopt an Orem City Retention Schedule. She shared a comparison of a specific proposed record in the Orem Retention Schedule with the same record from the State's General Retention Schedule. According to the state schedule, sports team records were required to be kept permanently. Mrs. Bates said the Orem Recreation Department had reviewed the schedule and felt a more appropriate retention length for sports team records was two years. She said this process would continue with all individual departments making recommendations according to their needs.

Mrs. Bates encouraged the Council to reach out with any questions they may have regarding the City's Retention Schedule. Mayor Brunst thanked Mrs. Bates for the efforts of staff in this process.

DISCUSSION – Mayor Pro Tem assignment July through December 2020

Mayor Brunst thanked Mrs. Lauret for her service as current Mayor Pro Tem and suggested that Terry Peterson be put forth to serve from July through December. The general consensus of the Council was favorable and would formalize the assignment at the next City Council meeting.

Agenda Review & Preview of Upcoming Agenda Items

The City Council reviewed the evening's agenda. Discussion ensued regarding the scheduled items that would be considered.

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

Mr. Macdonald presented a brief report on his liaison assignments. He said the COVID-19 pandemic had interfered with most organization's ability to meet together. There had been no Orem Youth Council meetings and the IHC Outreach had only held one online meeting. The Heritage Advisory Commission had coordinated the Memorial Day Program electronically. Mr. Macdonald said he was impressed by the Heritage Advisory Commission's ability to adapt the program so the community could still celebrate together from the safety of their own homes.

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; Gary Giles, Police Chief; Jason Earl, Deputy Fire 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; Kena Jo Mathews, Community Services Manager; Pete Wolfley, Communications Specialist; JoD'Ann Bates, City Recorder; and Jackie Lambert, Deputy City Recorder

CALL TO ORDER

INVOCATION /

INSPIRATIONAL THOUGHT Taylor Spencer
PLEDGE OF ALLEGIANCE Julie Spencer

MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

REPORT – Senior Advisory Commission

Gena Bertelsen, Orem Senior Friendship Center Program Coordinator, introduced Kaye Bradford who served as Chair of the Senior Advisory Commission. Ms. Bradford wanted to express how grateful she and the seniors of Orem were for Gena and Karl Hirst, and the efforts of the Senior Center to help people feel connected during these trying times. Mrs. Bertelsen shared information about the Senior Center and the classes and events they typically held. These included TED talks, hobby classes, Geezerfest, and more. She said the COVID-19 pandemic had shut the senior center down in order to protect seniors, and she was challenged to find other ways to connect with the patrons. They created mix and match phone trees so patrons could get to know new people, they hosted Zoom fitness classes as well as Facebook Live Bingo. Additionally, they prepared and distributed hot meals for approximately 150 seniors daily. Mrs. Bertelsen said these were small but vital things to help the community seniors feel connected during such an isolated time.

Mayor Brunst thanked Mrs. Bertelsen and her staff for the service the Senior Center was providing during this time as human contact and connection was so critical for seniors.

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.

An anonymous comment was received regarding a program with Rocky Mountain Power and mandatory solar panel installation. The commenter wanted more information and the costs and requirements.

Mayor Brunst said the City Council had voted not to move forward with that program, so no money was involved and no one was required to have solar panels.

CONSENT ITEMS

- Approval of the May 26, 2020 City Council Meeting Minutes
- ORDINANCE – Approving the amounts to be awarded to the CARE Grant recipients for the 2020 CARE granting round
- RESOLUTION – Approval of amended and restated Interlocal Agreement with the Utah Risk Management Agency

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

motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

SCHEDULES ITEMS

PUBLIC HEARING

RESOLUTION – The City will receive Public Comment on the Community Development Block Grant (CDBG) Projected Use of Funds for CARES ACT CDBG-CV funding and consider approval of a substantial amendment to the 2019-2020 Annual Action Plan

Ms. Mathews, Community Services Manager, presented a recommendation that the City Council hold a public hearing to receive public comment on the projected uses of the funds for the CARES ACT CDBG-CV funding, adopt the recommendations of the CDBG Advisory Commission, and approve a substantial amendment to the 2019-2020 Annual Action Plan.

In response to the Coronavirus Pandemic (COVID-19), the U.S. Department of Housing and Urban Development Community Development Block Grant notified the City of Orem that it would receive an allocation of \$411,983 to be used to prevent, prepare for, and respond to COVID-19. Ken Ransom, CDBG Commission chair, shared the recommendations of the CDBG Advisory Commission. Ms. Mathews said the City of Orem would like to allocate approximately \$30,000 to program administration and planning costs and approximately \$42,950.34 to public services. The balance of the funding of approximately \$339,032.66 will be noticed and allocated at a future date.

Mrs. Lauret asked for clarification on the amount going toward program administration. Ms. Mathews said that helped to cover some of the salary costs for a new city intern as well as Mr. Downs, who had dedicated many additional hours to CDBG programming and COVID-19 pandemic response.

Mayor Brunst opened the public hearing.

Janelle Christensen, Executive Director at Utah Valley Family Support & Treatment Center, thanked the City's CDBG program staff for their time and work. She said the COVID-19 pandemic had given rise to mental health crises as well as higher occurrences of substance abuse and domestic violence. The CDBG program was especially important during this time to provide assistance to those who may not otherwise have opportunities for these critical services.

With no additional comments received, Mayor Brunst closed the public hearing.

Mayor Brunst moved, by resolution, to approve the CDBG Projected Use of Funds for CARES ACT CDBG-CV Funding and approve a substantial amendment to the 2019-2020 Annual Action Plan. **Mr. Sumner seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

PUBLIC HEARING

ORDINANCE – Amending Sections 22-24-3(F)(1)(a) and 22-24-3(F)(2)(d) “Design Standards” of the Orem City Code, pertaining to accessory buildings in the Canyon Crossing District (CXD) zone

Mr. Bench presented the Planning Commission’s recommendation that the City Council, by ordinance, amend Sections 22-24-3(F)(1)(a) and 22-24-3(F)(2)(d) “Design Standards” of the Orem City Code, pertaining to accessory buildings in the Canyon Crossing District (CXD) zone.

The Canyon Crossing District zone (encompassing the area around the intersection of 800 North and State Street), like the other State Street district zones, contained design standards that were intended to create an urban design feel and to maximize the development of properties in that zone. Two of the main development requirements were that buildings must be brought up close to the street with a maximum setback of ten feet and must also have a minimum of two stories.

As an exception to the above requirements, the current ordinance provided that one existing building on a parcel may be expanded by up to 15% of the floor area of the building without meeting the minimum height and maximum setback requirements. However, all other building additions as well as new buildings must comply with the minimum height and maximum setback requirements.

A property owner in the CXD zone recently expressed a desire to construct a large accessory structure in the back of his lot and behind the existing buildings on the parcel. Upon consideration of the request, staff realized that the current CXD zone did not allow the construction of an accessory building for things like storage unless it complied with the minimum height and maximum setback requirements. Since it would generally be impracticable to construct an accessory building that met those requirements, staff believed that it was reasonable to allow an accessory building in the CXD zone to be built in the rear of a lot even though it did not meet the height and setback requirements. However, staff believed that the size of such an accessory building should be limited in order to avoid encouraging the construction of new buildings in the rear of a lot that ultimately may be devoted to primary uses since the intent of the ordinance is to bring the primary uses out to the front of the lot.

As staff considered what size of accessory building would be reasonable to allow as an exception to the height and setback requirements, staff looked to the exception that allowed a building to be expanded by 15%, as referenced above, as an example. Staff therefore proposed to amend the CXD zone to allow one accessory building that did not meet the minimum height and maximum setback requirements to be constructed on a lot provided that the accessory building was no larger than 15% of the floor area of one primary building on the parcel. Staff believed that this would allow property owners to meet their legitimate need for storage while still preventing primary buildings or uses from being constructed in the rear of a lot.

Under the proposed amendment, one accessory structure would be allowed on a parcel in the CXD zone provided it met the following:

1. A maximum area of 15% of the gross leasable floor area (GLFA) of the primary structure on the property.
2. A maximum height of one story.

3. The use must be exclusively for storage in connection with the primary use of the property.
4. It must be an accessory use to the principal use of the property.
5. It must be located behind the primary structure.
6. It cannot be connected to water or sewer services.
7. The parcel on which it is located cannot have already used the one-time 15% building exception noted above.
8. It must comply with all other applicable City ordinances.

Mr. Spencer expressed concerns about the outline or reach of the district boundaries, as well as the suggested percentage allowed for accessory buildings in relation to the square footage amounts of the businesses. His opinion was that it seemed anti-business to have such restrictions and suggested some changes to the proposal, including a higher percentage amount and including the car wash property. He said he did not like the CXD zone at the moment.

Mayor Brunst said the district had the boundary it did because it included the VASA property and they had plans in the future within the district. Mr. Bench clarified that while the car wash did have a 30 year lease on the property, they did not own the land and that was an important aspect. Discussion continued regarding the calculation and suggestion of 15%, the sizes and allowed uses of accessory buildings in the CXD zone, utility infrastructure, and requirements in other State Street districts. Mr. Bench said the use of the accessory structure had to be tied to the primary use of the property.

Eric Watts said the accessory building was vital to the operations of the business. The business required a lot of equipment and they needed a place to store it. When equipment was replaced, they did not simply dispose of the old equipment but often cannibalized for parts and they needed a storage area. Mr. Watts thought the Overtons bought the building and then the ordinance was changed so they could not put up the structure. Mr. Bench said that was not the case because they did not include the storage building in any site plan they obtained approval for, and had they done that at that time this proposed change would not be necessary.

Mr. Peterson echoed some of Mr. Spencer's concerns, and said it was important to support businesses or they would be lost. Mr. Clark said staff had conducted an extensive and lengthy public outreach campaign to design the State Street Districts, and business owners and residents had commented that they wanted to eliminate haphazard planning and create a sense of place for future development and redevelopment. Mr. Clark said the city already had an excess of storage facilities it would be difficult to regulate businesses adding accessory structures if they were not clear in the code. Mr. Spencer clarified that the storage would not be a commercial rental unit and was not the kind of storage facility Mr. Clark was referring to, and it would be located behind the property and out of site from State Street. Mr. Spencer felt they should reevaluate the issue before moving forward. Mr. Bench said they would need to continue the item if substantial changes were proposed.

After continued discussion, Mayor Brunst felt it would be best to continue the public hearing to allow for the involved parties to meet and review the proposal. **Mayor Brunst moved** to continue the public hearing to the July 14, 2020 City Council meeting. **Mrs. Lauret seconded** the motion.

Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

PUBLIC HEARING

ORDINANCE – Amending Section 22-11-33(F) PD-21 Zone, Student Housing Village, 1200 South Geneva Road of the Orem City Code to allow drive-thru windows

Mr. Bench presented the Planning Commission’s recommendation that the City Council amend Section 22-11-33(F) PD-21 Zone, Student Housing Village, 1200 South Geneva Road of the Orem City Code to allow drive-thru windows.

Section 22-11-33(F) of the City Code stated that drive-thru windows were not allowed in the PD-21 zone. Fast food restaurants were allowed in the PD-21 zone and many restaurants prefer to have a drive-thru window, especially in today’s environment. The COVID-19 pandemic had led to a majority of restaurants adapting to drive-thru or curbside pickup. The applicant would like to locate a drive-thru soda retail store at 1296 West University Parkway. The existing natural gas fuel station would be removed.

Another drive-thru was inadvertently approved in the PD-21 zone back in 2012 when the Subway sandwich store located directly to the east at 1278 W University Parkway was built with a drive-thru window. Because a drive-thru window was previously approved, staff supported the proposed change.

Mrs. Lauret said she lived near this area and felt a drive-thru business like a Swig or Sodalicious would be a good fit with what had already developed there.

Mr. Sumner commented that the increase in drive-thru or curbside options at restaurants had caused some traffic problems and congestion with ingress and egress in parking lots. Mr. Bench said they would ensure that it would not be a hazard when plans came before the Planning Commission.

Mayor Brunst opened the public hearing. No public comments were received, so Mayor Brunst closed the public hearing.

Mayor Brunst moved, by ordinance, to amend Section 22-11-33(F) PD-21 Zone, Student Housing Village, 1200 South Geneva Road of the Orem City Code to allow drive-thru windows. **Mr. Lambson seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

PUBLIC HEARING

ORDINANCE – Amending Chapter 10 Flood Damage Prevention of the Orem City Code pertaining to updating the ordinance to comply with the State of Utah and FEMA (Federal Emergency Management Agency) standards as it relates to the revised Flood Insurance Rate Map (FIRM) and other requirements outlined by the State and FEMA

Mr. Bench said the Development Services Department recommended that the City Council, by ordinance, amend Chapter 10 Flood Damage Prevention of the Orem City Code.

The State Floodplain Manager in connection with FEMA had asked each community in the State of Utah who had a flood plain ordinance to update the ordinance to reflect several modifications requested by both the State of Utah and FEMA as it related to the management of the flood plain areas in their respective communities. The City of Orem was proposing to make the requested modifications in order to be in compliance with State and FEMA standards. The provision were required by FEMA in order to stay eligible for the National Flood Insurance Program (NFIP) for the City.

Modifications to the existing ordinance included adding additional definitions, designating a Floodplain Administrator, and additional standards pertaining to reducing hazards within floodplain areas. As part of the update, new Flood Insurance Rate Maps (FIRM) had been updated and provided additional details and reflected updated scientific and engineering analysis. These maps would go into effect on June 19, 2020.

Mr. Bench reviewed the proposed updates and said the changes would not impact the majority of Orem homes. Mayor Brunst asked about the lake levels after a major flood in 1983, and if that was reflected on the map. Mr. Bench said the Powell Slough area on the map reflected the potential floodplain if the lake levels were to rise; he added that the southwest area was not part of that.

Mayor Brunst opened the public hearing. No public comments were received, so Mayor Brunst closed the public hearing.

Mayor Brunst moved, by ordinance, to amend Chapter 10 Flood Damage Prevention of the Orem City Code pertaining to updating the ordinance to comply with the State of Utah and FEMA (Federal Emergency Management Agency) standards as it relates to the revised Flood Insurance Rate Map (FIRM) and other requirements outlined by the State and FEMA. **Mrs. Lauret seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

PUBLIC HEARING – Enterprise Fund Transfers

Mr. Nelson presented a recommendation that the City Council hold a public hearing to consider input from Orem residents regarding proposed transfers from Enterprise Funds to the General Fund in the Fiscal Year 2020-2021 Budget.

On May 12, 2020, the City Council received a draft of the Tentative Budget for the Fiscal Year 2020-2021. The budget contained a proposed transfer of funds from the utilities to cover non-administrative or overhead costs to cover the City's own use of City owned utilities. The State Auditor required that cities pay the retail rate for their own use of city owned utilities. The City of Orem used water, sewer, storm water and street lighting to supply its own properties. These properties were primarily parks but also include the Cemetery, City Hall, Police Station, Fire Stations, and other city properties. The City had long built the cost of supplying these properties into the utility rates. The reasoning behind this decision was that the taxpayers and the utility rate payers were almost always the same people. Therefore, the simplest way to cover these costs was to include them in the respective utility rates. Now that the City was required to pay the utilities for these services, the options available to the City were: 1) Increase property taxes to cover the

cost of these utilities 2) Cut services enough to free up the cash to pay for the utilities 3) Transfer the funds back to the General Fund. The first two options involved either paying more for the same services or paying the same for lower service. By making the transfer the City could provide the same level of service for the same fees.

The amounts proposed to be transferred were:

Transfer From Amount % of Total Fund Expenditures

- Water Fund \$900,000 4.4%
- Sewer \$16,000 0.1%
- Storm Water \$141,000 2.5%
- Street Lighting \$15,000 1.6%
- Total:\$1,072,000

Mayor Brunst opened the public hearing. No public comments were received, so Mayor Brunst closed the public hearing.

PUBLIC HEARING

ORDINANCE – Approve and Adopt Fiscal Year 2020-2021 City of Orem Budget

Mr. Nelson presented a recommendation that the City Council, by ordinance, approve and adopt the Fiscal Year 2020-2021 Budget, adopt the compensation programs, adopt the fees and charges schedule, set the property tax, franchise tax, municipal energy sales and use tax, telecommunications license tax, transient room tax, and E-911 fee rates.

On May 12, 2020, the City Council received the Tentative Budget for the Fiscal Year 2020-2021. Various budget work sessions were held between January and April 2020. In addition, two public hearings were held to review CDBG budget requests. The purpose of this hearing was to consider the budget for Fiscal Year 2020-2021, along with the compensation program and the fees, charges, and tax rates of the City. Property taxes would not be increased, the franchise tax and municipal energy sales and use tax rates would remain at 6%, and the transient room tax would stay at 1%. The telecommunications license tax remained at 3.5% and the E-911 fee stayed at the state allowed maximum rate per month. Various adjustments and/or additions to miscellaneous fees and charges were proposed in many departments.

Mr. Nelson provided a review and shared budget highlights. He said the COVID-19 pandemic had an impact on the estimates they originally projected and they were still receiving data, in particular related to sales tax revenue from April and May. He said they estimated an approximate 1.7% decrease in those revenues, and anticipated a significant decrease in building permit revenues. He shared expenditures by type and also by fund, and reviewed the items added to the FY2020-2021 budget including fleet replacements, streets capital projects, water, reclamation, and storm water fund projects, recreation, and solid waste rates and fees.

Mayor Brunst opened the public hearing.

Dave Busath asked for assurance that the water fund was used wisely. Mayor Brunst commented that they were using the fund wisely, and Mr. Busath was welcome to speak to staff for additional information.

Mayor Brunst then closed the public hearing.

Mr. Spencer had questions regarding the Library Hall fees and how they were determined. He had concerns that Orem businesses may be hurt by this. Mr. Bybee said they went through a process of looking at Provo and other municipal auditorium fee schedules, as well as the school district rates and wedding venues throughout the county. They also compared internally to venues like Timpanogos Park and the Senior Center, and they determined different levels for rental rates. Mr. Bybee said in general the intent was to be on the conservative side of average, and those rates could be revisited. Mrs. Crozier said the Class 2 designation was more for community partners rather than CARE grant recipients specifically and it would depend on what CARE recipients wanted to use the Library Hall for, be it a free performance versus ticketed events. Discussion continued regarding uses and rates for the Library Hall.

Mrs. Lauret asked about a recent procurements from the Department of Justice for three additional police officers. Mr. Davidson said they had not included that money in the budget as they had yet to accept the money formally. They wanted to more fully understand the parameters of the grant before including that.

Mr. Spencer said he wanted to discuss some of the specific fees related to cosponsored recreation groups, and felt the fee schedule was out of whack. He was unsure why there were two seasons listed for soccer, corresponding to two fees. Additionally, he did not agree with the field prep fee for the youth baseball programs in Group 3; 50% of those teams were from Orem, and he felt those teams were being penalized for using the fields on Monday nights. Mr. Lambson said he had been involved in soccer and though games were in fall and spring it was considered one season. Mr. Downs said he recently had signed up his son for soccer, and it was split into two seasons where participants had to sign up for both seasons in order to play.

Mr. Davidson said these fees specifically related to cosponsored groups that were not run and operated by the City of Orem. The participation fees were the only fees accepted from those participants on an annual basis. These sports used fields that needed to be mowed, watered, and maintained, have electricity to run the lights, etc. and without the fees the cosponsored groups would be using the fields for free. Programs run by Orem had those costs built into their fees. Because of their uses, these fields were maintained at a higher level than other parks and there were costs associated with that maintenance. Mr. Davidson said the numbers were negotiated a few years ago and they incrementally increased based on costs of materials and goods which increased yearly. In response to a question from Mrs. Lauret, Mr. Davidson said the fees charged were dramatically less than the cost the City incurred to maintain the fields.

The discussion regarding fees continued, and Mr. Spencer repeated his opinion that the fees for the cosponsored sport groups should be adjusted. Mr. Nelson said the fee schedule was reviewed annually, but the Council may also adjust the budget throughout the year with budget amendments. Mayor Brunst suggested that Mr. Spencer have additional conversations with the recreation staff.

Mayor Brunst then moved, by ordinance, to approve and adopt the Fiscal Year 2020-2021 City

of Orem Budget. **Mr. Sumner seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

RESOLUTION – Authorizing the Pick-Up of Specified Employee Contributions to the New Public Safety and Firefighter Tier II Contributory Retirement System

Mr. Davidson presented a recommendation that the City Council, by resolution, authorize the pick-up of specified employee contributions to the New Public Safety and Firefighter Tier II Contributory Retirement System.

Due to the cost of enhancements to the New Public Safety and Firefighter Tier II Contributory Retirement System, participating City employees would now be required to contribute 2.27% of their salary or wages to the retirement plan. An employer may “pick-up” the employee's portion of the retirement contribution and treat it as an employer contribution under the Internal Revenue Code. In the proposed resolution, the City agreed to pick-up the entire amount of the FY 2020/2021 employee contribution (2.27% of salary or wages) and committed to continue picking-up the 2.27% contribution in future years.

Mr. Macdonald received confirmation that this proposal was part of the budget that was approved moments ago. Mr. Davidson said this was a change that came from legislation that enhanced the retirement benefits extended to Tier II employees, an amount of approximately \$150,000 for the City of Orem. Mr. Peterson asked if other cities were covering this cost for their employees; Mr. Davidson said there were some that were covering the cost and others that required employees to cover the cost. Mr. Peterson said it was important to make the public safety and fire employees aware of this, which Mr. Davidson said was the goal. Mayor Brunst said it was a competitive world for public safety employees and he was glad they were offering something other cities may not.

Mayor Brunst moved, by resolution, to authorize the pick-up of specified employee contributions to the new Public Safety and Firefighter Tier II Contributory Retirement System. **Mr. Peterson seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

RESOLUTION – Approving the Interlocal Cooperation Agreement between Utah County and the City of Orem for Disbursement from the Coronavirus Relief Fund

It was recommended that this item be continued to the next City Council meeting or a Special City Council meeting to be scheduled in the near future. **Mayor Brunst moved** to continue the item. **Mr. Spencer seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

COMMUNICATION ITEMS

The Monthly Financial Summary for May 2020 was included in the packets distributed to the Council.

CITY MANAGER INFORMATION ITEMS

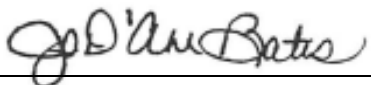
Mr. Davidson had no information items to share.

ADJOURN TO A MEETING OF THE OREM REDEVELOPMENT AGENCY (RDA)

Mayor Brunst moved to adjourn to a meeting of the Orem Redevelopment Agency. **Mr. Spencer seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

The meeting adjourned at 8:22 p.m.




JoD'Ann Bates, City Recorder

Approved: June 30, 2020