



MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, November 17, 2015, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray Utah.

Council Members in Attendance:

Blair Camp, Chair	District #2
Diane Turner, Vice-Chair	District #4
Dave Nicponski	District #1
Jim Brass	District #3
Brett Hales	District #5

Others in Attendance:

Ted Eyre	Mayor	Janet Towers	Exec. Asst. to the Mayor
Janet M. Lopez	Council Administrator	Tim Tingey	ADS Director
Jennifer Kennedy	Recorder	Frank Nakamura	Attorney
Jan Wells	Chief Admin. Officer	Darren Wightman	Fire
Jennifer Brass	Resident	Kim Fong	Library Director
George Katz	Resident	Sally Hoffelmeyer-Katz	Resident
Russ Kakala	Solid Waste	Ethel DeFosse	Resident
Carlton DeFosse	Resident	Justin Zollinger	Finance Director
Eliot Setzer	Resident	Jon Harris	Fire
Gil Rodriguez	Fire Chief	Craig Burnett	Police Chief
Blaine Haacke	Power General Manager		

Chairman Camp called the Committee of the Whole meeting to order and welcomed those in attendance.

1. Approval of Minutes

Chairman Camp asked for corrections on the Committee of the Whole minutes from October 6, 2015 and October 20, 2015. Hearing none, Diane Turner made a motion to approve both sets of minutes. Mr. Brass seconded the motion, which carried unanimously.

2. Business Items

2.1 Board and Committee Reports (5 minutes each)

2.1.1. Blaine Haacke – Utah Associated Municipal Power Systems (UAMPS) & Intermountain Power Association (IPA) (10 minutes) – Taken last.

2.1.2. Russ Kakala – Trans-Jordan Cities

Reports on the Sandy City waste facility are not continuing. Sandy is moving toward a transfer station instead.

The audit report is completed and no problems were noted.

The TransJordan General Manager has announced his intention to retire in the spring after being there for 15 to 20 years. TransJordan will try to have someone on board about one month ahead for training. It is a board appointed position.

Mr. Nicponski asked if there is plenty of life left to the land fill. Mr. Kakala said there is always interest in a new site, although there is 15 to 20 years life left. Between \$4 million to \$5 million has been set aside for that purpose. There is a landfill down south that may want to go private and TransJordan may partner with them, Mr. Kakala noted.

2.1.3. Kim Fong – Murray City Library

Ms. Fong distributed a packet to council members. She shared that the Library must recertify each year. Murray is currently 2.5 years into their long range plan and one goal was to become a “quality library”. A letter from the State Library was received informing them that goal has been achieved.

The Murray Library has been certified for many years and part of the certification involves having a Library Board with open meetings, automated circulation, internet presence, wireless access, and a collection development policy. These standards must be met every year.

The “quality library” must also have library programs at an external location. Murray does regular story time at the Boys and Girls Club and at Spartan Station, the day care at Murray High School, and at ABC Great Beginnings Day Care. Another requirement is to meet 70 percentile in five key statistical measures. These are visits per capita, circulation per capita, program attendance per capita, local operating expenditure per capita and turnover rate per average collection. The turnover rate is the average number of times any single item goes out during the year. Murray has one of the highest turnover rates in the state. The average is 7 times per year. It is a good statistic. On line experience must include downloadable e-books, social media links and content changing on the front page. Murray meets these requirements. The library must be proactive on attaining materials based on requests for items not currently in the collection. We have a link on the website for requests.

Finally, the library must participate in literacy experiences. Besides regular story time, at the library we educate parents on things they can do at home. Recently, the program “1000 books before kindergarten” was begun. This encourages parents to read books to

their pre-school children to reach this goal. The access to vocabulary and bonding time with parents is an indicator for how well children will perform in school.

From John Ruskin, "Quality is never an accident it is always the result of intelligent effort."

Ms. Turner asked if funds are set aside for the new books that are requested. Ms. Fong replied that it is in the regular budget, and from experience, they know how much to expect. They do have parameters that include not purchasing materials that are old, and if something is esoteric, where only one person would be interested, they generally do not purchase it. Something of general interest is usually purchased.

Mr. Nicponski asked how much in grant funds usually come from the Community Enhancement Fund. Usually, it is about \$12,000 and must be spent on specific things, Ms. Fong answered.

Responding to a question, Ms. Fong said she is reading *Lock In* by John Scalzi, which is a science fiction book about people who are paralyzed and have to speak through technology.

2.1.4. Diane Turner – Legislative Policy Committee (LPC)

Ms. Turner expressed that she is one of many City people who attend LPC. All Council member also get the Friday updates, so this report is from the last meeting.

Utah Power presented the Utah Sustainable Transportation and Energy Plan. Rocky Mt. Power recognizes that Utahns want clean air, and that clean air and low energy costs are primary to economic development. They have developed a plan to support sustainable air quality, energy and economic vitality over the next 10 years at a cost of about \$90 million. The plan invests in the development of solar, a net zero emission community pilot, and battery technology. The plan offers incentives for economic development, invests in energy efficiency programs, promotes the use of electric vehicles, and will invest in clean coal research at Utah power plants.

A discussion on Wildland Fire Policy Participation Match Program took place. Cities will concentrate on prevention, preparedness and mitigation while the state will focus on suppression. Cost is anticipated to be \$1.3 million. Each city's participation match would be based on their risk assessment and historic fire cost average. Murray has no acreage of wildland, so we don't know yet if we would be included in this participation match. It is unknown how the costs will be split. Mr. Camp noted that our match for Murray is zero, however, it is an advantage to be part of it.

Law enforcement on body worn cameras:

- A number of bills are expected to be introduced in the next Legislative session. The main policy points are 1) when to wear the camera 2) when to activate the camera and 3) when the camera should be inactive.
- Other important decisions involve GRAMA definitions: public or privacy issues, retention schedules, and third party access of recordings.
- ULCT does not want mandates on agencies.

- Those agencies that do not currently have body-worn cameras want grants to help purchase and Murray has had cameras for about 3 years. We would like a rebate if others are granted funding.

Chief Burnett is in the process of completing the 88 question survey for the League.

A land use preview reported that the task force is working on several issues. Related to beekeeping, there is a proposal to remove the municipalities' ability to regulate. For sub-divisions there is a push for standard state regulations to be mandated for all sub-division developments. This is expected to come forward in the future, maybe 18 months out.

Regarding transportation, Proposition 1 passed in 10 counties which will bring in an estimated \$27.4 million dollars total, to be split as indicated in bill. They felt Uinta and Salt Lake County were still pending due to close voting results.

2.1.5. Mayor Eyre – Council of Governments (COG)

The Council of Governments is attended by many of the mayors in the valley and is held monthly. There are a number of committees and sub-committees. Mayor Eyre serves on four committees, the Human Services and Housing Committee and the Education Committees, which only meet as needed. The Regional Growth Committee and the TRCC Committee (Tourism Recreation Cultural and Convention) have met regularly. Murray has been a recipient of some TRCC funds.

The subjects covered include updates on VECC (Valley Emergency Communications Center) from John Morgan, Mayor McAdams has addressed the homeless and refugee situations. South Salt Lake is doing a good deal of housing for these populations. Save our Canyons has kept us informed on the preservation of the canyons and the ski industry. Legislative matters takes a great amount of time and Proposition 1 was a focus over last year. Corridor preservation is a topic with long range planning - out 20 to 30 years in the future. Transportation improvements are discussed with UDOT (Utah Department of Transportation) addressing the group regularly. UTA and air quality are issues talked about. Water conservation and population growth have both been topics of presentations.

2.1.6. Mayor Eyre - Utah Telecommunications Open Infrastructure Agency (UTOPIA)

UTOPIA has had sustained growth over the last year of \$12,000 to \$15,000 per month. It is projected to break even soon, but it is necessary to sustain that growth over four quarters before reporting as a profitable situation. It almost happened until a power line break in Orem cost about \$60,000 to get back on-line. Arrangements have made with Rocky Mountain Power for reimbursement of the costs. It is believed that by the end of the year they will be able to say they are in the black with no further assistance from the cities being necessary, Mayor Eyre reported.

Ms. Turner asked if they will begin to reimburse the cities. About \$33,000 was reimbursed to Murray from the RUS settlement, Mayor Eyre reported. The \$10 million from that settlement has almost been spent and UIA has closed on the final \$24 million

bond it was authorized for. The RUS money has been used to refresh the core network and to continue the "Sweet Spot" five year plan. That is now completed and concentration on the residential market has begun. Marketing brochures have been received by some Murray residents. They are doing well in the residential market in Tremonton and other cities.

UTOPIA speed has increased with no additional cost to customers. Talks with MacQuarie have discontinued. Mayor Eyre asked about the reimbursement to MacQuarie and discovered there had been no discussions about that.

Over the course of the last year three different mayors have tried to present optional plans but the projects have not gone anywhere. One problem with the various plans is that there is no control on the quality of what we are selling. Murray gave a concerted effort to meet with groups in the community to sell them on the idea of trying UTOPIA again. However, even though there was some success, once customers went through the connection process, it was inviting people to have a bad experience. To control the quality, Murray would have to buy trucks, equipment and hire employees. That expense, in addition to the \$1.6 million bond is not feasible. And, no matter how many customers would subscribe, our bond payment would not change. Financial experts explain that because of the swaps, there is no way to divide the bonds and get out of our responsibility. We hope that the increasing revenue continues and that the market share grows.

Mr. Nicponski asked if there was any substance to Google coming in and was told there was not.

The same cities continue to control the decision making and once break-even is reached no more operation expense money will be paid in.

2.1.7. Justin Zollinger – Utah Infrastructure Agency (UIA)

Mr. Zollinger added that in fiscal year 2015 UIA issued just over \$11 million in bonds. All of that was spent during the year. Subsequently, the RUS lawsuit proceeds were received and that is about gone, too. They have now issued the additional \$24 million and with that all the bonds authorized will have been issued. No more bond proceeds can be asked for and it will be interesting to see how this plays out over time, because their growth is coming from the build-out utilizing bond proceeds. The net cash flow predicted after all the build out is \$2 million, so not much build-out can continue with that amount. That is his concern and what he wanted to convey to the council.

When the last round of bond funds came up for a vote, Layton, Midvale and West Valley all voted yes with the remaining cities against. Those three cities carry the vote, based on population weighted voting. This is a good lesson for future arrangements of this sort.

Mayor Eyre stated that UIA/UTOPIA go through one million dollars a month, so with the new bond money, they have 24 months.

2.1.8. Blair Camp – Valley Emergency Communications Center (VECC)

VECC is also based on weighted votes, as well. The Board of Trustees would meet the following day and it is expected that the board would approve an agreement with Salt Lake City to join the center with a common or compatible CAD (Computer Aided Dispatch) Mr. Camp noted. Also, the agreement with Salt Lake County will be addressed to receive the \$1.3 million for the CAD conversion.

There are several CAD providers, Spillman and Versaterm have been used locally in the past. However, neither of those two have been selected for future use. The final decision has not been made yet on the new CAD provider. The next step will be the emergency fire accreditation, with a target of January 2016. The accreditation for police dispatch will be next July.

Some discussion of developing a 311 system for non-emergency calls has taken place. With that the emergency system will not be tied up with other calls.

The annual financial audit was completed with two findings on GASB 68 due to some new requirements and URS liabilities. All in all, the audit was favorable.

Mr. Camp mentioned that Murray has an invitation to tour VECC and can set it up after the first of the year.

2.1.9. Blair Camp - Association of Municipal Councils

Mr. Camp reported that the group had visited VECC in June. Mayor McAdams spoke at the August meeting, and Mr. Hales attended in his absence, which was a round table discussion and the Mayor answered various questions from the members.

In October, Cameron Diehl, from the Utah League of Cities and Towns spoke about many of the issues reported earlier by Ms. Turner. November was a general meeting with the Council of Mayors.

This is a two-year term for representation and in January it will be time to elect a new member from the Council.

2.1.10 Jim Brass – Central Valley Water Reclamation

Mr. Brass commented that it is budget time at Central Valley. On nutrient removal, some headway is being made. The treatment plants collectively hired a high-powered attorney in water to take a look at this, and his reputation is known in Washington so the DEQ (Department of Environmental Quality) is finally talking with the plants. It looks like DEQ will give five more years to gather data on the Jordan River and Millcreek. Then the case can be presented and hopefully avoid spending \$110 million on the facility.

The plant is 30 years old and about a year ago an interceptor pipe of 5 foot diameter collapsed. It was a Granger Hunter pipe and no one was hurt, but it was several million dollars to clean it up, rebuild and install new pipe. The board is looking carefully at critical infrastructure at the plant. Past boards have been reluctant to spend capital money. Over time it will be necessary to increase budgets in capital expenditures to maintain and rehabilitate the facility and in turn, that will affect our sewer rates. It may be a year or two in the future. The budget has been running along at \$2 million per year

but it will need to go up to \$5 million. Things are getting old, rusting and corroding and will need replacement.

Small rate hikes over time may help to keep up with it, and overall rates are low. Central Valley can't have a catastrophic failure like that in critical areas, like the middle of a road. If that caused a bypass and dump into Millcreek, the fines are breathtaking.

Central Valley will contract with a CPA (Certified Public Accountant). There are three engineers on staff and no CPA. Justin has been helping on certain issues relative to the City and paying off an obligation that should not be on the books. We think it would be a good idea to bring in someone young with new ideas on ways to finance capital.

It is a very well-run facility, but it will cost a little more going forward.

2.1.11. Jim Brass - Wasatch Front Waste and Recycling District (WFWRD)

Mr. Brass said it is also budget time at WFWRD and the public hearing was held the previous night. No one attended. There is no rate increase this year but probably one in 2017. He stated that he becomes chair in 2017 so he will address the cash burn. A lot has been done to cut expenses but capital expenditures are about \$2 million a year higher than revenue. As a quasi-governmental agency, they are not required to balance the budget like the City is. At a certain point, they will be priced out of the market. That will impact residents on the east side of Murray with about a \$2 rate increase.

The trucks have been converted to compressed natural gas (CNG) and it does save quite a bit on fuel, emissions. There are tradeoffs on maintenance, however, it has been a good thing. A slow-fill station was just dedicated, where they pull all the trucks in at night to fill 100%. In the morning, the drivers can get in and go to work right away. It saves a lot of time refueling. A fast fill station will only fill the tank about 80%. WFWRD is looking at tagging the containers to determine how often they are picked up and it allows for more effective route planning. That will result in less time, fuel, and maintenance. They continue to do all the right things to save money, although, the problem is that garbage trucks are expensive. The slow-fill station was on the news with Mayor McAdams.

The route schedule is changing and will impact Herriman and Millcreek. Herriman is the fastest growing area and the furthest away. Trucks will begin running out there almost every day.

Mr. Camp asked about the fact that they are not required to have a balanced budget. He asked if it is typical not to balance. Mr. Brass responded that it seems to be typical for this organization. They show expenses and revenue and more is brought in than spent, but then capital is added on as a separate item. He would like it reported different so that the board understands they are losing money every month and every year. Only Salt Lake City costs more for garbage. The public acceptance rate is 95% but these are things that need to be understood.

2.1.12 Jim Brass – Chamber of Commerce

Leadership went to a chamber training that turned out to be very valuable. They have a better understanding of where their financing comes from and the impact of different memberships and how to treat members. It brought up the discussion on how to retain members. People join, have a ribbon cutting, pictures are taken and then they never see the chamber except when they are approached for golf tournaments and gala dinners. Now a concerted effort is being made to include a members' only spot on the website and they can get training on operating a small business. People may start a business because they have a marketable trade, but they have zero business experience. Within a year, many of them fail. Mr. Brass stated that he has always felt the chamber looks after the City businesses, however, that was not always the case. Now there will be a better concentration on that. Some members do video and these trainings can be done on-line. He would like someone else to do the five minute report because the City does budget money for them. If they did not get City money, they would be in trouble. Now some serious self-evaluation is being done. Now they are going in the right direction.

This year Haunted Woods was one of the most financially successful events ever. He declared a conflict of interest because his wife ran that event. The Murray Youth Chamber and the Excel Club did a great job and there were more volunteers than ever who stayed to the bitter end. We have some amazing young high school students in the City.

2.1.13. Tim Tingey – NeighborWorks

As an update on the status of projects and our partnership with NeighborWorks, Mr. Tingey went through the projects and service they are providing to Murray. In the real estate development they acquire problem properties, rehab them and then sell them. There are currently five properties in various stages of construction. Some are completed with potential buyers.

An open house was just held for the first property that was purchased, torn down and completely rebuilt. It was a meth house, so a big problem. A brand new house was built at 6521 South 700 West. The basement was also mostly completed.

Related to home ownership services, this is for people who own their homes with rehabilitation needs within the home. Four projects are currently in the pipeline, and one of those had a hole in the roof for a while until they were able to get connected with NeighborWorks. It's an extreme example of what they do.

Mr. Brass added that NeighborWorks does "Paint Your Heart Out", which was done next door to his home. They were on Channel 2 "Pay It Forward" so it was good advertising. The owner has serious health problems and it was nice to have someone to go to for her.

Third, they are applying for significant dollars for our community. We use tax increment financing and they also apply through the county for CDBG (Community Development Block Grant) funding, which brings housing dollars into the City. This year they will apply for specific closing cost and down payment assistance funds through the county.

The NeighborWorks Annual Meeting was to be held the following night and Mr. Tingey extended an invitation to council members. It is a great partnership and continues to grow.

2.1.14 Blaine Haacke – Utah Associated Municipal Power Systems (UAMPS) & Intermountain Power Association (IPA)

Mr. Haacke thanked the council for moving his time slot as he was attending another meeting. In two weeks he will address the council for a half hour presentation, so he would touch a just a few things that evening. He likes participating on both boards and a lot is going on. Some decisions will project 15 to 30 years into the future.

The Annual Meeting for IPA was scheduled for December 1 and it should be on the council calendar. It is a business meeting and luncheon. Mr. Haacke's seat was up for reelection after serving a four-year term. Another board member will be retiring due to his health, therefore, there will be a little bit of movement within the seven member board.

General Manager, Jim Hewlett, has announced his retirement after 30 plus years.

Related to the IPA plant and the refueling in the mid 2020's, currently everyone who has participated, 23 Utahns' and six California entities, have signed the first phase of documents to look into refueling the plant. Now each entity must submit an opinion letter from its attorney. Next, around the first of the year, Mr. Haacke will come back to the mayor and council to consider whether Murray wants to remain a participant in the project at the expiration of the contract in 2027. Because we have an excess power sales agreement, it is in our best interests to continue. This agreement gives us the ability to call back power should we need it, or lay it off to the California entities if not.

Mr. Haacke noted that a refueling sub-committee has been formed to move this process along. That committee is assigned with the duty to determine how the fuel will be chosen. Natural gas is the primary option, however, there are other fuels, such as, compressed air and bio-mass and there may be others, too.

Reporting on the UAMPS Board, Mr. Haacke said that a small nuclear plant is being considered. It is a slow process and will take 10 years to get a license.

The more expedient topic is roof-top solar. All the municipal power companies in the state must develop a roof-top solar rate. More fixed rules and regulations need to be in place for individuals who put solar panels on their homes. It is a complex issue because when the sun does not shine, these properties rely on the City for the grid and when it is sunny, power is transferred back into the grid. Cooperation between the two situations needs to be resolved. UAMPS, with input from Murray, is completing a study to obtain the value of PV (photovoltaic) to the City. Murray staff is doing a more complex cost of service study for more detail. An out of state consultant is involved and determining a solar rate is the goal of the study. We hope to have a rate for incoming power and power use rate. There is a lot of pressure to come up with this information. Rocky

Mountain Power has been asked by the Public Service Commission to do two different studies. We are watching to see what Rocky Mountain does.

2.2 Discussion of Comparative Analysis of City Salaries & Benefits – Mayor Eyre (10 minutes)

Mayor Eyre explained that this will be the third budget he's involved in and one thing he has learned is that a great deal of time needs to be spent on compensation.

Last summer he asked Mike Terry, Human Resource Director, to go through each department with him and the department director exclusively. He asked to discuss each individual person to discover when they were hired, length of service, percentage of mid-point or red-line, and learn all the statistics he could on each person, rather than looking at the global mass of employees. Over the last six months he has had a chance to really think about what to do on compensation, which is his responsibility.

The department heads run their budgets so efficiently that there is no need for him to micro-manage what is done so well by professionals.

Taking more time than the compressed two and a half months, gives him the opportunity to have more detailed personal information prior to January. He has covered seven departments and they have brought incredible material to utilize. With Mr. Terry several different scenarios have been run to consider the cost of different compensation options. Doing that in the relaxed atmosphere of several months has given a great deal of insight into the differences between departments. Some departments have three people, others as many as 80 to 90 employees. There is a lot of diversity and it is hard to make one policy fit. Compensation can be looked at in a number of different ways, cost of living, merit programs, one time bonuses, market surveys and each must be considered individually and run through a spread sheet on costs.

Mayor Eyre noted that the previous day he had presented some of these scenarios to the Murray City Employees Association and earlier that day he talked with 20 to 30 fire personnel. He said he would be willing to spend time with other departments, as well as, the council.

Besides the compensation study, he has decided to go through each of the policies and executive orders that have been on the books for many years without review or updates. Some are as old as 1990 and must be changed because they do not conform to the new City software program. As an example, this year on October 22, he reviewed and changed three executive orders: bereavement, compensatory time, and the stand-by call-out policy. These do not obligate future mayors or affect current budgets and are not necessary to come before the council.

Mayor Eyre said the bereavement time off was adjusted to allow five days of paid time off for the death of a spouse, children, stepchildren, parent or step parent and up to three days off for the death of a more distant relative, such as, brother, sister, grandchild, grandparent, or in-laws. There was no time limit on use of the bereavement pay and it could be used a year later. This is an example of a policy that could be abused

at the expense of other employees using it properly. He amended this to say that it must be used within a 14 day period following the death. No one has complained about this change. Mayor Eyre expressed that each of us is elected to make decisions and council decisions do not always have to be run by 48,800 people. Mayor's decisions do not have to go before 380 employees. His efforts are to make sure things are done in concordance with department heads, and issues are discussed in department head meetings.

This is a summary of what is being done to consider compensation before it must be completed in a compressed time-frame with the budget.

Mr. Nicponski asked if as he is looking at the comparative analysis does he see new hires being paid more. If so, is he asking department heads to budget to bring the existing staff up to another level, Mr. Nicponski inquired.

The Mayor said he has asked the department heads what they find to be egregious or totally out of alignment. Chief Rodriguez was a great example of this, as every time he was promoted, he was put to the bottom of the pay grade. That has been corrected so that those who are advancing go to mid-point. Now he is looking at the expense to correct that and make people whole. It is very difficult to make everything equitable. As soon as something is given to one group, it is taken away from another.

Mr. Hales asked for an explanation of that. Mayor Eyre said that if you give one group an 8% raise, then another group would only get a 1% raise. He wants to make it equal for everybody. Some groups think they are significantly below others. The formula for increases and the attitude changed due to economy. We have experienced the deepest recession and the slowest recovery than ever before. On a national level the recovery has been 1.5% per year. About two years ago, businesses and everyone began to feel more confident in it. The City is planning a budget in January and February based on numbers that are projected for the rest of the year. Compensation is an expense that has to be based on dollars that are going to continue from now into the future.

Mr. Hales asked if the situation given in the example of Chief Rodriguez has been corrected. Mayor Eyre said that during his tenure increases have been 3% per year because he feels it is important to bring everybody up some amount. To clarify, there are people who have been hired in the City that are paid more than others. However, there is not enough money in the budget to correct everyone.

Mr. Nicponski asked if the council would need to come up with some money for this initiative.

The Mayor said that budgeting has been done the last two years to give everyone in the system some money. It can be 3% cost of living, or 3% merit, but start with that and then see what is left for capital improvements and to run the City. After figuring how much is needed to run the City in a bad economy it did not leave much for the employees. That was the state of the economy. Prior to 2008 we lived in a false economy and that was the norm, now we have a new norm, with not enough revenue coming in. We must be realistic.

The Mayor expressed that he is trying to correct the disparities but it cannot be done all at once, so while correcting, he would like everyone to receive a pay raise commensurate with the City revenue right now. Everyone feels they have a specialty that only they can do, and they are right. You will not find finer firefighters, police officers or line workers than we have anywhere in the valley. But if you look, you will find some that are paid more than ours and it bothers the mayor as much as it does the employee.

Mr. Nicponski confirmed that the mayor's initiative is to correct that. Mayor Eyre confirmed that, but restated that it cannot be done all at once; it takes several years. He prefers to bring everyone up incrementally and eventually they will get to that level. Salt Lake County offered to give everyone a 2.5 % raise, but do away with 401K. When we look at the survey, the pay may be less, but is that entity paying social security or are they exempt; are they paying 401K; are they paying excess insurance costs, funding an 8% increase; are they paying a Christmas bonus; are they giving three days for floating vacation? If they do not offer these benefits, then we are not comparing apples to apples. These benefits bring compensation more into balance.

Council members agreed that balancing the budget is important.

3. Mr. Camp adjourned the meeting.

Janet M. Lopez
City Council Administrator