



MURRAY
CITY COUNCIL

MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, May 2, 2017, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray Utah.

Council Members in Attendance:

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

Others in Attendance:

Ted Eyre	Mayor	Jan Lopez	Council Administrator
Janet Towers	Chief Admin. Officer	Justin Zollinger	Finance Director
Pattie Johnson	Council Office	Jennifer Kennedy	City Recorder
Danyce Steck	Finance Director	Doug Hill	Public Services Director
Brenda Moore	Finance Controller	Blaine Haacke	Power – General Manager
Tim Tingey	ADS Director	Danny Astill	Water Superintendent
Russ Kakala	Public Services	Kim Fong	Library Director
Jennifer Brass	Resident	George Katz	Resident
Sally Hoffelmeyer Katz	Resident		

Ms. Turner called the Committee of the Whole meeting to order at 4:45 p.m. and welcomed those in attendance.

1. Approval of Minutes

Ms. Turner asked for corrections and approval on the minutes from March 21, 2017. Mr. Camp moved approval with corrections and Mr. Hales seconded the motion. All were in favor.

2. Discussion Items

2.1 Reports from Representatives to Boards of Interlocal Entities

2.1.1. Russ Kakala – Trans-Jordan Cities

Trans-Jordan Landfill began a recycling initiative based on contaminant levels that are 30% of received material and must be returned to the landfill. Representatives from seven cities and Mr. Kakala attended a meeting with Waste Management and Rocky Mountain Recycling companies with the goal to bring contamination levels down, which resulted in ten new restricted items; the list can be located on the Murray website under garbage and curbside recycling. Strictly noted was plastic grocery bags, which are detrimental to recycling machines. The objective is to get the public to stop throwing plastic bags into dumpsters when disposing of other recyclable items.

Mr. Kakala reported that Trans-Jordan employees would see an 8% increase to health insurance premiums. Employees would not receive a cost of living (COLA) increase this year, however, a 2.5% Merit increase was requested.

Trans-Jordan is considering a \$2 increase on tipping fees, although, in order to determine the cost of a transfer station, the board would delay the decision until the master plan is available, January 2018. The current fee for member cities would remain the same at \$14 per ton. Commercial rates would increase by one dollar, from \$29 to \$30 per ton, and is \$1.50 less than the Salt Lake County Landfill.

Ms. Turner stated public education was important when recycling could be confusing at times for residents who want to do it correctly. Mr. Hales agreed.

In an effort to better educate the public, Mayor Eyre suggested addressing new recycling restrictions in the Murray Journal by redirecting residents to the Murray website for specific details. Mr. Brass agreed to mention recycling details in his next council report.

2.1.2. Kim Fong – Murray City Library

Ms. Fong shared the library's redesigned website and said the library is not only a building for visitors, but a very popular virtual space for visitors on the web. After completing long-range planning for the next three years, the board created a statement of purpose for the library, called *Open New Worlds*. The mission of the library remains the same, as *Your Friendly Hometown Library*.

Ms. Fong felt the new website would be easier to use than the old one, where the average number of website visitors was 40,000 per month. The idea behind the new webpage, www.murraylibrary.org, was to provide a fun visual concept with interchangeable photos on the homepage declaring the new statement of purpose. It would also provide front and center access to the most popular links, *My Account* and *Find a Book*. Further down the page other links are easily found, such as a Calendar, Matchmaker, Book Requests, Rooms, Hoopla and Storytube. Residents can also sign up to receive monthly Newsletters by email.

Approximately 3,900 downloads of E-read resources occur each month and astoundingly, Storytube receives an average 68,000 views per month. The most watched storytube video is *Pigeon Takes a Bath* with 105,000 total views. Social media is an extraordinary space utilized by the library as well, such as, Facebook and Instagram. The Facebook page reaches approximately 9100 people per month and proves on-line activity is a robust way for people to use the library.

The new web design, including all photography, was created by library staff avoiding any extra costs. Ms. Fong noted most importantly, the website was cell phone friendly.

2.1.3. Mayor Eyre – Council of Governments (COG)

The Council of Governments (COG) and Council of Mayors (COM) decided last year to adjust schedules because material was being duplicated at each monthly meeting. Adhering to the required statutes. Meetings for COG were held in December and January of 2017, COM meetings were held in February, March and April and new material could be covered during COM meetings.

Mayor Eyre noted the following from the most recent COG meeting.

A significant discussion caused a major stir within all 16 mayors regarding the quarter of the quarter funds distribution by Salt Lake County, Senate Bill 277, and the distribution of \$47 million dollars.

It was determined by all the mayors that the distribution of funds was strictly political. Mayor Eyre provided a distribution list including totals, where Murray City received \$1.5 million, Taylorsville, an equal size city, received \$3.8 million, and Draper received the tremendous amount of \$5.8 million. Distribution amounts were decided by residing committee members, therefore, if a city happened to be in a political district of a committee member, that city received favorable funding.

Senator Wayne Harper was held accountable and questioned, where mayors were not kind or soft hearted about sharing their thoughts. He ultimately admitted the distribution was strictly political and assured mayors what occurred would not happen again, and future distributions of this type would be formula based and transparent. The decisions were made by very few people, about the distribution of \$47 million without any transparency.

Ms. Turner asked if distribution totals would stand. Mayor Eyre confirmed there would be no change.

Mr. Hales felt it was good to know there was at least transparency during the recent COG meeting, where results were discussed candidly.

Mr. Nicponski noted Sandy City received only \$500,000. Ms. Lopez noted Holladay City received just \$100,000.

Mayor Eyre reiterated all mayors were upset with results because no specific formula was used in determining the amount cities received, however, the subject was brought to light by the mayors who were able to speak their views. Speaker Hughes, President Niederhauser and Senator Harper were made well aware of all the mayors' displeasure.

Mayor Eyre shared the COG budget which depicted annual assessments of each city. Murray would pay \$3,224, exactly the same as the previous year.

Overcrowding in jails remains a problem. Unless a person is involved in a felony, offenders are frequently released 5 minutes after arrested. The well-known problem is clear to drug users, who are not afraid of using drugs in public, because remaining in jail is unlikely. Mayor Ben McAdams and Sheriff Winder are working to find an additional 300 beds to meet the current shortage. Beds from outside the area would be located off-site where officers would transport prisoners. In addition, the Oxbow jail would open two more pods to house prisoners due to overcrowding.

Mayor Eye said it was a shame that after arrest prisoners could expect immediate release.

The next COG meeting would be held June 22, 2017.

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

A UIA board member is needed to replace Justin Zollinger, who would be leaving.

UTOPIA claims the company is self-sustaining, growing and making money. A recent presentation in St. George, Utah, conducted by UTOPIA, celebrated great success. However, Mayor Eyre said the most disturbing issue was that the company was inviting other cities to connect, such as Bountiful, who was not contributing to bonds, when Murray City was paying the organization \$1.8 million on bonds each year.

Mr. Brass was under the impression a city was not eligible for connections, if not part of supporting bond payments. Mr. Hales agreed. Mayor Eyre stated the issue was discussed during COG's last meeting because it was not the case.

Mr. Nakamura agreed and suggested the city could look further into the situation since UTOPIA was going outside of member cities for acquiring new connections. Mr. Brass believed Murray City's build-out should take priority until fully completed.

2.1.5. Justin Zollinger – Utah Infrastructure Agency (UIA)

Mr. Zollinger reported most bond and settlement money was depleted, therefore, he was unsure how new revenue would be generated. The board was considered issuing additional bonds, however, he was not certain how UIA or UTOPIA could attain new bonds, without some additional guarantee from member cities, which he advised against. The company was improving and connections were increasing, however, all connections and all new revenue were possible only due to construction using bond proceeds.

Mayor Eyre said bonding would be possible with three votes from three member cities and the rest of the member cities would stand idly by.

Mr. Zollinger asked Mr. Nakamura to confirm that UIA could not bind Murray City to be part of a new bond. Mr. Nakamura agreed and added bonding would, however, be possible on UIA revenue.

Mr. Zollinger felt if bonding was successful, he would recommend the priority to pay bonds should begin by paying bonds the city originally guaranteed first.

Mr. Hales asked if new bonds were possible, would bonding be achieved solely on their own without any authorization by Murray. Mr. Zollinger said based on UIA financial statements, he was uncertain how a bank could justify a bond and said all bonding capacity authorized by Murray City was exhausted.

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

The ongoing process of implementing new computer aided dispatch (CAD) software is going relatively well.

The 2017-2018 VECC budget was passed with no overall increases, however, fee increases in both police and fire departments would be seen due to the three year rolling average of call volume. The increase was \$2,484 for the police department and \$5,226 for the fire department.

Due to major claims, an issue with health insurance was noted when a 29% increase was quoted. However, after negotiations, premiums would increase by 22%. The hope is to seek a better option in order to control high increases.

The board approved a municipal lease agreement for recording hardware, and software to replace outdated equipment valued at \$290,000. Rather than paying for it piecemeal it will be covered by the proceeds from the entity formerly known as Utah Communications Agency Network (UCAN).

Senator Wayne Harper's Senate Bill 198, raised fees by four cents, on phone lines for 911 calls. In addition, the bill directed the state tax commission to distribute the proceeds of 911 money according to a formula based on call volume. A distribution in the amount of one million dollars per year is positive for VECC. The bill also directs the state tax commission to report delinquent charges and emergency services payments on access line providers.

With the complete compatibility of two dispatch centers, VECC and Salt Lake City, an issue was noted related to alert systems at fire stations. Providing the ability to automatically dispatch to fire stations, the future cost would need to be considered as the CAD system moves forward.

2.1.7. Blair Camp – Chamber of Commerce

To honor outstanding Murray students, a very successful education luncheon was held on April 20, 2017. The yearly event was greatly appreciated, where food was donated from Brio and all proceeds would go to fund scholarships.

The Murray Chamber Youth Scholarship golf tournament would be held on June 15, 2017.

The chamber has been active in supporting Murray businesses by attending a number of ribbon cuttings with the opening and reopening of several businesses. Stephanie Wright, president and CEO would be invited to present a budget report to the council in the future. Mr. Camp added excellent board members were making a great difference.

2.1.8. Brett Hales - Association of Municipal Councils

In February a discussion was centered on Midvale City's ordinance, *to prohibit the unsafe transfer of money, or other personal property in a roadway*. Mr. Hales said the meeting was most informative, where Mayor Seghini and Midvale City Manager, Kane Loader attended. Regarding, panhandling, Mr. Hales read the ordinance; *a person may not accept money or personal property from a person in a motor vehicle while that vehicle is within a roadway or entrance or exit to a roadway. A driver or passenger in a vehicle may not give money or personal property to a pedestrian while on a roadway or entrance or exit to a roadway*.

The penalty is a misdemeanor and the goal is to stop unsafe behavior. Enforcement officers will talk with persons first before ticketing. Midvale has experienced no legal challenges to their ordinance.

HB 161 with similar language prohibits transfer of money on a roadway with a speed limit of 35 miles per hour or greater and prohibits conduct that impedes or blocks traffic. The bill was signed by the Governor.

Mr. Hales thought Midvale handled the issue well with their stance against panhandling, which has stopped the practice and further problems have not been seen.

Mr. Nicponski believed a city could not create an ordinance stricter than state law.

Ms. Turner noted 4500 South near I-15 as a place where panhandlers step directly into traffic from the center island.

Mr. Hales expressed Midvale's stance was based entirely on safety concerns because panhandlers step onto busy roads and into high traffic.

Mr. Nakamura confirmed a city could create an ordinance stricter than the state, however, a city could not pass an ordinance against constitutional rights. Murray has always had the ability to enforce safety laws related to panhandlers who block traffic and present safety issues and will continue to do so. The city does not have an ordinance like Midvale's, because enforcing safety rules has been adequate, however, panhandling is not eliminated. Mr. Nakamura believed it was a delicate balance between the first amendment of the constitution and the city's right to enforce law. Chief Burnett could confirm safety was always first priority when addressing panhandlers.

Mr. Camp asked Mr. Nakamura if panhandling was legal inside the city's parks. Mr. Nakamura stated it was public property and the same concerns applied regarding health and safety.

In April 2017, a presentation by Troy Peterson, from UDOT, outlined the projects in Region 2 for the coming construction year. Mr. Hales said many projects were detailed, however, a major effort will add a southbound lane of traffic on I-15 from SR 201 to 12300 South.

Starting this month, a \$23 million upgrade will begin at I-15 and 10600 South. A grade separation will be done at the interchange, requiring a two week closing in September. Mr. Peterson described how a box will be inserted into the traffic lane to prevent stops at the interchange.

Bangerter Highway carries 58,000 vehicles per day with projections to double by 2040. Plans are to install grade separators at 5400 South, 7000 South, 9000 South and 11400 South. Other intersections are also a priority to continue the separations so that, eventually, traffic will no longer stop at signals on Bangerter.

2.1.9. Jim Brass – Central Valley Water Reclamation (CVWR)

Mr. Brass invited Mr. Zollinger and Mr. Astill to provide an update related to bonding for the plant rebuild.

Mr. Zollinger said CVWR would bond for \$30.5 million in July of 2017 as the first round of bonding for plant upgrades, which included slip lining and a cogeneration system. Murray City's contributing cost is 9% of the bond or approximately \$9 million. The estimated bond payment, which was calculated into this year's budget, is \$300,000. By paying off the old bond of \$220,000 the city would incur a net increase of \$80,000, which would be incorporated into water rates after a rate study is completed. A second bond would occur three years from now, providing a six year capital plan of capital improvements at the plant.

Mr. Brass confirmed impact could not be avoided and upgrade costs would ultimately be reflected in the city's rates, but not as much as other entities.

Mr. Astill said the study consultant would confirm, as the rate study continues, the city was in great shape, however, an increase could not be avoided. Efforts to mitigate the increase by utilizing some existing reserves, was a balance between looking forward to projects within the city itself and financial obligations to the treatment plant. Mr. Astill would provide another update in three to four weeks.

Mr. Zollinger said evaluating rates as the study continues would determine the increase.

Mr. Brass concluded the process would continue to evolve as the 35 year old plant required more and more repairs along with the rebuild. Therefore, the board approved a transfer of \$7 million from another project, which was rebuilding the pipeline for discharge to the Jordan River, in order to repair a digester, a component needed to run the plant. In addition, two new trickling filters may be needed. The \$7 million dollars, although large in size, would convert to the new project so no money would be wasted. He said many repairs come by surprise, which proves, the value of keeping reserves up.

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

The WFWRD board consists of thirteen board members, including Millcreek and other townships. The board concluded an increase was inevitable within the next year, therefore, a fee study is underway. Other measures would also be considered to address expenditures.

Green waste recycling is now available and glass recycling was surprisingly good.

A WFWRD driver, Ronda Kitchen, was recognized as the 2017 nationwide driver of the year. She is the first woman to receive the award.

A recent article in the Salt Lake Tribune revealed problems associated with recycling, which are common problems at WFWRD related to items thrown into recycling cans. Executive Director, Pam Roberts would be speaking during Eggs and Issues, on May 26, 2017 about recycling do's and don'ts acceptable material.

Plastic bags are detrimental to recycling machines because bags must be constantly removed from machines. Plastic bags are not recyclable, or favorable as they blow about and collect on border fences at the plant and the landfills. The added task created a half a million dollar shift in the budget, where recycling does not save money, it has increased the cost. Grocery stores accept returned plastic bags, however, the best way to be rid them is to use reusable grocery bags.

2.1.11. Tim Tingey – NeighborWorks

Neighborworks is active with the local Murray Advisory Committee. The National NeighborWorks organization was noted, which is funded partially by congress. President Trump's budget proposal completely cuts funding for the organization, however, Mr. Tingey said congress put Neighborworks back into the budget with more funding than the previous year.

Local funding is strong and achieved by leveraging funds from the county, CDBG, banking institutions and the National NeighborWorks Organization.

Thirty five Murray projects are complete, including acquisition projects. The next large project related to building new homes is underway on Tripp Lane, however, title issues created a slight delay.

Twelve homes are complete under home improvement projects and home ownership. A significant marketing effort is underway for Murray homeowners to receive financial and closing cost assistance. Owners of the last two homes sold received down payment assistance.

A significant part of Neighborworks is the Paint Your Heart Out event, where 11 projects have been completed.

After the reorganization of NeighborWorks Salt Lake, Jamie Scherer will start this month as Murray's new representative.

2.1.12 Jennifer Kennedy – Community Action Program (CAP)

The CAP organization changed its name to Utah Community Action (UCA), which provides basic programs and various assistance for all ages.

Adult Education – Offers a variety classes, such English as a Second Language (ESL), for attaining General Education Development (GED).

H.E.A.T. – Provides financial assistance for paying utilities through the cold season and offers crisis money during summer months.

Head Start – A federal program designed to help young, low income children transition into a school environment. Regular Head Start offers classes for children ages 3-5, and Early Head Start, a program related to children from birth to two years of age, offers classes for adults in diapering and basic parenting.

Case Management & Housing – Helps low income families find safe and long term housing and aide's people in making deposits, payments and paying rent until self-sufficient.

Nutrition – The Essential Kitchen program provides 4,500 meals per day and delivers to Head Start, afterschool programs, charter schools and child care facilities throughout the valley. The Sauté class is a ten week course where adults learn culinary skills, writing resumes and interview skills, which aides in finding employment in the culinary world.

Real Food Rising – For youth ages 14-17, helps students learn to grow food and harvesting skills.

Weatherization – Helps low income families reduce energy costs by inspecting homes to identify areas where energy sufficiency could be improved.

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

Mr. Haacke appreciated the opportunity to serve on both boards and believed serving provided a way for him and the city to be involved with the details of buying and selling power.

Mr. Haacke reported California would construct additional natural gas facilities inside the L.A. basin corridor, since realizing the need to back up renewables. The solar market has come back with too much residential solar in California, therefore, during certain times of the day, California began paying residents to get rid of power, due to the abundance of renewals. He explained coal fired plants need to keep up with standards as well, because there is too much solar and not enough customer load. California is facing an entirely different situation, because natural gas requires coal to fire up and a

workhorse plant to push voltage down into California. The Sierra Club is opposing natural gas in the L.A. basin, which could transfer over in opposition to the Delta plant. Mr. Haacke said it was impossible to have a 100% renewable plant, due to the constant fluctuation of solar energy.

IPA

The plant would down size from 1800 MW to 1200 MW, which is about 2/3 the size of the existing plant and would provide natural gas as a new plant.

Renewal contracts are signed, as well as, the Excess Power Sales Agreement, which is a provision for the city to call back power. With contracts and the agreement in place, the city is set for the next 50 years. The deadline for sending contracts and the agreement back to IPA is May 15, 2017, along with a letter from the city attorney. The process was been time consuming over several years and Mr. Haacke appreciated everyone who worked to make it happen.

Mr. Nakamura confirmed the opinion letter would convey his representation for all processes moving forward, to ensure procedures are followed accordingly, where there is nothing prohibiting the city from entering into the agreements. All IPA members would send opinion letters to finalize the closing.

After 2027, three cities, Anaheim, California, Meadow and Monroe, Utah, will drop from the new plant. Los Angeles, California is the only California city to be part of the call back agreement, which would not affect Murray City.

Mr. Camp asked about legislators visiting IPA. Mr. Haacke reported 100 legislators traveled by bus to tour the plant. Legislators walked the catwalk and viewed the boiler furnace. The visit was positive and Mr. Haacke believed emphasis was on economic impact to Central Utah, with over 400 full time employees from towns such as Milford, Helper, and Price. The plant provides a \$7 million impact every year. After downsizing between 2020 and 2025, the tax paying industry would have significant affect, not only Delta City but Cedar City as well.

Mr. Haacke mentioned another coal fired plant closure in 2022 located in the four corners areas of San Juan, Utah. Murray has ownership in the older, smaller facility with four units. Due to its association with coal fire, California is terminating ownership. Murray will lose the 1.6 MW resource, which is not significant, however, many UAMPS members believe it is a big loss. The plant is not willing to pay high costs to upgrade technology.

Mr. Camp asked if Murray had liability in the shutdown. Mr. Haacke explained Murray was released from liability since California IPA owners broke contracts early. California was willing to pay demolition costs due to the pressure to exit the coal fired industry.

The dairy cow trial has been postponed again and the hope is to have the issues resolved within the next year.

2.2 Finance Director Discussion – City Council to consider moving into a closed meeting pursuant to Section 52-4-205(1)(d) of the Utah Code for discussion of the character, professional competence, and job qualifications of an individual.

At 5:57 p.m. Mr. Nicponski moved to go into a closed meeting pursuant to Section 52-4-205(1)(d) of the Utah Code for discussion of the character, professional competence and job qualifications of an individual. Mr. Camp seconded the motion.

Dave Nicponski	Aye
Brett Hales	Aye
Blair Camp	Aye
Jim Brass	Aye
Diane Turner	Aye

Motion carried.

Meeting closed.

At 6:15 the Committee of the Whole meeting continued.

3. Announcements: Ms. Lopez made the following announcements:

- American Public Power Association (APPA) Conference in Orlando, Florida, Friday, June 16-21st, 2017.
- Governor Art's Award Luncheon to honor Mary Ann Kirk, Thursday, May 4th, 2017 at 12:30 p.m. at the Cultural Celebration Center, 1355 West 3100 South.
- Budget Binders will be provided on the dais in the Council Chambers.
- Intermountain Power Plant (IPP) tour, May 19, 2017

4. Adjournment: 6:20 p.m.

**Pattie Johnson
Council Office Administrator II**