

MURRAY
CITY COUNCIL

Council Meeting January 22, 2019



Murray City Municipal Council

Notice of Meeting

January 22, 2019

Murray City Center

5025 South State Street, Murray, Utah 84107

Meeting Agenda

5:45 p.m. **Committee of the Whole** - Conference Room #107
Dave Nicponski conducting

Approval of Minutes

Committee of the Whole – November 20, 2018

Discussion Items

1. Power Department Navajo Tribal Utility Project – Mayor Camp, Bruce Turner
(15 minutes)
2. Proposed Annexations by Millcreek City – G.L. Critchfield, Doug Hill (20 minutes)

Announcements

Adjournment

The Council Meeting may be viewed live on the internet at <http://murraycitylive.com/>

6:30 p.m. **Council Meeting** – Council Chambers
Jim Brass conducting.

Opening Ceremonies

Call to Order
Pledge of Allegiance

Approval of Minutes

Council Meeting – January 8, 2019

Citizen Comments

Comments will be limited to three minutes, step to the microphone, state your name and city of residence, and fill out the required form.

Consent Agenda

1. Consider confirmation of the Mayor's reappointment of **Haley Oliphant** to the Arts Advisory Board for a two-year term to expire January 15, 2021.
2. Consider confirmation of the Mayor's appointment of **Andy Hulka** to the Murray City Center District Design Review Committee for a three-year term to expire January 5, 2022.

3. Consider confirmation of the Mayor's reappointment of **Christine Clark** to the Murray Senior Recreation Center Advisory Board for a three-year term to expire February 1, 2022.
4. Consider confirmation of the Mayor's reappointment of **Ed Houston** to the Murray Senior Recreation Center Advisory Board for a three-year term to expire February 1, 2022.

Public Hearings

Staff and sponsor presentations, and public comment prior to Council action on the following matters.

1. Consider an ordinance relating to land use; amends the General Plan from Professional Office to Residential Medium Density Multi-Family and amends the Zoning Map from M-U to R-M-15 for the properties located at approximately 380 West 4850 South, Murray City, Utah. – Jim McNulty; Hamlet Development applicant.
2. Consider an ordinance relating to land use; amends the Zoning Map for the property located at 5901 and 5911 South 1300 East, Murray City, Utah from the R-1-10 (single-Family Low Density Residential) zoning district to the A-1 (Agricultural) zoning district. – Jim McNulty; Utah Water Gardens applicant.

Mayor's Report and Questions

Adjournment

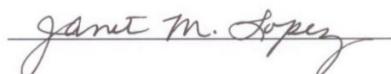
NOTICE

Supporting materials are available for inspection in the City Council Office, Suite 112, at the City Center, 5025 South State Street, Murray, Utah, and on the Murray City internet website.

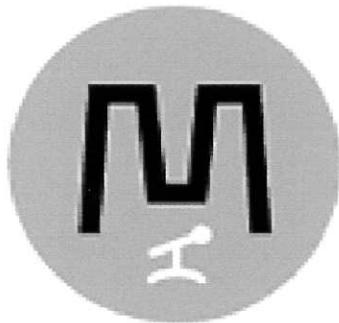
SPECIAL ACCOMMODATIONS FOR THE HEARING OR VISUALLY IMPAIRED WILL BE MADE UPON A REQUEST TO THE OFFICE OF THE MURRAY CITY RECORDER (801-264-2663). WE WOULD APPRECIATE NOTIFICATION TWO WORKING DAYS PRIOR TO THE MEETING. TDD NUMBER IS 801-270-2425 or call Relay Utah at #711.

Council Members may participate in the meeting via telephonic communication. If a Council Member does participate via telephonic communication, the Council Member will be on speaker phone. The speaker phone will be amplified so that the other Council Members and all other persons present in the Council Chambers will be able to hear all discussions.

On Friday, January 18, 2019, at 9:30 a.m., a copy of the foregoing notice was posted in conspicuous view in the front foyer of the Murray City Center, Murray, Utah. Copies of this notice were provided for the news media in the Office of the City Recorder. A copy of this notice was posted on Murray City's internet website www.murray.utah.gov and the state noticing website at <http://pmn.utah.gov>.



Janet M. Lopez
Council Executive Director
Murray City Municipal Council



MURRAY
CITY COUNCIL

Committee of the Whole



MURRAY
CITY COUNCIL

DRAFT

MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, November 20, 2018 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
Jim Brass	District #3
Brett Hales	District #5

Council Members Excused:

Dale Cox	District #2
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Others in Attendance:

Blair Camp	Mayor	Jan Lopez	Council Director
Shaun Delliskave	Murray Journal	Pattie Johnson	Council Office
Brad Christopherson	Valley Behavioral Health	Brian Berron	Resident
Jennifer Brass	Resident	Kathleen Stanford	Resident
Richard Bay	Jordan Valley Water	Reid Lewis	Attorney, Jordan Valley Water
Russell Packer	Resident	Kimberley Larson	Resident
Kay Benson	Resident	Rob Benson	Resident
Katherine Christensen	Resident	Jessica Christensen	Resident
Kat Martinez	Resident	Shanty Martinez	Resident
Kayla Henson	Resident		

Ms. Turner called the Committee of the Whole meeting to order at 4:45 p.m.

Approval of Minutes - None

Discussion Items

Jordan Valley Water Conservancy District (JVWCD) Taxing Presentation – Mayor Camp; Richard Bay, GM/CEO; Reid Lewis, Attorney

Mayor Camp was contacted by the JWWCD (JV) about an issue regarding their Murray customers located on the east side of the city.

Mr. Bay explained the JWWCD is a public agency authorized by the legislature, whose main purpose is to be a regional provider of water to municipalities within their boundaries and develop new water resources as the population increases. The agency is governed by a board of nine trustees, who hold four-year terms, nominated by member cities and appointed by the state governor. Ten cities and five improvement districts make up JWWCD membership, which means each entity has a permanent perpetual water purchase agreement with JWWCD. Murray City does not have a permanent water contract with JWWCD, however, a long relationship exists between Murray and JWWCD because they have been providing water to many Murray residents for a decade.

As a regional water provider, the agency considers itself a wholesale provider in the water industry, with wholesale delivery water contracts with each member, where each entity distributes water to each end user, like Murray City distributes water to its residents. Incidentally, most member cities have water sources of their own, like Murray and the JWWCD supplies supplemental water to them.

The council was briefed on an annexation issue because JV plans to implement a .0004% property tax to their retail customers that are currently not being taxed. Mr. Bay said annexation was significant because some properties affected are within the corporate boundaries, however, some are outside JV boundaries, therefore, the annexation would be necessary.

A descriptive map of the Salt Lake Valley was shared to explain where water conveyance aqueducts are found, where water comes from, and how it is provided to member cities. Another map depicted water resources, water storage areas, and how water is conveyed into the Salt Lake Valley to supplement their own sources.

The JWWCD has 40 wells that constitute 20% of their supply, the remaining 80% is imported, by conveyance from the base of the Deer Creek dam, where aqueducts form a series of pipelines and tunnels, built through Traverse Mountain, merge in Draper and then continue along the east bench of the Salt Lake valley.

Valley-wide treatment plants, aqueducts and transmission pipelines were detailed describing how the water supply can be moved into almost any place in the Salt Lake Valley.

A larger map represented Murray districts south of Van Winkle Expressway, between 900 East and 1500 East, with 50th South to the north and Interstate 215 to the south, where the following was noted:

- Shaded parcels - Retail water delivery areas, where JV provides service to Murray city residents. Most houses in the areas were built 50 years ago and at that time Murray's eastern boundary did not extend that far east. JV supplied the water retail service and still does. Distribution pipelines were pointed out throughout various streets where water is provided to end-users.
- Blue shaded parcels - Illustrated as properties that have received water for decades from JV.
- Violet shaded parcels - 508 parcels were discovered as properties not yet within the corporate boundaries of JV but noted as properties currently receiving retail water service.

The proposal is to go ahead with an annexation action for each of the 508 parcels. Parcels are in both District 4 and District 5. A list of names was supplied to share the details of the 508 parcels.

To estimate property tax amounts in the area, a search was conducted in the Salt Lake County Assessors records, where the average home value was found to be \$394,000. With the 45% residential tax exemption the estimated annual property tax increase would be between \$80 and \$86. The process of pursuing the annexation of 508 parcels all at once is defined in Utah Code, which requires the following three-step process:

1. Board of Trustees would consider the issues and adopt a resolution with intent to annex.
2. Provide formal written notice to the city, in case the city desires to provide service instead of JV.
3. JV would conduct a public hearing. Residents would have the opportunity to speak at the both the Board of Trustees meeting and the public hearing.

During this period, Murray could express a desire to become the water service provider by taking over water provision to the area, instead of having JV proceed with the annexation.

Ms. Turner affirmed two options: JV would annex parcels into their jurisdiction, or, Murray could take over water service to the area. And, if parcels were annexed into JV boundaries, property tax rates would increase by \$80 annually.

Mr. Bay confirmed the property increase amount and noted water rates in that area would not change, which are rather low like Murray's rates.

Mr. Nicponski wondered what the ramifications would be for Murray to take over water services to the area. Mr. Bay explained disconnecting all 508 parcels from JV pipelines and connecting to Murray's system would not be an easy task because Murray would need to extend pipeline into each area, construct major waterlines and cap off JV pipelines.

There was a consensus that the sizeable project would be prohibited and very costly.

Mr. Bay explained another option was for the city to assume the entire area as one large block and make pipeline connections to JV's water system at certain cross points. He said other cities had done this, in order to take over water services previously provided by JV.

Mr. Hales noted the city recently implemented a property tax increase. He wondered if there was a specific deadline for resolving the matter.

Ms. Turner said Murray citizens need to weigh in on the matter.

Mr. Bay replied there was no urgency except that the issue was an ongoing inequitable situation and the agency needed to proceed with correcting it. The board would be meeting in January 2019 with first steps toward the annexation, finishing the final step by February 2019.

Mr. Nicponski thought the city would face great financial obligations should it be required to construct and connect to the JV system to take over the service.

Mr. Hill said preliminary discussions occurred with JVWCD, as to what would be required should the city take over water services to the area. He said, due to the need for engineering studies, and water rights issues many unanswered questions remain. However, if the council wanted to pursue the option, more information could be attained, additional research would be conducted, and the administration would come back to the council with a full report. What was certain was the city would be required to own the infrastructure by taking over service from JVWCD.

Mr. Hales and Mr. Brass wondered if the city would have to purchase the existing JV system.

Mr. Hill said negotiations were possible, however, some areas would not need to be purchased, and others could be dedicated to the city. He explained the JVWCD was not intended to become a water retail business and indicated JV's interest was to exit the market as a retail provider by allowing Murray City to take their Murray business over. As indicated, the takeover comes with a cost, as well as, inheriting infrastructure and requiring additional maintenance care.

Mr. Hales asked if the administration favored the idea of purchasing the system from JV. Mr. Hill said there was no time for the administration to form an opinion, because of many unknown factors and much to consider, so at this time they only wanted the council to be aware of the option.

Mr. Brass affirmed the city had nothing to lose by taking over the water system, other than paying for it, and the city does not collect taxes for its own water system. However, he noted 508 residents depicted in the violet area on the map, would go from simply paying for water, to paying additional property taxes, which would be the impact, while everyone else in the area was already paying property taxes. He thought distribution lines would need to be reevaluated to make connections across Interstate 215 and asked if the city wanted to provide its own water, or could the city simply retail JV's water, which was less costly.

Mr. Hill said both were options to consider and most of the 10-member cities that make up the JVWCD membership, attain water from JV, who then turn around and retail the water to citizens. Therefore, the city would become a wholesale water supply buyer of JV and retail water to Murray citizens, controlling water rates. However, the city would incur costs for buying JV water.

Mr. Brass agreed citizens had the right to voice their thoughts, since the council would be responsible for approving their rate increases. He thought buying the system to provide retail water might be the better idea in the long run, since the only cost to the city would be for purchasing the JV system.

Ms. Lopez wondered if the city sold JV water to Murray residents, would it be necessary to purchase the JVWCD system. Mr. Bay said those negotiations would take more time.

Ms. Turner suggested Mr. Bay return with more information regarding overall costs to the city, service options, system purchase price, and the tax increase implications. All council members agreed, and Mr. Hill would schedule a time to return to the council.

Proposed Rezone Pontiac Drive and Arrowhead Drive – Jim McNulty

The Utah Education Association (UES) has requested a General Plan and Zoning Map Amendment from Residential Multi-Family, R-M-10 to General Office, (G-O) for six properties addressed 875 East Pontiac Drive, and 852, 864, 872, 874 and 878 East Arrowhead Drive. The combined acreage of the six properties is 6.65 acres. The applicants own the two office buildings that were constructed in 1964. Since that time, multiple zones have been applied to the property, with the current zoning being R-M-10 since 1987. The subject properties became legal, but non-conforming at that time. The property owners have made these applications to bring the current use of the property into conformance with zoning to facilitate future updates and remodeling. Although not addressed in the recent General Plan update, the proposal is consistent with office projects directly east across 900 East.

Mr. McNulty led a discussion about the property, shared photos, maps and proposed language for amending the map. Few residents in the area attended the planning commission's public hearing meeting, held on October 18, 2018 where concerns and questions were minimal. Two motions were made, the first to amend the General Plan Land Use Map, and the second for amending the zoning map. Final consideration would be made by the council during a council meeting on December 4, 2018.

Waive Unbilled Water Usage Charges – Mayor Camp, Danyce Steck, Danny Astill, G.L. Critchfield (See Attachment #1)

A water billing error occurred and a request to forgive the balanced owed by water users was discussed as an option for addressing the undercharge. Ms. Steck first noted the following:

- The Water Fund receives absolutely no tax revenue, is a standalone company, like Rocky Mountain Power and Questar Gas, which solely relies on water fees.
- No General Fund revenue has been or will be used to support a city utility.
- As of June 30, 2018, the Water Fund has reserves in the amount \$2.8 million or 54% of its annual revenue and reserves are used to maintain and improve the water system only.
- The water Master Plan currently has \$27 million in improvement projects scheduled over the next 10 years, and projects will be funded by water rates over the ten-year period.

The mistake happened when the tiered rate structure was misinterpreted by the utility billing department. A bar chart was used to compare incorrect and correct totals for both one-inch meters used for single family residential, and eight-inch meters used for larger institutions. All mistakes occurred during the billing cycles between April and October.

Additional errors

- The utility billing programmed rates for 1.5-inch meters at 10% of actual rates. (decimal) For example, water bills for places such as apartment complexes, and HOA's that have this size meter, were billed \$0.095 (per 1,000 gallons of water) instead of \$0.95 per 1,000 gallons. Therefore, such bills were generated for only 10% of what actual water use was.
- Having a very old computer program added to the cause, because the utility billing system continued to use legacy seasonal rates, which overrode rates, creating additional errors.
- Inconsistency in consumption - water use totals for larger meters like the six- and eight-inch meters, were not consistent with prior years. As a result, reports reflected more significant water use - than what was used.

Ms. Steck was uncertain as to whether water billing prior to April was calculated correctly.

Mr. Brass asked if the problem was corrected. Ms. Steck confirmed she would run every single bill through a model she built – every week - to confirm the system was operating the way it was intended.

Impact

- The minimum financial impact to the water fund was \$814,000 of unbilled water revenue.
- Due to the inconsistency of the consumption data, it was not possible to calculate the exact amount of revenue lost.
- Ms. Steck reviewed every single account and noted every water meter within the city received a financial discount of some sort from the billing error.
- The Water Fund is stable and has enough reserves in place to allow the capital projects plan to continue although certain projects would be delayed for about a year. In addition, due to a low interest rate loan from the state, other major capital projects would be funded to start a very large capital project program for the Water Fund. These projects would keep the water department busy for quite a while.

Solutions

- The utility billing system has been reprogrammed with the correct volumes and rates.
- All utility bills are being tested independently and would be compared with the system-generated billing for accuracy. The utility manager would send all bills to the IT Department, which would give Ms. Steck the raw data file, where she would confirm correct information.
- Policies and procedures are being developed to support the practices of utility billing. They will include an internal control structure.

Recommendations

- It was recommended that the council authorize the forgiveness of any amounts that were not billed by the Water Fund, due to these administrative and technical errors during the period of April 2018 through October 2018.

Mr. Brass inquired about software.

The most recent update was that Munis software could not be upgraded until February of 2019, due to three weeks of required testing. Therefore, the upgrade would begin in March of 2019 and the utility billing conversion would take 18 more months. As a result, Ms. Steck said it could be two years before the city could go live with the system.

Mr. White thought the city could go live in just one year, once the conversion of utility billing was complete. He agreed the city was unique in its billing process because the city provides its own power, water, and sewer, where fees are all combined to just one bill.

Mayor Camp recommended the resolution to forgive the error and noted council members would take action at the next council meeting, where Ms. Steck would provide a review of her presentation again for their consideration.

Reports from Representatives to Interlocal Boards and Commissions:

Utah Community Action Program (UCAC) – Jennifer Kennedy

- Stuff a Tummy Thanksgiving Event - Food collection.
- Operation Chimney Drop – Toy and Clothing collections.
- Jennifer Godfrey, CEO – will work with staff on training. Staff will be able to determine and recognize whether clients have experienced some sort of trauma upon arrival and will be better skilled to assist people with immediate needed services.
- The HEAT program provides financial assistance beginning October 1, 2018 and runs through April 30, 2018 or until funds are exhausted.
- HEAD START held their annual Balloon Gala fund raiser in August. The program will receive 100% of the total funds raised this year, which was \$245,936.
- A new facility will be constructed in Kearns, Utah at 4000 West and 5300 South, with hopes to open in the Fall of 2019. The building will house four Head Start classrooms, two Early-Head Start classrooms, a community multipurpose room and HEAT case management offices.

Utah Association of Municipal Power Systems (UAMPS) and Intermountain Power Project (IPA) – Blaine Haacke

Wireless Attachments

A UAMPS task force was formed to investigate and look at wireless connections from firms, such as, Mobility, Comcast and others. Their goal is to approach anyone who has a pole for attaching electronics to increase speeds of the upcoming 5-G Network.

UAMPS has 40-member cities that would be affected, and the hope is to formulate one set of policies, procedures and regulations to help cities decide best options. Murray City already passed wireless policies and ordinances and the city currently has control of where firms may attach. Mr. Haacke, Mr. Farnsworth and city attorney, Mr. Critchfield attended meetings at the national level, as well as, council member Ms. Turner to gain ongoing knowledge and information.

Colorado River Storage Project (CRSP)

The federal hydro is the least expensive resource for the city, and Mr. Haacke said the Western Area Power Administration (WAPA) recently investigated the possibility of lowering rates in one year.

Lake Powell is 44% full, water levels are 113 feet below the top of the dam, and elevation is 92 feet above the water intake system. Mr. Haacke said once water levels reach the intake, the lake would be considered dried up and not able to push water through turbines. However, it is not anticipated that water levels would drop any lower and it is unknown how long the drought would continue.

Mr. Brass noted back stopping Lake Mead with water from Lake Powell occurred, to keep Lake Mead healthy, because Lake Mead water levels were close to low intake levels. Therefore, water levels at Lake Powell would change.

Mr. Haacke confirmed the process was called equalization-flow, which benefited both lakes, and because Lake Mead held a higher political standard than Lake Powell with its water supply to Los Angles, California, it was something to keep an eye on. He said in 2017, Lake Powell's flow was 110% and flow projections were 70% for 2019. He said that prediction was uncertain because there was no snow yet, but the positive note was attaining lower rates.

An environmental high-flow occurred between November 5th and November 9th, which means water was flushed rapidly through the dam to rebuild sandbars, beaches, and spawning areas for hump back chub and other fish below the dam. The three-day process, also known as, a fish-flow, was successful; however, the controllable procedure resulted in a loss of \$900,000 worth of energy generation. This is concerning because the water could be saved to produce energy over summer months. He said every time a high-flow environmental procedure is conducted, generators lose money, but it does not affect the city or the city's water rates.

IPA

The approval process to repower the plant to natural gas was delayed, due to megawatt changes, however, final approval was made three weeks ago by the California Energy Council.

Mr. Haacke provided the following information about the plant conversion project:

- Project begins in 2022 -finished in 2025.
- The current coal fired plant would operate until the demolition process begins.
- Cost for demolishing the coal fired plant - \$250,000,000.
- New plant designs are underway.
- Future costs would be \$62 per megawatt, which was acceptable, although slightly higher than the existing plant.
- A new transmission line would be constructed from Delta, Utah, to California at the same time as the plant rebuild.
- The cost for the new transmission line is \$1.2 billion, which is more than the cost to rebuild the plant itself.
- There is not cost to Utahns to get renewable energy transmission to California.
- The only cost to Murray would be seven or eight years from now, if energy was called back.

Mr. Brass noted the rebuild would result in a decrease from a 75-megawatt shared resource to 33.5% in ownership. He affirmed the decrease would not leave the city short.

Mr. Haacke confirmed, Murray was still the highest Utah percentage of entitlement, even though there would be a decrease in generation, but he considered the resource the city's ace in the hole, because it would always be there.

Trans-Jordan (TJ) Cities – Russ Kakala

There is a significant problem with disposing of mattresses at landfills. In July of 2018, the TJ board passed a new fee of \$15 per mattress. Salt Lake County landfill also implemented the fee in hopes of diverting mattresses away from landfills.

As a result, operational problems occurred, for example, upset customers throw mattresses along the side of the road and large delivery trucks dump them into parking lot dumpsters to avoid the cost of disposal.

The idea to divert mattresses away from landfills was good, due to the amount of lost airspace, however, 60% of unwanted mattresses are still coming to the landfill.

Mr. Kakala said at the last board meeting, a decision was made to revert the fee back to the original cost of \$10 for three mattresses, and \$15 for four. The board would meet again to reevaluate the situation and find a way to stop issues from happening at the scale house and injuries in the pit. He noted one recycling company called Springback that specializes in recycling mattresses, where patrons can drop off unwanted mattresses.

A transfer station study is underway, to determine where they should be located and whether one or two stations are needed. Preliminary reports are available, but Mr. Kakala would return to the council in two months with solid information regarding the results and the future of garbage disposal.

The council was invited to a legislative breakfast at the Trans Jordan offices on Friday, December 14.

Murray City Library – Kim Fong

The library received two forms of great recognition:

1. **Quality Library Certification** - Presented by the State of Utah in October, Murray Library was one of five libraries state-wide that received recognition. To receive the quality certification a library must go above and beyond the average standard certification. Ms. Fong noted the following reasons why the Murray library was recognized:
 - Library reaches beyond its physical space to provide collections or services to the community. The library mails books to homebound users and created the Boys and Girls Club and Storytime at Spartan Station at Murray High.
 - Library meets or exceeds the 70th percentile per capita in the following areas: Library visits, programing attendance, Wi-Fi users, turnover rate and collections.
 - On-line experience on the library's website includes: Social media links, access to digital materials and dynamic content from the front page, and responsive web design.
 - Library is proactive in obtaining materials for users based upon their request for items not currently in the library's collections.
 - Library takes part in literacy experiences by offering the following: Training for parents, story time programs and "One Thousand Books Before Kindergarten" which challenges reading and rewards children with a free book.
 - The library is engaged in a collaboration with the Salt Lake City and county libraries in a program called United We Read.
 - The library shows an innovative approach to providing library services with a mobile pickup service, which is an opportunity for those who cannot leave the car, to have materials ordered on-line delivered to them in their cars.

2. **Library Journal Star Library** – Library information is put into a data base, which is compared with libraries all over the country. This year, the Murray Library was recognized as a Four-Star Library. Statistics submitted for comparison include: Circulation, number of visits, E-circulation, computer use, and program attendance

Ms. Fong attributed the successful program attendance, for high ranking in national standing. Recognition was nice, but most important was the library's fulfillment of its own mission, which is *Opening New Worlds*, and being a friendly hometown library.

Council of Governments (GOG) and Council of Mayors (COM) – Mayor Camp

- **COG** - Salt Lake County COG appointed three members to the new UTA nine-member advisory board. The appointees are Mayor Hale, from Midvale City; Mayor Walker, from Draper City; and Mayor Watts from Herriman. In addition, COG voted to accept township mayors as part of its membership.

Ms. Turner asked the number of townships in Salt Lake City. Mayor Camp answered five.

A legislative lunch would be held on November 29, 2018, which would be combined with the Association of Municipal Councils.

- **COM** - On September 27, 2018 the city hosted COM, which was held at the Murray Mansion. Preliminary discussions included concerns about accessory dwelling units (ADU's), transportation funding, the upcoming census, and issues regarding justice court costs outpacing revenues.

Utah Telecommunications Open Infrastructure Agency (UTOPIA) – Mayor Camp

Mayor Camp provided a handout depicting recurring revenues of UTOPIA and UIA. A graph reflected UTOPIA revenues were flat, although growing slightly, and UIA, which was in the red, showed significant increases in revenues. Therefore, he said the combined revenue picture was very good and shared the following:

- UTOPIA is the operations arm of UIA, by providing staff and the facility. At just 25% into the year, only 23% of the budget was spent, which meant they were under budget.
- Inside legal counsel was hired on staff at UTOPIA. Attorney, Josh Chandler would replace contracted attorney, David Shaw who recently retired. Mr. Chandler comes from the Sandy City attorney's office.

Ms. Turner wondered if the new attorney was hired for UIA alone and why an on-staff attorney was needed. She asked if the choice was vetted by the board and was the decision unanimous.

Ms. Steck stated the new attorney would serve both UIA and UTOPIA.

Mayor Camp said it was a favorable decision approved by the board.

Ms. Turner wanted to trust the agency more. Mayor Camp hoped she would.

Mr. Hales wondered what the new attorney's salary would be and noted legal fees of \$40,000 in 2017,

and \$80,000 in 2018 were reported. He thought an attorney's salary would be much more annually.

Mayor Camp said the new attorney would be paid less by the hour comparatively.

Utah Infrastructure Agency (UIA) - Danyce Steck

Murray Statistics

- Residential Customers – 2,119
- Potential customers – 8,002
- Take rate – 26.48%
- UIA annual sales total – 4,250 (which is 1,000 more sales than in 2017)
- Approximate number of active customers on the network - 21,500

Financials

- UIA reported 15% revenue growth from last year - to this year. (\$1.58 million more than the prior year)
- Operating profit – \$8.8 million (an increase of about 8.2%)
- 2018 Income after depreciation - \$137,0000 (a non-cash issue)

Staffing

- Changes – CFO, Kirt Sudweeks, would retire and be replaced by Laurie Harvey, who served on the board for many years, and was employed by Midvale City for 25 years as assistant city manager and finance administrative services director.
- UTOPIA – hired inside legal counsel.

Network growth opportunities for UIA

- UIA continues to receive requests for service from cities outside the network.
- UIA requires non-network cities to be responsible for all capital investment and infrastructure to connect to the network, which would become their service provider. Profit sharing is not an option for these communities.
- Woodland Hills is the latest addition to the network with 1,548 residents. The profit margin on smaller additional communities is higher than any other UIA members, which in turn, reduces the amount of investment needed to complete the build in our cities.
- If UIA was able to contract with five cities the size of Murray, using the same model, the profit alone would pay for all UTOPIA debt.
- Layton and UIA have entered into an agreement where Layton does not have to pay the \$1.2 million annual debt service. Layton only pays for infrastructure required within their own city. Layton would bond for the project, therefore, owning it. Layton would be completely built out within 12 months.
- Riverton is currently seeking an RFP for the same type of service, and Kaysville is considering it.
- Idaho Falls approached UIA for services, which could be costly to provide services so far north, however, it is possible.
- August was a record growth month with over 500 new customers.
- UTOPIA now offers Utah's first 10 gigabytes residential service.
- UIA received their first 100 gigabyte commercial account, which was Utah Education Network (UEN).
- UTOPIA opened a new area in Murray providing possible service to 150 new homes and plans to open service to an additional 300 homes in the next month.

- UIA is open to recruiting any development they are aware of, as long as it started at green space.
- Build out is estimated to be three or four years in Murray.

Mr. Brass noted UTOPIA debt totaled \$350 million.

Ms. Steck stated every year's profit would alleviate the annual debt service that member cities are paying on. She explained every time UTOPIA brings in outside entities that are already on our mainstay, and infrastructure is required, profit margins are large.

Jordan River Commission (JRC) – Kim Sorensen

Millcreek joined the JRC shortly after Murray City joined several months ago, therefore, every jurisdiction along the Jordan River from Utah Lake, to the Great Salt Lake are now JRC members. Mr. Sorensen noted Millcreek owns no part of a trail, but they do own a very small section of land along the river. The following update was given regarding the JRC:

- Legislature appropriated \$1 million to the JRC, of which \$500,000 would be utilized in an area called the "zone" located between 2100 South and 4500 South. The remaining \$500,000 would be applied to the entire river corridor.
- From those funds Murray received \$25,000 for extra policing, which was more than the cost to join the JRC.
- An additional \$150,000 was appropriated for invasive weed control, and the city plans to use that money in the "zone" where Murray owns property north of 4500 South on the east side of the river, near the Marriott.
- Other funding includes a push to put money into the area between 3300 South and 3900 South, which is not highly favored or used heavily by visitors, due to run down conditions, and high homeless activity.
- Tracy Aviary received funding to install a temporary education center at 3300 South, as well as, Salt Lake County to asphalt the trail and control over grown weeds.
- There was a request for a green bike rental station to be placed somewhere near 3300 or 3500 South, with the hope for an additional station installed at Gardner Village.

Ms. Turner hoped there would be no scooters allowed on trails.

Mr. Sorensen confirmed no scooters at this time, however, discussion is underway since they will eventually be allowed. The plan is to discuss the impact later; the JRC does not have regulatory authority, but the hope is to get all cities on the same page when the time comes scooters can be somewhat controlled.

Mr. Brass asked if mud and motor vehicles were banned. Mr. Sorensen said currently, Murray does not allow motorized vehicles on the trail and so far, the rule was effective.

Mayor Camp thought the definition of motorized vehicles should be clarified because of electric bikes.

Mr. Hales noted some small scooters are also electric.

Mrs. Turner agreed.

Mr. Sorensen said the JRC would address, consider and discuss those issues further.

Events

- Get into the River Celebration - Held September and October to promote positive activities along the river. Sponsored by the JRC, the event was meant to attract people to visit the area for recreation and provide projects that enhance riverbanks. Activities included bike rides, canoeing, 5k races and river clean-ups.
- Murray arranged two clean-ups as part of the celebration. One between Big Cottonwood Creek and the police firing range; and the other, organized by the power department to remove dead trees and cleanup garbage at transient camps.
- Clean-up projects occurred at Fireclay Park near Little Cottonwood Creek.

All three projects provided a total of 128 volunteer hours.

Mr. Sorensen said Mayor Camp and council members were invited by the JRC to arrange a time to float the river with canoes provided by the JRC.

Future Projects

- Tree Utah has generated money to purchase cottonwood trees and willow trees. Murray will benefit with a total of 80 cottonwood trees and 60 willow trees to be planted at Winchester Park, Walden Park and near the Nature Center.
- The JRC is working with legislatures for future funding.
- There is a push from Millcreek to install a trail on the east side of the river from 4500 South north into Millcreek. Murray's jurisdiction goes to 4100 South, but the project is favored, and more information would be coming.

Announcements: Ms. Lopez made several announcements related to coming events for the council members.

Adjournment: 6:24 p.m.

**Pattie Johnson
Council Office Administrator II**

ATTACHMENT #1

City Council Meeting

November 20, 2018

Water Billing Correction



The water fund receives NO tax revenue and is a stand-alone 'company' that relies solely on water fees.

No general fund revenue has been or will be used to support a utility.

The water fund currently has reserves in the amount of \$2.8 million, or 54% of annual revenue.

Reserves are used to maintain and improve the water system.

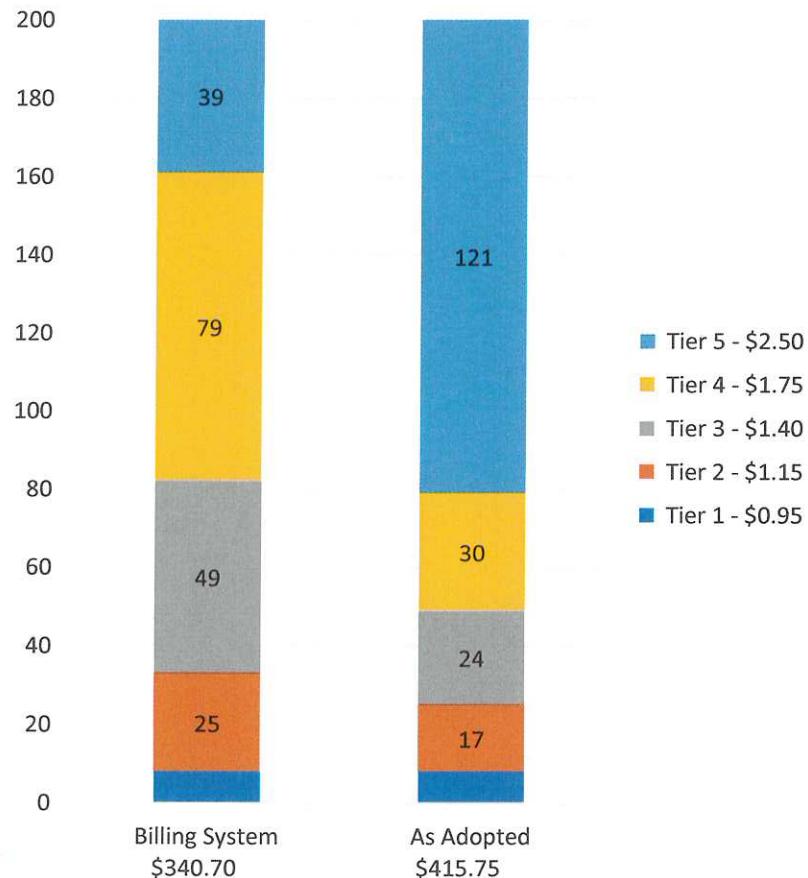
The water master plan currently has \$27 million in improvement projects scheduled over the next 10 years.

These projects are funded by the water rates.

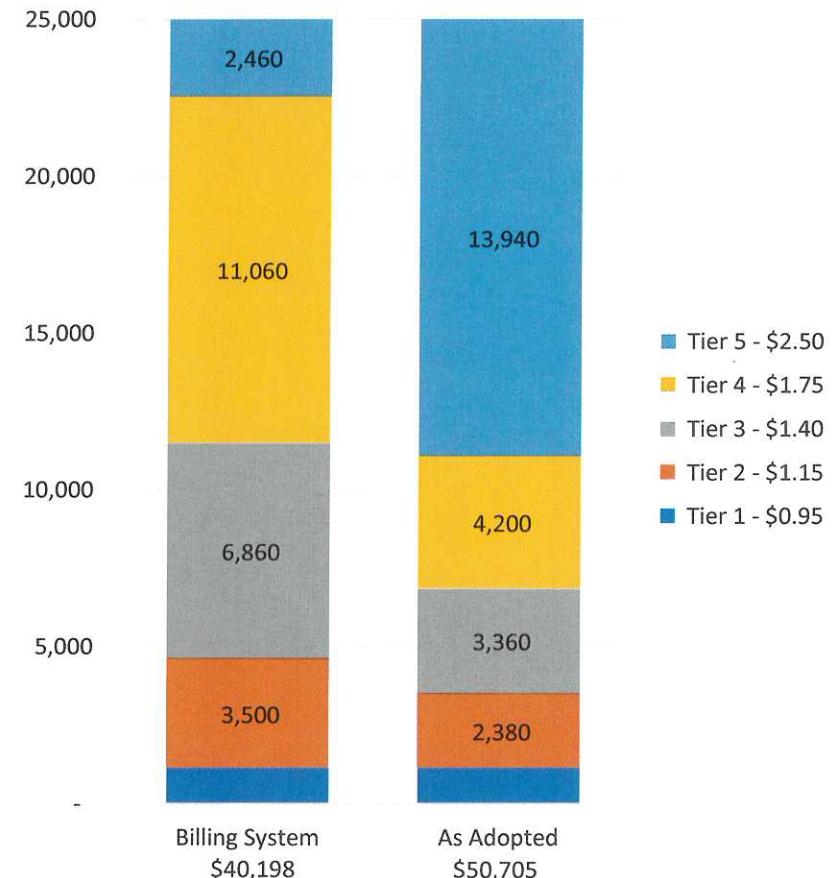
What happened?

Tiered rate structure was misunderstood by the utility
billing department

1" Meters (Single Family Residential)



8" Meters (Institutional)



Utility billing programmed the rates for 1.5" meters at 10% of actual rate (decimal)

	<u>Adopted</u>	<u>Billed</u>
Tier 1	\$0.95	\$0.095
Tier 2	\$1.15	\$0.115
Tier 3	\$1.40	\$0.140
Tier 4	\$1.75	\$0.175
Tier 5	\$2.50	\$0.250

Utility billing system continued to use legacy seasonal rates which overrode the rates

Summer rate from May 2017
Winter rate from November 2017
Incorrect tiered rates from April 2018

Institutional consumption data appears inconsistent with prior years during the same months

What is the impact?

The minimum financial impact to the water fund is \$814,000.

Due to the inconsistency of the consumption data, it is not possible to calculate the exact amount of revenue loss.

All water users received some financial benefit from these billing issues.

The water fund is stable and has enough reserves in place to allow us to continue with our capital projects plan for the next several years.

This revenue loss may delay certain capital projects but will not eliminate them.

What are the solutions?

The utility billing system has been reprogrammed with the correct volumes and rates.

ALL utility bills are being tested independently and compared with the system-generated billing for accuracy.

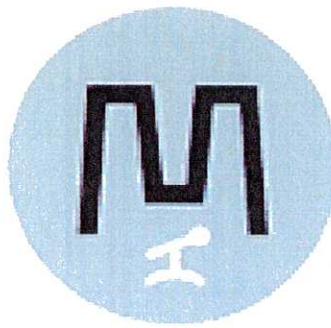
Policies and procedures are being developed to support the practices of utility billing. They will include an internal control structure.

What is the
recommendation?

Recommend the Council authorize the forgiveness of any amounts that were not billed by the water fund due to these administrative and technical errors during the period of April through October.

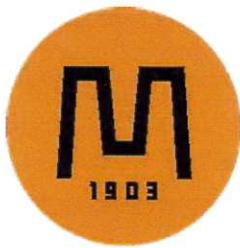
Questions and
comments





MURRAY
CITY COUNCIL

Discussion Item #1



Power Department

Navajo Tribal Utility Project

MURRAY

Council Action Request

Committee of the Whole

Meeting Date: January 22, 2019

Department Director Blaine Haacke	Purpose of Proposal Send four power department employees to the four-corners region to help set up power for the Navajo Nation												
Phone # 801-264-2715	Action Requested Inform the council for recommendation / approval												
Presenters Bruce Turner	Attachments Map of the different districts and tentative project list												
Required Time for Presentation 15 Minutes	Budget Impact See approximate costs below												
Is This Time Sensitive No	Description of this Item We would like to send 1 Lineman Supervisor, 2 Journey Lineworkers and 1 Apprentice Lineman to help bring power to the Navajo Nation in and around the the four-corners region. They would leave on May 11 and work for 7 days. They would take a Murray City Power line truck and bucket truck. Hotel will be paid by APPA. The following is an estimated cost to us: <table><tbody><tr><td>Four man crew 40 Hours</td><td>\$11,200.00</td></tr><tr><td>Four man crew 20 hours overtime</td><td>\$ 8,400.00</td></tr><tr><td>Line Truck 60 hours:</td><td>\$ 2,760.00</td></tr><tr><td>Bucket Truck 60 Hours:</td><td>\$ 2,280.00</td></tr><tr><td>Four man crew per diem:</td><td><u>\$ 1,430.00</u></td></tr><tr><td></td><td>Total: \$26,070.00</td></tr></tbody></table>	Four man crew 40 Hours	\$11,200.00	Four man crew 20 hours overtime	\$ 8,400.00	Line Truck 60 hours:	\$ 2,760.00	Bucket Truck 60 Hours:	\$ 2,280.00	Four man crew per diem:	<u>\$ 1,430.00</u>		Total: \$26,070.00
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Bucket Truck 60 Hours:	\$ 2,280.00												
Four man crew per diem:	<u>\$ 1,430.00</u>												
	Total: \$26,070.00												
Mayor's Approval 													
Date December 13, 2018													

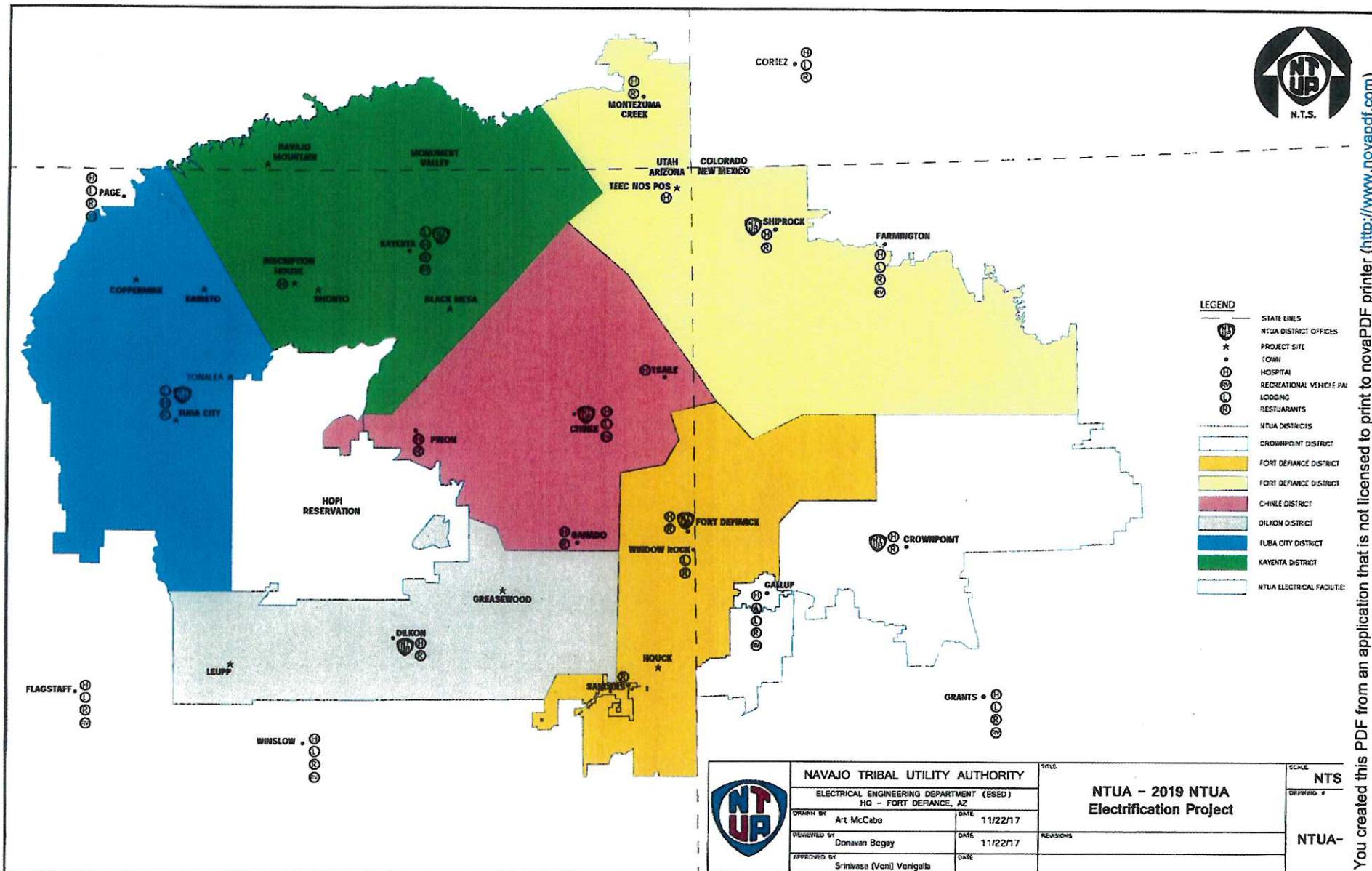
NTUA 2019 Electrification - Tentative Project List

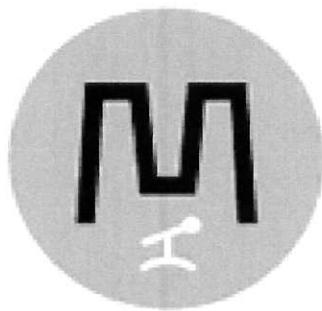
	Project ID No.	Agency	Chapter	Project Description
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ROW ONLY - Construction NOT Funded

1	161500040	Western	Shonto	South - Phase II Extension
2	161700006	Western	Navajo Mountain	Rainbow Plateau
3	111530076	Fort Defiance	Houck	Scattered
4	14170017	Western	Kaibeto	Scattered (No. 2)
5	161630008	Western	Inscription House (Ts'ah Bii Kin)	Scattered
6	181300011	Fort Defiance	Greasewood Springs	Scattered Extensions
7	141430002	Western	Coppermine	Scattered - Phase IV
8		Western	Tuba City (To'Nanees'dizi)	Shadow Mountain - Phase IIB Extension
9		Western	Tuba City (To'Nanees'dizi)	Shadow Mountain - Phase IIB Extension
10	131600018	Chinle	Black Mesa	North Valley Extension
11	141600016	Western	Tonalea	Wildcat Peak - Phase II
12	181600030	Western	Leupp	North Grand Falls
13	121600038	Northern	Teeec Nos Pos	Garcia Camp
14	121630063	Northern	Teeec Nos Pos	Scattered
15	161700010	Western	Inscription House (Ts'ah Bii Kin)	Electrification Initiative

Our standard crew size for cold line construction consist of one (1) Foreman, one (1) Journeyman Lineman and two (2) Helpers/Apprentices. Typical equipment available for use during construction includes 60-ft bucket truck, backhoe (if needed), two utility trucks, digger derrick, pole trailer and pressure digger. The terrain can be rugged, thus units equipped with 4-wheel drive is preferred.





MURRAY
CITY COUNCIL

Discussion Item #2



MURRAY

Council Action Request

City Council/ Attorney's Office

Proposed Annexations by Millcreek City

Committee of the Whole

Meeting Date: January 22, 2019

Department Director Janet Lopez	Purpose of Proposal Discussion related to proposed Millcreek City annexation.
Phone # 801-264-2622	Action Requested Discussion and direction from city council is requested.
Presenters G.L. Critchfield Doug Hill	Attachments Documentation of proposal, site maps, and neighborhood flyers.
Required Time for Presentation 20 Minutes	Budget Impact Administration will provide estimated budget impact both positive and negative.
Is This Time Sensitive Yes	Description of this Item Millcreek has provided a "Notice of Intent to File An Annexation Petition" with maps and boundaries of an unincorporated island in Salt Lake County that abuts Murray City. Flyers of the proposal have been distributed to the neighborhoods seeking resident support. A "Future Land Use" map is included showing a portion of Murray in District 1 that is hash-marked as proposed annexation or boundary adjustment area.
Mayor's Approval	G.L. Critchfield will provide information related to annexation process.
Date January 11, 2019	Doug Hill will present utility information, anticipated maintenance and financial impacts.

Notice of Intent to File An Annexation Petition

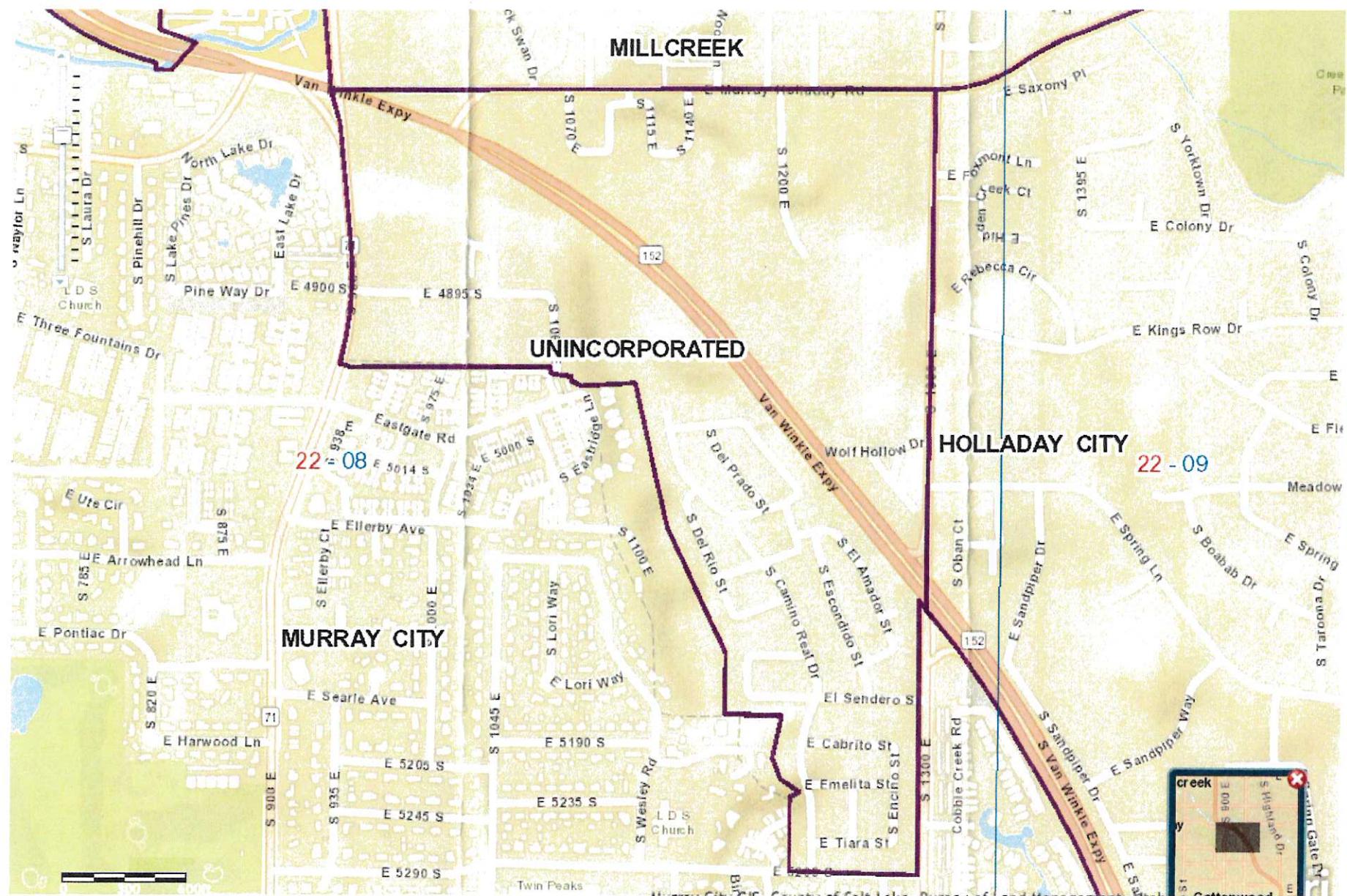
PURSUANT TO UTAH CODE ANN. §10-2-403(2), notice is hereby given that the person or persons identified below intend to file an annexation petition with Millcreek. The area proposed for annexation in the annexation petition is commonly described as the entire unincorporated area south of Millcreek, west of Holladay, and northeast of Murray. This rough triangle is bound by Murray-Holladay Road on the north, 1300 East Street on the east, 900 East Street on the west, and the Murray boundary reaching to 5290 South Street on the south. Further, an accurate map of the area that is proposed to be annexed is attached to this Notice.

Person or persons intending to file annexation petition:

<u>NAME</u>	<u>ADDRESS</u>
Jace Bunting	5014 Timber Way #104, Salt Lake City, Utah 84117
Randy Huizenga	1003 E. Mobina Court, Salt Lake City, Utah 84117
Grace Mitchell	4915 S. Esther Circle, Salt Lake City, Utah 84117
Ron Van Tienderen	4885 S. 900 East #210, Salt Lake City, Utah 84117
Cory Hash	5012 Timber Way #312, Salt Lake City, Utah 84117

Unincorporated Island



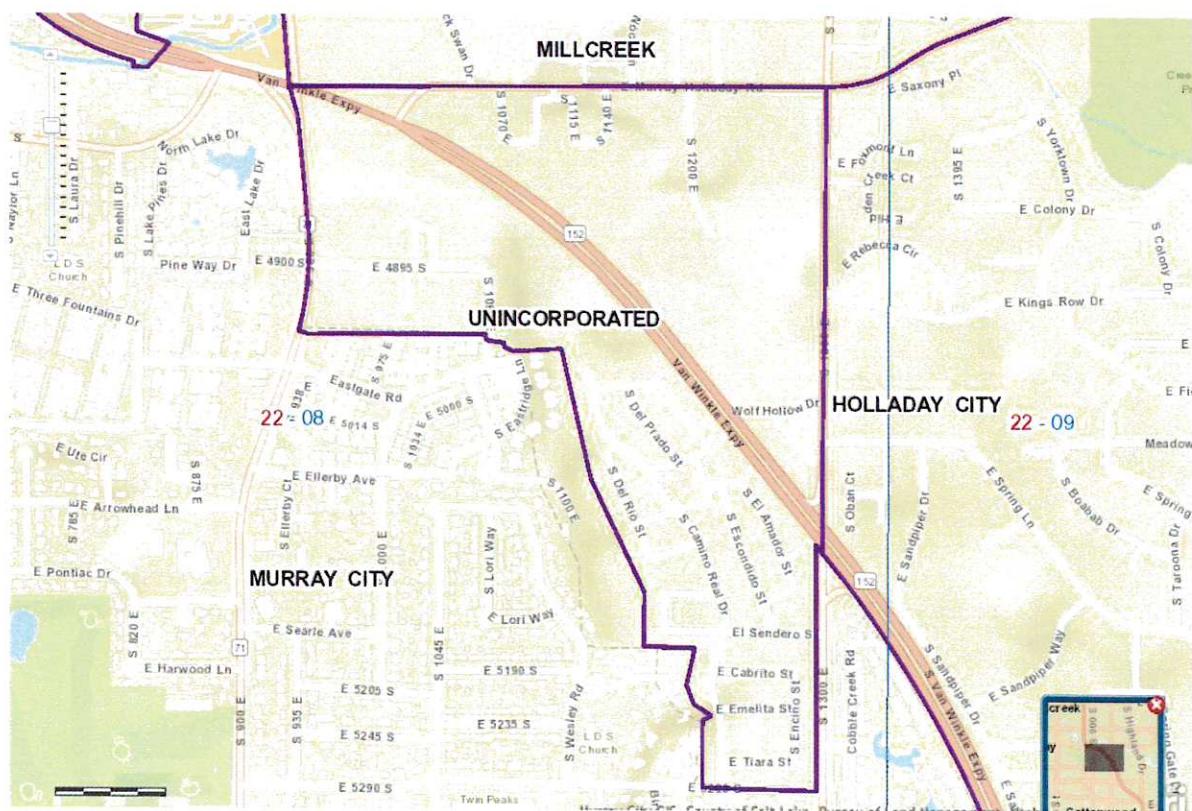




We want YOU!

You are part of an “unincorporated island” without a city. We’ve been told by Murray City and Holladay City that they aren’t interested in annexing your neighborhood, but ***we invite you to come home to Millcreek!*** There are great people in your neighborhood that could be a great asset to our new city.

As part of Millcreek, you would have a voice closer to the people with a municipal government. Love your county services? So do we! That’s why we contract with the same great services you enjoy today: Salt Lake County Public Works for snow removal, Unified Fire, UPD, Wasatch Front Waste & Recycling, etc. However, because of our growing tax base and smart negotiations, ***your taxes would go down if you were part of our city.***



Please take the survey on the back and come visit with Millcreek Mayor Jeff Silvestrini, City Councilwoman Silvia Catten, and city staff to learn more:

Neighborhood Meeting About Joining Millcreek
Tuesday, September 25 @ 7:00 PM
Millcreek City Hall Annex | 1330 East 3300 South





Please let us know what YOU think!

1- How interested are you in annexing into Millcreek? (circle one)

- a. Very interested
- b. Somewhat interested
- c. Not at all interested

2- What excites you most about potentially annexing into Millcreek?

- a. Lower taxes
- b. Better defined community identity
- c. More responsive government
- d. Increased options for future services
- e. Other _____

3- What concerns do you have, if any, about potentially annexing into Millcreek?

We'd love to keep you notified about this issue as it moves forward!

Name: _____

Address: _____

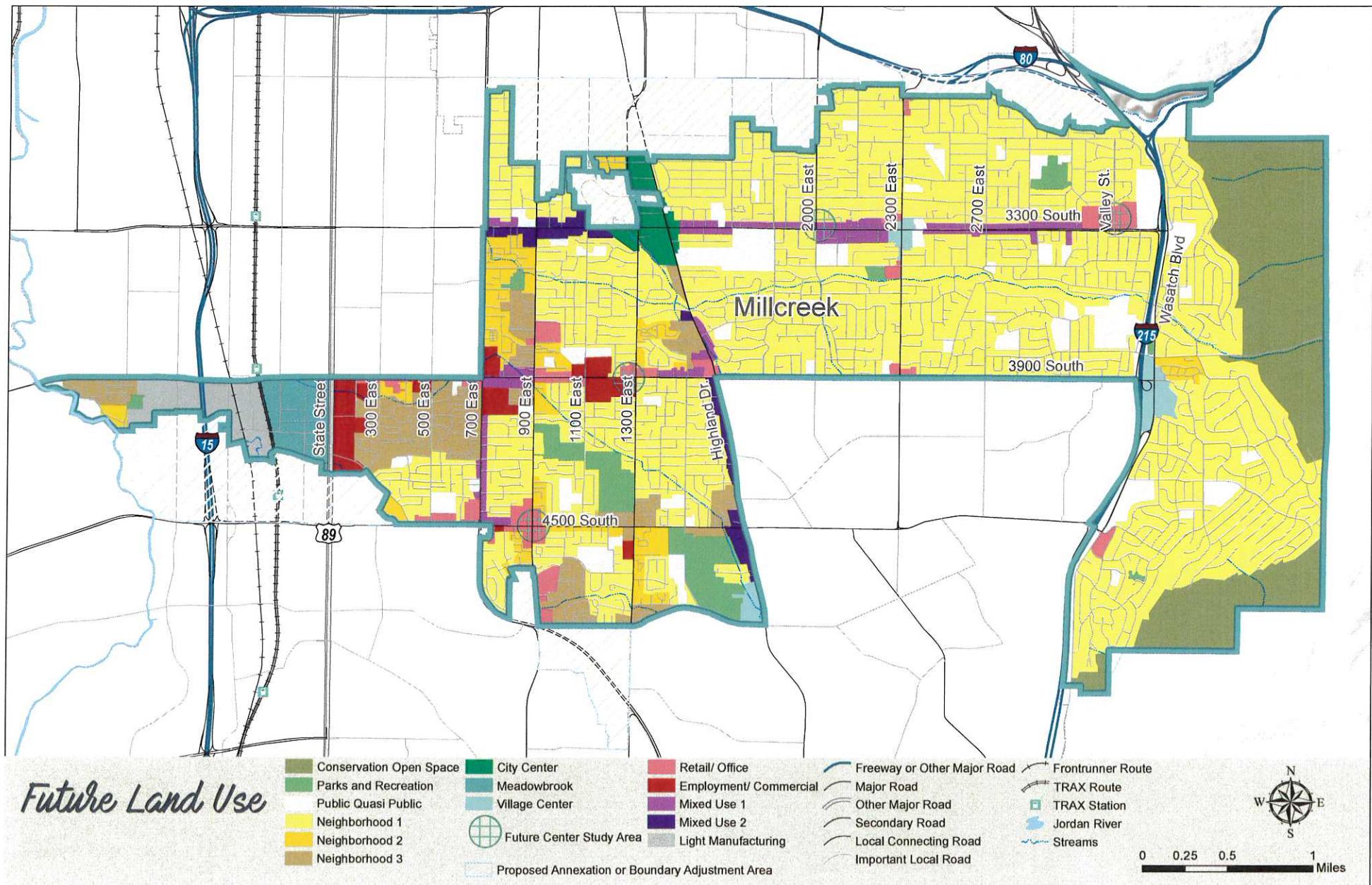
Phone: _____

Email: _____

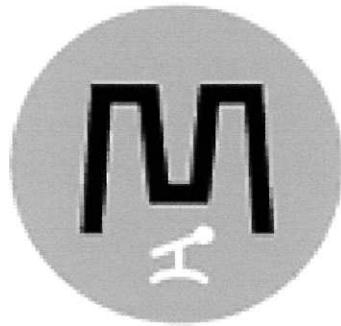
You can turn this survey in three ways:

- 1- **Mail:** Millcreek City Hall, 3330 South 1300 East, Millcreek, UT 84106
- 2- Snap a pic of it or scan it and **email** to: mwinder@millcreek.us
- 3- Submit it **in person** at the neighborhood meeting on Sep 25

REAL PROPERTY TAX



Updated 12/07/2018



MURRAY
CITY COUNCIL

Adjournment