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**Pleasant Grove City
City Council Meeting Minutes
Work Session
June 23, 2020
4:30 p.m.**

7 Mayor: Guy L. Fugal (via telephone)

9 Council Members: Dianna Andersen – Mayor Pro-Tempore
10 Brent Bullock
11 Eric Jensen
12 Cyd LeMone
13 Todd Williams

15 Staff Present: Scott Darrington, City Administrator
16 Deon Giles, Parks Director
17 Tyler Wilkins, Recreation Director
18 Tina Petersen, City Attorney
19 Kathy Kresser, City Recorder
20 Marty Beaumont, Public Works Director
21 Kyler Ludwig, HR Director
22 Sheri Britsch, Library Director
23 Mike Roberts, Police Chief
24 Dave Thomas, Fire Chief

26 The City Council and staff met in the Community Room, 108 South 100 East, Pleasant Grove,
27 Utah.

29 **4:30 P.M. WORK SESSION**

31 **1) UTOPIA PRESENTATION – *Presenter: Roger Timmerman.***

32
33 Roger Timmerman, the Executive Director of UTOPIA, introduced CFO Laurie Harvey and IT
34 Director Blaine Clegg. He said that they were not here to sell anything to the City. UTOPIA did
35 not make money on these projects, rather they were employees of a public agency. He explained
36 that 11 cities were part of the first UTOPIA fiber project. In the last few years, they changed their
37 model and partnered with new cities. The new structure allows cities to get all of the benefits
38 without the baggage.

39
40 In response to a question from Council Member Jensen, Mr. Timmerman explained that two
41 separate legal entities were working on the projects with the cities identified as the Utah
42 Infrastructure Agency (“UIA”) and UTOPIA. UIA’s financials are very good and their projects
43 are paying for themselves. UTOPIA provides staff and operations, while UIA serves as a financing
44 entity.

1 Mr. Timmerman presented a map depicting areas where fiber infrastructure is located and stated
2 that they provide services in over 50 cities. He provided a history of UTOPIA and stated that they
3 have seen phenomenal growth even within the past six months. Broadband isn't a luxury, but a
4 necessity. Contrary to popular opinion, local broadband providers love UTOPIA. This is the
5 system they used to offer to the City. The infrastructure is owned by the community. UTOPIA
6 does not offer the services, but they make them available to private companies. UTOPIA charges
7 \$30 per month for the fiber connection and then the providers charge their prices for the services.
8 The \$30 UTOPIA charges would pay the bond first. Putting in the fiber system solves a lot of the
9 existing issues with current broadband options.

10
11 Mr. Timmerman reported that one of the benefits to Pleasant Grove City is that UTOPIA will be
12 able to move very quickly in getting the infrastructure in place because a lot of it has already been
13 done. Everything will be placed underground.

14
15 Mr. Timmerman addressed Smart City, which includes more than just fiber connectivity. Once
16 the fiber backbone is in place, they can provide wireless solutions more readily, provide public
17 access points in public places such as parks, offer LoraWan sensor technology for reading meters,
18 smart lighting, video surveillance, air quality sensor networking, and traffic control monitoring.
19 He also addressed customer satisfaction and stated that UTOPIA has a net promoter score of 64.
20 They have over 30,000 subscribers statewide.

21
22 Council Member Jensen asked about the buy-in. Mr. Timmerman reported that there needs to be
23 a 40% take rate to be successful. This was completely voluntary to the residents. There will also
24 be no installation fee and no contract. Lindon City had a 50% take rate. There was discussion
25 regarding cities with a take rate of under 40%. Mr. Timmerman explained that any revenue coming
26 from the City would be used to protect the City, financially. The entire project could be paid for
27 by voluntary subscription fees. This would be a reduced or similar cost for the residents, with
28 better service. They also saw an increase in property values. The service would provide a better
29 quality of life for all residents.

30
31 Laurie Harvey presented information regarding the debt service. When UIA finances the bond,
32 they ask for a pledge of revenues from the City but they include a capitalization period between of
33 18 to 24 months. During that time, they are accumulating revenues from customers that come
34 online. By the time the debt service begins, the funds are already there to make the payment.

35
36 There was discussion regarding marketing and conducting a resident survey to gauge the interest
37 of the residents. They agreed that UTOPIA would create the survey but the survey would be
38 distributed throughout the City.

39
40 **2) STAFF BUSINESS**

41
42 **3) ADJOURNMENT**

43
44 **ACTION:** Council Member Williams moved to adjourn the Work Session at 5:36 p.m. Council
45 Member Jensen seconded the motion. The motion carried unanimously with Council Members
46 Andersen, Bullock, Jensen, LeMone and Williams voting "Yea".

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2 The City Council Work Session minutes of June 23, 2020, were approved by the City Council on
3 July 7, 2020.
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6 _____
7 Kathy T. Kresser, MMC
8 City Recorder

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10 *(Exhibits are in the City Council Minutes binders in the Recorder's office.)*
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