




OREM CITY

OREM UTOPIA SURVEY 2018



- 
- 1 Overall quality of life in Orem is high and residents are generally satisfied with the way the city is being run. However, compared to 2014 a somewhat smaller proportion of residents say the city is headed in the right direction.
 - 2 93% of residents say they need access to the internet every day, but only 8% of residents say the UTOPIA network should be the city's highest infrastructure priority. UTOPIA stays in third position on the list and % listing Police Dept. as highest priority rises dramatically in 2018.
 - 3 Currently, only 13% of Orem residents say they currently connect to the internet through UTOPIA.
 - 4 Two-thirds of residents think that an open UTOPIA network will increase competition among ISPs, leading to better service and lower prices. 34% think that competition wouldn't make a difference in good service or prices.
 - 5 Overall, a majority of residents support of the UIA bond proposal for the build out of the UTOPIA network. There is little variation across those residents with and without current UTOPIA access.
 - 6 About half of respondents who do not currently have UTOPIA access say they would be likely to subscribe if the network were built out and made available to them. A model predicting likely subscribers shares same significant predictors as a model of actual UTOPIA subscribers, suggesting self reported likelihood is an accurate indicator.

FINDINGS TO REMEMBER

SURVEY METHODOLOGY



Sampling frame of *Orem City residents* were invited to participate in the survey via *email*. Residents were sampled from a *city-wide utilities database*, supplemented by a sample of *Utah Valley University students who reside in Orem*.

15%

In total, *19,831* emails were sent to Orem residents and *3,047 complete interviews* were collected. This results in an *overall response rate of 15%*. This response rate is comparable to what we see on telephone surveys and is roughly average for public opinion surveys that have been conducted in Orem in the past four years.

+2
-2

3,047 interviews among a population of approximately 62k adult residents results in a *margin of error for the survey of plus or minus 1.75 percentage points*.

CITY DIRECTION & PERCEPTIONS

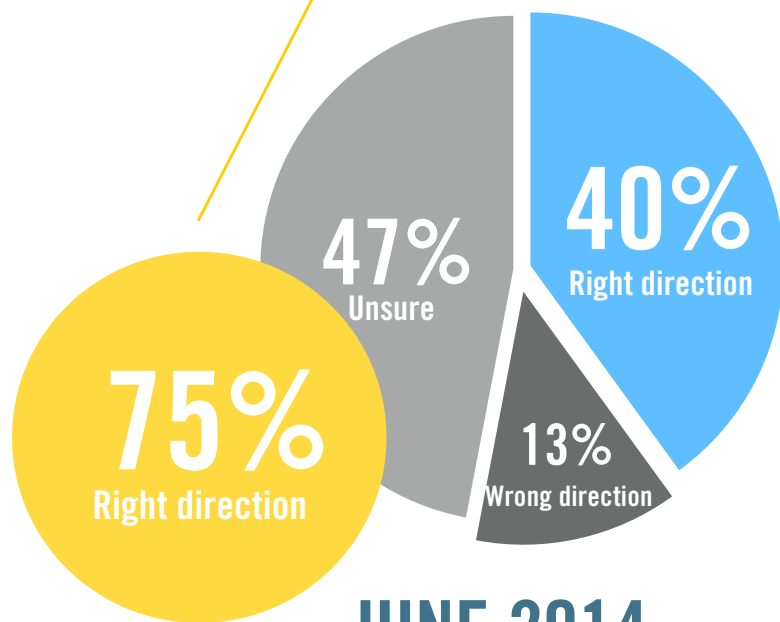
OVERALL DIRECTION

As of March 2018, Orem residents are 5 percentage points more likely to say the city is headed in the right direction than they did in June of 2014, but 9 percentage points more likely to say the city is headed in the wrong direction. Setting aside those residents who do not express an opinion, two-thirds of residents say the city is headed in the right direction today.

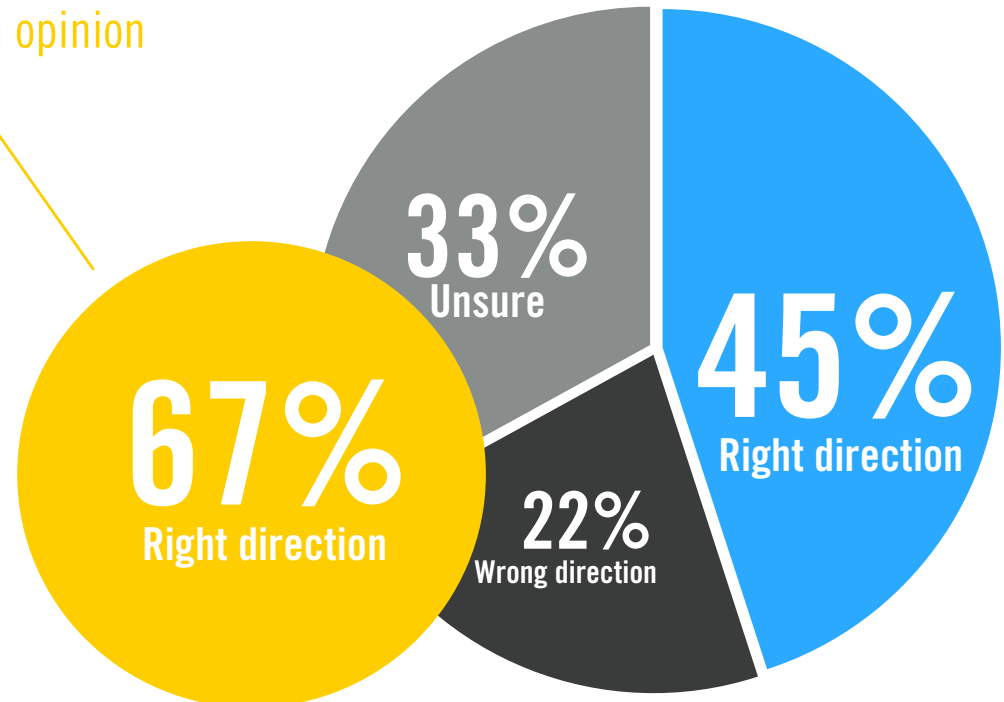


Overall, would you say the city of Orem is headed in the right direction or the wrong direction?

Among residents expressing an opinion



JUNE 2014



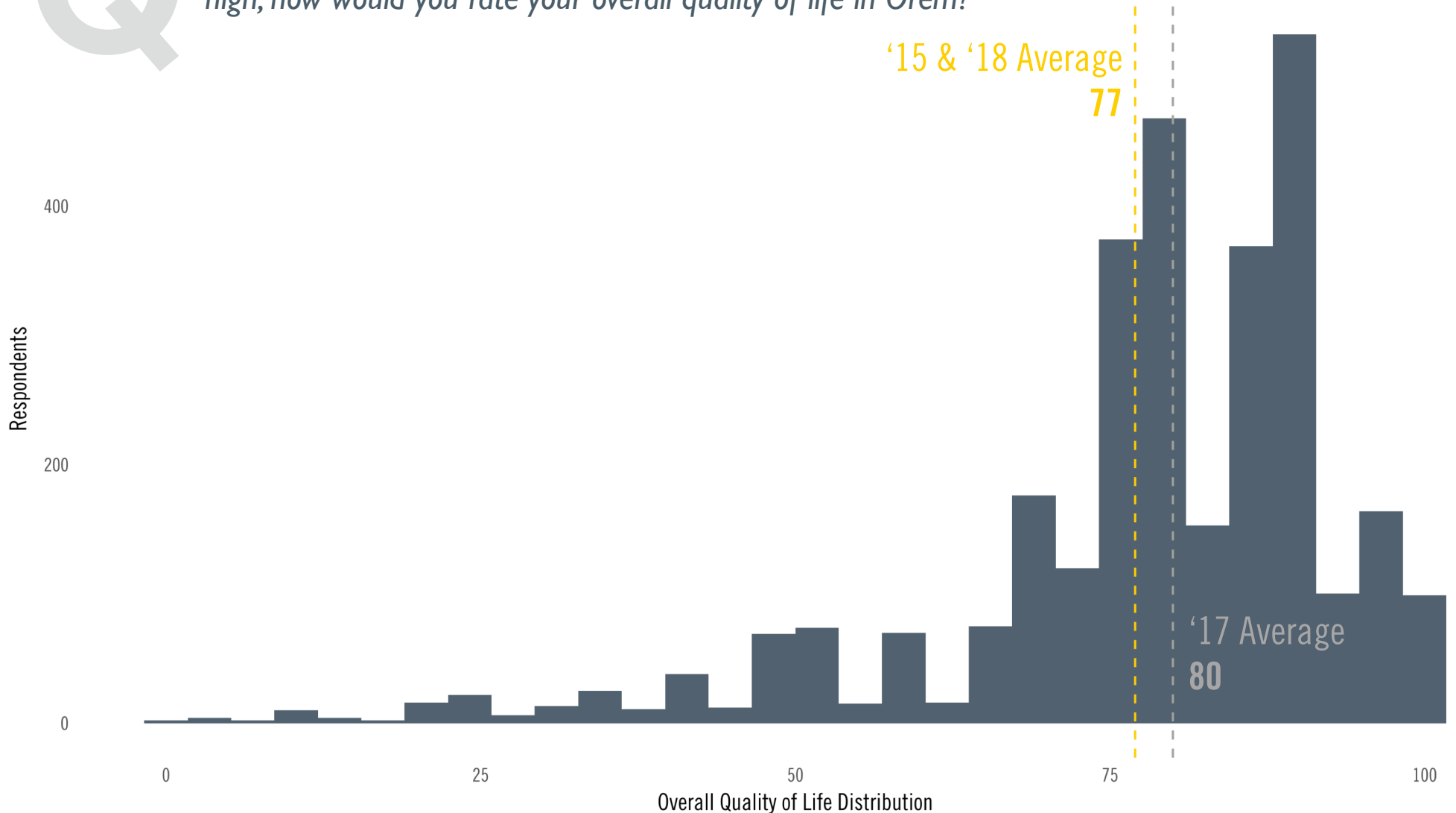
MARCH 2018

OREM QUALITY OF LIFE

92% of residents rate their overall quality of life above 50 – with a city wide average of 77. This average has not shifted from 2015.



All things considered, on a scale from 0 to 100, with 0 being very low and 100 being very high, how would you rate your overall quality of life in Orem?

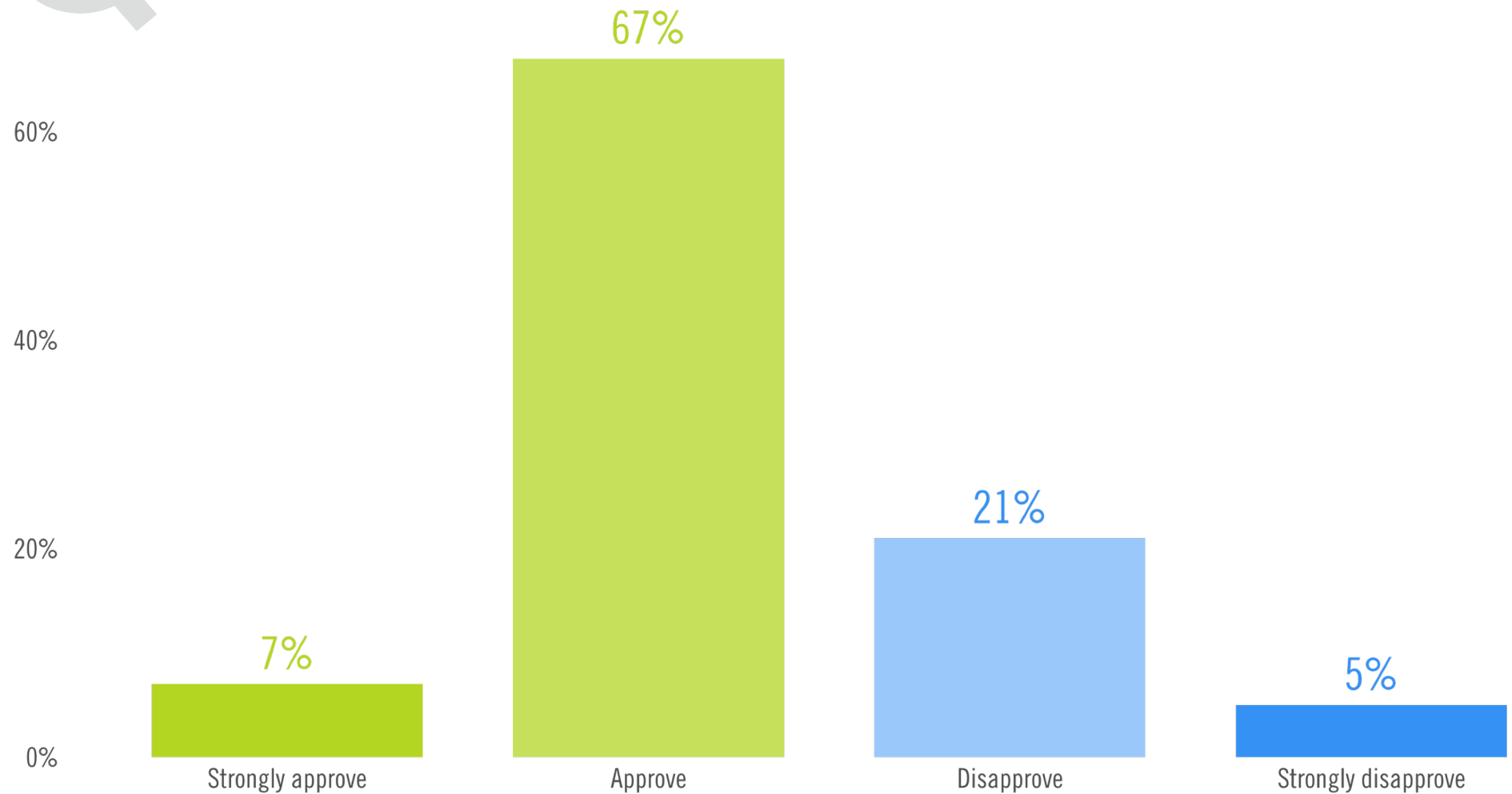


OREM CITY ELECTED OFFICIALS

Over 70% of respondents approve of the way Orem elected officials are handling their jobs.



Do you approve or disapprove of how the Orem Mayor and City Council are handling their jobs?



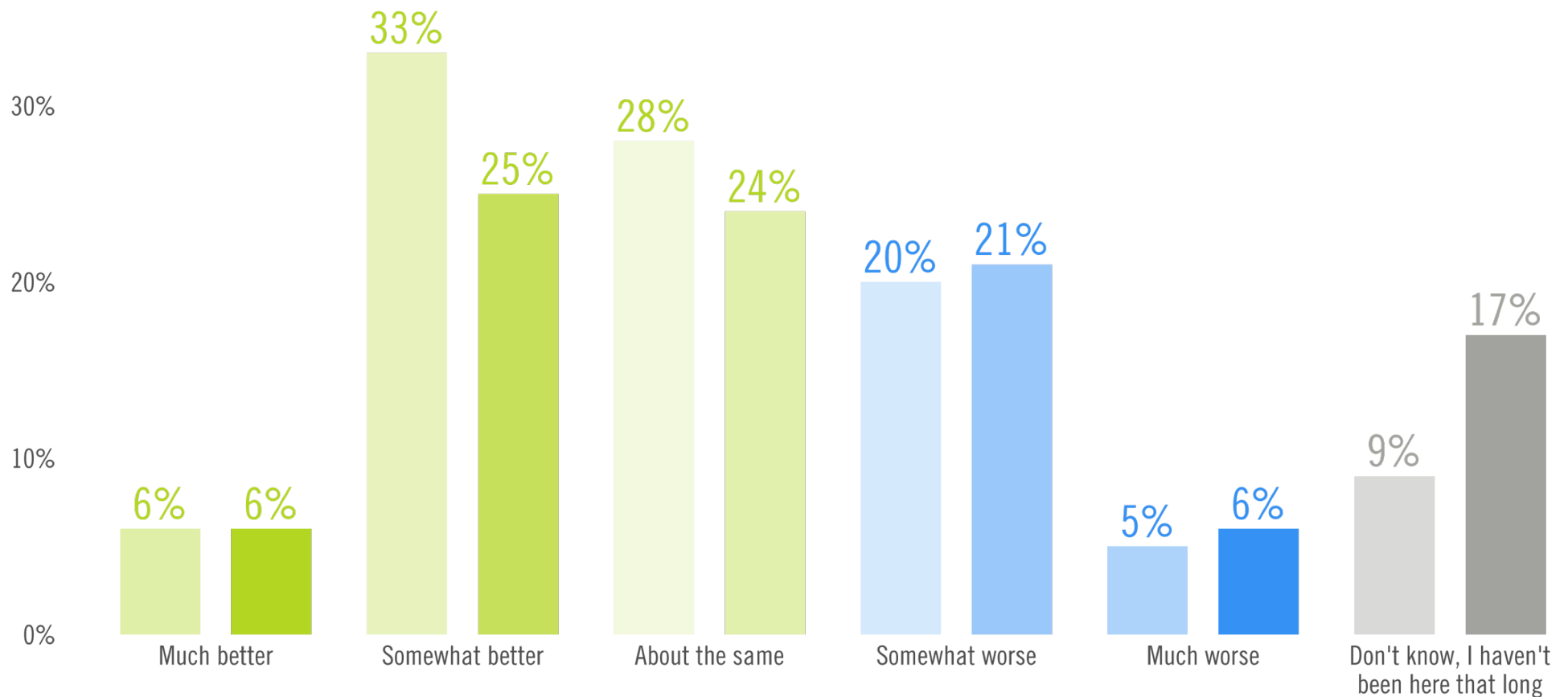
OREM CITY NOW AND THEN

31% of residents say the city is better now than it was five years ago (down 8 points from 2015), while 27% say the city has gotten worse over time (up 2 points). 17% of residents say they haven't been in Orem long enough to say.



How would you rate the City of Orem today compared to five years ago? Would you say it is...

2015 2018

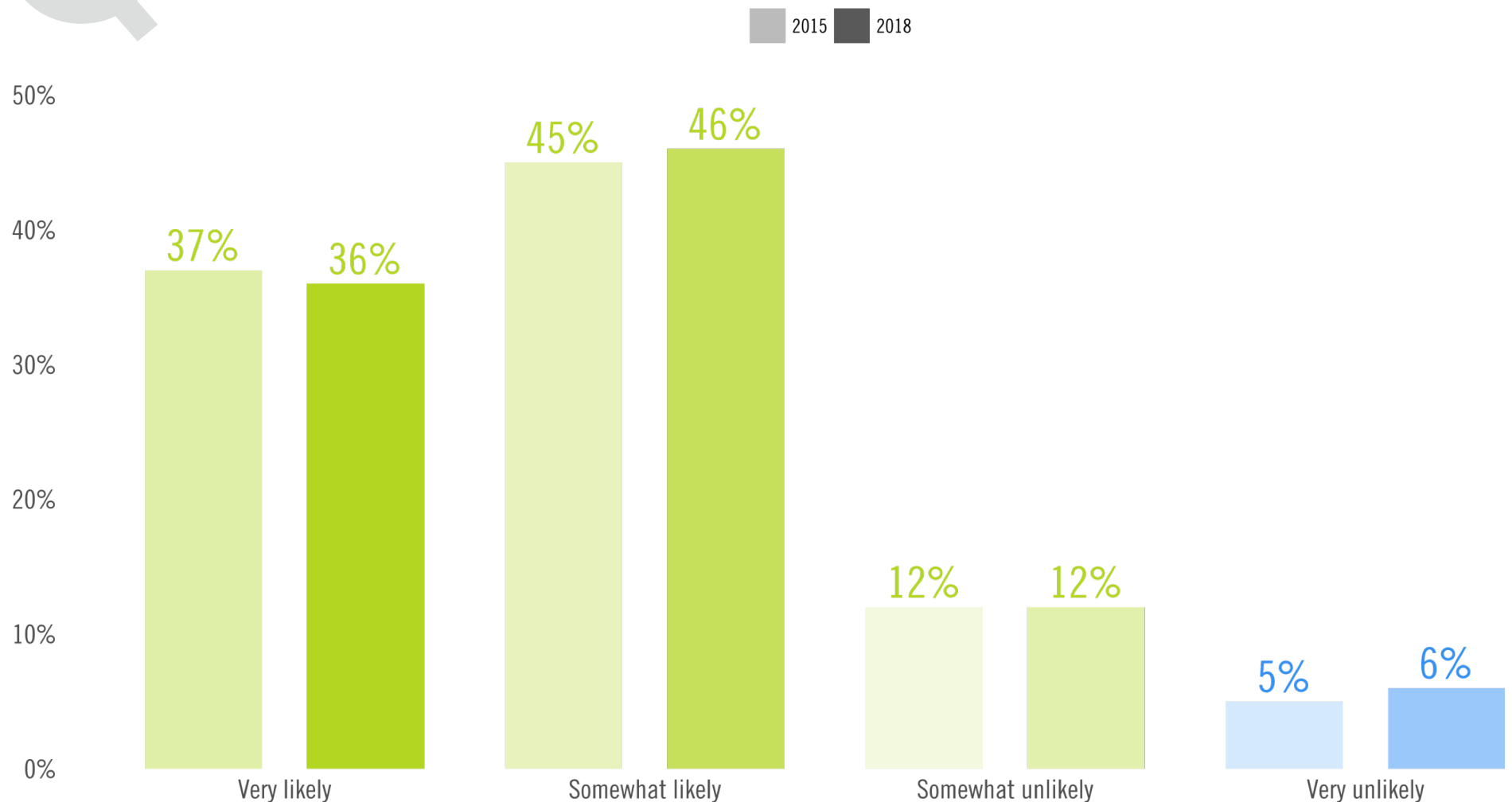


MOST ARE LIKELY TO RECOMMEND OREM

More than three-quarters of residents are likely to recommend Orem as a good place to live. Only 6% are very unlikely to recommend Orem. These numbers have not shifted significantly from 2015.



How likely are you to recommend the City of Orem to others as a good place to live?



OREM INFRASTRUCTURE FUNDING PRIORITIES - HIGH

In 2014, Orem citizens considered funding an internet network the number one priority for infrastructure spending 17% of the time. In 2018, only 8% of residents say that the UTOPIA fiber network should be the city's highest infrastructure priority; down 9% from 2014.



*Below is a list of Orem infrastructure funding options. Please select and drag the items into priority order where the top item is the **HIGHEST PRIORITY** and the bottom item is the **LOWEST PRIORITY**.*

FUNDING PRIORITY	2014	2018
Police Department / Police Equipment*	32	56%
Roads	19	18
UTOPIA fiber network	17	8
Fire department / Fire Fighting Equipment*	11	5
Water lines	10	3
Sewer lines	2	2
Orem library	4	2
Parks	4	2
Recycling pickup	--	1
Fitness center	--	1
Street lights	--	1
Garbage pickup	2	0
City center	--	0
Cemetery	--	0

**Police Equipment and Fire Fighting Equipment were not listed in 2018*

OREM INFRASTRUCTURE FUNDING PRIORITIES - LOW

In 2014, 36% of residents rated an internet network as their lowest infrastructure priority. A smaller proportion of residents rated this as their lowest priority in 2018, though, with UTOPIA rated last 32% of the time.



Below is a list of Orem infrastructure funding options. Please select and drag the items into priority order where the top item is the HIGHEST PRIORITY and the bottom item is the LOWEST PRIORITY.

FUNDING PRIORITY	2014	2018
UTOPIA fiber network	36	32
Cemetery	--	23
Street lights	--	21
Fitness center	--	7
City center	--	7
Recycling pickup	--	5
Police Department / Police Equipment*	11	2
Orem library	15	2
Garbage pickup	13	1
Roads	3	0
Fire department / Fire Fighting Equipment*	4	0
Water lines	3	0
Sewer lines	6	0
Parks	9	0

**Police Equipment and Fire Fighting Equipment were not listed in 2018*

HOME INTERNET USE & PROVIDERS

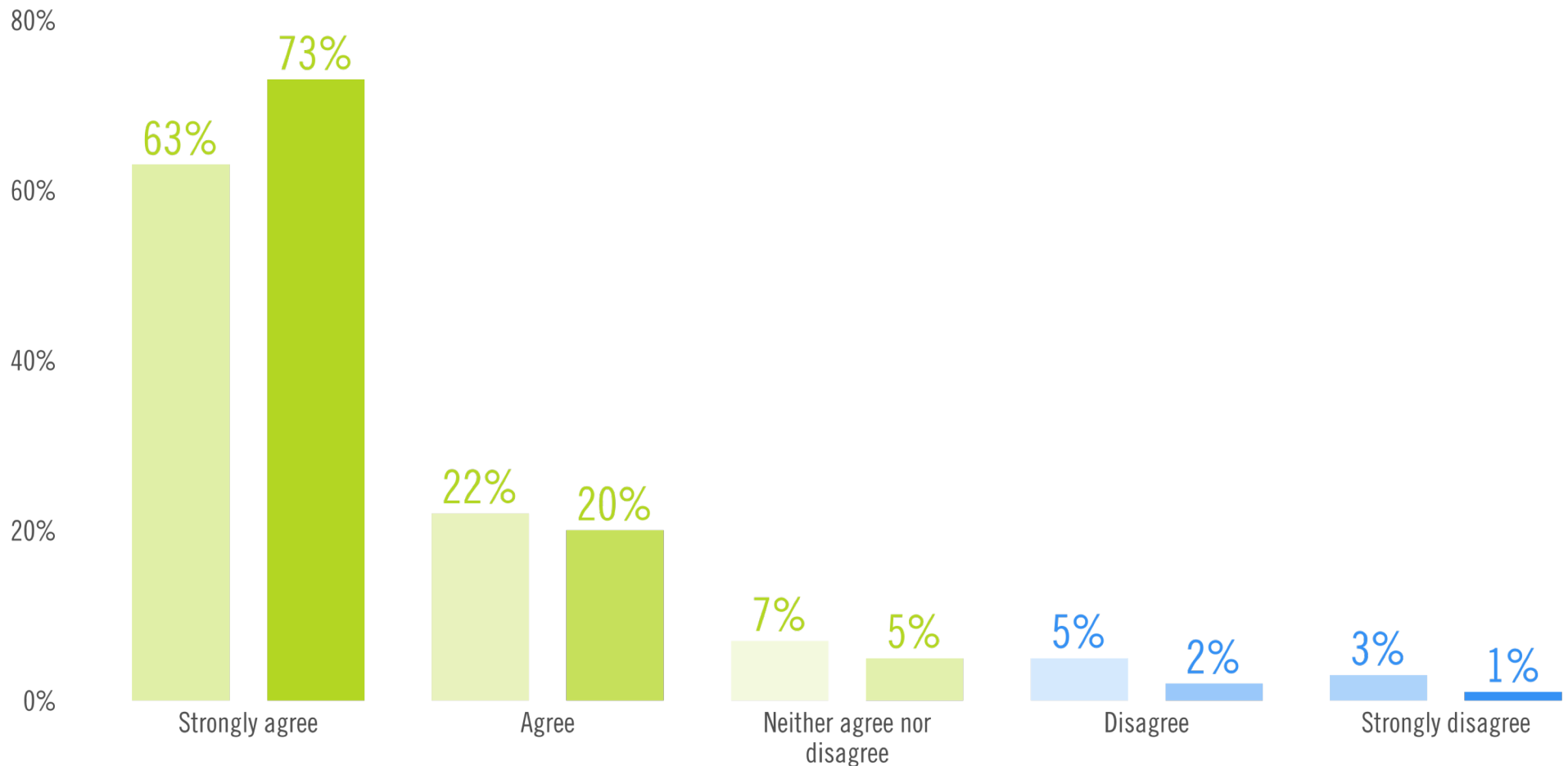
OVERWHELMING MAJORITY NEEDS INTERNET DAILY

An overwhelming majority of respondents feel that they need to have internet access every single day, up from 10% in 2014.



Do you agree or disagree with the following statement: I need to have access to the internet every single day.

2014 2018



UTOPIA CUSTOMERS

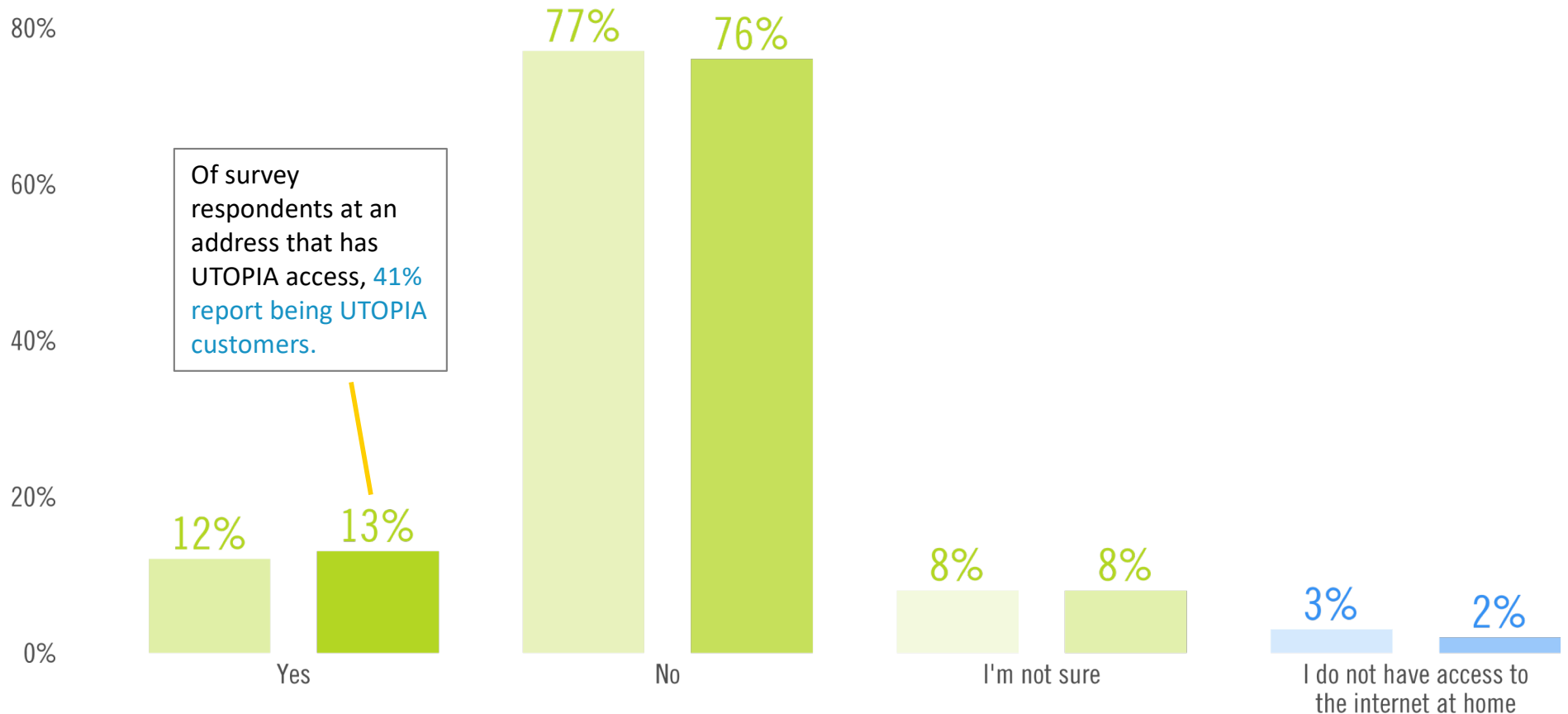
Only 13% of Orem residents say they currently connect to the internet through UTOPIA. Three-quarters residents do not connect using the UTOPIA network and another 8% were unsure.

Current UTOPIA customers are most likely to be homeowners who strongly agree that they need daily internet access and connect multiple devices to the internet at home.



At home, do you connect to the internet through the UTOPIA network?

2014 2018



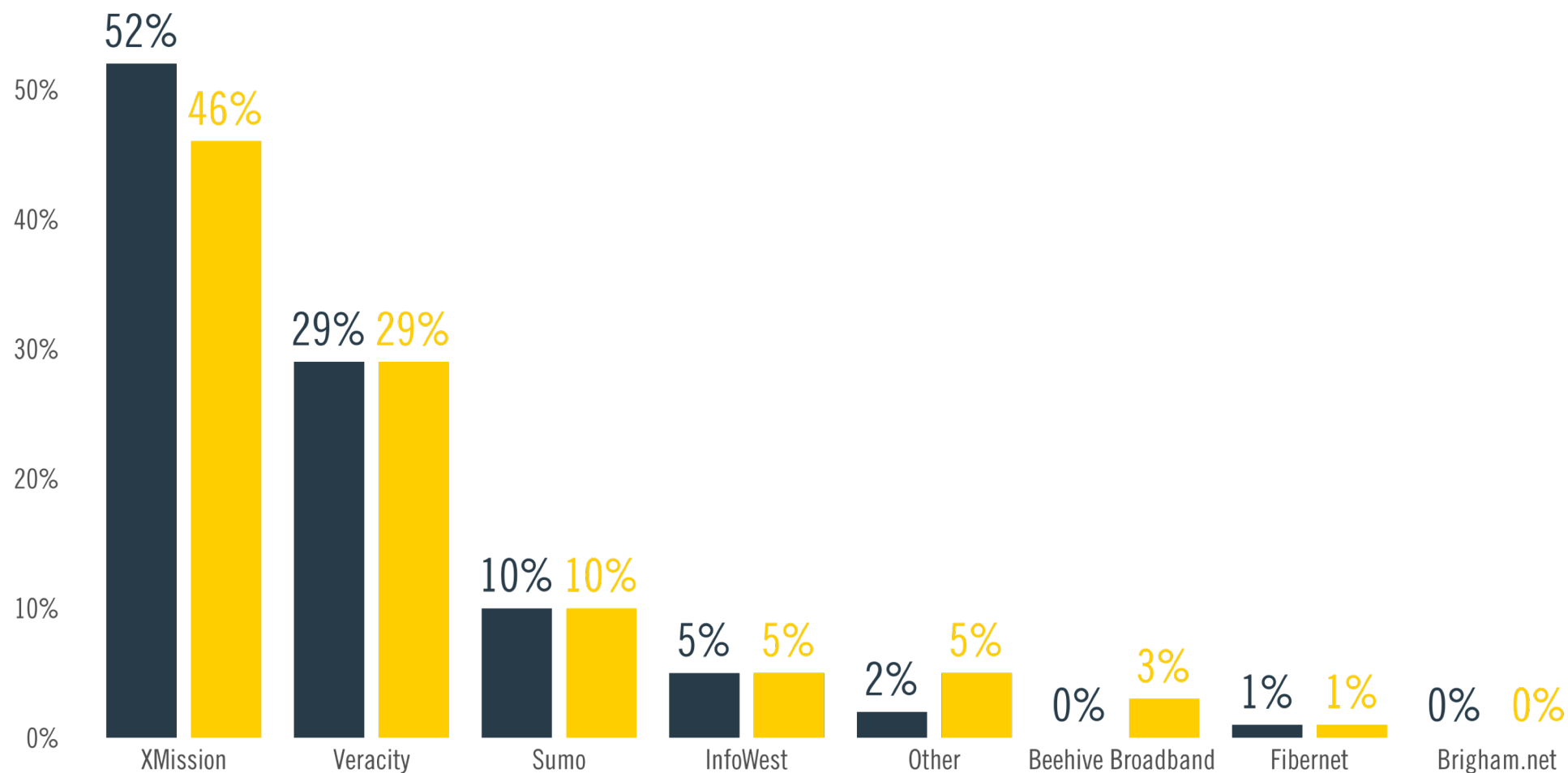
UTOPIA SERVICE PROVIDER

XMission is the most popular provider among residents who connect to the internet through UTOPIA although this has decreased since 2014. Brigham.net and Fibernet are the least popular providers.



At home, through which UTOPIA service provider do you connect to the internet?

2014 2018



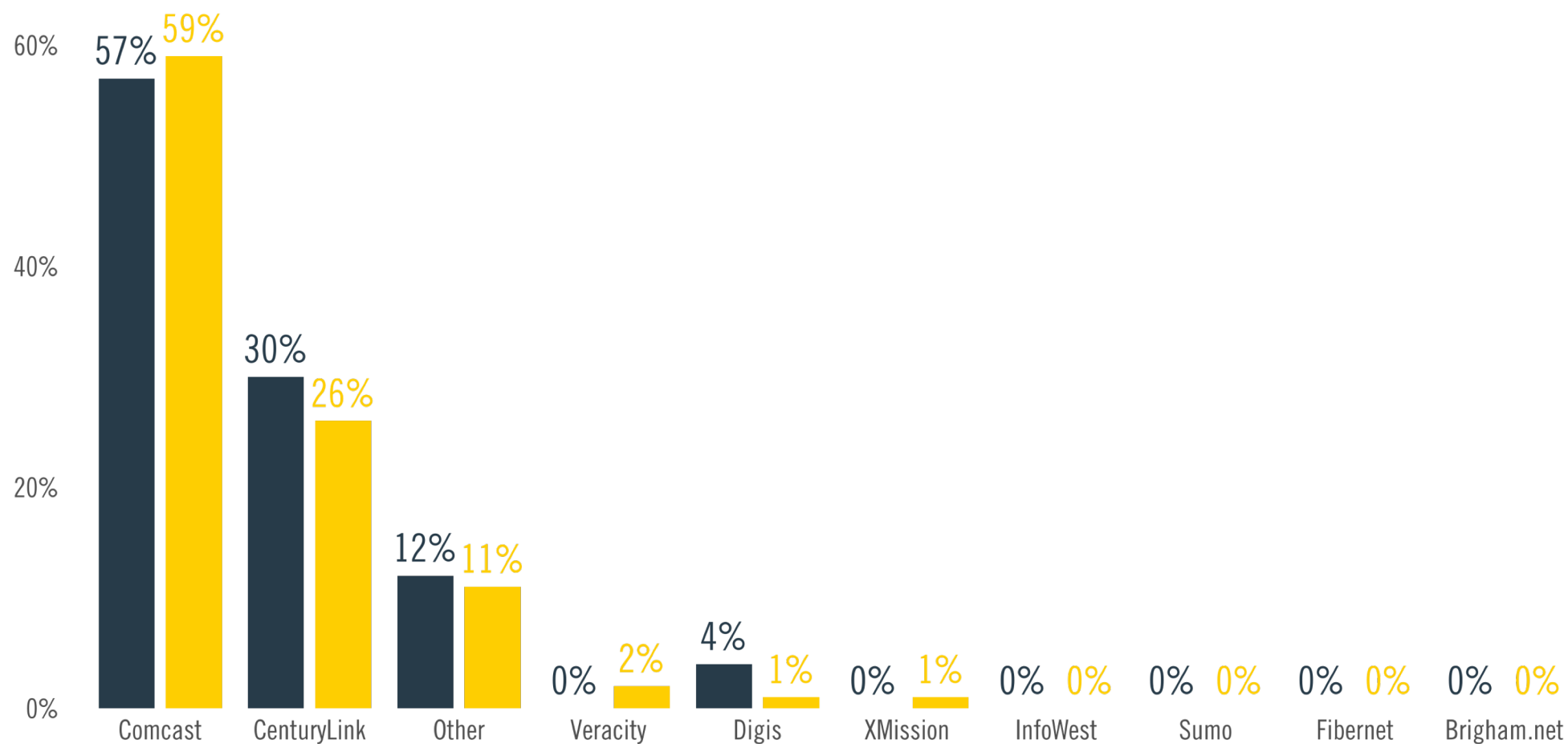
NON-UTOPIA SERVICE PROVIDER

Comcast is the most popular provider among citizens who do not use UTOPIA—a majority of non-UTOPIA residents are Comcast subscribers.



At home, through which service provider do you connect to the internet?

2014 2018



WHY RESIDENTS CHOOSE THEIR ISP

Respondents chose their providers because of availability, price, service, and speed.

Q *What would you say is the main reason you chose this internet provider for your home:*



WHY RESIDENTS CHOOSE THEIR ISP

Respondents chose their providers because of availability, price, service, and speed.



What would you say is the main reason you chose this internet provider for your home:

“They have the fastest speeds available to me at a reasonable price”

“No other valid option - would love to see more viable options”

“Quality company, excellent customer support, transparent and communicates in advance of upgrades”

“Because UTOPIA is not available to me in spite of the years I have paid taxes for the bond”

“It is the only provider that currently provides the speed I require at home. Would definitely switch if a different option was possible”

“Utopia is not available in my area. If it was available I would use Utopia”

“I would use Utopia if it were available but it is not. They were the best price for the cable”

“It's the fastest option available, and more reliable than CenturyLink”

“I have been a Comcast customer for years and they offer fast internet for an affordable”

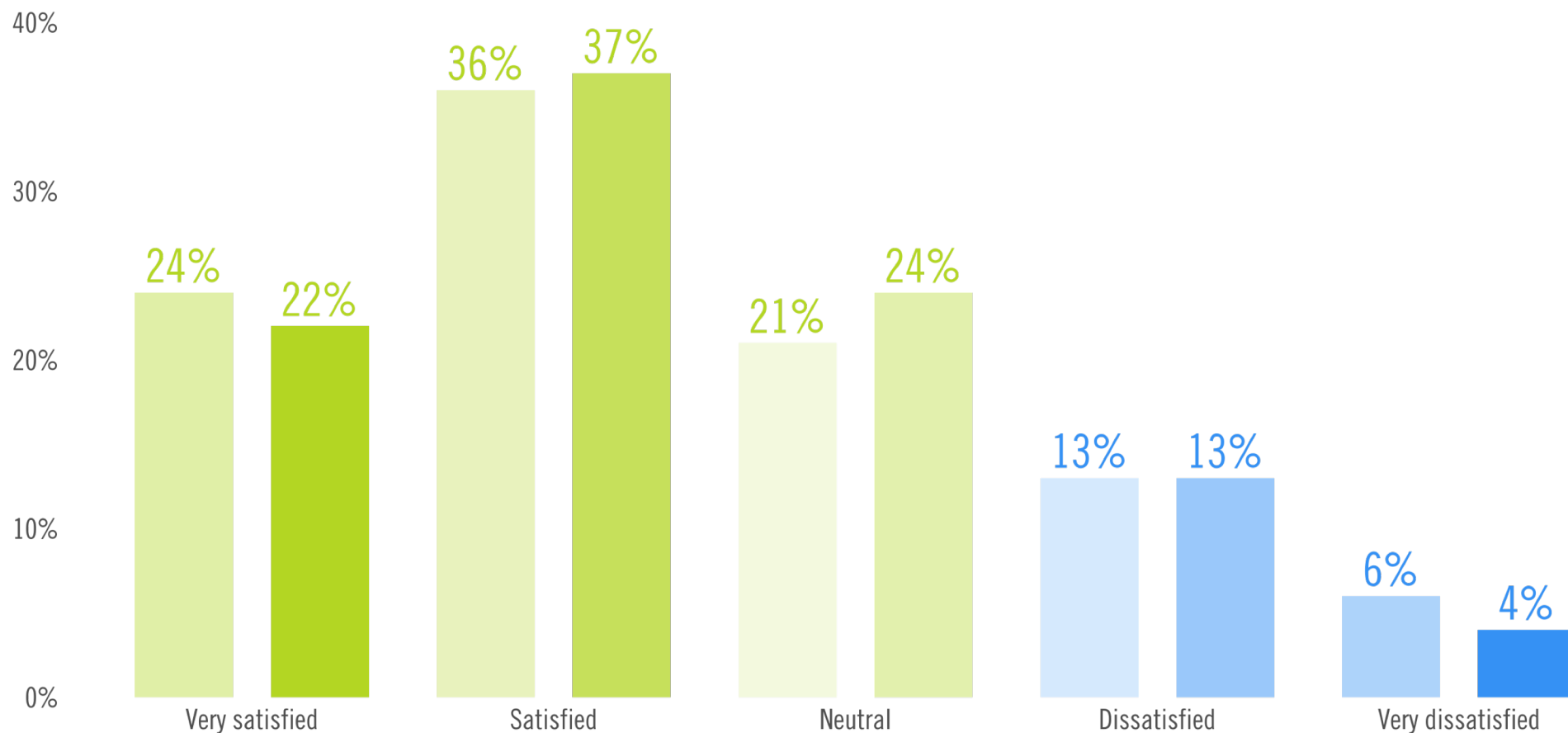
PROVIDER SATISFACTION

59% of respondents are satisfied with their current internet providers.



How satisfied are you with your current home internet provider?

2014 2018



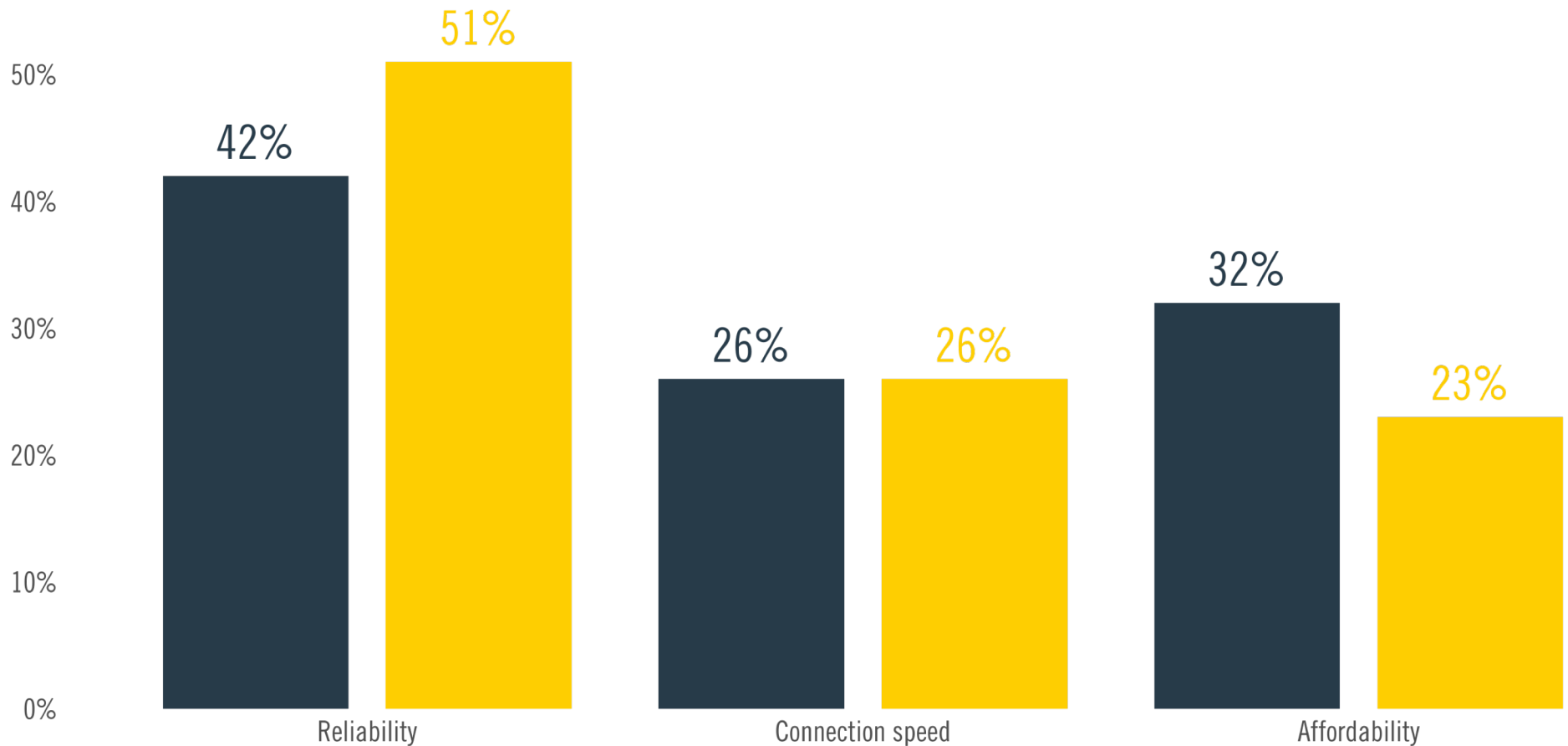
MOST IMPORTANT INTERNET FEATURES

A majority of respondents consider reliability the most important feature when thinking about internet access. Respondents are split between the importance of connection speed and affordability.



When thinking about access to the internet, what do you think is the most important feature?

2014 2018

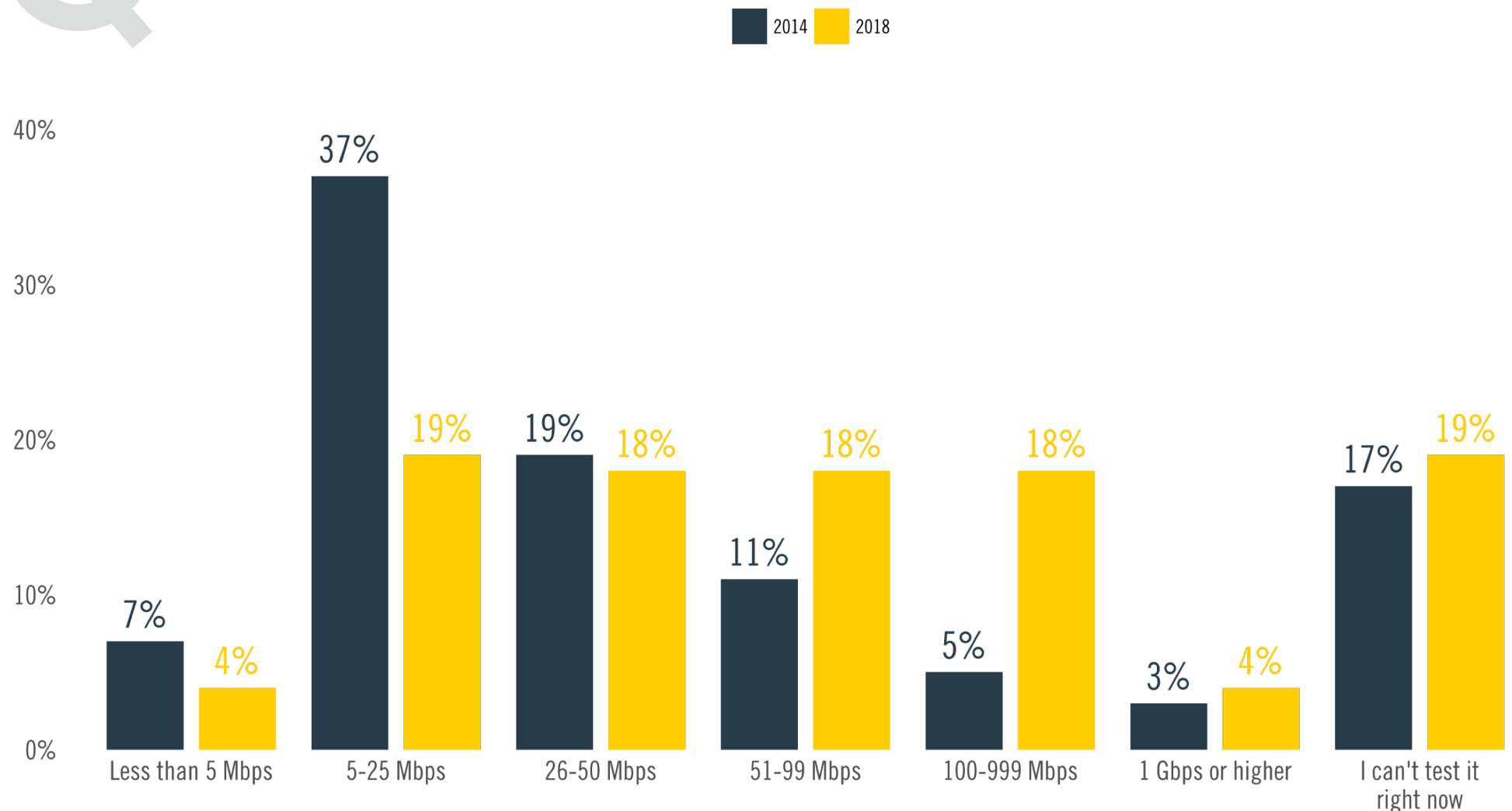


AVERAGE DOWNLOAD SPEED HAS INCREASED OVER TIME

Speeds between 5 Mbps and 999 Mbps are common in Orem. Few residents have download speeds of 1 Gbps or higher. Many residents responded to this survey on mobile phones, which is likely the reason nearly 1-in-5 respondents could not test their speeds.



At home, around what download speed do you get from your internet provider?



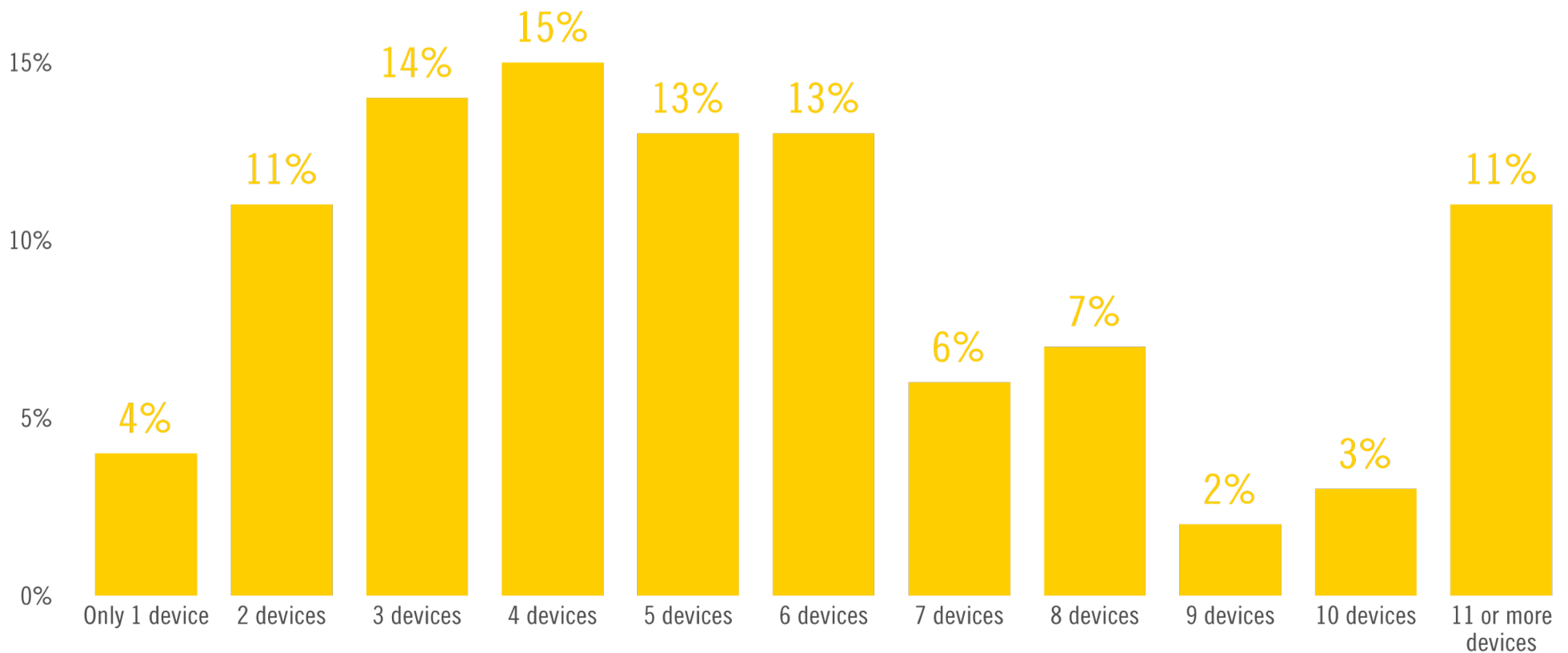
CONNECTED DEVICES

A majority of respondents connect somewhere between 2 and 6 devices to the internet at any given time. Another 11% connect 11 or more devices.



At home, how many devices (including desktop and laptop computers, tablets and mobile devices, gaming systems, etc.) do you connect to the internet at once?

20%



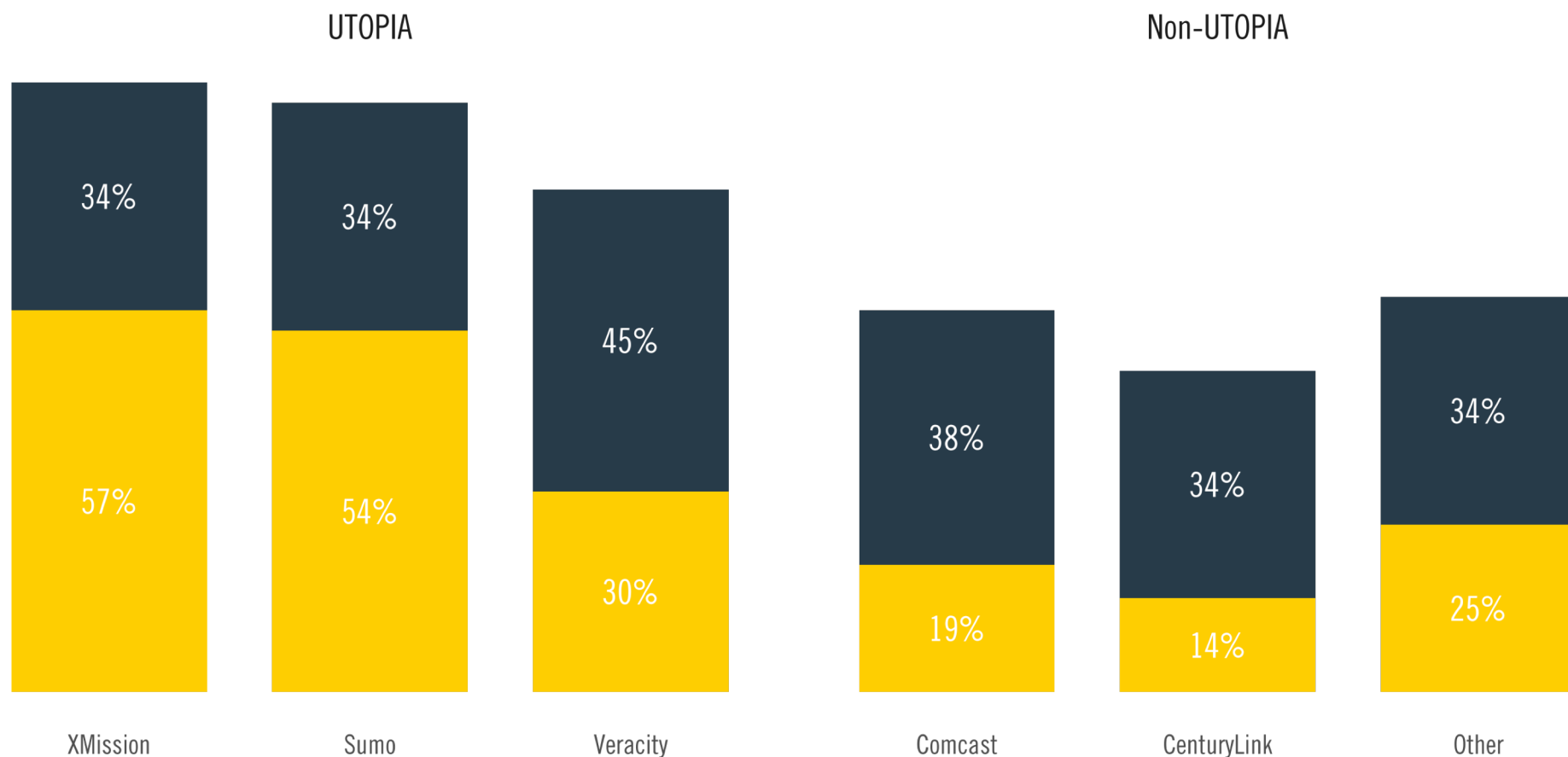
PROVIDER SATISFACTION AMONG UTOPIA PROVIDERS

UTOPIA users are generally more satisfied with their internet providers than Non-UTOPIA users. Xmission is most popular among UTOPIA users and Comcast among Non-UTOPIA users.



How satisfied are you with your current home internet provider?

Very Satisfied Satisfied



*All providers with n > 30

UTOPIA SENTIMENTS

HIGH SPEED INTERNET AS A LUXURY OR A NECESSITY

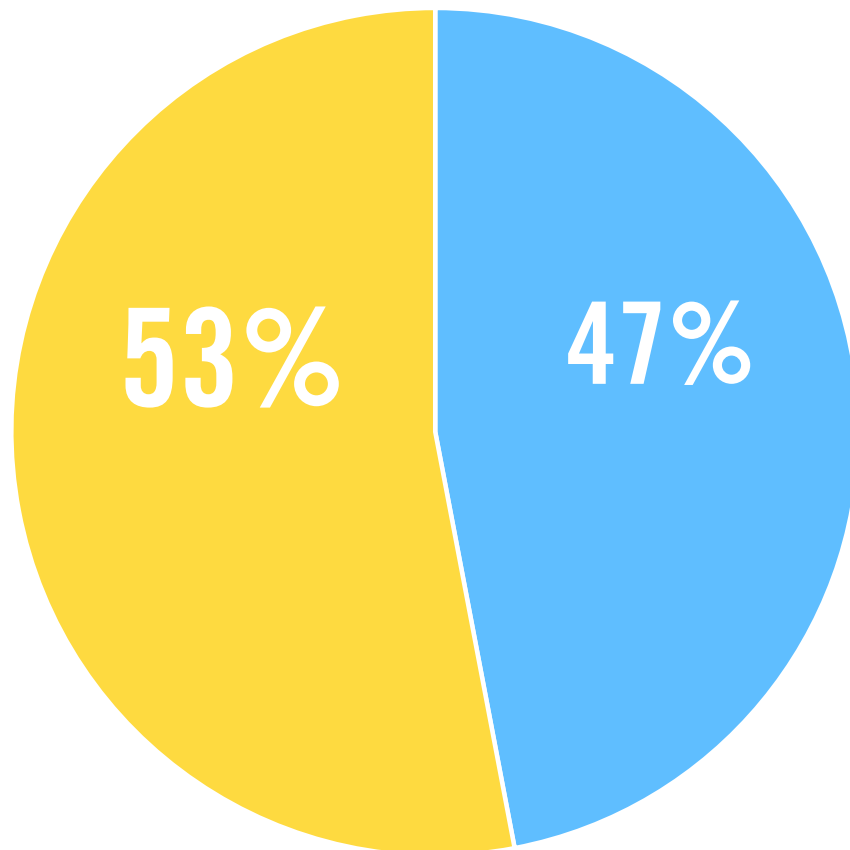
57% of residents say that high speed internet is a basic need for economic success and should be considered as vital infrastructure. 43% think of high speed internet as a luxury more than a necessity.



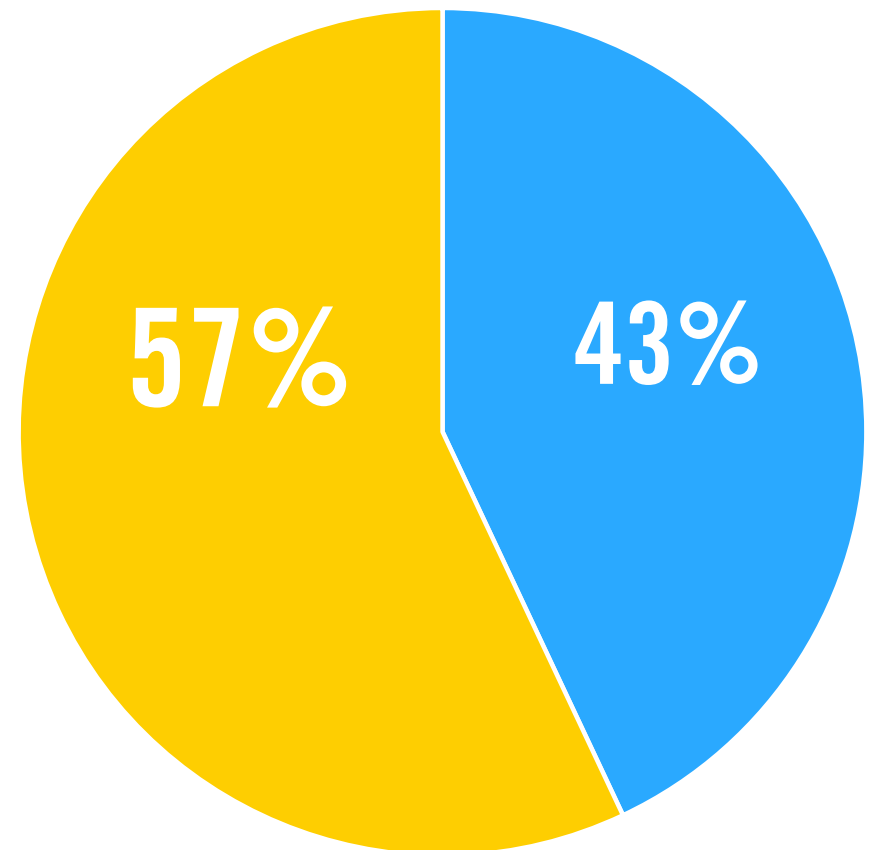
Which of the following statements is closest to your view?

High-speed internet is a luxury. Orem should focus on roads, fire, and police and not worry about broadband access.

High-speed internet is a basic need for the economic success of any business or community and should be considered vital infrastructure like roads or electricity.



2014



2018

UTOPIA INCREASING COMPETITION OR NO IMPACT

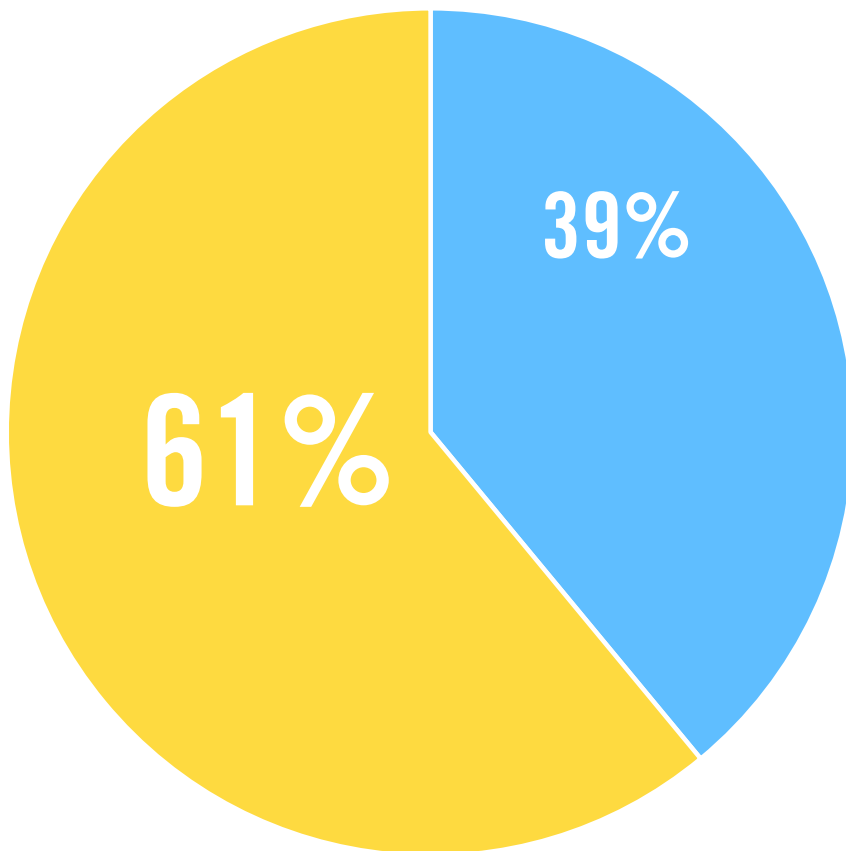
66% of residents think that an open UTOPIA network will increase the competition, leading to better service and lower prices. 34% think that competition wouldn't make a difference in good service or prices.



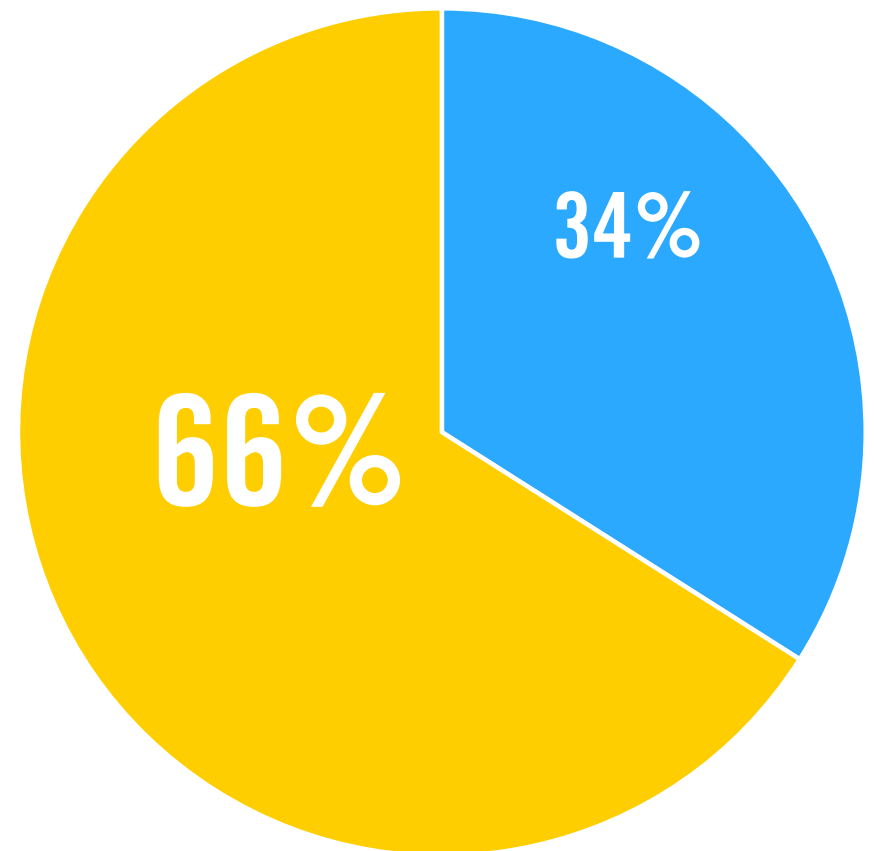
Which of the following statements is closest to your view?

Providers like Comcast and CenturyLink provide good service and decent prices and more competition would make no difference to me.

An open UTOPIA network will mean many different service providers can compete for customers, leading to better service and lower prices.



2014



2018

INTERNET AS A VEHICLE FOR ECONOMIC GROWTH

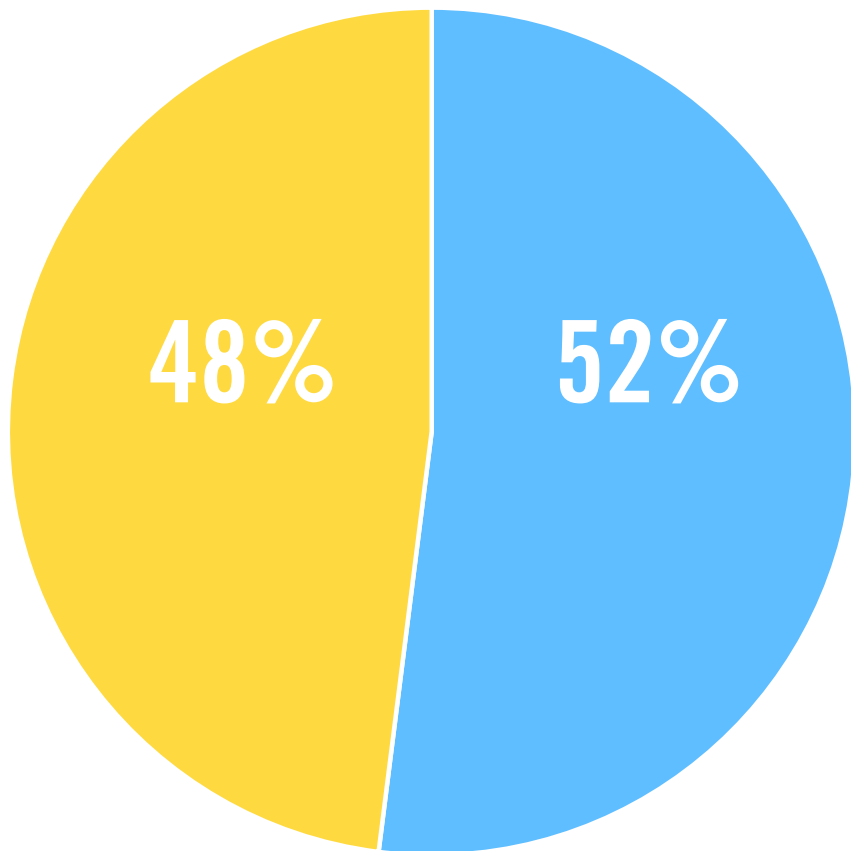
53% say that private providers attract business well enough as it is. UTOPIA is not necessary to attract businesses to Orem. 47% say that providing high-speed internet would create jobs and tax revenue for the city.



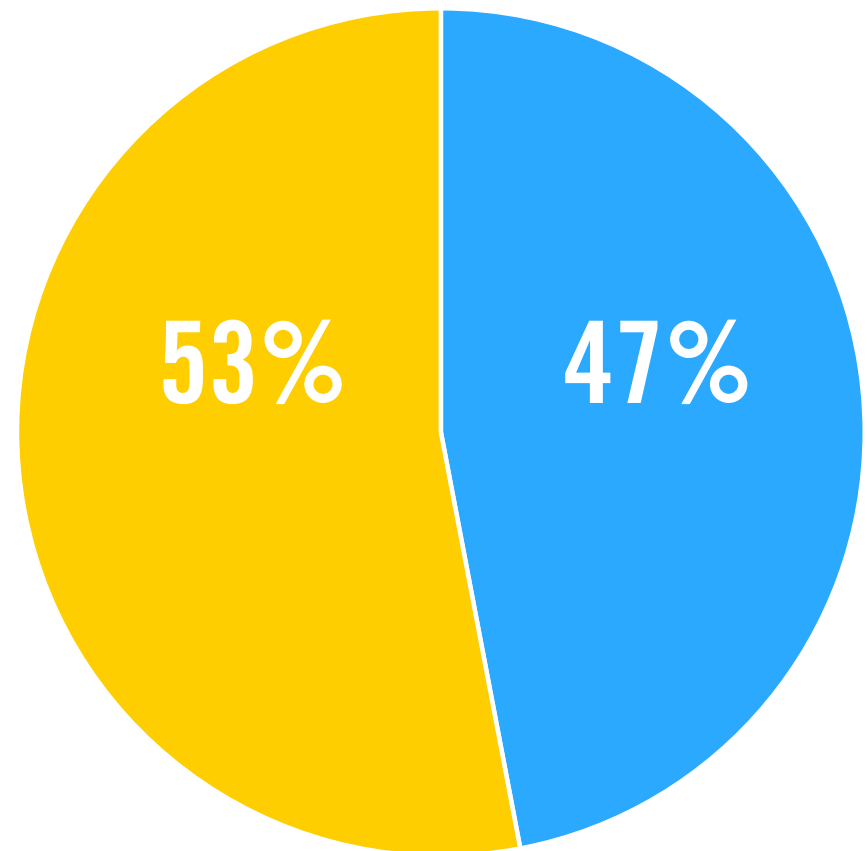
Which of the following statements is closest to your view?

Orem needs to provide high-speed internet to attract businesses that create jobs and tax revenue for our city.

Orem does not need to provide high-speed internet to attract businesses because private internet providers already do this well.



2014



2018

SUBSIDIZING UTOPIA BUILDOUT

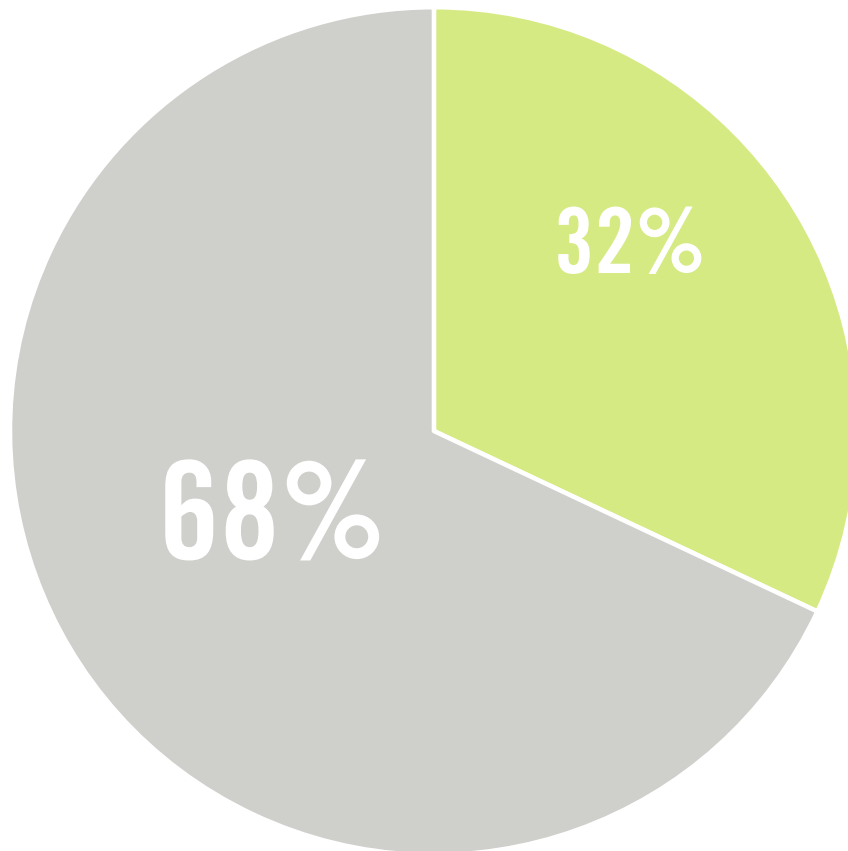
About 70% of respondents think residents should not have to subsidize the buildout of UTOPIA if they do not have access to the network.



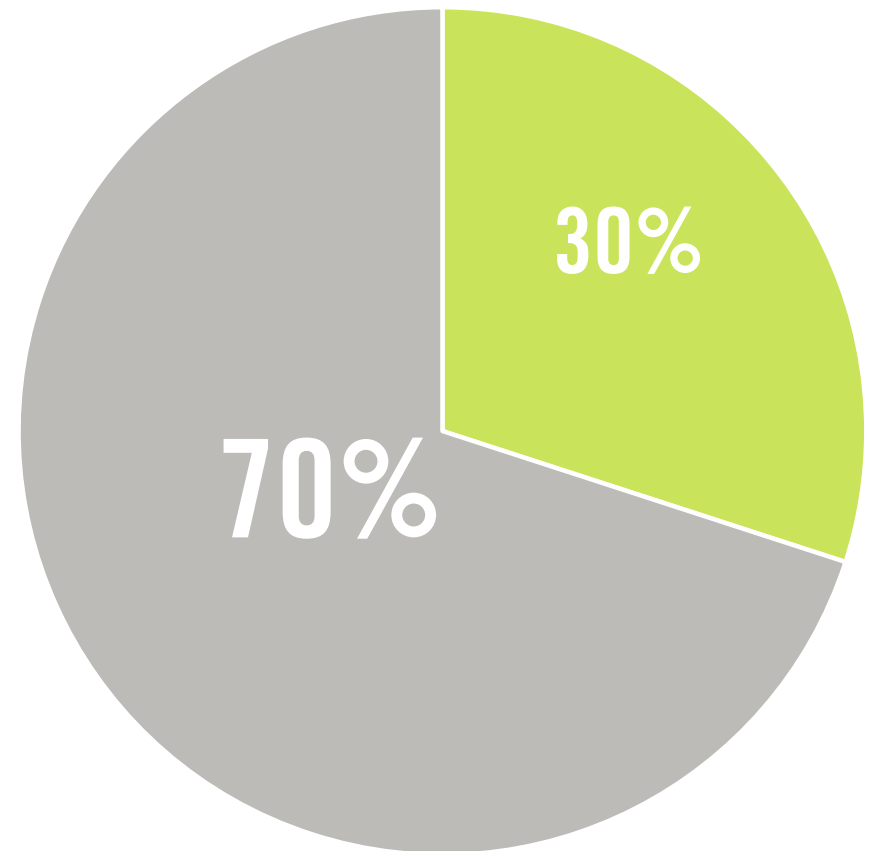
Which of the following statements is closest to your view?

Orem residents should continue to pay for the buildout of the UTOPIA network in the city to expand fiber network access and availability.

Orem residents should not have to subsidize the buildout of the UTOPIA network if they are not currently able to access fiber internet services.



Have access to UTOPIA



Do not have access to UTOPIA

OREM'S ROLE IN PROVIDING INTERNET ACCESS

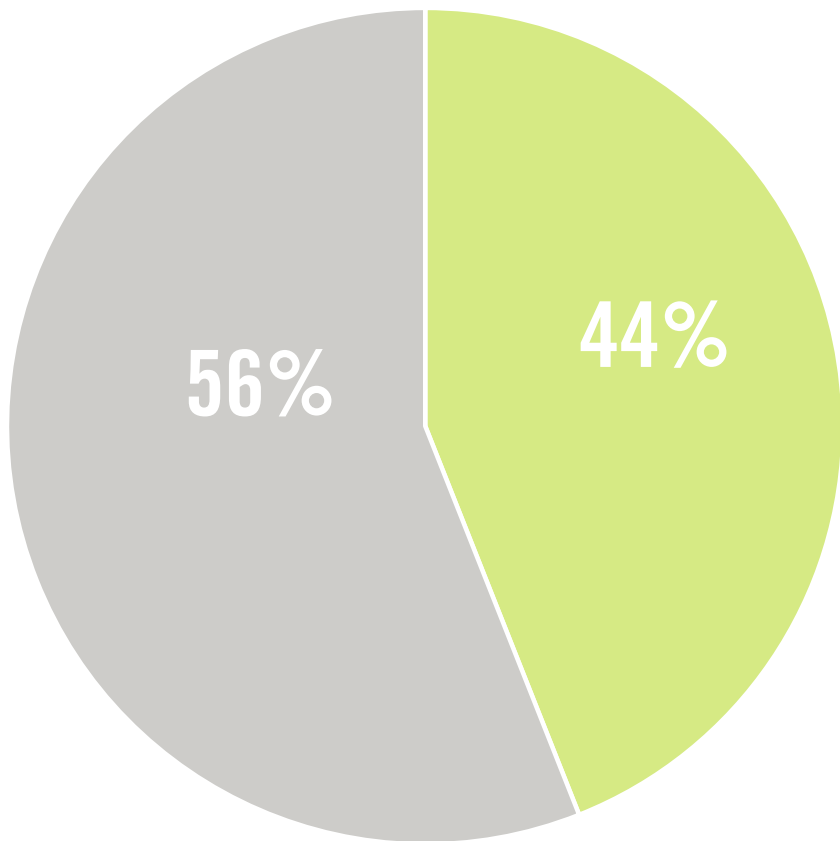
56% of those who have UTOPIA access say providing internet access is not the city's role while only 1/2 of those without UTOPIA access agree.



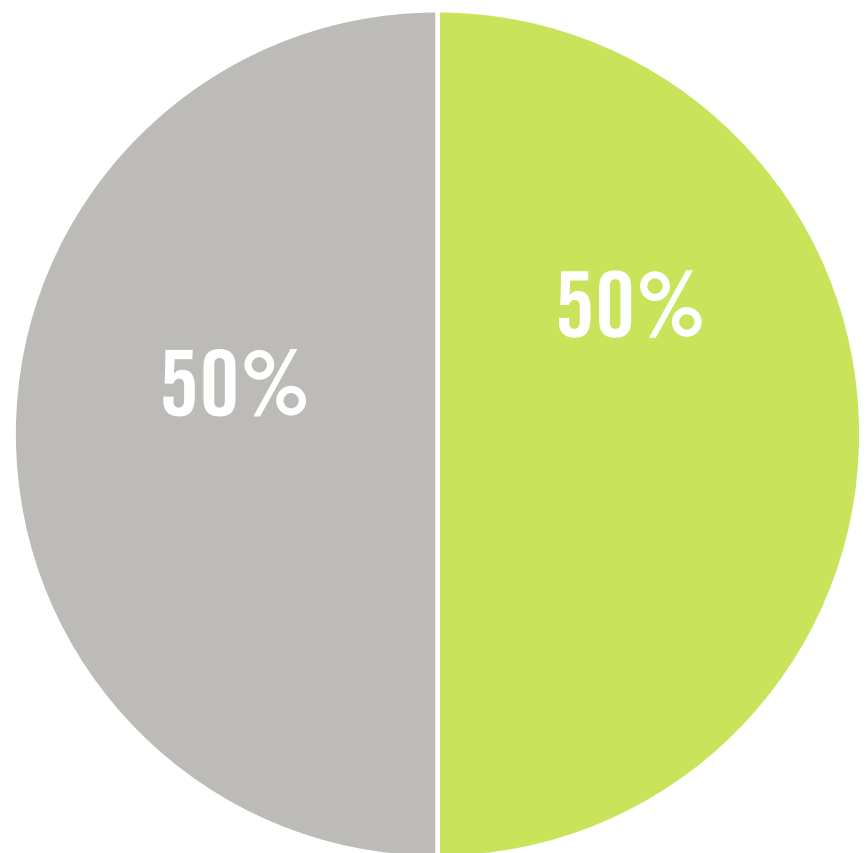
Which of the following statements is closest to your view?

Fiber internet access is a valuable amenity for the community and Orem City should continue to invest in the buildout of UTOPIA network.

Ensuring that residents have access to fiber internet is not the City's role.



Have access to UTOPIA



Do not have access to UTOPIA

UIA FUNDING PROPOSAL

Orem City is a member of the Utah Infrastructure Agency (UIA), which collects revenue from its subscribers and provides options for financing new build areas and projects.

One proposal that is being considered for the future of UTOPIA is for UIA to use its revenue to issue a new \$25 million bond to fund the completion of UTOPIA network buildout in Orem. Because it would use subscriber revenues to repay the bond, this type of bond wouldn't directly cost the city any more than what is already being paid.

Before this type of bond could be issued, the UIA board would have to approve it, and if UIA revenues fell short of paying the debt service on the bond, Orem City would be required to pay the difference.

However, if subscriber rates in Orem continue at the current rate, the revenues will be more than sufficient to cover the debt service on the bond, and will actually be able to contribute to the debt relief for Orem's original investment in the UTOPIA network.

UIA FUNDING ATTITUDES

The majority of residents are in favor of a new bond to finance the completion of the UTOPIA build out. Overall, 23% of residents strongly support the UIA bond proposal and 30% somewhat support this funding mechanism for the build out of the UTOPIA network. There is little variation across those residents with and without current UTOPIA access.



Do you support or oppose the UIA issuing a new bond to finance the completion of the build out of the UTOPIA fiber optic network in Orem City?

Strongly support Somewhat support Somewhat oppose Strongly oppose Don't know

Total Support – 53%

All Respondents



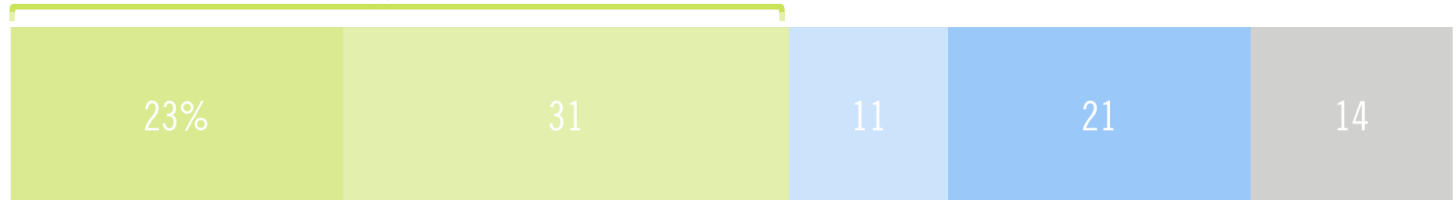
Total Support – 52%

Has access to UTOPIA



Total Support – 54%

Does not have access to UTOPIA



UIA FUNDING SUPPORT

Residents support UIA funding because they consider internet access a need and want better service.



Please explain why you would support this proposal.

“Internet is a necessity in 2018, keeping competitive vs other cities in speeds and access is vital”

“It would be good to have it built out and since Orem agreed to this we need to see it through even if it was a bad decision”

“High-speed internet has become a utility that most households utilize. I'm in favor of expanding the fiber network to be available to all residents in Orem.”

“The buildout will increase Utopia revenue as it will finally be available to those who are likely to subscribe”

“Too much has been invested already. At this point, the job needs to be finished”

“I am paying taxes to support the Orem bond now and do not have access. I would rather have access if I have to pay to support”

“If best estimates say it won't end up costing non-users to implement, I am cautiously supportive”

“As I stated previously, I think internet should be a city-wide commodity like power, and gas”

“Affordable way to improve internet conditions in Orem”

UIA FUNDING OPPOSITION

Residents oppose UIA funding because they don't think it's the government's role to provide internet services and they don't want to spend more money on the project.



Please explain why you would oppose this proposal.

"I cannot access or use Utopia. Why should I, an Orem resident, be required to pay for something I can't use or access? Increase the rates of those who have chosen to use it"

"This is a service that should be provided solely by the private sector. The city needs to stay out of it"

"If UTOPIA is unprofitable...and will not be able to compete with Google Fiber or Comcast, we just encounter another debt. The project shows no history of proper management, finance or building proper infrastructure"

"If the money from the subscribers is enough to finish the build out then there is no need for a bond"

"If Orem wants to build out fiber in our city we should bond for it ourselves and construct it independently of UIA"

"Taxes are nearly the highest bill I pay, and I don't want to make it so expensive to live in Orem that I have to move when I retire"

"I believe that internet access is a business question, not a personal need for everyone. Those who want to invest in it...should be able to do so, without making it a public utility issue."

"We need to fix our roads, water, sewer, crime, schools, etc. If Fiber is needed for business, let them pay for it"

"I do not want my tax dollars to be used any more than already committed, to UTOPIA"

UIA FUNDING SUPPORT VS. STATUS QUO

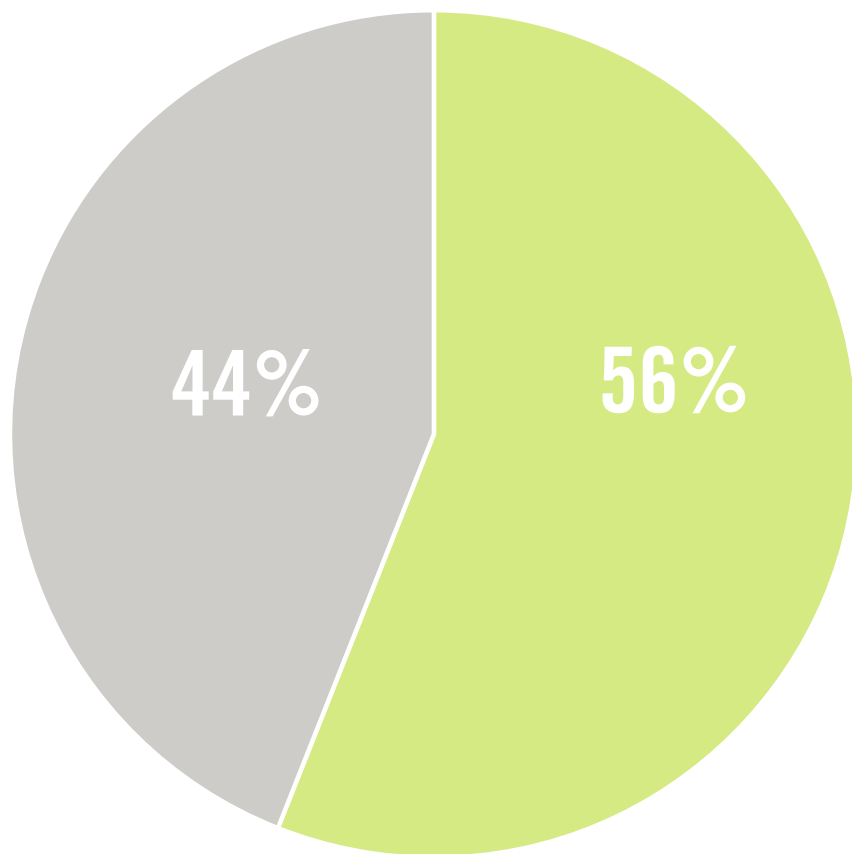
About 40% of residents say that Orem should maintain the status quo and not pursue UTOPIA buildout. However a majority of both those with and without UTOPIA access say Orem should pursue a UIA to accelerate the buildout.



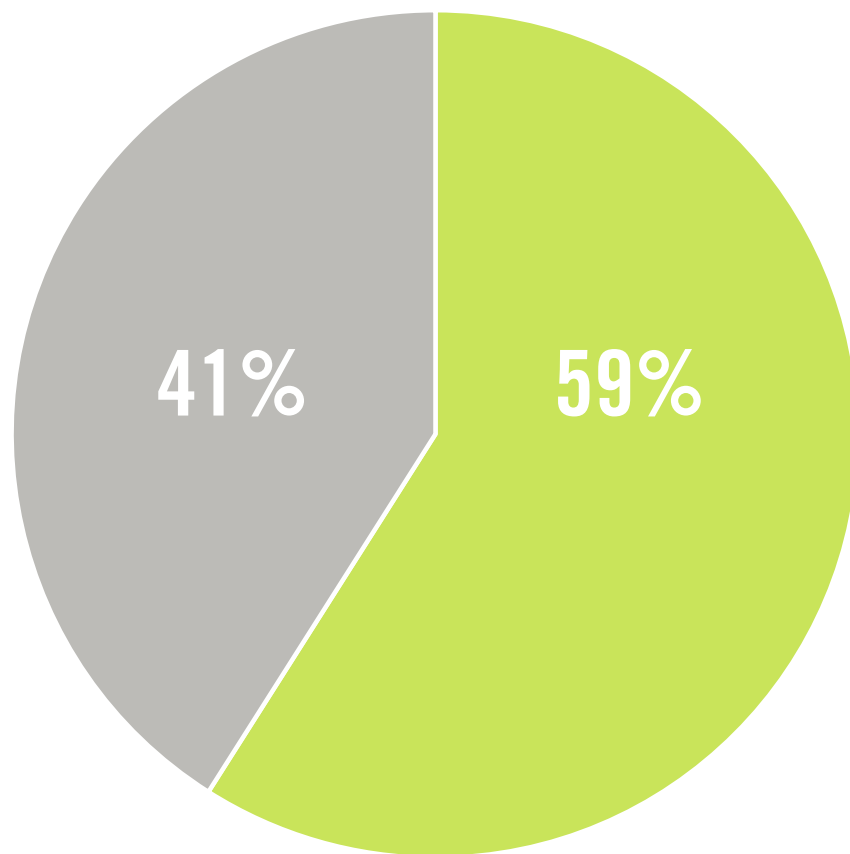
Which of the following statements is closest to your view?

Orem should pursue a city-backed UIA bond to accelerate the buildout of the UTOPIA network in the city.

Orem should maintain the status quo and not pursue any options to accelerate the buildout of the UTOPIA network in the city.



Have access to UTOPIA



Do not have access to UTOPIA

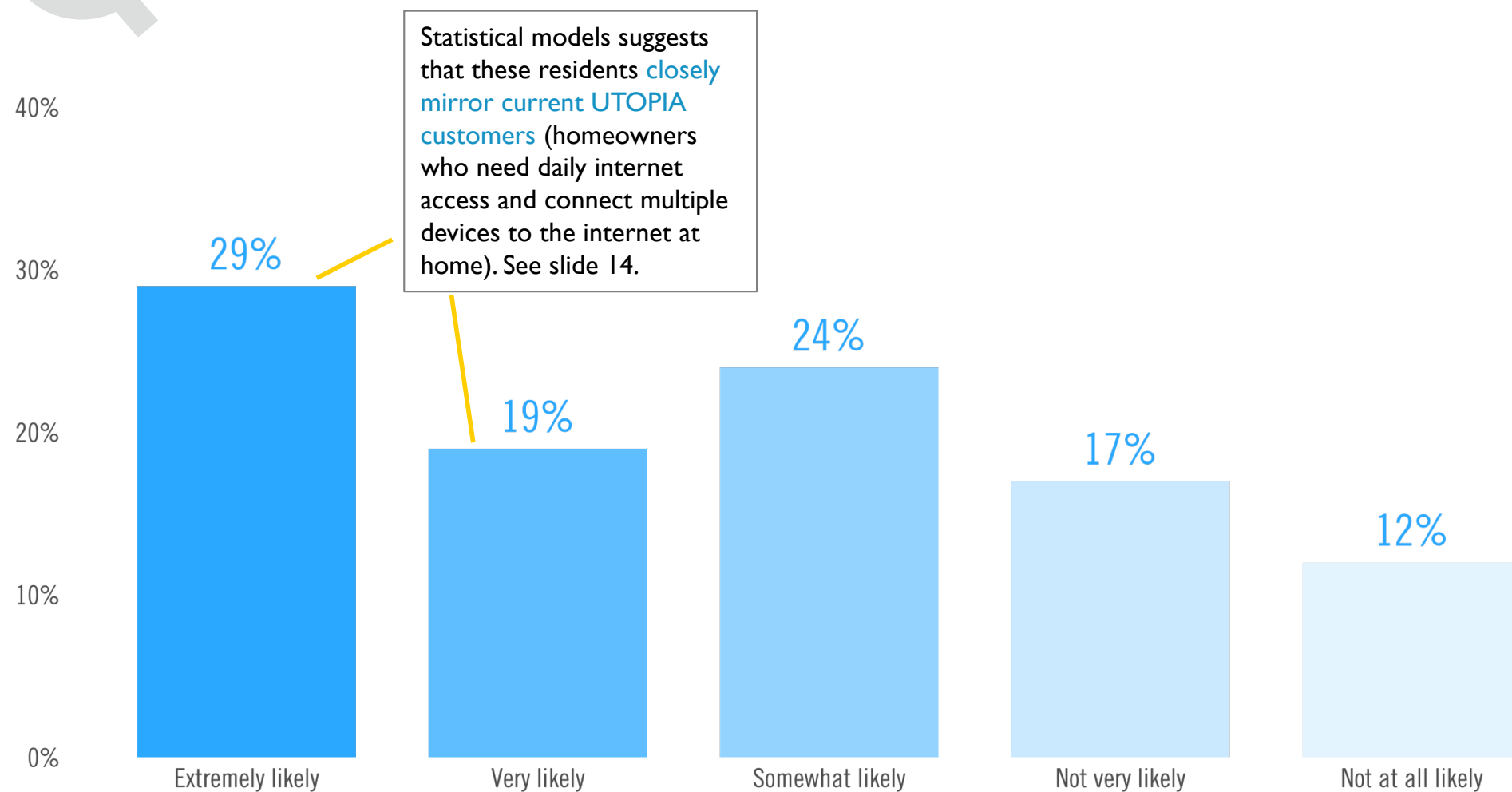
POTENTIAL UTOPIA UPTAKE

ABOUT HALF OF RESPONDENTS ARE LIKELY TO SUBSCRIBE

48% of those residents who do not currently have access to the UTOPIA network say they are extremely or very likely to subscribe to UTOPIA if the network were built out and available to them.



If the UTOPIA network was built out so that you could have internet access through UTOPIA at your home, how likely would you be to sign up for UTOPIA internet access?

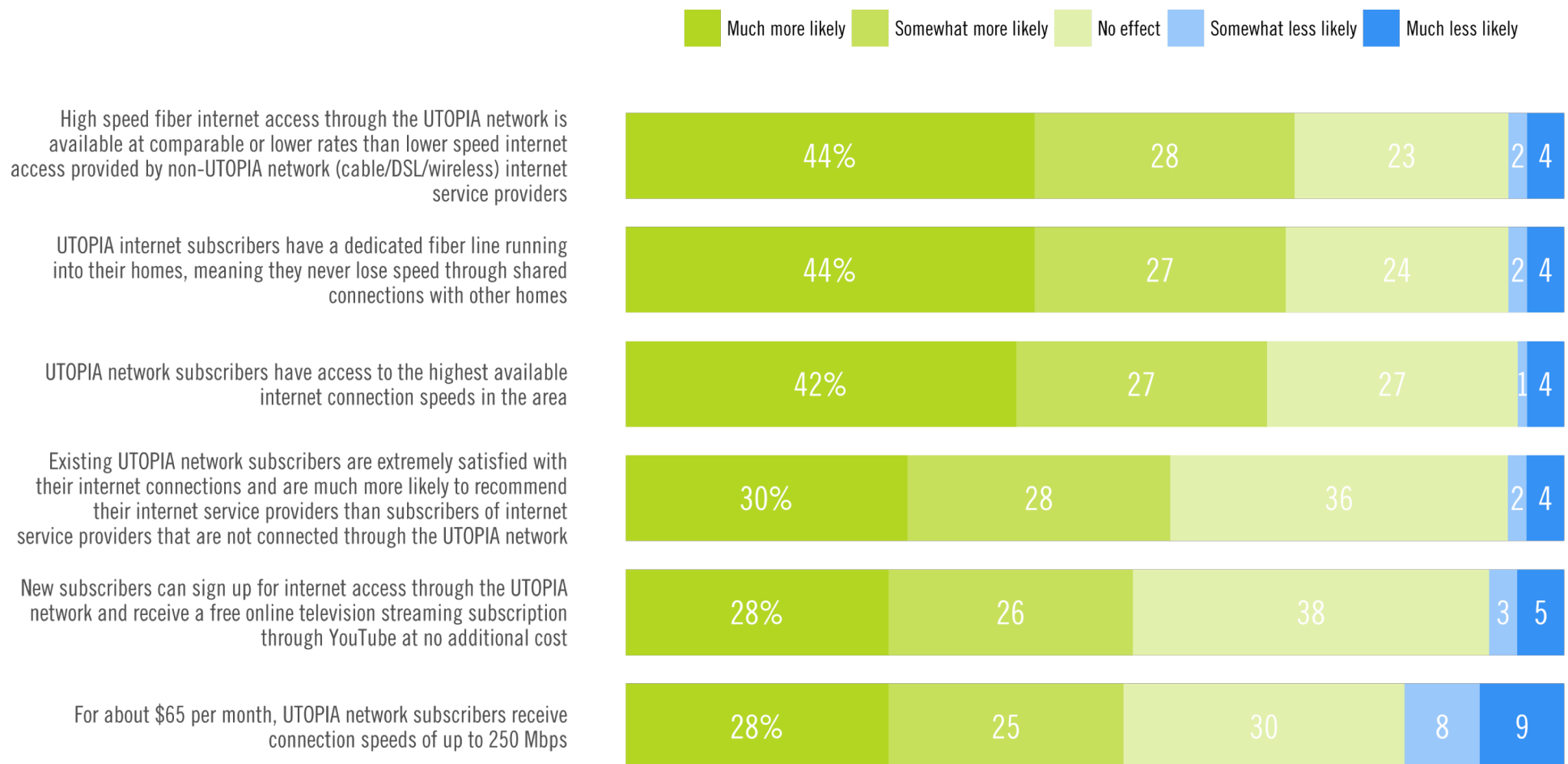


UTOPIA PRODUCT OFFERING MESSAGES

Residents respond most positively to messages about lower pricing, reliable connections, and high connection speeds.



Next you will see a series of statements describing features of UTOPIA network access. After reading each statement, please indicate whether knowing this would make you more or less likely to sign up for UTOPIA internet access, or if it would have no effect.

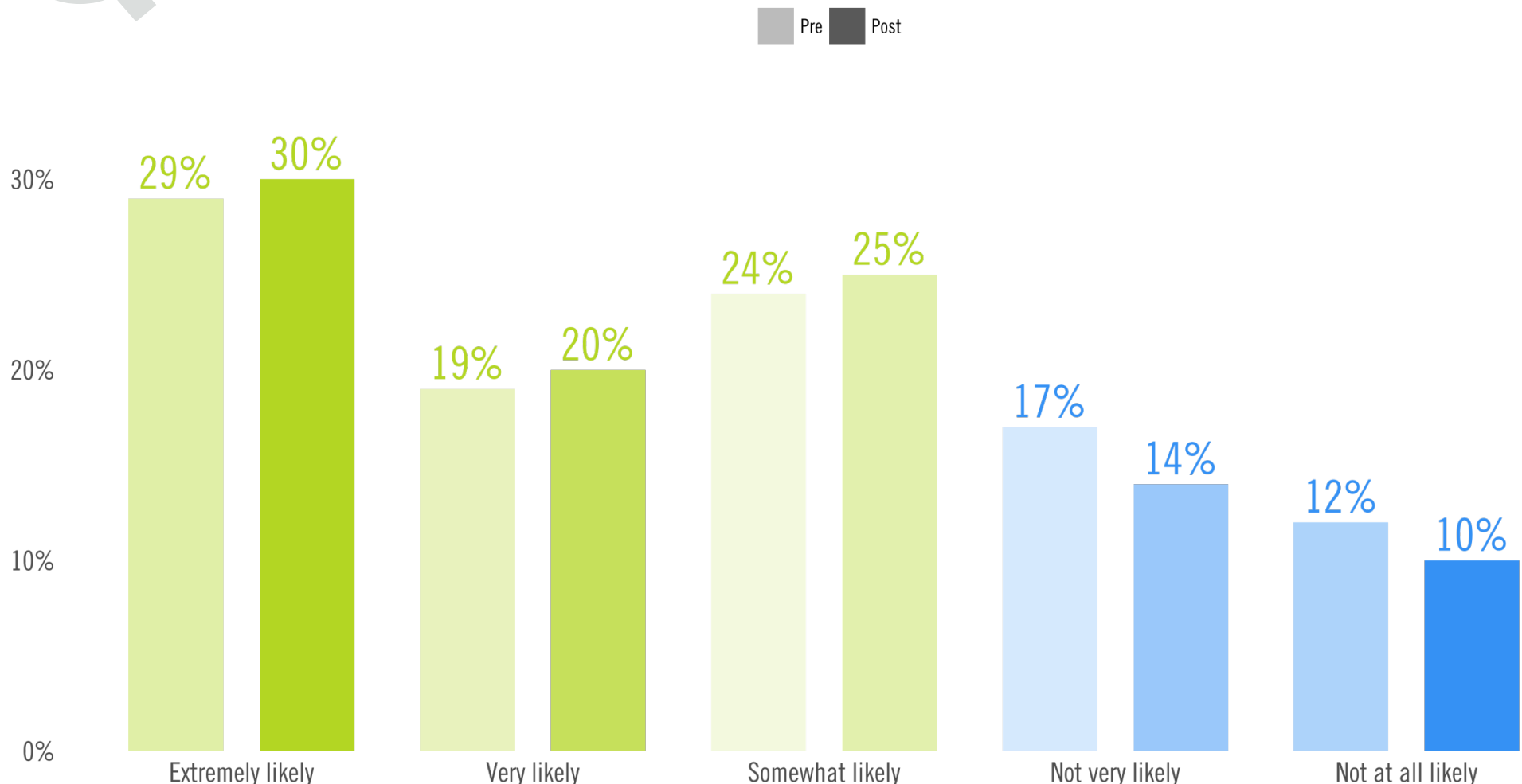



LIKELIHOOD TO SIGN UP FOR UTOPIA POST-MESSAGING

We see little movement in favor of UTOPIA after the messages about the network offerings. This suggests that residents either already know a lot about the network or don't find the available features persuasive if they were not already interested in UTOPIA internet access.



Now, after all the information that has been presented throughout this survey, if the UTOPIA network was built out so that you could have fiber internet access through UTOPIA at your home, how likely would you be to sign up for UTOPIA internet access?



- 
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FINDINGS TO REMEMBER



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