



## MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

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The Murray City Municipal Council met as a Committee of the Whole on Tuesday, February 16, 2016, 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

### **Council Members Excused:**

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
Frank Nakamura	City Attorney	John Pearson	Golf Course
Doug Hill	Public Services Director	Craig Burnett	Police Chef
Jennifer Kennedy	City Recorder	Justin Zollinger	Finance Director
Pattie Johnson	Council Office		

Chairman Camp called the Committee of the Whole meeting to order at 5:45 p.m. and welcomed those in attendance.

### **1. Approval of Minutes**

Mr. Camp asked for corrections or a motion on the minutes from January 5, 2016. Ms. Turner moved approval. Mr. Nicponski seconded the motion. All were in favor.

## **2. Business Items**

### **2.1 Discuss Murray Golf Course Fee Increase – Doug Hill**

Mr. Camp introduced Mr. Doug Hill and Mr. John Pearson and thanked them for coming. Mr. Hill addressed the Council and stated an increase in golf fees at the Murray City Golf Course was necessary at this time. He informed the Council it was scheduled for consideration on the agenda for the February 16, 2016 council meeting. In the meantime, he wanted to provide the reasons for the request.

Mr. Nicponski asked Mr. Hill what the current golf fee was, as well as cart rental fees. Mr. Hill replied it was \$14 per nine holes and cart rentals were \$7 per nine holes. He informed the Council the golf course opened in 1985 and was now thirty one years old. At that time, the City installed an irrigation system without any remote controllers, before internet and computers could be utilized. In 1990, almost 10 years later, the City installed a remote control system for the irrigation system, allowing the maintenance staff better control of irrigation. Since that time, the system has worn out and problems are occurring with rust getting into the system. The rust flakes off inside of pipes and becomes lodged in the sprinkler heads. Constant repair and replacement of sprinkler heads has resulted along with the erosion of many pipes.

Mr. Hill reported they had been discussing for several years ways to set aside enough money to get the current irrigation system replaced with a better one. He said \$725,000 has already been saved in reserves. At this rate, he estimated it would take another 10 years to save what is actually needed for this project. A meeting was held with Justin Zollinger, Finance Director, and Mayor Eyre, in order to move the project along faster. Currently, the golf course is spending almost \$30,000 per year to maintain the existing system with all the repairs and replacements that continue to occur. With the Council's approval, Mayor Eyre planned for next year's budget a transfer of \$500,000 from the General Fund (GF) towards the golf course reserves. Mr. Hill explained that with the \$725,000 already in reserves, plus the \$500,000 budgeted, there would be approximately \$1.2 million in reserves.

The \$500,000 would be considered a subsidy for the golf course. Reviewing the past, Mr. Hill explained in the 1990's, the golf course was doing very well, with twice as many rounds of golf occurring. A lot of revenue was generated by the golf course and the City was using the golf course revenues to build the Jordan River Parkway, which today is a GF activity. Over twelve years, the City contributed approximately \$2 million from the Golf Course Fund to the GF, to build, maintain and construct the Jordan River Parkway. By the early 2000's, golf began to decline, with more courses being built around the Salt Lake valley, and the number of golfers declining, the revenue was not what it was before in the 90's. The City then changed the ordinances that dealt with the financial condition of the golf course and it now currently operates as a true enterprise fund. The golf course no longer puts money towards the GF. Over the last few years, in an effort to build the reserves, a reduction to the amount of administrative transfers from the Golf Course Fund was approved by the Council.

Mr. Hill informed the Council the needed project cost was an estimated \$2 million. Assuming the Mayor's budget is approved by the Council, and \$1.25 million becomes available, there would still be a shortage of about \$700,000 for the new system. He explained that Mr. Zollinger

calculated a possible loan of \$775,000. With an interest rate of 2% and a term of 12 years, the payment would be \$73,000 per year. He determined that if the City could come up with \$73,000 per year, from the golf course, the money could be borrowed for the new system, making payments for the next twelve years. Mr. Hill said that he estimates a savings of \$35,000 a year from the current maintenance costs. However, a shortage of \$38,000 remains for the project, thus a need to increase the golf fees was considered.

Other avenues were considered in cutting the budget, however the golf course is operating very lean and has not had a fee increase since early January 2010, six years ago. The only conclusion was to increase the fees again. Mr. Hill explained with an increase of one dollar per nine holes, \$50,000 in revenue would be generated covering the additional money needed for the loan payment.

A comparison with other golf courses in Salt Lake County was conducted. With a one dollar increase, from \$14 to \$15 per nine holes, Murray would be comparatively right in the middle range of what other golf courses charge. Mr. Hill stated that many courses charge \$14, others \$15 and several charge as much as \$18 for nine holes. Mr. Nicponski commented that an increase of \$16 might be more beneficial. Mr. Hill replied the market is very competitive and the higher fee might actually encourage customers to play other courses. Mr. Nicponski agreed. Mr. Pearson informed the Council the courses in our proximity are all charging \$15, such as River Oaks. He added many golfers have a tendency to price shop. If our goal can be accomplished by raising fees by just one dollar, the number of rounds will remain the same. Mr. Hill explained the regular rates would be increased by one dollar, which is the non-senior, non-junior rate. The senior rate would increase by just 50 cents. The junior rate would not change. The punch card, which is a frequent player card good for 10 rounds, would increase by one dollar per round as well. These would be the only three changes proposed and would generate the \$50,000 needed to make the bond payment.

Mr. Nicponski inquired about the comparison of golf carts. Mr. Hill said the carts are five years old and are generally replaced every five years. Holding off on new carts for another year would be ideal for now, and a proposal for cart fee increases would come to the Council at that time. The new carts will be rolling out in 2017 after the golf fee increase. Cart fees will remain the same for this year. Mr. Pearson commented that the current cart fee of \$7 is right in line with other courses.

Mr. Hill concluded his explanations for the golf fee increase request and thanked Mr. Zollinger again for his help with the financial aspects of the proposal. Mr. Pearson added Murray does not increase fees on weekends like other golf courses do. Mr. Hill reported senior pricing at the golf course is right in the market from \$11.50 to \$12. Many other courses charge \$12 or higher.

Mayor Eyre asked if the \$50,000 increase was based on the exact number of rounds averaged in the last while. He also asked, if a 10-15 percent loss of rounds was anticipated due to golfers wanting to price shop and go elsewhere. Mr. Hill replied it was not anticipated there would be a loss of rounds by the increase. He reported it was based on historical usage. This included the last three or four years of about 65,000 rounds. Mr. Pearson added the \$50,000 came from eliminating junior rounds since that fee was not increased. Mayor Eyre asked if the \$50,000 was appropriate. Mr. Pearson replied he felt it was extremely realistic. Mr. Hill also added that he

thought it would be higher than \$50,000 and only \$38,000 would be needed on a 2 percent bond.

Mr. Zollinger reported the 2 percent bond was based on internal funding from one of the enterprise funds. Mr. Hill explained Parks and Recreation Advisory Board gave it a positive recommendation during a meeting last month.

Ms. Tuner added it would not be too painful and it was a good thing. Mr. Hill informed the Council there would be a public hearing on March 1, 2016 and did not anticipate golfers lined up outside the door because of one dollar. Everyone agreed.

## **2.2 Open & Public Meeting Act Training – Frank Nakamura**

Mr. Camp introduced Frank Nakamura who explained that statutorily he is required to give the Council annual training on the open and public meetings. He expressed to the Council that he appreciated the fact that there had never been any real issues. Murray is cautious in giving notices and agendas, which is not always the case for entities outside the City. The Council is also careful to follow the noticed agenda and not discuss other business. In the past, he had been asked about the consequences of not following this act, however, it is more a matter of trust and credibility. He further explained it is a transparency law and Murray is one of the better entities when it comes to transparency and compliance with the Government Records and Access Management Act (GRAMA.) These go hand in hand and the City is fortunate to have staff members such as Jennifer Kennedy and Andreas Romanczyk in the Recorder's Office. Although it may seem simple enough, Mr. Nakamura indicated in the last couple of weeks several agendas came across his desk from other entities that were not in compliance with the Open and Public Meeting Act. Ms. Lopez is also very precise in making sure the agendas are appropriate and not vague or broad. The purpose of an agenda is to tell the public what will be discussed at the Committee of the Whole and Council Meetings. Sticking to the specific agenda is essential and Murray is doing this consistently.

Mr. Nakamura addressed social meetings, explaining that self-restraint is involved because there is no way to enforce compliance. The Murray Council has had no issues with this.

Mr. Nakamura explained that "closed meetings" can only be held for specific reasons.

- He pointed out the closed meeting may be for discussing the character or professional competence of an individual, however, the council cannot agenda an item to discuss personnel issues such as salaries and benefits. This type of information should be discussed in an open meeting. Because some council members serve on outside boards it should be clear that financial matters and budgets should not be discussed in closed meetings.
- Strategy meetings for buying and selling real property may be discussed in closed meetings. This is to ensure that there is no disadvantage in terms of disclosing sales prices, purchase prices and any information that would affect negotiations.
- Strategy sessions to discuss pending or imminent litigation may be held in a closed meeting. This is not just any litigation. The Utah Supreme Court is very specific in regards to this topic.

Technology is another area affecting everything done at the municipal level and laws cannot keep up with it. How to deal with elected official's use of cell phone, texting, social media and computers is an interesting issue. During a meeting, a cell phone should never be out in front of the public, because it may appear as if members are communicating back and forth. Perception is very often considered reality.

Also, a new issue that needs to be dealt with is a quorum of council members discussing an issue by electronic media. It is important to stay with the intent of the law. The intent is for transparency, letting the public know what officials are doing and making decisions in public meetings.

Mr. Nakamura thanked the council and staff for their commitment to the Open and Public Meeting Act and added that the training is simply a reminder of the laws. Murray City is a very transparent government and he appreciates that.

Mayor Eyre commented that he and Mr. Zollinger attend outside board meetings with an electronic device on the table for others to participate and vote from a remote location. He asked if this was allowed in Murray City. Mr. Nakamura explained that Murray City Council Rules require that a quorum (three members) be present at the meeting location, then others may call in and participate electronically. The electronic meeting information must be included in the public notice for each meeting where this will occur. In the past, when council members were out of town, and a quorum was not to be present, a meeting had to be cancelled and rescheduled to keep within the rules and law.

When a quorum is present and other council members call in electronically, their voice would be broadcast for all to hear and their votes would be counted as if they were present.

The Mayor ask if this applies to group texting and if four or five members were discussing a topic by text would that be acceptable. Mr. Nakamura stated that this would not be suitable. He confirmed that this undermines the purpose of conducting business before the public. It is not transparent and not consistent with the statute. Verbally talking and being able to hear what is happening is best. In an open meeting the public can hear discussions.

Ms. Turner asked about informational texting, without decision making. Mr. Nakamura replied that could be allowed because the law is directly related to making decisions. Using the golf fee discussion as an example, in Committee of the Whole information was shared, questions asked and answered before the public. The decision would also be made in an open meeting which is consistent with transparency laws.

Mr. Camp asked if there were anything in statute that addressed meetings open to the public for public business, but held 100, 200 or 300 miles away from the city. Mr. Nakamura replied that it still must be noticed and posted in this building (City Center) with the location showing it will be held elsewhere. This is a fine line, and not specifically prohibited. Murray has always been very good about this, although, there was once a case where the council met in St. George and the constituents did not have access to that meeting. Mr. Nicponski asked if Murray was okay. Mr. Nakamura confirmed Murray is okay.

Mr. Camp thanked Mr. Nakamura for the training and Ms. Kennedy, Ms. Romanczyk and Ms. Lopez for keeping them legal.

**3. Announcements**

Ms. Lopez announced the Mid-year Budget Meeting held at Home 2 Suites in Murray with department heads. Lunch would be served at noon and the meeting would follow.

**4. Adjournment: 6:24 p.m.**

**Pattie Johnson  
Council Office Administrator II**