

**MURRAY**  
CITY COUNCIL

# Council Meeting October 1, 2019



# Murray City Municipal Council

## Notice of Meeting

**October 1, 2019**

Murray City Center

5025 South State Street, Murray, Utah 84107

### **Meeting Agenda - Revised**

**5:00 p.m.**      **Committee of the Whole** - Conference Room #107  
Dave Nicponski conducting

#### **Approval of Minutes**

Committee of the Whole – June 4, 2019

#### **Discussion Items**

1. Medical Cannabis Ordinance Discussion – G.L. Critchfield and Melinda Greenwood (15 minutes)
2. Land for the New Library – Kim Fong and the Library Board (30 minutes)
3. Land Agreement for Current Library Site – G.L. Critchfield (10 minutes)
4. City Hall Bond Parameters Resolution – Brenda Moore (15 minutes)

#### **Announcements**

#### **Adjournment**

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

**6:30 p.m.**      **Municipal Building Authority** – Council Chambers  
Dave Nicponski conducting.

#### **New Business**

1. Election of a Secretary-Treasurer of the Municipal Building Authority

#### **Adjournment**

**6:32 p.m.**      **Council Meeting** – Council Chambers  
Dale Cox conducting.

#### **Opening Ceremonies**

Call to Order  
Pledge of Allegiance

#### **Approval of Minutes**

Council Meeting – September 3, 2019

### **Special Recognition**

1. Consider a Joint Resolution of the Mayor and Municipal Council of Murray City, Utah to Designate and Support the Week of October 6-12, 2019 as **Fire Prevention Week**. Mayor Camp and Assistant Chief Joey Mittelman presenting.

### **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.

### **Public Hearings**

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

1. Consider an ordinance amending Section 13.48.050 of the Murray City Municipal Code relating to Stormwater Utility Fees. (Danny Astill presenting.)
2. Consider an ordinance relating to land use; amends the General Plan from Commercial Development and General Office to Professional Office for the property located at 5920 South Fashion Boulevard, Murray City, Utah. (Melinda Greenwood presenting/Roderick Enterprises, applicant.)
3. Consider an ordinance amending Sections 17.146.020, 17.146.030, 17.146.040, 17.146.050, 17.146.080, 17.146.090, 17.146.110 and 17.146.120 of the Murray City Municipal Code related to the Mixed-Use Zoning District. (Melinda Greenwood presenting.)
4. Consider an ordinance amending the Murray City Standard Land Use Code, enacting Chapter 17.43 of the Murray City Municipal Code governing cannabis production establishments and medical cannabis pharmacies, and amending Sections 17.88.020, 17.92.020, 17.144.020, 17.148.020, 17.152.020, 17.156.020, 17.160.020, 17.173.020 and 17.174.020 identifying cannabis production establishments and medical cannabis pharmacies as permitted uses in specified zoning districts. (Melinda Greenwood presenting.)

### **Business Items**

None scheduled.

### **Mayor's Report and Questions**

### **Adjournment**

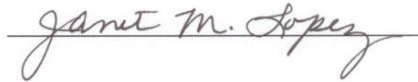
**NOTICE**

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. TTY is Relay Utah at #711.**

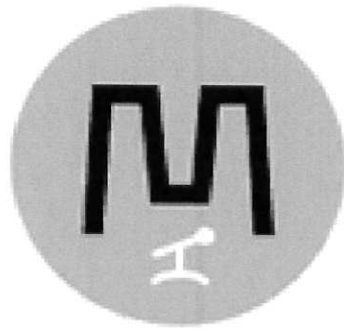
**Council Members may participate in the meeting via telephonic communication. If a Council Member does participate via telephonic communication, the Council Member will be on speaker phone. The speaker phone will be amplified so that the other Council Members and all other persons present in the Council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

On Monday, September 30, 2019, at 2:40 p.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](http://www.murray.utah.gov) and the state noticing website at <http://pmn.utah.gov>.

A handwritten signature in cursive script, reading "Janet M. Lopez", written over a horizontal line.

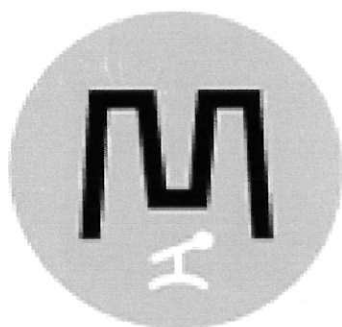
Janet M. Lopez  
Council Executive Director  
Murray City Municipal Council





**MURRAY**  
CITY COUNCIL

# Committee of the Whole



**MURRAY**  
CITY COUNCIL

# Committee of the Whole Minutes



**MURRAY**  
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**DRAFT**

## **MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE**

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, June 4, 2019 in the Murray City Center, Conference Room #107, 5025 South State Street, Murray Utah.

### **Council Members in Attendance:**

Dale Cox – Vice Chair	District #2
Jim Brass	District #3
Diane Turner	District #4
Brett Hales	District #5

**Excused:** Dave Nicponski - Chair                      District #1

### **Others in Attendance:**

Blair Camp	Mayor	Jan Lopez	Council Director
G.L. Critchfield	City Attorney	Jennifer Kennedy	City Recorder
Doug Hill	Chief Administrative Officer	Kim Sorensen	Parks & Rec. Director
Jennifer Heaps	Comm. & PR Director	Blaine Haacke	Power General Manager
Rob White	IT Director	Robyn Colton	HR Director
Melinda Greenwood	CED Director	Danny Hansen	IT
Jon Harris	Fire Chief	Kim Fong	Library Director
Russ Kakala	Streets Superintendent	Jared Hall	CED Division Supervisor
Brenda Moore	Finance Director	Kat Martinez	Resident
Jennifer Brass	Resident	Jan Cox	Resident

Mr. Cox called the Committee of the Whole meeting to order at 4:46 p.m.

**Approval of Minutes** - Mr. Nicponski asked for comments or a motion on two sets of minutes. Mr. Hales moved approval, and Mr. Brass seconded the motion on the following minutes. (Approved 4-0)

- Budget & Finance Committee – February 11, 2019
- Committee of the Whole – March 5, 2019

### **Reports from Representatives to Interlocal Boards and Commissions**

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

- SNR (small nuclear reactors) - Mr. Haacke encouraged the council to attend upcoming APPA (American Public Power Association) meetings in Austin, Texas regarding SNR, which the city is considering for generation acquisition. UAMPS continues to attain subscribers, like Murray, to purchase megawatts from the SNR plant that would produce a total of 720MW from 12 modules. Currently, the DOE (Department of Energy) would purchase 2 modules, and UAMPS is committed to two modules, providing four modules for the first phase of the project. The design phase is underway with the NRC (Nuclear Regulatory Commission) resulting in questions for NuScale from the federal level; for example, cooling procedures, and proximity to a seismic fault line; so far, there are no significant foreseen problems. After the pending design approval process, the licensing process begins, which could take a number of years. Construction is expected to start in 2022, with a 2025 completion date that is sooner than expected.
- Large Scale Solar – Mr. Haacke said the city is considering a large-scale solar resource, which is an area of land filled with large solar panels. One advantage to large scale solar is the ability to purchase significant amounts of energy at reasonable rates. Several solar farms exist but a new project exclusively for UAMPS, with a completion date of 2022, is anticipated in the four corners area producing 65MW. The city would commit to 5MW, which is 3% of the city's entire energy requirement. In addition, the city would market the resource for residents who cannot attain solar energy, due to apartment living, or those shaded by thick trees. The addition is a positive push towards attaining renewable energy in the city's portfolio, which is almost 40% -50% renewable.

Ms. Tuner asked if Murray customers could request the solar use. Mr. Haacke said yes, with a slight mark-up in price and approximately 3MW would be utilized for city use. Solar was a big success for RMP (Rocky Mountain Power) customers, which sold out quickly after offered to customers. Mr. Haacke favored solar energy over wind turbines, even with the liability of cloud cover, solar is more reliable and consistent in meeting the city's load. Cost for the resource is not determined yet, however, Mr. Haack thought it would be similar to the federal hydro-plant, which is inexpensive.

- IPA – Mr. Haacke reported the resource is still scheduled to change from a coal fired plant to a natural gas plant. Six California cities, and 22 Utah cities are committed to the resource until 2027; at that time, the new plant would be ready. After 2027, three California cities drop from the project; Anaheim, Riverside, and Pasadena. Repowering is due to California legislation, requiring all cities to be 100% renewable by the year 2045. California legislation hurt the project; however, remaining California cities will pay for all new construction costs, there is no cost to Murray, and Murray will still have access to call-back power if necessary. The plant will become a smaller facility than originally planned; at 860MW it is 45% of its current size. Murray will lose some of that capacity, but IPA is a secondary resource to the city, used only when necessary because at \$75Mwh (megawatts per hour) it is twice the cost of the federal- hydro resource, due to a carbon tax and existing generation costs that are required after 2025 when the new natural gas plant is built.

Mr. Haack is an IPA Board member and would keep the council up to date as legislation occurs, construction bids come in, and the design unfolds. He said Los Angeles will not back out of the plant because it provides 1/3 of California energy, by way of existing Utah transmission lines that send renewable energy from wind and solar resources located in Milford and Delta Utah; the only way to

achieve this is by having the thermal plant to push voltage to California cities.

- **Trans-Jordan Cities** – Mr. Kakala reported the following:
  - The landfill has a new executive director.
  - Sandy City requested Trans-Jordan build a new transfer station /facility to be run by Sandy; a business plan is complete. Sandy would lease the property long-term to include an indoor HHW (household hazardous waste) drop off. The location would benefit Murray and other nearby cities.
  - An annual budget meeting and hearing would be held on the morning of June 20, 2019, which would include a 1.5% COLA (cost of living adjustment) and a 3.5% merit increase to wages; tipping fees would not increase this year.
- **Murray City Library** – Ms. Fong explained behind the scenes strategies. An outdated three-year strategic plan was expiring, and a Service Design Module would be implemented. The new method constantly looks for ways to improve service as a whole. The Service Design Module judges a service as “good” with elements like how useful, useable, efficient, effective, and desirable, a certain service is. She noted one module analyzed how different groups of people use the library, and how service to those people could be improved. Nine patron types were named as: holders, browsers, computer program users, digital attenders, studiers, public meeting users, lookers and volunteers. Analysis helped develop better ways of meeting each of those needs. Ms. Fong concluded by sharing an insightful quote: “Building good customer service does not happen by accident, it happens by design.”
- **COG (Council of Governments)** – Mayor Camp said four meetings occur each year in January, May, August and November. The following was highlighted:
  - January: COG committee appointments were filled, and leadership updates were addressed. For a second year, Mayor Camp would participate on the Transportation Coordinating Committee, and the TRCC (Tourism, recreation, cultural and conventions) Advisory Board; the source of the \$3.6 million for remodeling the Murray Theater.
  - May: Transportation funding updates, legislative issues from Cameron Diehl, moderate income planning, and a presentation on the 2020 Census.
  - November: Legislation meetings would occur with Senate and House representatives. Mayor Camp confirmed all council members were invited to attend the upcoming meetings.
- **Utah Telecommunications Open Infrastructure Agency (UTOPIA) – and - Utah Infrastructure Agency (UIA)** – Mayor Camp provided an update and confirmed the two organizations combined because they are one in the same. A handout noted as: *Recurring Revenue Combined* (UTOPIA and UIA) (See Attachment #1) was shared to reflect steady growth and revenue. Mayor Camp noted the average increase in combined recurring revenue was \$20,000 per month. Of that, \$18,000 was from UIA, which has an average of 13,500 customers, and increases each month by approximately 372 customers; UTOPIA attains about 27 new customers per month.

A tentative FY 2020 budget was passed on May 13, 2019 and a public hearing was set for June 10, 2019. UTOPIA requires an additional seven full-time positions that include a sales engineer, a sales manager, a construction project supervisor, two fiber technicians, one field service technician, and one marketing assistant; part-time employees include three GIS interns. All cost increases incurred by

UTOPIA from running the network are being funded by additional transfers from UIA, because they are providing support staff, which is an additional transfer this year of \$400,000 from UIA to UTOPIA. The budget included an average wage increase of 3%, which is merit only, and a 9% increase is expected in benefits. Increases are to be paid by increased management fees from UIA. Currently, there are 54 full time employees in the organization, however that would increase to 61 with the tentative budget proposed. Mayor Camp noted the following:

- Layton City bonded twice for buildouts. One bond occurred in July of last year, and the other would occur this year; each bond to build the system totals \$24 million.
- Morgan City, which is not a UTOPIA city, would bond for \$2.6 million to buildout. Morgan City would pay all bond costs except construction costs and UIA would build and supply service.
- Payson, a UTOPIA city, planned to purchase a bond for \$3.7 million to finish their system, and consider paying outstanding UIA assessments to become a full-fledged UIA member.
- Woodland Hills would pay to own their UIA system; UIA would install and provide services.

Mayor Camp confirmed UIA was expanding without additional costs to UIA members and said the Murray buildout was projected for 2024. However, the projected payback of Op-Ex (operations expense) was expected in 2022; payback of Op-Ex would first be allocated to those cities who paid in full, and then to those made partial payments.

Ms. Turner asked if connections were progressively increasing in Murray, and what the average number was per month. Mayor Camp stated he would get back to her with that breakdown.

Mr. Hales asked if Mayor Camp had better insight into the UIA, UTOPIA organizations, as Murray's Mayor. Mayor Camp explained with increased interest in high-speed internet, the organization was doing better than in the past, although, he did not think the city would ever be reimbursed for original bond costs the city initially paid upfront.

Mr. Brass confirmed when UTOPIA technology first came about, Murray was told joining immediately was imperative, because in the future there would be no other opportunity to be part of the technology. As a result, just 11 cities initially supported the organization. However, this was not the case, as currently, more and more cities are able to get the high-speed internet at the same cost those 11 cities paid originally; and the first cities are now obligated to pay the debt of \$350 million accumulated by UTOPIA. Therefore, Morgan City, Woodland Hills, and others are benefiting for free, from a system paid for by cities like Murray who are not even built out yet. He said this was not right, and the \$1.7 million bond payment the city must pay to UTOPIA, increases each year, would make up a double bond payment elsewhere.

Mayor Camp agreed a philosophical direction taken by the board to expand the network, was driven by thinking the expansion would benefit everyone.

Mr. Hales agreed Murray would benefit if membership was offered now, instead of how it was handled in the beginning. Mayor Camp confirmed.

Mayor Camp said the council would consider Ms. Moore as the city's new UIA representative during the next council meeting, which was critical to keeping them all informed.

- **CAP (Community Action Program)** – Ms. Kennedy shared a story about a Murray resident who contacted the city in need, due to a brain injury; the Mayor's office requested Ms. Kennedy reach out with CAP information. As a result, CAP provided one month of rent, food pantry assistance, a VA (Veterans Administration) case manager referral to find medication cost assistance and resources Murray cannot provide. She said working together makes a difference in helping the needy. Other items she reported were:
  - The HEAT program finished for the season; last winter the program accepted 12,118 applications and provided \$5.6 million in utility assistance to Utah households.
  - A summer dinner program would begin Monday-Fridays from 4:00 p.m. to 6:30 p.m. at three locations: South Salt Lake, Magna, and West Valley. A free meal is offered to people under 18 years of age; those over 18 pay \$3.
- **Jordan River Commission** – Mr. Sorensen reviewed the following:
  - The legislature appropriated \$1.1 million for the Jordan River recreation area located between 4800 South and 2100 South. Three important proposals for the zone were noted as follows; funding for a Tracy Aviary satellite station near 3300 South, which did not pass; Green bike stations along the river; and a trail to be installed on the east side of the river, by the city of Millcreek, which would connect with a bridge to Murray at 4500 South with no impact to Murray.
  - Murray's donation decreased \$31. Donations are based on the amount of river frontage, population, and square miles; the city's cost is \$3,648 this year.
  - The annual celebration called "Get into The River" changed its name to "Get to the River." The change better reflects activities, events, and volunteer programs held at the river. Murray will have a volunteer project to remove large invasive trees along the north side of 4500 South to celebrate the event in September or October. The city will solicit proposals this summer from tree companies for the project.

Ms. Turner asked if the Jordan River Commission membership was worthwhile. Ms. Sorensen confirmed funds were received as a result; for signage, additional policing, tree pruning and removal, membership was worth more than the cost to join the commission.

### **Holiday Ordinance Discussion**

Mayor Camp led a discussion about a "tradition" that developed over the years on Christmas Eve, and New Year's Eve; regular full-time employees expected the mayor to declare city hall closed after noon, allowing them to leave work early. Since becoming Mayor, he wanted to resolve the matter, which seemed unfair to firefighters, police officers, and other city employees who could not leave work. He hoped to address the issue early, so he consulted department directors last year to discuss the practice and possibly change City ordinance 2.62.120: Holidays. He proposed city hall to close at 2:00 p.m. on Christmas Eve and city employees who could not leave their positions three hours early would be compensated; (there would be



change on New Year's Eve). As a result, complaints from employees were that a benefit they were accustomed to was taken away. Mayor Camp noted neither were paid holidays. However, it was discovered the new proposal was in the existing city ordinance – but not in city personnel policy.

Mayor Camp shared a handout (Attachment #2) related to paid city holidays, comparing Murray City to other cities. Murray noted with 14 paid holidays and three floating holidays was more than most cities; the lowest number was 11 paid holidays.

Mayor Camp said his intent was to follow the existing holiday ordinance, but an awkward position resulted. He requested the council provide input and direction to either change the current ordinance by increasing the number of paid holidays to include Christmas Eve; or, decrease floating holidays by one, to provide Christmas Eve. He noted if employees used a vacation day on Christmas Eve, all fairness would still not be achieved because everyone might not have available vacation time. In addition, city hall must remain open, unless Christmas Eve was a scheduled paid holiday by ordinance.

Ms. Turner thought the decision was within Mayor Camp's purview to give city employees a half-day off on Christmas Eve if he wished. As a state employee in the past, Ms. Turner explained one week prior to the holiday, the governor gave non-essential personnel a half-day off on Christmas Eve, by declaration. State employees expected it to happen and essential employees were happy to cover, due to the nature of their work. Mayor Camp asked Mr. Critchfield because not all employees could participate.

Mr. Critchfield said a mayor could grant a half-day off on occasion; however, a mayor sets policy by executive order, and an executive order cannot contradict an ongoing ordinance. It was the city council who could pass a rule, law, or ordinance and make it permanent. He confirmed the tradition expected by city employees, was ongoing for, therefore it was a city council matter.

Mayor Camp suggested the option to remove current text from the ordinance, and delegate to the council, new language be considered as policy.

Mr. Cox requested extended time to review of the proposed ordinance. He thought Christmas was a unique holiday to be recognized and noted city hall was not a busy place of business on Christmas Eve anyway – except for emergencies. Therefore, he suggested possibly providing the entire day off on Christmas Eve, as a paid city holiday. He wanted time to create a way to make the policy work for everyone, including first responders who could not take Christmas Eve off, and agreed those employees should be compensated accordingly. If anything, he said new policy should at least include a paid half-day on Christmas Eve for everyone.

Mr. Brass agreed a new ordinance should accommodate all city employees, so in the meantime, the current ordinance should be followed. Mr. Hales agreed. There was consensus Mayor Camp would return to the council with a new proposed ordinance for their review.

Mr. Cox stressed urgency for having the new ordinance in place this year, so employees could make holiday plans ahead of time.

**Renewal of the NeighborWorks Agreement Discussion** – Melinda Greenwood, Jim McNulty



The NeighborWorks organization of Salt Lake City would like to continue its partnership with Murray, and the Murray RDA (Redevelopment Agency). Ms. Greenwood reviewed the proposed agreement that would replace an existing expired agreement. It included updated neighborhood, housing, and moderate-income housing goals, as outlined in the Murray City General plan adopted in May 2017; the city worked cooperatively with Neighborworks the last several years. The partnership provides an avenue for the city to utilize designated affordable housing funds accumulated through RDA areas, and provides great opportunities for Murray citizens, by facilitating neighborhood revitalization and development through increased homeownership in the community. Assistance with a down payments, attaining home loans, and assisting with repairs are some of the benefits.

Mr. Brass confirmed the relationship was of great value because many loans given were forgivable. The council would consider the agreement following approval by the RDA Board.

**Indoor Farming Discussion** – Jared Hall

A proposed text amendment would allow produce to be grown year-round indoors, using hydroponic methods; fruits and vegetables are grown with nutrients added to water, applied directly to roots without soil. Mr. Hall explained as production methods evolve an application was submitted from a business of this nature. The detailed information was given to the planning commission, who recommended approval to the council, to add the text to the M-U (mixed use), M-G (manufacturing general), C-D (commercial development), TOD (transit oriented development), and B-P (business park) zones, as a conditional use.

Mr. Hall explained the applicant would grow primarily strawberries, lettuce, kale and arugula. He gave a power point presentation to explain the environmentally controlled method, the proposed area, the warehouse facility located east of State Street between 4500 South and 4600 South. (See Attachment #3) He said indoor farming provides local sustainable food, where recycled water can be utilized, and explained the city did not have a category for this type of farming, therefore, new language was created.

Ms. Turner confirmed the city never had language prohibiting the new technology. Mr. Jared confirmed clarifying indoor farming text was necessary for eliminating language related to acres of land needed for traditional farming. He reviewed details in the ordinance related to lighting, where light provided by LED fixtures are used instead of direct sunlight and noted the need for generated power to run air conditioning and heating units required for indoor temperature control. He reviewed findings the planning commission made and reported only one other indoor farm was operating in Utah, near Park City. He said staff and the planning commission support the concept, because in terms of land use, the city would benefit by providing fresh produce to nearby restaurants, and citizens by offering a retail farmer's market.

Mr. Brass expressed concern about delivery trucks coming and going near neighborhoods. He thought the increase went beyond the terms of the conditional use permit. Mr. Hall would study the activity and thought delivery service would not get worse than what already occurred in the area. Mr. Brass suggested the right turn only condition should be maintained.

Ms. Turner asked whether marijuana could be grown indoors. Mr. Hall confirmed according to the new cannabis ordinance, a certain number of producers are only allowed to grow marijuana in S-A (state

agricultural) zones. He said the city was more likely to get a dispensary, than a producer, because the city did not have an abundance of agricultural land; in addition, production is preferred outside the core of a city. Ms. Greenwood confirmed staff was working on an ordinance to address changes in state code to allow marijuana growth in agricultural areas, which could expand to other areas in the future.

Mr. Brass noted vacant buildings like K-mart and Shopko; he noted these facilities could also be used short-term for indoor farming, because old buildings are hard to repurpose. Mr. Hall agreed portions of buildings could be easily utilized for indoor farming.

The city council would consider the proposed land use ordinance text amendment for indoor farming at an upcoming council meeting. To find more information google: *vertical farming in Jackson*.

#### **Fiscal Year 2018-2019 Budget Amendment Review**– Brenda Moore

Ms. Moore reviewed the proposed ordinance that would provide revisions to the 2018-2019 budget and ensure the city did not go over budget. This was the last budget opening for the 2018-2019 budget year, and the council would consider the proposed budget amendment on June 18, 2019.

- The city received increased investment revenue due to rising interest rates; receipt of \$210,000 would be added to Interest Revenue.
- The fire department requires an increase to *overtime*, due to retirements, as well as, for required retirement payouts. In addition, money for social security contributions brought the total to \$100,000.
- Utilities at the cemetery need additional funding for watering, due to new metering, a long hot summer, and the increase in water rates along with the new tiered rate system. She noted approximately \$50,000 to cover the need for the remaining year.
- The same significant cost increase was noted for Murray Park, for the same reasons mentioned at the cemetery; the Parks Division would need a total of \$60,000 for the remaining year.
- Receive and appropriate Capital Fund grants and related expenditures with no financial impact, which were noted as: Choice Transportation Funds from Salt Lake County to help fund various street projects, like the Vine Street project, and two road projects related to Hanauer Street, and UDOT funding for 5600 South State Street.

#### **Allowed dates for Fireworks** – G.L. Critchfield

The council would consider amending City Code Section 5.38.020, due to updated changes in state law regarding fireworks sales and uses. Mr. Critchfield noted state changes that reduce the number of days for selling and setting off fireworks; therefore, the city's ordinance would be consistent with state law.

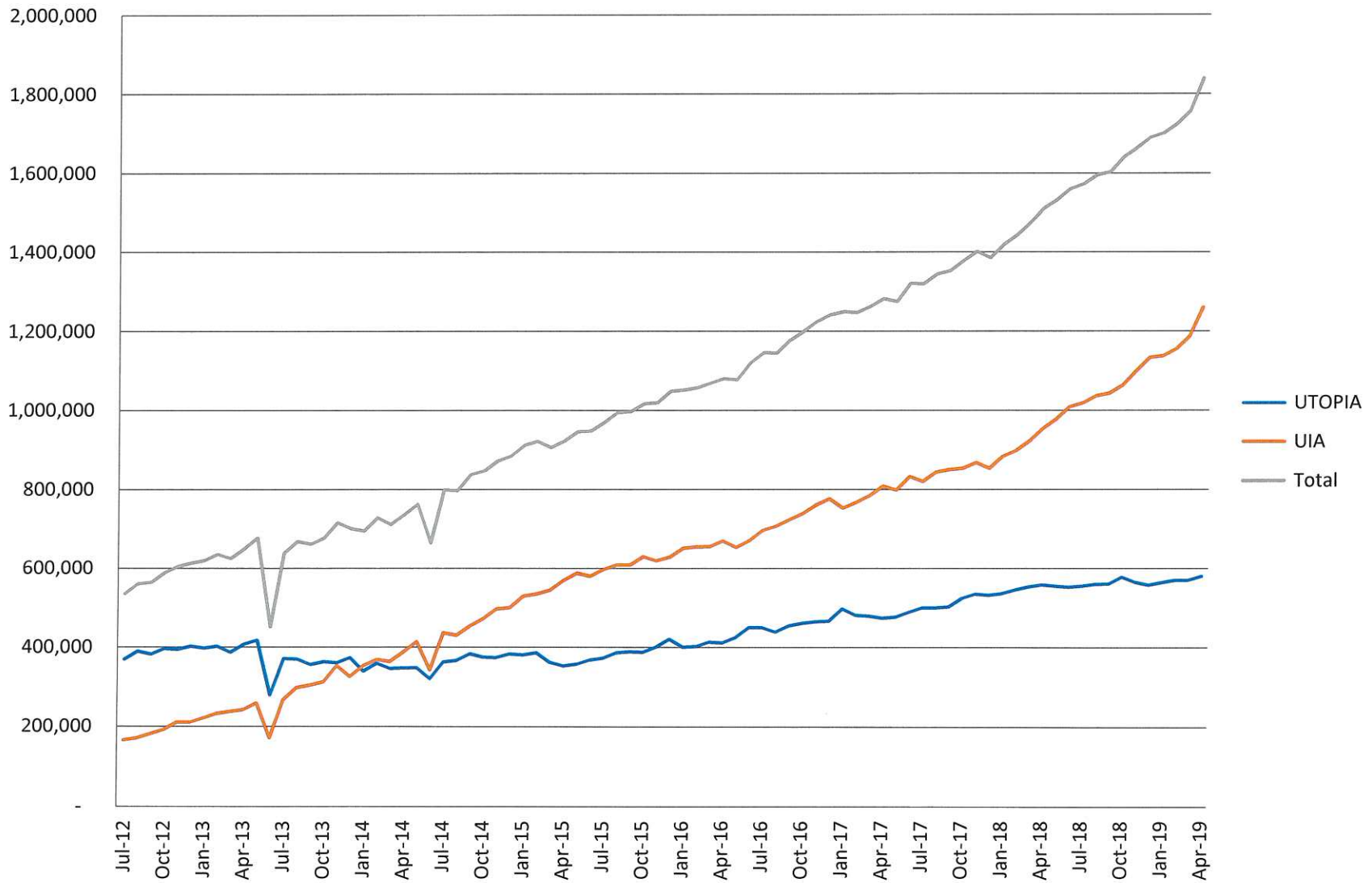
**Announcements:** None.

**Adjournment:** 6:04 p.m.

**Pattie Johnson  
Council Office Administrator II**

# ATTACHMENT #1

## Recurring Revenue Combined (UTOPIA and UIA)



# ATTACHMENT #2

## CITY PAID HOLIDAYS

	New Year's Day	MLK Jr Day	President's Day	Memorial Day	July 4th	Pioneer Day	Labor Day	Columbus Day	Veteran's Day	Thanksgiving Day	Day after Thanksgiving	Christmas Eve	Christmas Day	Floating Holidays	Total	Special Notes
American Fork	X	X	X	X	X	X	X	X		X		X	X	1	12	
Clearfield	X	X	X	X	X	X	X		X	X	X	X	X	2	14	
Cottonwood Heights	X	X	X	X	X	X	X		X	X	X	X	X	1	13	
Draper	X	X	X	X	X	X	X		X	X	X	X	X	No	12	
Herriman	X	X	X	X	X	X	X		X	X	X	X	X	No	12	*Note 1
Layton	X	X	X	X	X	X	X	X	X	X	X		X	1	13	
Lehi	X	X	X	X	X	X	X		X	X	X	X	X	1	12	*Note 2
Millcreek	X	X	X	X	X	X	X		X	X	X		X	1	12	
Murray	X	X	X	X	X	X	X		X	X	X		X	3	14	
Ogden	X	X	X	X	X	X	X		X	X	X		X	1	12	*Note 3
Orem	X	X	X	X	X	X	X			X	X	X	X	1	12	
Provo	X	X	X	X	X	X	X			X	X	X	X	12 hrs	12.5	
Riverton	X	X	X	X	X	X	X			X	X	X	X	1	12	
Sandy	X	X	X	X	X	X	X			X	X	X	X	2	13	*Note 4
So. Salt Lake	X	X	X	X	X	X	X		X	X	X	X	X	No	12	
South Jordan	X	X	X	X	X	X	X		X	X	X	X	X	2	14	
Spanish Fork	X	X	X	X	X	X	X			X	X	X	X	No	11	
West Jordan	X	X	X	X	X	X	X		X	X	X	X	X	2	14	
West Valley	X	X	X	X	X	X	X		X	X		X	X	No	11	

- \*Note 1 Mayor/Council have given Christmas Eve off last few years and 1/2 day on New Year's Eve
- \*Note 2 City Manager traditionally has given 1/2 day Christmas Eve
- \*Note 3 Close at 1pm if Christmas Eve or New Year's Eve fall on M-F
- \*Note 4 Possibly adding a floating holiday to be used between Thanksgiving and New Year's



**2.62.120: HOLIDAYS:**

- A. Each regular full time employee in City service shall be granted holiday vacations at full pay in accordance with the following schedule:

New Year's Day: January 1

Martin Luther King Day: Third Monday in January

Presidents' Day: Third Monday in February

Memorial Day: Last Monday in May

Independence Day: July 4

Pioneer Day: July 24

Labor Day: First Monday in September

Veterans Day: November 11

Thanksgiving Day: Fourth Thursday in November

Day after Thanksgiving: Friday after Thanksgiving

Christmas Day: December 25

3 employee appreciation days

- B. If any of the above listed holidays falls on a Saturday, all employees shall take the preceding Friday as the holiday, and if it falls on a Sunday, then all employees shall take the following Monday as the holiday.
- C. The three (3) employee appreciation days may be taken as a day off work by each employee. Employee appreciation days may not be accumulated or used for any calendar year past December 31 of each year, and in no event will employees be allowed to receive pay in lieu of taking the three (3) employee appreciation days.
- D. Eligible new hires are entitled to receive up to three (3) employee appreciation days (24 hours) the first year of employment based upon the following schedule:

Hire Date	Employee Appreciation Hours Available
January 1 to March 31	24
April 1 to June 30	18
July 1 to September 30	12

October 1 to December 31	6
--------------------------	---

E. Employee appreciation hours are not available to part time employees.

F. Due to differences in shifts, employees in the Fire and Police Department will receive vacation and holidays as determined by the Fire and Police Chiefs respectively and approved by the Mayor.  
(Ord. 16-42)

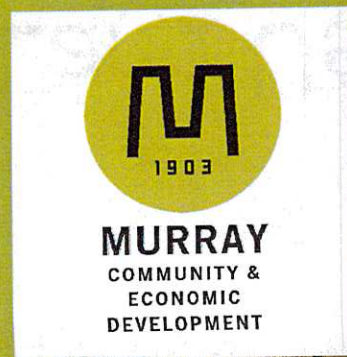


# ATTACHMENT #3

# COMMITTEE OF THE WHOLE

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June 4, 2019





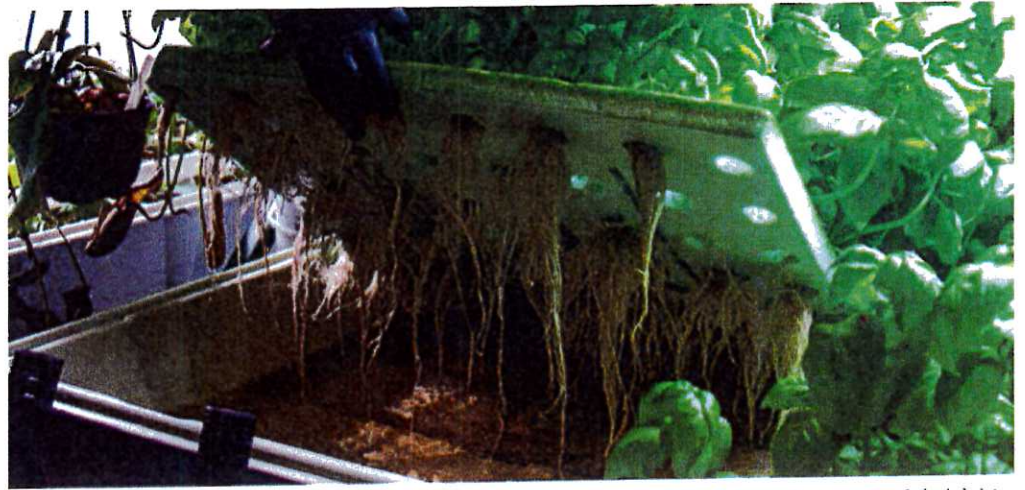
# Murray City Land Use Ordinance Text Amendment - Indoor Farming



## Examples of vertical farming

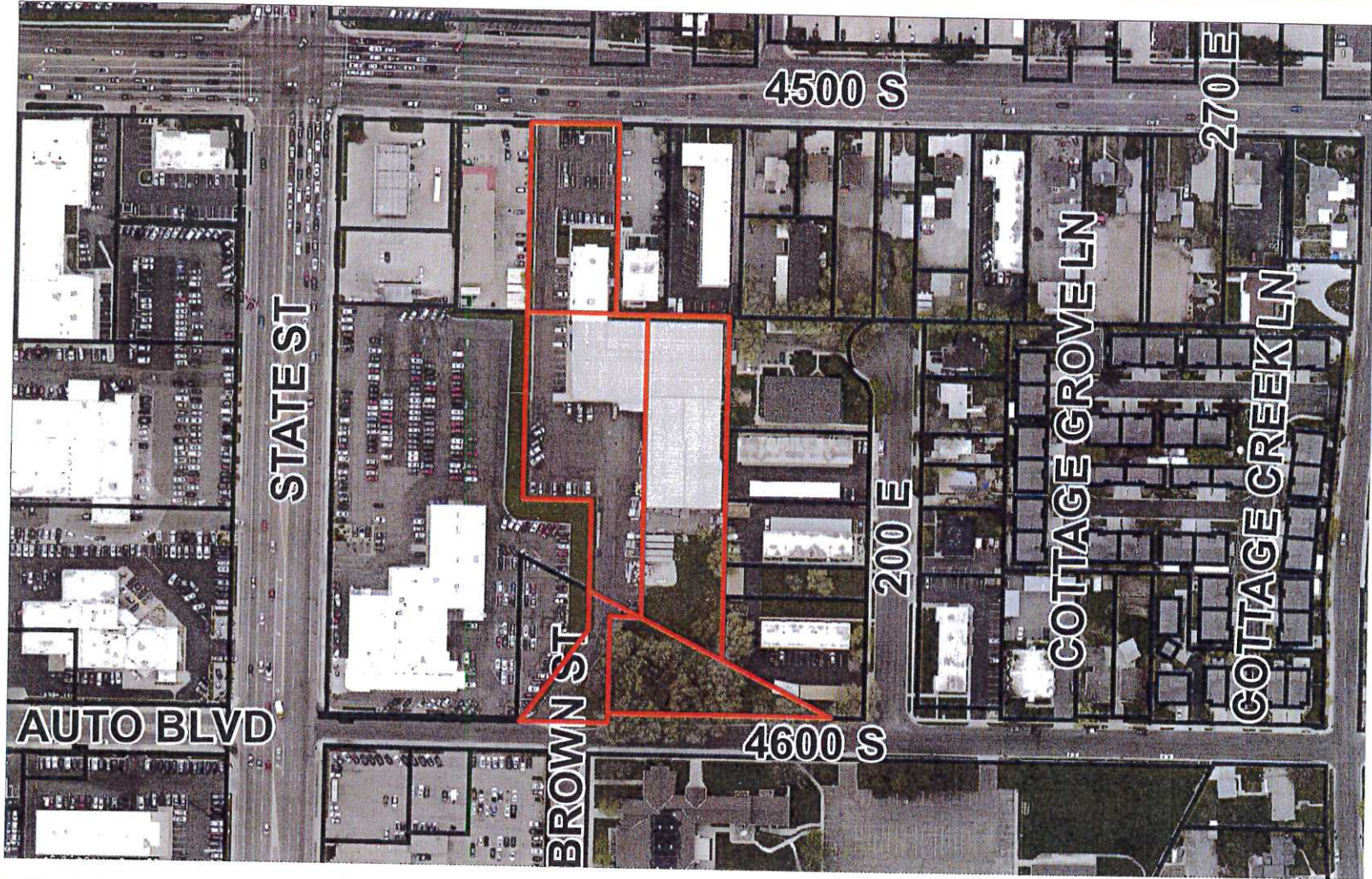


<https://livekindlyproduction-8u6efaq1lwo6xga.stackpathdns.com/wp-content/uploads/2018/09/18-EC-0712-Grow-Room-Editorial-2-2-Cropped-1.jpg>

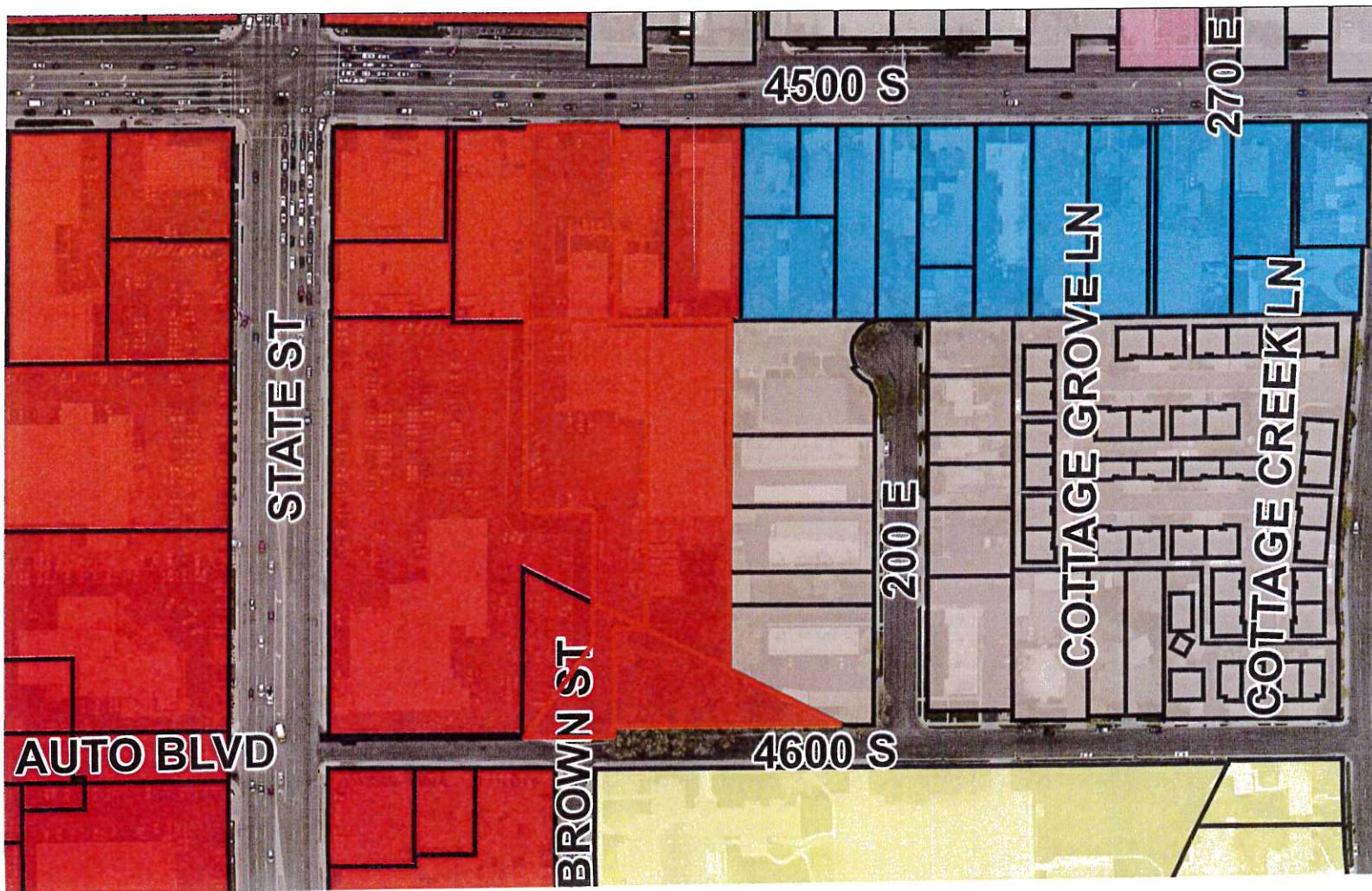


Non-soil based crops grow at south Philadelphia vertical farming operation Metropolis Farms. (Philadelphia City Council/Flickr)

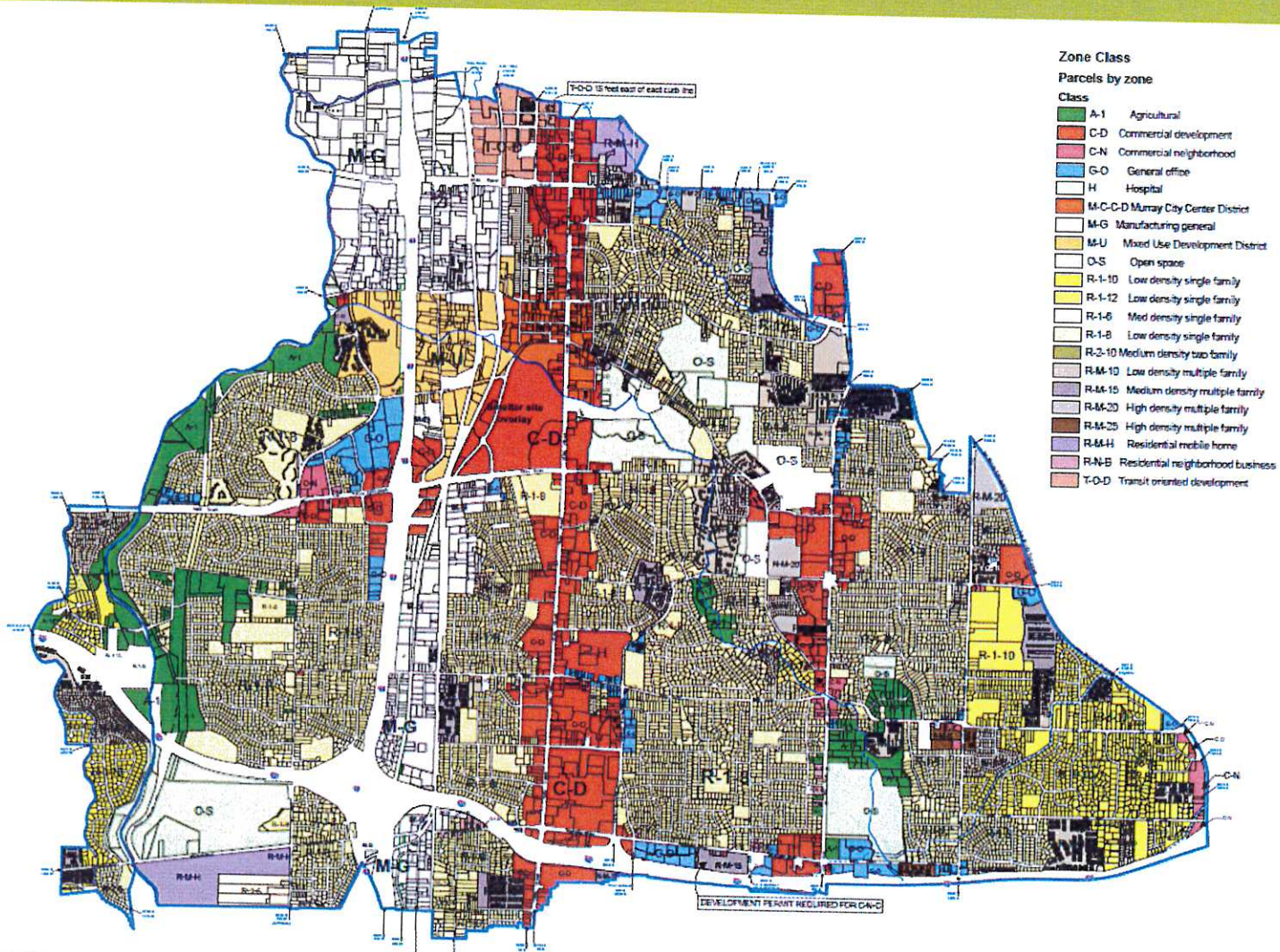
















Looking southeast at the property. This is the side facing onto 4500 South.



Looking northeast at the rear side of the property



# Findings

- i. The addition of Indoor Farming to retail and manufacturing zones has the potential to support adaptive re-use of existing buildings and infrastructure, and to revitalize underutilized industrial and retail areas of the city.
- ii. The addition of Indoor Farming to retail and manufacturing zones is in keeping with the goals and objectives of the Murray City General Plan.
- iii. The addition of Indoor Farming to retail and manufacturing zones as well as to the mixed-use zones can have a positive impact on public health by providing more efficient, local, year-round access to fresh vegetables.
- iv. The addition of Indoor Farming to retail and manufacturing zones can have a positive impact on the local economy, providing jobs and fresh local produce for restaurants and grocers.

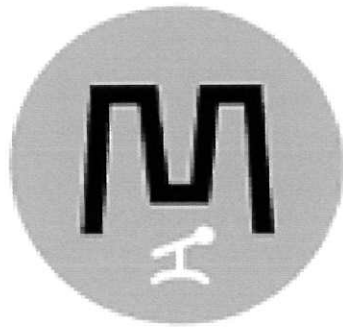


# Staff & Planning Commission Recommendation

On May 2, 2019, City staff recommended that the Planning Commission hold a public hearing and forward a recommendation of APPROVAL to the City Council to add **Land Use Category #8121**, Indoor Farming to the Murray City Standard Land Use Code as well as adding **Land Use #8121** to the following sections of City Code:

- 17.146.040, (M-U, Mixed Use Zone);
- 17.152.030, (M-G, Manufacturing General Zone);
- 17.160.030, (C-D, Commercial Development Zone);
- 17.168.050(F), (TOD, Transit Oriented Development Zone); and
- 17.173.030 (B-P, Business Park Zone)





**MURRAY**  
CITY COUNCIL

# Discussion Item #1

# Murray City Corporation

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on the 1<sup>st</sup> day of October, 2019, at the hour of 6:30 p.m. of said day in the Council Chambers of Murray City Center, 5025 South State Street, Murray, Utah, the Murray City Municipal Council will hold and conduct a hearing to receive public comment concerning an ordinance amending the Murray City Standard Land Use Code, and enacting chapter 17.43 of the Murray City Municipal Code related to the regulation of medical cannabis production establishments and medical cannabis pharmacies; and amending Murray City Municipal Code sections 17.92.030, 17.152.030, related to conditional uses of cannabis production facilities; and 17.88.020, 17.92.020, 17.144.020, 17.148.020, 17.152.020, 17.156.020, 17.160.020, 17.173.020 and 17.174.020 relating to permitted uses of medical cannabis pharmacies.

DATED this 17<sup>th</sup> day of September, 2019.

MURRAY CITY CORPORATION

  
City Recorder

DATE OF PUBLICATION: September 20, 2019  
PH 19-37





ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING THE MURRAY CITY STANDARD LAND USE CODE, ENACTING CHAPTER 17.43 OF THE MURRAY CITY MUNICIPAL CODE GOVERNING CANNABIS PRODUCTION ESTABLISHMENTS AND MEDICAL CANNABIS PHARMACIES, AND AMENDING SECTIONS 17.88.020, 17.92.020, 17.144.020, 17.148.020, 17.152.020, 17.156.020, 17.160.020, 17.173.020 AND 17.174.020 IDENTIFYING CANNABIS PRODUCTION ESTABLISHMENTS AND MEDICAL CANNABIS PHARMACIES AS PERMITTED USES IN SPECIFIED ZONING DISTRICTS

*Section 1. Purpose.* The purpose of this ordinance is to (1) amend the Murray City Standard Land Use Code (2) enact Chapter 17.43 of the Murray City Municipal Code (the "Code") governing cannabis production establishments and medical cannabis pharmacies; (3) to amend sections 17.88.020, 17.92.020, 17.144.020, 17.148.020, 17.152.020, 17.156.020, 17.160.020, 17.173.020 and 17.174.020 identifying cannabis production establishments and medical cannabis pharmacies as permitted uses in specified zoning districts

*Section 2. Amendment to the Murray City Standard Land Use Code.*

*The following shall be added to the Murray City Standard Land Use Code:*

8122 Cannabis Production Establishment. As defined in section 4-41a-102 of the Utah Code, and includes a cannabis cultivation facility, a cannabis processing facility, or an independent cannabis testing laboratory.

5913 Medical Cannabis Pharmacy. An entity that acquires or intends to acquire, possesses, and sells or intends to sell cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device, to a medical cannabis cardholder, as defined under section 26-61a-102 of the Utah Code.

*Section 3. Enact chapter 17.43.* Chapter 17.43 of the Murray City Municipal Code shall be enacted as follows:

#### **CHAPTER 17.43: CANNABIS PRODUCTION ESTABLISHMENTS AND MEDICAL CANNABIS PHARMACIES**

##### **17.43.010: DEFINITIONS:**

A. "Primarily Residential" for the purposes of this chapter and any applicable state law means the following zoning districts:

Single-Family Medium Density Residential District R-1-6  
Single-Family Low Density Residential District R-1-8  
Single-Family Low Density Residential District R-1-10  
Single-Family Low Density Residential District R-1-12  
Medium Density Residential District R-2-10  
Multiple-Family Low Density Residential District R-M-10  
Multiple-Family Medium Density Residential District R-M-15  
Multiple-Family High Density Residential District R-M-20  
Multiple-Family High Density Residential District R-M-25  
Residential Mobile Home District R-M-H  
Residential Neighborhood Business R-N-B  
Mixed Use Development District M-U  
Transit Oriented Development District TOD  
Murray City Center District MCCD

B. The definitions in Utah Code Title 26, Chapter 61a, Utah Medical Cannabis Act, and Utah Code Title 4 Chapter 41a, Cannabis Production Establishments are hereby adopted by this section.

#### **17.43.020: STANDARDS**

A. The following standards apply to all Cannabis Production Establishments:

1. There shall be no emission of dust, fumes, vapors, odors or waste into the environment from any facility where growing, processing or testing of cannabis occurs.
2. Cannabis Production Establishments shall meet the land use requirements for the zone in which it is located.
3. Each Cannabis Production Establishment shall obtain a City business license before conducting business within the City.

B. The following standards apply to all Medical Cannabis Pharmacies:

1. No cannabis products shall be visible from outside a Medical Cannabis Pharmacy.
2. Medical Cannabis Pharmacies shall meet the land use requirements for the zone in which it is located.
3. Each Medical Cannabis Pharmacy shall obtain a City business license before conducting business within the City.

*Section 4. Amend sections 17.88.020, 17.92.020, 17.144.020, 17.148.020, 17.152.020, 17.156.020, 17.160.020, 17.173.020, and 17.174.020 of the Murray City Municipal Code. Sections 17.88.020, 17.92.030, 17.92.020, 17.144.020, 17.148.020, 17.152.020, 17.156.020, 17.160.020, 17.173.020, and 17.174.020 of the Murray City Municipal Code shall be amended as follows:*



## **Chapter 17.88**

### **OPEN SPACE DISTRICT O-S**

#### **17.88.020: PERMITTED USES:**

A. All uses and structures contained herein are listed by number as designated in the standard land use code published and maintained by the planning department.

B. The following uses are permitted in the O-S zone:

<u>Use No.</u>	<u>Use Classification</u>
----------------	---------------------------

...

<u>5913</u>	<u>Medical Cannabis Pharmacy</u>
-------------	----------------------------------

...

## **Chapter 17.92**

### **AGRICULTURAL DISTRICT A-1**

#### **17.92.020: PERMITTED USES:**

...

B. The following uses are permitted in the A-1 zone:

<u>Use No.</u>	<u>Use Classification</u>
----------------	---------------------------

...

<u>5913</u>	<u>Medical Cannabis Pharmacy</u>
-------------	----------------------------------

...

<u>8122</u>	<u>Cannabis Production Establishment</u>
-------------	--

...

## **Chapter 17.144**

### **GENERAL OFFICE DISTRICT G-O**

#### **17.144.020: PERMITTED USES:**

A. All uses and structures contained herein are listed by number as designated in the standard land use code published and maintained by the planning department.

B. The following uses are permitted in the G-O zone:

<u>Use No.</u>	<u>Use Classification</u>
...	
<u>5913</u>	<u>Medical Cannabis Pharmacy</u>
...	

## Chapter 17.148 HOSPITAL DISTRICT H

### 17.148.020: PERMITTED USES:

A. Standard Land Use Code: All uses and structures contained herein are listed by number as designated in the standard land use code published and maintained by the planning department.

B. Permitted Uses Enumerated: The following uses are permitted in the H zone:

<u>Use No.</u>	<u>Use Classification</u>
...	
<u>5913</u>	<u>Medical Cannabis Pharmacy</u>
...	

## Chapter 17.152 Manufacturing General District M-G

### 17.152.020: PERMITTED USES:

...

B. The following uses are permitted in the M-G zone:

<u>Use No.</u>	<u>Use Classification</u>
...	
<u>5913</u>	<u>Medical Cannabis Pharmacy</u>
...	
<u>8122</u>	<u>Cannabis Production Establishments</u>



...	
-----	--

**Chapter 17.156**  
**Commercial Neighborhood District C-N**

**17.156.020: PERMITTED USES:**

A. All uses and structures contained herein are listed by number as designated in the standard land use code published and maintained by the planning department.

B. The following uses are permitted in the C-N zone:

<u>Use No.</u>	<u>Use Classification</u>
...	
<u>5913</u>	<u>Medical Cannabis Pharmacy</u>
...	

**Chapter 17.160**  
**Commercial Development Mixed Use District C-D**

**17.160.020: PERMITTED USES:**

A. All uses and structures contained herein are listed by number as designated in the standard land use code published and maintained by the planning department.

B. The following uses are permitted in the C-D zone:

<u>Use No.</u>	<u>Use Classification</u>
...	
<u>5913</u>	<u>Medical Cannabis Pharmacy</u>
...	

**Chapter 17.173**  
**Business Park District B-P**

**17.173.020: PERMITTED USES:**

A. All uses and structures contained herein are listed by number as designated in the Standard Land Use Code published and maintained by the Planning Department. A use not specifically designated is prohibited.

B. The following uses are permitted in the B-P Zone:

<u>Use No.</u>	<u>Use Classification</u>
...	
<u>5913</u>	<u>Medical Cannabis Pharmacy</u>
...	

## **Chapter 17.174**

### **Professional Office District P-O**

#### **17.174.020: PERMITTED USES:**

A. All uses and structures contained herein are listed by number as designated in the Standard Land Use Code published and maintained by the Planning Department. A use not specifically designated is prohibited.

B. The following uses are permitted in the P-O Zone:

<u>Use No.</u>	<u>Use Classification</u>
...	
<u>5913</u>	<u>Medical Cannabis Pharmacy</u>
...	

*Section 5.* Effective date. This Ordinance shall take effect upon first publication.

PASSED, APPROVED AND ADOPTED by the Murray City Municipal Council on  
this \_\_\_\_ day of \_\_\_\_\_, 2019.

MURRAY CITY MUNICIPAL COUNCIL

\_\_\_\_\_  
Dave Nicponski, Chair

ATTEST:

\_\_\_\_\_  
Jennifer Kennedy, City Recorder

MAYOR'S ACTION: Approved

DATED this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
D. Blair Camp, Mayor

ATTEST:

\_\_\_\_\_  
Jennifer Kennedy, City Recorder

CERTIFICATE OF PUBLICATION

I hereby certify that this Ordinance, or a summary hereof, was published according to law on the \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Jennifer Kennedy, City Recorder



September 20, 2019

Dear ULCT members,

The Utah State Legislature met in special session on Monday, September 16 to modify the Medical Cannabis Act (Act) with SB 1002 and the modifications will impact cities and towns. The purpose of this letter is to identify those modifications that impact state proximity and process requirements, signage, local zoning, and local land use processes as they relate to medical cannabis production establishments and medical cannabis pharmacies.

As a reminder, Proposition 2 in 2018 contemplated a total land use preemption. The ULCT membership ratified a resolution at our 2018 Annual Convention urging respect for the traditional local land use process and ULCT successfully lobbied for restoration of our land use authority in the December 2018 special session. In August of this year, Governor Gary Herbert, several legislators, state agencies, and cannabis advocates reached out to ULCT to discuss potential modifications to the Act. The advocates initially sought total preemption of local land use authority over cannabis production facilities, cultivation facilities, and pharmacies. ULCT again argued to preserve our land use authority though we recognized the urgency of the state to meet their self-imposed deadline of March 1 to make cannabis available for patients. The ULCT Board of Directors met during our 2019 Annual Convention to weigh various proposals and give direction to staff for the negotiations.

Senator Evan Vickers, the bill sponsor and a former Cedar City council member, publicly thanked ULCT on the Senate floor for working to find consensus on SB 1002 and expressed his respect for local land use authority. Both Senator Vickers and Governor Herbert specifically asked cities and towns to work with the state within the framework of state law and our local land use processes to facilitate the implementation of SB 1002 in the weeks ahead.

We know that there are advocates who still prefer a total preemption of local land use authority. Consequently, we have committed to Senator Vickers, Governor Herbert, and other stakeholders to help cities with the SB 1002 process. If you have any questions about SB 1002, please contact ULCT staff.

Thank you for your involvement in ULCT.

Sincerely,

Cameron Diehl  
ULCT Executive Director

Mike Mendenhall  
ULCT President/Spanish Fork Council Member

#CitiesWork





## SB 1002 MEDICAL CANNABIS AMENDMENTS AND IMPACT ON CITIES AND TOWNS

### I) Medical Cannabis Production Establishments

#### A) State proximity and process

Previously, state law authorized up to 10 cannabis cultivation facilities. Now, SB 1002 dictates the issuance of between five and eight licenses and authorizes up to 15 licenses based on market needs. (4-41a-205(1), (2))

Under SB 1002, the Department of Agriculture may only issue a license to an applicant who meets proximity requirements. A person may not locate an establishment within 1,000 feet of a community location or within 600 feet of a district that the city or county has zoned as primarily residential. A community location is defined as a public or private school, a licensed child-care facility or preschool, a church, a public library, a public playground, or a public park. SB 1002 now defines the 1,000/600 feet thresholds as being measured from the nearest entrance to the cannabis production establishment by following the shortest route of ordinary pedestrian travel to the property boundary of the community location or residential area. Additionally, SB 1002 authorizes the department to grant a waiver to reduce the proximity requirements by up to 20% if the department determines that it is not reasonably feasible for the applicant to site the establishment without the waiver. (4-41a-201(2)(c))

By extension, SB 1002 precludes a city or county from requiring additional proximity between cannabis establishments, medical cannabis pharmacies, retail tobacco specialty businesses, or alcohol outlets. (4-41a-406(3)(b))

State law previously required an applicant to obtain local land use approval in order to be eligible for a state license. The new process in SB 1002 requires an applicant to submit their land use approval within 120 days after the day on which the department issues the license. (4-41a-201(10)) The state still shall consult with the local land use authority if the department receives more than one application for an establishment within a city or town (4-41a-201(5)) and shall consider the positive connections between the applicant and the local community (4-41a-205(3)(c)).

#### B) Signage

SB 1002 clarifies the advertising allowances and restrictions for establishments. The new bill allows an establishment to have a sign that does not exceed four feet by five feet in size that includes the name, hours of operation, and a green cross. While a local government may not prohibit cannabis signage outright, the bill also re-affirms that local ordinances that regulate signage still apply. (4-41a-403)(4)

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### **C) Local zoning**

SB 1002 states that the operation of a cannabis production establishment shall be a *permitted* industrial use in any industrial zone or a *permitted* agricultural use in any agricultural zone unless a city or county designates by ordinance at least one industrial and/or agricultural zone where the establishment shall be a permitted use. The city or county must designate those zones by ordinance prior to an individual submitting a land use permit application. Previously, the Act stated that establishments should be allowed in at least one zone that the city or county designated and there was confusion among the advocates about the meaning of that language. (4-41a-406(2))

Additionally, a city may not enforce a land use regulation against an establishment that was not in effect on the day on which the cannabis production establishment submitted a complete land use application. (4-41a-406(3)(c))

Finally, SB 1002 now allows for cannabis cultivation through a combination of indoor and outdoor cultivation but still subject to local land use regulations regarding the availability of outdoor cultivation in an industrial zone. (4-41a-404(2)(b)(iii))

### **D) Local land use process**

SB 1002 now adds language to Title 10 that clarifies that a city may not regulate an establishment in a manner that conflicts with the Medical Cannabis Act or Cannabis Product Establishments. The bill also clarifies that cannabis applicants can access the existing 45 day "rip cord" provision in LUDMA. The rip cord provision is temporarily different for cannabis applicants than for other land use applicants. The traditional rip cord provision requires an applicant to wait for a "reasonable period of time" before exercising the rip cord to obtain a final decision from the city within 45 days.

Because of the state urgency in ensuring a supply of medical cannabis by March 1, 2020, there is a temporary rip cord provision that expires on January 1, 2021. During that period of time, a cannabis applicant need not wait a "reasonable period of time" before exercising the rip cord. Instead, a cannabis applicant is entitled to final action on a land use regulation, development agreement, or land use decision according to 10-9a-509.5(2) within 45 days. (10-9a-528(3))

### **II) Medical Cannabis Pharmacies**

#### **A) State proximity and process**

Previously, state law authorized up to seven medical cannabis pharmacies. SB 1002 now authorizes 14 pharmacies. (26-61a-305(1)(a))

Under SB 1002, the Department of Health may only issue a license to an applicant who meets new proximity requirements. A person may not locate a medical cannabis pharmacy within 200 feet of a community location or within 600 feet of a district that the city or county has zoned as

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primarily residential. SB 1002 now defines the 200/600 feet thresholds as being measured from the nearest entrance to the cannabis production establishment by following the shortest route of ordinary pedestrian travel to the property boundary of the community location or residential area. SB 1002 also now authorizes the department to grant a waiver to reduce the proximity requirements by up to 20% if the department determines that it is not reasonably feasible for the applicant to site the pharmacy without the waiver. (26-61a-301(2)(c))

By extension, SB 1002 precludes a city or county from requiring additional proximity between cannabis establishments, medical cannabis pharmacies, retail tobacco specialty businesses, or alcohol outlets. (26-61a-507(2)(b))

State law previously required an applicant to obtain local land use approval in order to be eligible for a state license. The new process in SB 1002 requires an applicant to submit their land use approval within 120 days after the day on which the department issues the license. (26-61a-301(7)) The state shall still consider geographic dispersal among licensees and issue at least one license in each geographic region of the state. The state shall also consult with the local land use authority if the department receives more than one application for a pharmacy within a city or town ((26-61a-301(2)(e))), consider positive connections to the local community, and consider the suitability of the proposed location when issuing the license. (26-61a-305(2)(a))

#### **B) Signage**

SB 1002 clarifies the advertising allowances and restrictions for pharmacies. The new bill allows an establishment to have a sign that does not exceed four feet by five feet in size that includes the name, hours of operation, and a green cross. While a local government may not prohibit cannabis signage outright, the bill re-affirms that local ordinances that regulate signage still apply. (26-61a-505(2))

#### **C) Local zoning**

SB 1002 clarifies that a medical cannabis pharmacy is a permitted use in any zone except for a primarily residential zone, but that the pharmacy is also subject to the land use regulations that apply in the underlying zone. (26-61a-507(1)). Additionally, a city may not enforce a land use regulation against a pharmacy that was not in effect on the day on which the pharmacy submitted a complete land use application.

#### **D) Local land use process**

SB 1002 now adds language to Title 10 that clarifies that a city may not regulate a pharmacy in a manner that that conflicts with the Medical Cannabis Act or Cannabis Product Establishments. The bill also clarifies that cannabis applicants can access the existing 45 day "rip cord" provision in LUDMA. The rip cord provision is temporarily different for cannabis applicants than for other land use applicants. The traditional rip cord provision requires an applicant to wait for a



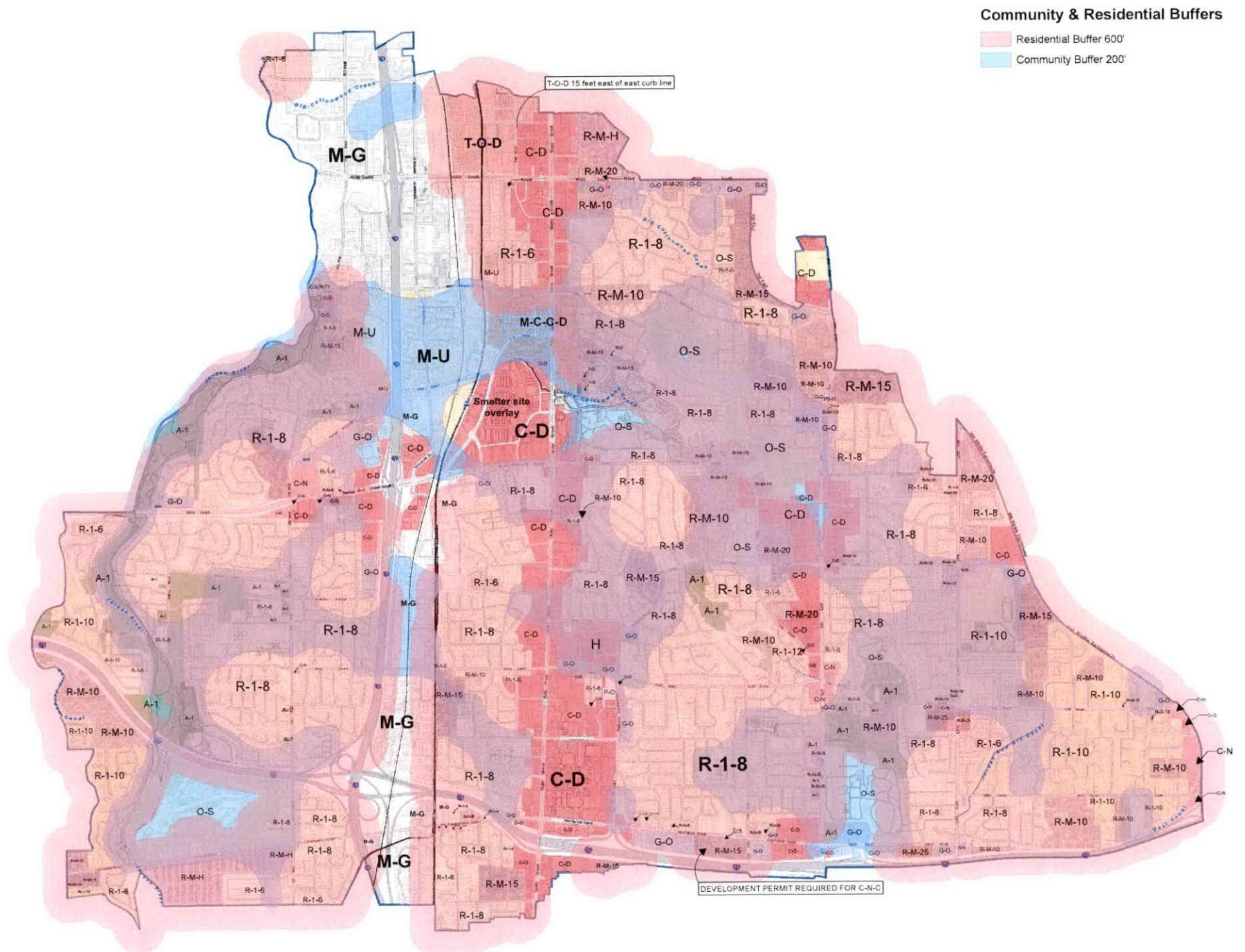


“reasonable period of time” before exercising the rip cord to obtain a final decision from the city within 45 days.

Because of the state urgency in ensuring a supply of medical cannabis by March 1, 2020, there is a temporary rip cord provision that expires on January 1, 2021. During that period of time, a cannabis applicant need not wait a “reasonable period of time” before exercising the rip cord. Instead, a cannabis applicant is entitled to final action on a land use regulation, development agreement, or land use decision according to 10-9a-509.5(2) within 45 days of submitting an application or petition. (10-9a-528(3))

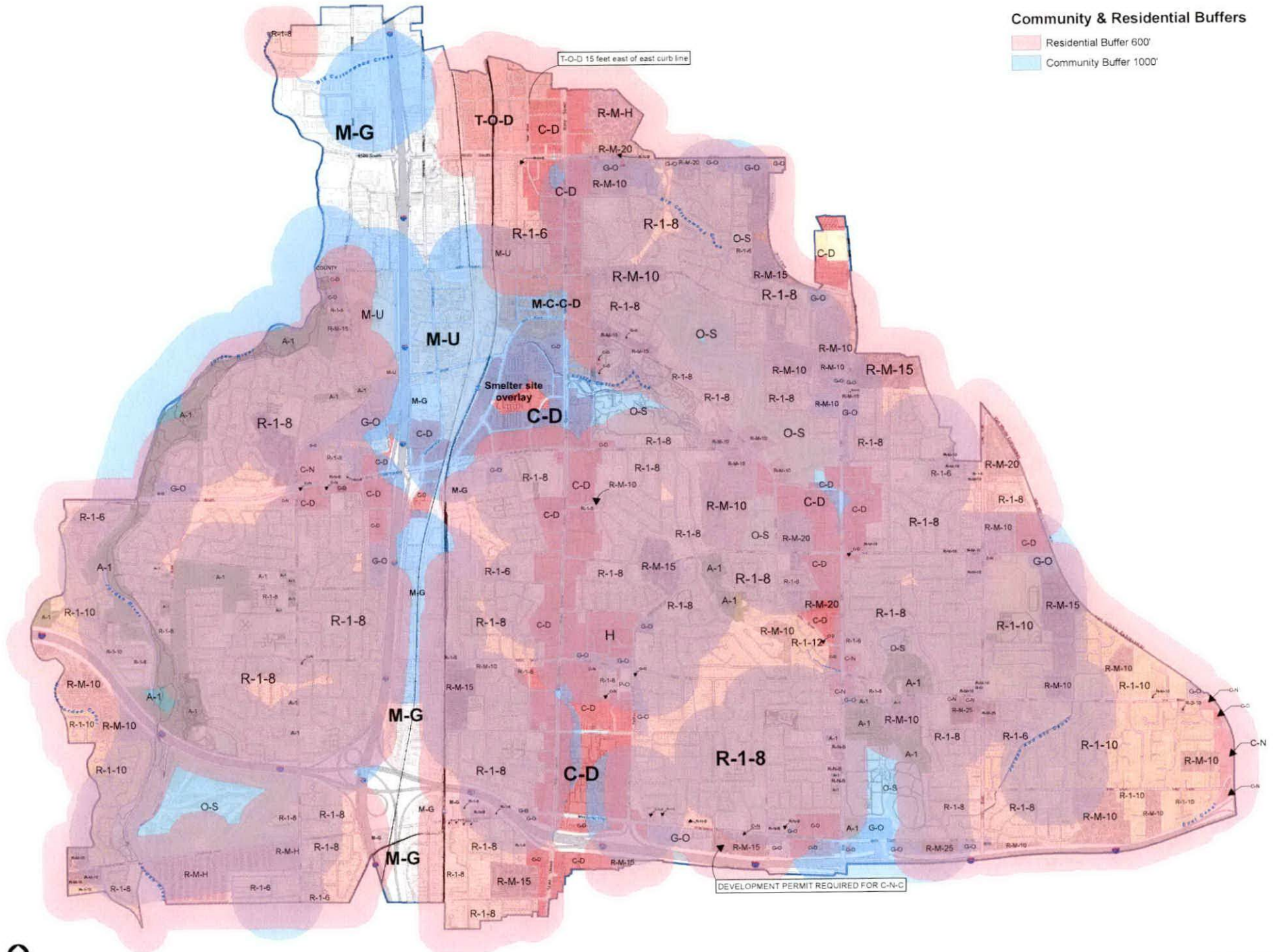
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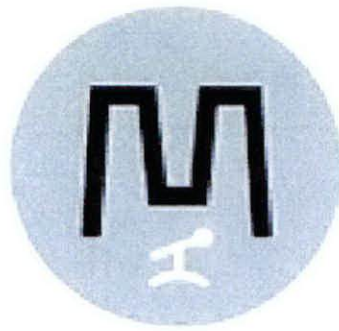
## Cannabis Pharmacy Area Limits For Zone M-G & A-1





# Cannabis Production Area Limits For Zone M-G & A-1





MURRAY  
CITY COUNCIL

# Discussion Item #2



**MURRAY**

# Library Board

## Land for New Library

### Council Action Request

Committee of the Whole

Meeting Date: October 1, 2019

<b>Department Director</b> Kim Fong  <b>Phone #</b> 801-264-2585  <b>Presenters</b> Library Board Traci Black Pepper Pehrson Dustin Lewis Nick Skene Brent Gardner Vicki Matsumori  <b>Required Time for Presentation</b> 30 Minutes  <b>Is This Time Sensitive</b> No  <b>Mayor's Approval</b>     <b>Date</b> September 5, 2019	<b>Purpose of Proposal</b> The Library Board would like to have a conversation with the City Council about the future of a new library in Murray.  <b>Action Requested</b> Information will be provided to the City Council about current plans and lack of a site for the library.  <b>Attachments</b> None.  <b>Budget Impact</b> Funds have already been established to build a new library. If the library is required to purchase land, we do not have a budget for that.  <b>Description of this Item</b> The Library Board is concerned about the future of a new library, since the plan to put the library on the City Hall block has been canceled. The Board would like to discuss options with the City Council and seek guidance on next steps in the process.
--	--



# Discussion Item #3





**MURRAY**


## City Attorney's Office

### Discussion on the Land Agreement for the Current Library Site

#### Council Action Request

Committee of the Whole

Meeting Date: October 1, 2019

<b>Department Director</b> G.L. Critchfield  <b>Phone #</b> 801-264-2640  <b>Presenters</b> G.L. Critchfield          <b>Required Time for Presentation</b> 10 Minutes  <b>Is This Time Sensitive</b> No  <b>Mayor's Approval</b>   <b>Date</b> September 18, 2019	<b>Purpose of Proposal</b> Discussion of the ground lease land agreements for the Library's current location  <b>Action Requested</b> Discussion  <b>Attachments</b> None  <b>Budget Impact</b> None    <b>Description of this Item</b> The City entered into a lease with the Murray School District for land on which the City would construct a library, where it is currently located, at 166 East 5300 South. In 1991, after learning that the bonding for the library would be cost prohibitive without owning the land to secure the bond, the District and City entered into an agreement whereby the District would convey the property to the City for the duration of the bond. The land would then be returned to the District once the bond was paid and the City would be granted a long term ground lease. Related history and status of these agreements will be discussed.
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# Discussion Item #4



**MURRAY**

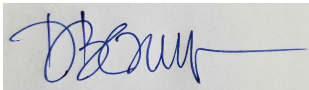
# Department/Agency Finance & Administration

## City Hall Bond Parameters Resolution

### Council Action Request

Committee of the Whole

Meeting Date: October 1, 2019

<b>Department Director</b> Brenda Moore  <b>Phone #</b> 801-264-2513  <b>Presenters</b> Brenda Moore	<b>Purpose of Proposal</b> City Hall bond parameters resolution discussion  <b>Action Requested</b> Discuss the bond parameters resolution  <b>Attachments</b> Draft of the resolution and notice of special meeting. Presentation slides will be submitted before the meeting.  <b>Budget Impact</b>     <b>Description of this Item</b> Discussion of the City Hall bond parameters, ground lease between the City and the Municipal Building Authority (MBA), building lease between the MBA and City, and the MBA issuance of bonds to build City Hall.  The bond parameters summary: Principal Amount : \$37,000,000 Maturity in Years: 31 years Sales Price: 98% (meaning you won't discount more than 2%) Interest Rate: 5.5% Designated Officers: Mayor and Finance Director  The Mayor and Finance Director would be authorized to execute the contracts, leases, and agreements necessary to issue the City Halls bonds at any level below the bond parameters listed above.
<b>Required Time for Presentation</b> 15 Minutes  <b>Is This Time Sensitive</b> No  <b>Mayor's Approval</b>   <b>Date</b> September 17, 2019	

**Continued from Page 1:**

Interest is capitalized until the building is occupied. Bond payments are not due until the building is occupied.

The City is using George K Baum and Company as financial advisors, and Gilmore and Bell as bond counsel on this debt issuance project.



MURRAY

# Overview of Lease Revenue Financings

September 2019



George K. Baum & Company  
INVESTMENT BANKERS SINCE 1928

# BASIC GOVERNMENTAL BONDS

## GENERAL GOVERNMENT PROJECT FINANCING

TYPE	USES	SECURITY	CONSIDERATIONS
General Obligation Bonds	Any capital improvement/project (G.O. pledge) <u>approved by voters.</u>	Full faith and credit (taxing power)	<ul style="list-style-type: none"> <li>- Requires a majority vote</li> <li>- Subject to statutory limits</li> <li>- Lowest interest rates</li> <li>- No reserve fund required</li> </ul>
Revenue Bonds			
Sales Tax (Excise Tax)	Any general governmental purpose project (new construction or upgrades). <b>Very limited project restrictions.</b>	Sales tax revenues, excise tax revenues, franchise tax revenues.	<ul style="list-style-type: none"> <li>- No vote required</li> <li>- May require a reserve fund</li> <li>- Coverage considerations</li> </ul>
Lease Revenue	<u>Essential purpose</u> governmental projects (new construction or upgrades).	Annual appropriations from the general fund budget to make lease payments.	<ul style="list-style-type: none"> <li>- No vote required</li> <li>- Lien on financed property/project</li> <li>- May require a reserve fund</li> <li>- May require capitalized interest</li> </ul>
Enterprise Revenue (Water/Sewer/Storm/Electric)	Revenue generating enterprise projects (new construction or upgrades). Typical enterprise fund projects ( <b>water, sewer, electric, storm drain, etc.</b> ).	Revenues generated from enterprise system.	<ul style="list-style-type: none"> <li>- No vote required</li> <li>- Typically require a reserve fund</li> <li>- Coverage considerations</li> </ul>

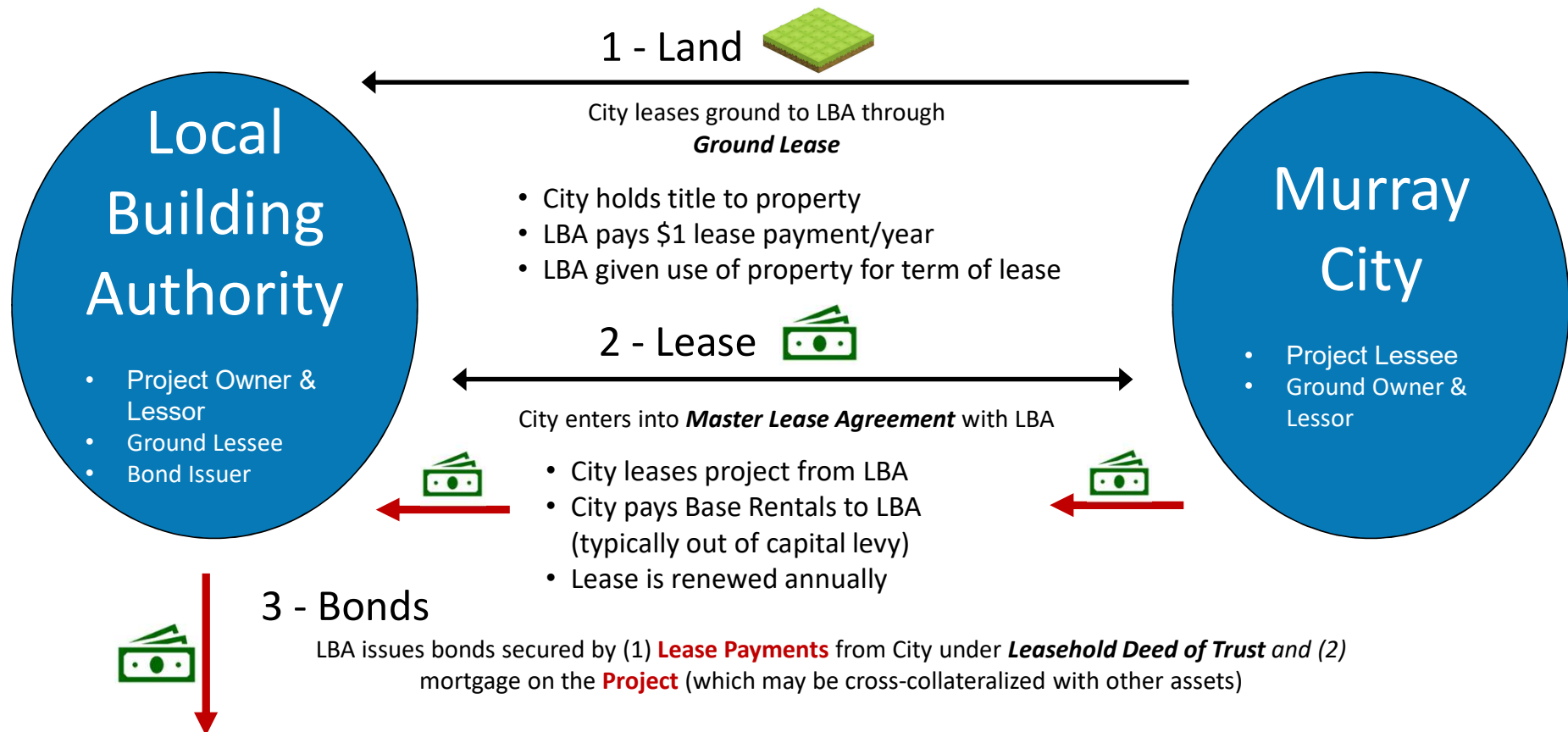


## DEVELOPMENT FINANCING

TYPE	USES	SECURITY	CONSIDERATIONS
Assessment Financing	Specific improvements within a designated improvement area (curb, gutter, streets, etc.).	Assessments levied on properties within the improvement area.	<ul style="list-style-type: none"> <li>- Requires property owner approval</li> <li>- Requires assessment ordinance and notices</li> <li>- Requires annual billing/collection</li> <li>- Typically require a reserve fund</li> <li>- Coverage considerations (property value)</li> </ul>
Increment Financing	Economic development projects (new construction or upgrades).	Incremental tax revenues.	<ul style="list-style-type: none"> <li>- Requires creation of RDA</li> <li>- Requires determination of base values</li> <li>- Typically require reserve fund</li> <li>- Coverage considerations</li> </ul>



# WHAT IS A LEASE REVENUE BOND?



# WHAT IS THE PROCESS?

1. City adopts resolution creating Local/Municipal Building Authority (already created)
2. City adopts and authorizes bond parameters resolution, Notice of Bonds to be Issues, and Notice of Public Hearing
3. City holds Public Hearing
4. City (via LBA) undertakes typical bonding activities:
  1. Drafting of Preliminary Official Statement
  2. Procuring bond ratings
  3. Selling and closing on bonds
5. City leases project from LBA (memorialized by closing documents)

# BOND PARAMETERS

- **Maximum Par Amount:** \$37,000,000

This is the maximum par amount of bonds that can be issued. If construction costs rise, the City can accept market premium (additional proceeds) in addition to the par amount.

- **Maximum Interest Rate:** 5.50%

This is the maximum interest rate that the City would pay. The actual rate will be lower. The parameters resolution sets the maximum rate high in case there is major market movement.

- **Maximum Term:** 31 Years

This is the maximum term (years) over which the bonds would be amortized. Depending on the timing of the closing on the bonds, the term of the bonds may be slightly over 30 years (i.e. 30 years + 2 months).

- **Maximum Discount:** 2%

This City will not accept purchase offers that are less than 98% of the par amount.

- **Designated Officers:** Mayor  
Mayor Pro Tem  
Finance Director

These individuals will be authorized to approve the final bond sale results and ensure that the results fit within the parameters the Council has approved.



# Open Meeting Act Certifications



CERTIFICATE OF RESOLUTION OF MUNICIPAL COUNCIL  
(October 15, 2019 Meeting)

The Municipal Council of Murray City, Utah (the "Council") met in regular session on Tuesday, October 15, 2019, at its regular meeting place in Murray City, Utah, at 6:30 p.m. with the following members of the Council present:

Diane Turner	Chair
Jim Brass	Council Member
Dale Cox	Council Member
Brett Hales	Council Member
Dave Nicponski	Council Member

Also present:

D. Blair Camp	Mayor
G.L. Critchfield	City Attorney
Jennifer Kennedy	City Recorder

Absent:

After the meeting had been duly called to order and after other matters not pertinent to the resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to the October 15, 2019 meeting attached hereto as Exhibit A.

Thereupon, Resolution No. \_\_\_\_\_ was introduced in written form, discussed in full, and pursuant to motion made by Councilmember \_\_\_\_\_ and seconded by Councilmember \_\_\_\_\_, adopted by the following vote:

AYE:

NAY:

The resolution was then signed by the Chair and recorded in the official records of the Municipal Council of Murray City, Utah.

IN WITNESS WHEREOF, I have hereunto subscribed my signature this October 15, 2019.

---

City Recorder

(SEAL)

## EXHIBIT A

### CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Jennifer Kennedy, the duly qualified and acting City Recorder of Murray City, Utah (the "Issuer"), do hereby certify, according to the records of the Issuer in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time, and place of the October 15, 2019, public meeting held by the Issuer as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the Issuer's principal offices at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to The Salt Lake Tribune and the Deseret News at least twenty-four (24) hours prior to the convening of the meeting.

(c) By causing a copy of such Notice in the form attached hereto as Schedule 1, to be published on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2019 Annual Meeting Schedule for the Municipal Council (attached hereto as Schedule 2) and any amendments thereto was given specifying the date, time and place of the regular meetings of the Municipal Council of the City to be held during the year, by causing said Notice to be (a) posted in \_\_\_\_\_ at the principal office of the Municipal Council; (b) provided to at least one newspaper of general circulation within the geographic jurisdiction of the City in \_\_\_\_\_ and (c) posted on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my signature this October 15, 2019.

---

City Recorder

(SEAL)

#### ATTACHMENTS:

SCHEDULE 1—NOTICE OF MEETING

SCHEDULE 2—NOTICE OF ANNUAL MEETING

NOTICE OF SPECIAL MEETING

TO THE MEMBERS OF THE GOVERNING BOARD OF THE MUNICIPAL  
BUILDING AUTHORITY OF MURRAY CITY, UTAH:

NOTICE IS HEREBY GIVEN that a special meeting of the Governing Board of the Municipal Building Authority of Murray City, Utah (the “Authority”) will be held at the Governing Board’s regular meeting place on October 15, 2019, for the purpose of authorizing the issuance and sale of the Authority’s Lease Revenue Bonds, Series 2019, in a total principal amount of not more than \$37,000,000, and related matters, and for the transaction of such other business incidental to the foregoing as may come before said meeting.

---

Secretary-Treasurer

ACKNOWLEDGMENT OF NOTICE  
AND CONSENT TO SPECIAL MEETING

We, the Chair/President and Boardmembers of the Governing Board of the Authority, do hereby acknowledge receipt of the foregoing Notice of Special Meeting, and we hereby waive any and all irregularities, if any, in such notice and in the manner of service thereof upon us and consent and agree to the holding of such special meeting at the time and place specified in said notice, and to the transaction of any and all business which may come before said meeting.

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Chair/President

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Boardmember

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Boardmember

---

Boardmember

---

Boardmember



Murray, Utah

October 15, 2019

The Boardmembers (the “Governing Board”) of the Municipal Building Authority of Murray City, Utah (the “Authority”), met in special session in Murray, Utah, on October 15, 2019, at 6:30 p.m., with the following Boardmembers being present:

Dave Nicponski	Chair/President
Jim Brass	Boardmember
Dale Cox	Boardmember
Brett Hales	Boardmember
Diane Turner	Boardmember

Also present:

Secretary-Treasurer

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the Secretary-Treasurer presented to the Governing Board a Certificate of Compliance with Open Meeting Law with respect to this October 15, 2019, meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, and pursuant to motion duly made by Boardmember \_\_\_\_\_ and seconded by Boardmember \_\_\_\_\_, was adopted by the following vote:

AYE:

NAY:

The resolution was then signed by the Chair/President in open meeting and recorded by the Secretary-Treasurer in the official records of the Municipal Building Authority of Murray City, Utah. The resolution is as follows:



# Parameters Resolution Municipal Building Authority

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE MUNICIPAL BUILDING AUTHORITY OF MURRAY CITY, UTAH (THE "AUTHORITY") AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$37,000,000 AGGREGATE PRINCIPAL AMOUNT OF LEASE REVENUE BONDS, SERIES 2019 (THE "SERIES 2019 BONDS"); DELEGATING TO CERTAIN OFFICERS OF THE AUTHORITY THE ABILITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE SERIES 2019 BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE SERIES 2019 BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE SERIES 2019 BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE SERIES 2019 BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE SERIES 2019 BONDS MAY BE SOLD; CALLING A PUBLIC HEARING; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING AND APPROVING THE EXECUTION BY THE AUTHORITY OF GENERAL INDENTURE OF TRUST AND A FIRST SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE CONTRACT, A MASTER LEASE AGREEMENT, SECURITY DOCUMENTS, GROUND LEASE, AND OTHER DOCUMENTS NECESSARY FOR THE ISSUANCE OF THE SERIES 2019 BONDS; AUTHORIZING AND APPROVING THE USE AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the Municipal Council (the "Council") of Murray City, Utah (the "City") has previously authorized and directed the creation of the Municipal Building Authority of Murray City, Utah (the "Authority"); and

WHEREAS, pursuant to the direction of the City, the Authority has been duly and regularly created, established and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the Constitution and the laws of the State of Utah, including, in particular, the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act"); and

WHEREAS, pursuant to the provisions of the Building Authority Act and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (collectively, with the Building Authority Act, the "Act"), the Governing Board (the "Governing Board") of the Authority, has authority to issue its lease revenue bonds for the purpose of financing certain improvements for and on behalf of the Authority; and

WHEREAS, the Authority desires to issue its Lease Revenue Bonds, Series 2019 (to be issued in one or more series and with such other or further designation(s) as the Authority may determine) (the “Series 2019 Bonds”), in an aggregate principal amount of not to exceed \$37,000,000 to (a) finance the acquisition and construction, furnishing and equipping of improvements to a new City Hall and related improvements (collectively, the “2019 Project”); (b) fund capitalized interest with respect to the Series 2019 Bonds; (c) fund any required deposits to a debt service reserve fund; and (d) pay costs associated with the issuance of the Series 2019 Bonds; and

WHEREAS, the Act provides for the publication of a Notice of Public Hearing and Bonds to be Issued, and the Authority desires to publish such notice in compliance with the Act with respect to the Series 2019 Bonds to thereby initiate the running of a contest period; and

WHEREAS, pursuant to Sections 11-14-316, 11-14-318 and 17D-2-502 of the Act, the Notice of Public Hearing and Bonds to be Issued (a) shall constitute the notice of intent to issue bonds, (b) shall constitute notice of a public hearing to receive input from the public with respect to the Series 2019 Bonds, and (c) will provide for a 30-day period during which the active voters of the City may submit a written petition requesting an election to approve or disapprove the issuance of the Series 2019 Bonds; and

WHEREAS, it is anticipated that the City will be the owner of a fee simple interest to certain parcels on which the 2019 Project is located and the Authority desires to lease such properties from the City pursuant to the terms and provisions of a Ground Lease Agreement (a “Ground Lease”) in substantially the form presented to this meeting and attached hereto as Exhibit E and herein authorized and approved; and

WHEREAS, the Murray City, Utah Redevelopment Agency (the “RDA”) is currently the owner of a fee simple interest to the site on which the 2019 Project may be located and it is anticipated that as of the closing date of the Series 2019 Project such fee simple interest in the site shall be transferred to the City or the Authority or an interest shall be leased by the RDA to the City or the Authority; and

WHEREAS, the Authority desires to lease the 2019 Project, as lessor, on an annually renewable basis, to the City, as lessee, pursuant to the terms and provisions of a Master Lease Agreement, (the “Lease”) by and between the Authority and the City in substantially the form presented to this meeting and attached hereto as Exhibit C; and

WHEREAS, the Authority proposes to (i) finance the costs associated with the 2019 Project, (ii) fund capitalized interest account with respect to the Series 2019 Bonds, (iii) fund the deposit of any required reserve, and (iv) pay the costs of issuance of the Series 2019 Bonds by means of the issuance of the Series 2019 Bonds issued pursuant to a General Indenture of Trust and a First Supplemental Indenture of Trust (together, “Indenture”) between a trustee and the Authority, in substantially the form presented to this meeting and attached hereto as Exhibit B; and



WHEREAS, to further secure its payment obligations under the Indenture, the Authority proposes to grant a lien on and security interest in the 2019 Project pursuant to the following: (i) a Leasehold Deed of Trust, Assignment of Rents and Security Agreement, and (ii) an Assignment of Ground Lease in substantially the forms presented to this meeting and attached hereto as Exhibit D (collectively the “Security Documents”); and

WHEREAS, there has been presented to the Governing Board at this meeting a form of a Bond Purchase Contract (the “Bond Purchase Contract”) to be entered into between the Authority, the City, and the Underwriter selected by the Authority for the Series 2019 Bonds (the “Underwriter”), in substantially the form attached hereto as Exhibit E; and

WHEREAS, the Authority desires to authorize the use and distribution of a Preliminary Official Statement (the “Preliminary Official Statement”), and to approve a final Official Statement (the “Official Statement”) in substantially the form attached hereto as Exhibit G, and other documents relating thereto; and

WHEREAS, the Authority desires to improve and promote the local health and general welfare of the citizens of the City by entering into the documents and taking the actions described above; and

WHEREAS, the Council has or is expected to authorize, approve and direct the execution of the Ground Lease, the Lease, the Indenture, the Bond Purchase Contract and the Security Documents and to authorize the issuance of the Series 2019 Bonds and the financing of the 2019 Project by the Authority and to authorize and approve the distribution and use of the Preliminary Official Statement and the Official Statement and to further authorize the execution of the Ground Lease, the Lease, the Indenture, the Bond Purchase Contract, and the Security Documents and certain other acts to be taken by the Authority in connection therewith; and

WHEREAS, in order to allow the Authority (in consultation with [George K. Baum & Company], the Authority’s municipal advisor (the “Municipal Advisor”), flexibility in setting the pricing date of the Series 2019 Bonds to optimize debt service costs to the Authority, the Governing Board desires to grant to [any one of the following: Chair/President, the Mayor, or, the City Finance Director or their appointees] (the “Designated Officers”), the authority to approve the final interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2019 Bonds shall be sold, to select the Underwriter thereof, and any changes with respect thereto from those terms which were before the Governing Board at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the “Parameters”);

NOW, THEREFORE, it is hereby resolved by the Governing Board of the Municipal Building Authority of Murray City, Utah, as follows:

Section 1. Terms defined in the foregoing recitals hereto shall have the same meaning when used in this Resolution.

Section 2. The Governing Board hereby finds and determines that it is in the best interests of the Authority and the residents of the City for the Authority to issue not more than Thirty-Seven Million Dollars (\$37,000,000) aggregate principal amount of the Authority's Lease Revenue Bonds, Series 2019, to bear interest at a rate or rates of not to exceed five and one-half percent (5.50%) per annum, to mature in not more than thirty-one (31) years from their date or dates, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, plus accrued interest, if any, to the date of delivery of the Series 2019 Bonds, for the purpose of (i) financing the 2019 Project, (ii) funding capitalized interest, (iii) funding any required deposits to a debt service reserve fund, and (iv) paying costs of issuance, all pursuant to this resolution (this "Resolution"), the Indenture and the Lease, all substantially in the forms attached hereto, as shall be approved by the Designated Officers, all within the Parameters set forth herein. The issuance of the Series 2019 Bonds shall be subject to the final approval of Bond Counsel and to the approval of the Attorney for the Authority.

Section 3. The final interest rate or rates for the Series 2019 Bonds shall be set by the Designated Officers, in consultation with the Municipal Advisor, at the rate or rates which, taking into account the purchase price offered by the Underwriter of the Series 2019 Bonds, will in the opinion of the Designated Officers and the Municipal Advisor result in the lowest cost of funding reasonably achievable given the manner of offering the Series 2019 Bonds at the time of the sale of the Series 2019 Bonds, as evidenced by the execution and delivery of the Bond Purchase Contract.

Section 4. The form of the Indenture attached hereto as Exhibit B is in all respects hereby authorized and approved, and the Chair/President or Vice Chair and Secretary-Treasurer is hereby authorized and directed to execute and deliver the same on behalf of the Authority.

Section 5. The Bond Purchase Contract in the form presented to this meeting and attached hereto as Exhibit F is in all respects authorized, approved, and confirmed. The Chair/President or Vice Chair and the Secretary-Treasurer are hereby authorized to execute and deliver said Bond Purchase Contract. The Designated Officers are each hereby authorized to select the Underwriter and to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2019 Bonds for and on behalf of the Authority, provided that such terms are within the Parameters set by this Resolution. The execution of the Bond Purchase Contract will signify the approval of the Designated Officers.

Section 6. The Lease, the Ground Lease, and the Security Documents, in substantially the respective forms presented to this meeting and attached hereto as exhibits, are in all respects approved, authorized and confirmed, and the Chair/President or Vice Chair and the Secretary-Treasurer are hereby authorized and directed to execute and deliver the same on behalf of the Authority.

Section 7. The Designated Officers of the Authority are authorized to make any alterations, changes or additions to the Indenture, the Bond Purchase Contract, the Preliminary Official Statement, the Official Statement, the Lease, the Security Documents, the Ground Lease, the Series 2019 Bonds, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2019 Bonds (within the Parameters set by this Resolution), to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution, or any resolution adopted by the City or the Authority, the agreements with the Underwriter or the provisions of the laws of the State of Utah or the United States.

Section 8. The Authority hereby authorizes the utilization of the Preliminary Official Statement, in the form attached hereto as Exhibit G in the marketing of the Series 2019 Bonds and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement.

Section 9. The form, terms, and provisions of the Series 2019 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Chair/President or Vice Chair and Secretary-Treasurer are hereby authorized and directed to execute and seal the Series 2019 Bonds and to deliver said Series 2019 Bonds to the Underwriter(s). The signatures of the Chair/President or Vice Chair and the Secretary-Treasurer may be by facsimile or manual execution.

Section 10. Upon their issuance, the Series 2019 Bonds will constitute special limited obligations of the Authority payable solely from and to the extent of the sources set forth in the Series 2019 Bonds, the Indenture and the Security Documents. No provision of this Resolution, the Indenture, the Bond Purchase Contract, the Lease, the Security Documents, the Ground Lease, the Series 2019 Bonds, or any other instrument, shall be construed as creating a general obligation of the Authority or the City or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Authority or the City or its taxing powers.

Section 11. In the event that a fee simple interest in the parcels on which the 2019 Project is located is not transferred by the RDA to the City as of the closing date, the City and the Authority each are hereby authorized to obtain fee simple interest and/or obtain such leasehold interests as may be necessary or desirable for the completion of the Series 2019 Project.

Section 12. The Designated Officers and appropriate officials of the Authority, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Authority any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 13. After the Series 2019 Bonds are delivered to the Underwriter, and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of the Series 2019 Bonds is deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 14. The Authority shall hold a public hearing on November 12, 2019 at 6:30 p.m. to receive input with respect to (a) the Series 2019 Bonds, and (b) the potential economic impact that the 2019 Project will have on the private sector. In accordance with the Act, the Secretary-Treasurer shall cause the following “Notice of Public Hearing and Bonds to be Issued” to be published (A) once a week for two (2) consecutive weeks in The Salt Lake Tribune and The Deseret News, newspapers of general circulation in the City, (B) on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and (C) on the Utah Legal Notices website ([www.utahlegals.com](http://www.utahlegals.com)) created under Section 45-1-101, Utah Code Annotated 1953, as amended, with the first such publications to be no less than fourteen (14) days before the public hearing date, and shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the office of the Secretary-Treasurer of the Authority for public examination during the regular business hours of the Authority for a period of at least thirty (30) days from and after the last date of publication thereof. The Issuer hereby directs its officer and staff to publish a “Notice of Public Hearing and Bonds to be Issued” in substantially the following form:



## NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

PUBLIC NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Municipal Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code, as amended (together, the “Act”), that on October 15, 2019, the Governing Board (the “Governing Board”) of the Municipal Building Authority of Murray City, Utah (the “Authority”) adopted a resolution (the “Resolution”) declaring its intention to issue its Lease Revenue Bonds, Series 2019 (the “Bonds”), and calling a public hearing to receive input from the public with respect to the issuance of the Bonds.

### TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Authority shall hold a public hearing on Tuesday, November 12, 2019, at the hour of 6:30 p.m. The location of the public hearing is at the City offices of Murray City, Utah (the “City”) located at 5025 South State Street, Murray City, Utah. The purpose of the hearing is to receive input from the public with respect to: (a) the proposed Bonds, and (b) any potential economic impact that the improvements, facility or property financed in whole or in part with the proceeds of the Bonds may have on the private sector. All members of the public are invited to attend and participate.

### PURPOSE FOR ISSUING BONDS

The Authority intends to issue the Bonds to provide funds to (a) finance the acquisition and construction, furnishing and equipping of improvements to a new City Hall and related improvements (collectively, the “2019 Project”); (b) fund capitalized interest with respect to the Bonds; (c) fund any required deposits to a debt service reserve fund; and (d) pay costs associated with the issuance of the Bonds.

### PARAMETERS OF THE BONDS

The Authority intends to issue the Bonds in a principal amount of not to exceed Thirty-Seven Million Dollars (\$37,000,000), to bear interest at a rate or rates of not to exceed five and one-half percent (5.50%) per annum, to mature in not more than thirty-one (31) years from their date or dates, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, plus accrued interest, if any, to the date of delivery of the Bonds.

The Bonds are to be issued and sold by the Authority pursuant to the Resolution, including as attachments to said Resolution a form of the General Indenture of Trust and First Supplemental Indenture of Trust (collectively, the “Indenture”) and a form of a Master Lease Agreement (the “Lease”), which were before the Governing Board at the time of the adoption of the Resolution. The Indenture and the Lease are to be executed by the Authority and/or the City with such terms and provisions and any changes thereto as authorized by the Resolution

### SECURITY FOR THE BONDS

The Bonds are payable solely from the rents, revenues and other income received by the Authority from the leasing of the 2019 Project to the City on an annually renewable basis (the “Lease Revenues”).

### OUTSTANDING BONDS SECURED BY LEASE REVENUES

The Authority currently has no bonds outstanding secured by Lease Revenues.

#### OTHER OUTSTANDING BONDS OF THE AUTHORITY

Information regarding all of the Authority's outstanding bonds may be found in the City's audited financial report (the "Financial Report") at <http://auditor.utah.gov/accountability/financial-reports-of-local-governments>. For additional information, including any more recent than as of the date of the Financial Report please contact Brenda Moore, Finance Director of the City, at (801) 264-2669.

#### TOTAL ESTIMATED COST

Based on an estimate of the current interest rate and financing plan, the estimated total debt service cost of the Bonds, if held until maturity, is \$\_\_\_\_\_.

A copy of the Resolution and the forms of Indenture and the Lease are on file in the City offices, located at 5025 South State Street, in Murray City, Utah, where they may be examined during regular business hours from 8:00 a.m. to 5:00 p.m., Monday through Friday for a period of at least thirty (30) days from and after the last date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Resolution, the Indenture, the Lease, or the Bonds, or any provision made for the security and payment of the Bonds, and after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever, and (ii) active voters (as defined in Section 20A-1-102 of the Utah Code) within the City may sign a written petition requesting an election to authorize the issuance of the Bonds. If written petitions which have been signed by at least twenty percent (20%) of the active voters of the City are filed with the Authority during said 30-day period, the Authority shall be required to hold an election to obtain voter authorization prior to the issuance of the Bonds. If fewer than twenty percent (20%) of the active voters of the City file a written petition during said 30-day period, the Authority may proceed to issue the Bonds without an election.

DATED this October 15, 2019.

\_\_\_\_\_  
/s/  
Secretary-Treasurer

Section 15. The Authority hereby expresses its intent that funds of the City or the Authority may be advanced for costs of the 2019 Project and that it intends to reimburse such costs from proceeds of the Series 2019 Bonds.

Section 16. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

APPROVED AND ADOPTED this October 15, 2019.

(SEAL)

By: \_\_\_\_\_  
Chair/President

ATTEST:

By: \_\_\_\_\_  
Secretary-Treasurer

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)

By: \_\_\_\_\_  
Chair/President

ATTEST:

By: \_\_\_\_\_  
Secretary-Treasurer



STATE OF UTAH )  
 )  
 ) ss.  
COUNTY OF SALT LAKE )

I, \_\_\_\_\_, the undersigned, duly qualified, and acting Secretary-Treasurer of the Governing Board (the “Governing Board”) of the Municipal Building Authority of Murray City, Utah (the “Authority”), do hereby certify:

The foregoing pages are a true, perfect and complete copy of the record of proceedings of the Governing Board, had and taken at a lawful special meeting of said Governing Board held at its regular meeting place in Murray City, Utah, on October 15, 2019, commencing at the hour of 6:30 p.m., as recorded in the regular official book of the proceedings of the Authority kept in my office, and said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein were present as said meeting as therein shown.

All members of the Governing Board were duly notified of said meeting, pursuant to law.

I further certify that the Resolution, with all exhibits attached, was deposited in my office on October 15, 2019, and that pursuant to the Resolution, a “Notice of Public Hearing and Bonds to be Issued” will be (a) published once a week for two (2) consecutive weeks in The Salt Lake Tribune and The Deseret News, newspapers of general circulation in the City, (b) posted on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and (c) posted on the Utah Legal Notices website ([www.utahlegals.com](http://www.utahlegals.com)) created under Section 45-1-101, Utah Code Annotated 1953, as amended, with the affidavit of such publication attached hereto upon availability.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Authority this October 15, 2019.

(SEAL)

By: \_\_\_\_\_  
Secretary-Treasurer

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I \_\_\_\_\_, the undersigned Secretary-Treasurer of the Governing Board of the Municipal Building Authority of Murray City, Utah (the "Authority"), do hereby certify, according to the records of the Authority in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time, and place of the October 15, 2019, public meeting held by the Authority as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the Authority on \_\_\_\_\_, 2019, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to The Salt Lake Tribune and The Deseret News, on \_\_\_\_\_, 2019, at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting.

The Authority meets on an "as needed" basis.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this October 15, 2019.

(SEAL)

By: \_\_\_\_\_  
Secretary-Treasurer

SCHEDULE 1 and SCHEDULE 2

NOTICE OF MEETING

And

NOTICE OF ANNUAL MEETING

(attach Proof of Publication of  
Notice of Bonds to be Issued)

EXHIBIT B

GENERAL INDENTURE AND  
FIRST SUPPLEMENTAL INDENTURE

(See Transcript Document Nos. \_\_ and \_\_)



EXHIBIT C

MASTER LEASE AGREEMENT

(See Transcript Document No. \_\_\_\_)

EXHIBIT D

SECURITY DOCUMENTS

(See Transcript Document Nos. \_\_ and \_\_)

EXHIBIT E

GROUND LEASE

(See Transcript Document No. \_\_)

EXHIBIT F

BOND PURCHASE CONTRACT

(See Transcript Document No. \_\_)

EXHIBIT G

PRELIMINARY OFFICIAL STATEMENT

(See Transcript Document No. \_\_)





**MURRAY**  
CITY COUNCIL

# Resolution Approving a Master Lease Agreement - City Council & Municipal Building Authority

RESOLUTION NO. R19.\_\_\_\_

A RESOLUTION OF THE MUNICIPAL COUNCIL OF MURRAY CITY, UTAH AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A MASTER LEASE AGREEMENT BY AND BETWEEN THE CITY AND THE MUNICIPAL BUILDING AUTHORITY OF MURRAY CITY, UTAH (THE “AUTHORITY”), AND A GROUND LEASE AGREEMENT; AUTHORIZING THE ISSUANCE AND SALE BY THE AUTHORITY OF ITS LEASE REVENUE BONDS, SERIES 2019, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$37,000,000; AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF A GENERAL INDENTURE OF TRUST, A SUPPLEMENTAL INDENTURE OF TRUST, BOND PURCHASE CONTRACT, CERTAIN SECURITY DOCUMENTS, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING AND APPROVING THE DISTRIBUTION AND USE OF A PRELIMINARY OFFICIAL STATEMENT; AND AN OFFICIAL STATEMENT AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the Municipal Council (the “Council”) of Murray City, Utah (the “City”) has previously authorized and directed the creation of the Municipal Building Authority of Murray City, Utah (the “Authority”); and

WHEREAS, pursuant to the direction of the City, the Authority has been duly and regularly created, established and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the Constitution and laws of the State of Utah, including, in particular, the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the “Building Authority Act”); and

WHEREAS, under the Articles of Incorporation of the Authority (the “Articles”), the objects and purposes for which the Authority has been founded and incorporated are to construct, acquire, improve or extend one or more projects and to finance their costs on behalf of the Authority in accordance with the procedures and subject to the limitations of the Building Authority Act in order to accomplish the public purpose for which the Authority exists; and

WHEREAS, pursuant to the provisions of the Building Authority Act and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (together, the “Act”), the Authority has authority to issue its lease revenue bonds for the purpose of financing certain improvements for and on behalf of the Authority; and

WHEREAS, under the direction of the City, the Governing Board of the Authority (the “Governing Board”) has the authority to issue the Authority’s Lease Revenue Bonds, Series 2019 (the “Series 2019 Bonds”) (to be issued in one or more series and with such

other series or title designation(s) as may be determined by the Authority) in an aggregate principal amount of not to exceed \$37,000,000 to (a) finance the acquisition and construction, furnishing and equipping of improvements to a new City Hall and related improvements (collectively, the “2019 Project”); (b) fund capitalized interest with respect to the Series 2019 Bonds; (c) fund any required deposits to a debt service reserve fund; and (d) pay costs associated with the issuance of the Series 2019 Bonds; and

WHEREAS, the Series 2019 Bonds are to be issued pursuant to a General Indenture and a First Supplemental Indenture of Trust (the “First Supplemental Indenture” and together with the General Indenture, the “Indenture”), each by and between the Authority and a trustee, substantially in the forms presented to the Council at this meeting and are attached hereto as Exhibit B; and

WHEREAS, it is anticipated that the City will be the owner of a fee simple interest to the site on which the 2019 Project may be located and the City desires to lease such property to the Authority pursuant to the terms and provisions of a Ground Lease Agreement (a “Ground Lease”), in substantially the form presented to this meeting and attached hereto as Exhibit C and herein authorized and approved; and

WHEREAS, the Murray City, Utah Redevelopment Agency (the “RDA”) is currently the owner of a fee simple interest to the site on which the 2019 Project may be located and it is anticipated that as of the closing date of the Series 2019 Project such site shall be transferred to the City or shall be leased by the RDA to the City or the Authority; and

WHEREAS, the 2019 Project is to be leased to the City, on an annually renewable basis, by the Authority pursuant to the terms and provisions of a Master Lease Agreement (the “Lease”), by and between the Authority and the City, in substantially the form presented to the Council at this meeting and attached hereto as Exhibit D; and

WHEREAS, to further secure its payment obligations under the Indenture, the Authority proposes to grant a lien on and security interest in the 2019 Project pursuant to: (i) a Leasehold Deed of Trust, Assignment of Rents and Security Agreement and (ii) an Assignment of Ground Lease in substantially the forms presented to this meeting and attached hereto as Exhibit E (collectively the “Security Documents”); and

WHEREAS, the Authority by its Resolution dated the date hereof (the “Authority Resolution”) has or is expected to authorize, approve and direct (i) the execution of the First Supplemental Indenture, a Ground Lease, the Lease and the Security Agreements; (ii) the issuance of the Series 2019 Bonds; and (iii) the financing of the 2019 Project; and

WHEREAS, there has been presented to the Council at this meeting a form of a Bond Purchase Contract (the “Bond Purchase Contract”) to be entered into among the Authority, the City and an underwriter selected by the Authority for the Series 2019 Bonds (the “Underwriter”), in substantially the form attached hereto as Exhibit F; and

WHEREAS, in connection with the issuance of the Series 2019 Bonds, the City desires to authorize the use and distribution of a Preliminary Official Statement (the

“Preliminary Official Statement”) in substantially the form attached hereto as Exhibit G, and to approve a final Official Statement (the “Official Statement”) in substantially the form as the Preliminary Official Statement, and other documents relating thereto; and

WHEREAS, (i) the plans and specifications for the 2019 Project, including a certificate of the engineer/architect responsible for planning the 2019 Project (which certificate sets forth the estimated useful life of the 2019 Project) and (ii) the estimated costs of the 2019 Project are set forth in Exhibit H hereto and are hereby submitted to the Council for its approval; and

WHEREAS, the Authority may not exercise any of its powers without prior authorization by the City, and therefore it is necessary that the City authorize certain actions by the Authority in connection with the transactions contemplated hereby in connection with the issuance of the Series 2019 Bonds; and

WHEREAS, the City desires to improve and promote the local health and general welfare of the citizens of the City by entering into the documents and taking the actions described above; and

WHEREAS, the City desires to (i) approve and direct the execution of the Ground Lease, the Bond Purchase Contract, and the Lease by the City; (ii) authorize the issuance of the Series 2019 Bonds and the financing of the 2019 Project by the Authority; (iii) authorize the execution of the Ground Lease, the Lease, the Indenture, the Bond Purchase Contract, the Security Documents and the Official Statement; (iv) authorize and approve the distribution and use of the Preliminary Official Statement and the Official Statement; (v) approve the plans and specifications for the 2019 Project and the estimated costs of the 2019 Project; and (vi) authorize certain other acts to be taken by the Authority in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF MURRAY CITY, UTAH AS FOLLOWS:

Section 1. All terms defined in the recitals hereto shall have the same meaning when used herein. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the City and by the officers of the Authority directed toward the issuance of the Series 2019 Bonds and the financing of the 2019 Project are hereby ratified, approved and confirmed.

Section 2. The City hereby finds and determines, pursuant to the Constitution and laws of the State of Utah, that the leasing of the 2019 Project under the terms and provisions and for the purposes set forth in the Lease and the other documents, instruments and conveyances hereinafter approved and authorized, is necessary, convenient and in furtherance of the governmental and proprietary purposes of the City and is in the best interest of the citizens of the City, and the City hereby authorizes, approves and directs the issuance and sale of the Series 2019 Bonds by the Authority in accordance with the provisions of the Indenture and the leasing of the 2019 Project in the manner provided in the Lease and the Ground Lease.

Section 3. The Ground Lease, the Lease, the Indenture, the Security Documents and the Bond Purchase Contract, in substantially the respective forms presented to this meeting and attached hereto as exhibits, are in all respects approved, authorized, and confirmed, and the Mayor or the Mayor pro tem, in the absence of the Mayor, is authorized to approve the final terms thereof and to execute and deliver the Ground Lease, the Lease and the Bond Purchase Contract in the forms and with substantially the same content as attached hereto for and on behalf of the City with final terms as may be established for the Series 2019 Bonds by the Authority and with such alterations, changes or additions as may be necessary or as may be authorized herein. When authorized by the Governing Board of the Authority, the City hereby approves and authorizes the execution and delivery of the Bond Purchase Contract, the Lease, the Indenture, the Security Documents and the Ground Lease, by the Authority in substantially the forms presented to this meeting and attached hereto as exhibits for and on behalf of the Authority.

Section 4. The Council hereby authorizes the financing of the 2019 Project and the delegation by the Authority, to certain officers of the Authority, the ability to set the final terms of the Series 2019 Bonds within the parameters established by the Authority in the Authority Resolution, which parameters are as follows: maximum aggregate principal amount shall not exceed \$37,000,000; the maximum interest rate shall not exceed 5.50% per annum; the maximum maturity shall not exceed 31 years from the dated date of the Series 2019 Bonds; and the maximum discount from par at which the Series 2019 Bonds may be sold shall not exceed 2%.

Section 5. Should the Authority determine to have the Series 2019 Bonds underwritten, the Council hereby authorizes the distribution and use of the Preliminary Official Statement, in the form attached hereto as Exhibit G, in the marketing of the Series 2019 Bonds and hereby approves the distribution and use of the Official Statement in substantially the same form as the Preliminary Official Statement.

Section 6. For the purpose of providing funds to (a) finance the 2019 Project, (b) fund capitalized interest with respect to the Series 2019 Bonds, (c) fund any required deposits to a reserve fund, and (d) pay costs associated with the issuance of the Series 2019 Bonds and for such other purposes as may be authorized under the Indenture, the Authority shall issue the Series 2019 Bonds which shall be designated the “Municipal Building Authority of the Murray City, Utah Lease Revenue Bonds, Series 2019” (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Authority, provided that the terms of the Series 2019 Bonds shall not exceed the parameters referenced in Section 4 herein). The Series 2019 Bonds shall be dated, shall bear interest, and shall mature as set forth in the First Supplemental Indenture.

Section 7. The Authority is authorized to issue and sell the Series 2019 Bonds to the Underwriter thereof pursuant to the terms of the Bond Purchase Contract in the aggregate principal amount of not to exceed \$37,000,000 and at the purchase price set forth therein. The Series 2019 Bonds shall be dated as of their date of delivery, shall bear interest, and mature as set forth in the First Supplemental Indenture.



Section 8. The form, terms, and provisions of the Series 2019 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Series 2019 Bonds shall mature prior to the expiration of the estimated useful life of the 2019 Project. The Chair/President of the Authority, including any authorized official acting in the Chair/President's place, is hereby authorized to execute the Series 2019 Bonds, to place thereon the seal of the Authority and to deliver the Series 2019 Bonds to the Underwriter. The Secretary-Treasurer of the Authority is authorized to attest to the signature of the Chair/President and affix the seal of the Authority to the Series 2019 Bonds and to authenticate the Series 2019 Bonds. The signatures of the Chair/President and of the Secretary-Treasurer may be by facsimile or manual execution.

Section 9. The appropriate officers of the City and the Authority are authorized to take all actions necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby and are authorized to take all actions necessary in conformity with the Act and the Articles to finance the 2019 Project, and to lease the 2019 Project pursuant to the Lease, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Indenture and the sale and delivery of the Series 2019 Bonds.

Section 10. Upon their issuance, the Series 2019 Bonds will constitute special limited obligations of the Authority payable solely from and to the extent of the sources set forth in the Series 2019 Bonds, the Indenture and the Security Documents. No provision of this Resolution, the Lease, the Ground Lease, the Indenture, the Series 2019 Bonds, the Bond Purchase Contract, the Security Documents, the Official Statement, nor any other instrument authorized hereby, shall be construed as creating a general obligation of the Authority or of creating a general obligation of the City, the State of Utah or any political subdivision of the State of Utah, nor as incurring or creating a charge upon the general credit of the City or against its taxing powers. The City shall not be obligated to pay out of its funds, revenues, or accounts, or to make any payment in respect of the Series 2019 Bonds, except in connection with the payment of Base Rentals, Additional Rentals, and Purchase Option Price pursuant to the Lease (as those terms are defined in the Lease), which are subject to annual appropriation by the City in accordance with the provisions of the Lease. The Authority has no taxing power.

Section 11. The Mayor or Mayor pro tem is hereby authorized to make any alterations, changes or additions in the Lease, the Ground Lease, the Bond Purchase Contract, and the Official Statement herein approved and authorized necessary to correct errors or omissions therein, to remove ambiguities therefrom, or to conform the same to other provisions of such instruments, to the provisions of this Resolution, or any resolution adopted by the City or the Authority, to the agreements with the Underwriter or the provisions of the laws of the State of Utah or the United States, the approval of all such alterations, changes, or additions to be conclusively established by the execution thereof.

Section 12. In the event that a fee simple interest in the parcels on which the 2019 Project is located is not transferred by the RDA to the City as of the closing date, the City and the Authority each are hereby authorized to obtain fee simple interest and/or

obtain such leasehold interests as may be necessary or desirable for the completion of the Series 2019 Project.

Section 13. The appropriate officials of the Authority are authorized to make any alterations, changes, or additions in the Lease, the Ground Lease, the Indenture, the Bond Purchase Contract, the Security Documents, and the Official Statement herein authorized and approved which may be necessary to correct errors or omissions therein, to remove ambiguities therefrom, to conform the same to other provisions of said instruments, to the provisions of this Resolution, or any resolution adopted by the City or the Authority, to the agreements with the Underwriter, or the provisions of the laws of the State of Utah or the United States, approval of all such alterations, changes, or additions to be conclusively established by the execution thereof.

Section 14. If any provisions of this resolution (including the exhibits attached hereto) should be held invalid, the invalidity of such provisions shall not affect any of the other provisions of this resolution or the exhibits.

Section 15. The City Recorder is hereby authorized to attest to all signatures and acts of any proper official of the City, and, as necessary, to place the seal of the City on the Lease, the Bond Purchase Contract, the Ground Lease and the Official Statement. The Mayor and other proper officials of the City and each of them, are hereby authorized to execute and deliver for and on behalf of the City any and all additional certificates, documents, and other papers and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the matters herein authorized. Any action authorized to be taken by the Mayor of the City may, in his/her absence, be taken by the Mayor pro tem.

Section 16. The Secretary-Treasurer or other authorized officer of the Authority is hereby authorized to attest to all signatures and acts of any proper official of the Authority, and, as necessary, to place the seal of the Authority on the Lease, the Ground Lease, the Indenture, the Security Documents, the Bond Purchase Contract, and any other documents authorized, necessary or proper pursuant to this Resolution or any Resolution of the Authority. The appropriate officials of the Authority, and each of them, are hereby authorized to execute and deliver for and on behalf of the Authority any or all additional certificates, documents, and other papers to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this resolution. Any action authorized to be taken by the Chair/President may, in his/her absence, be taken by the Vice-Chair of the Authority.

Section 17. The appropriate officers of the City are authorized to take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby.

Section 18. If any provisions of this Resolution (including the exhibits attached hereto) should be held invalid, the invalidity of such provisions shall not affect any of the other provisions of this Resolution or the exhibits.

Section 19. This Resolution shall become effective immediately upon adoption by the City.

Section 20. All bylaws, orders and resolutions of the City or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as revising any bylaw, order, resolution, or ordinance or part thereof.

PASSED BY THE MUNICIPAL COUNCIL OF MURRAY CITY, UTAH THIS  
OCTOBER 15, 2019.

(SEAL)

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Recorder

EXHIBIT A

CERTIFICATE OF RESOLUTION

EXHIBIT B

INDENTURE

(See Transcript Document Nos. \_\_ and \_\_)



EXHIBIT C

GROUND LEASE AGREEMENT

(See Transcript Document No. \_\_)

EXHIBIT D

MASTER LEASE AGREEMENT

(See Transcript Document No. \_\_)

EXHIBIT E

SECURITY DOCUMENTS

(See Transcript Document Nos. \_\_ and \_\_)

EXHIBIT F

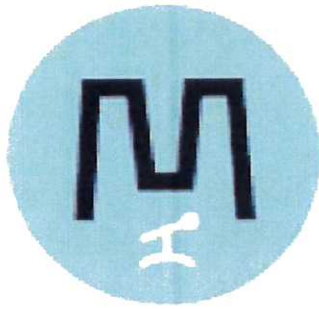
BOND PURCHASE CONTRACT

(See Transcript Document No. \_\_)

EXHIBIT G

PRELIMINARY OFFICIAL STATEMENT

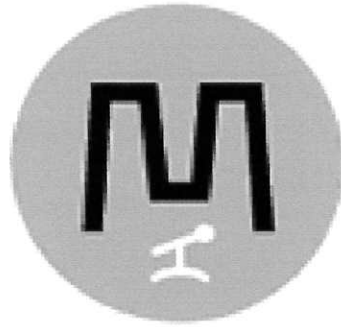
(See Transcript Document No. \_\_)



**MURRAY**  
CITY COUNCIL

**Adjournment**





**MURRAY**  
CITY COUNCIL

# **Municipal Building Authority October 1, 2019**



**MURRAY**  
CITY COUNCIL

**NOTICE OF MEETING**  
**MUNICIPAL BUILDING AUTHORITY**  
**OF MURRAY CITY, UTAH**

**NOTICE IS HEREBY GIVEN** that the Municipal Building Authority of Murray City, Utah will meet on Tuesday, October 1, 2019, at the Murray City Center, 5025 South State Street, Murray, Utah.

**6:30 p.m.** To be held in the Council Chambers  
Dave Nicponski, President, conducting.

**New Business**

1. Election of a Secretary-Treasurer of the Municipal Building Authority.

**Adjournment**

**NOTICE**

**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. TTY is Relay Utah at #711.**

On, Friday, September 27, 2019 at 9:00 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 and also sent to them by facsimile copy. A copy of this notice was posted on the state noticing website at <http://pmn.utah.gov> and on Murray City's internet website [www.murray.utah](http://www.murray.utah).

Janet M. Lopez  
Council Executive Director  
Murray City Municipal Council



**MURRAY**

# Municipal Building Authority

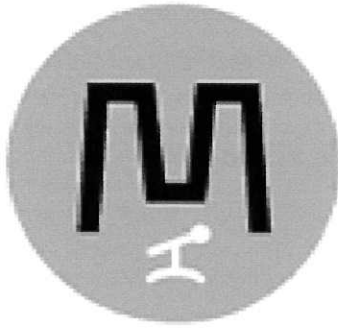
## Special Meeting

### Council Action Request

Meeting Date: October 1, 2019

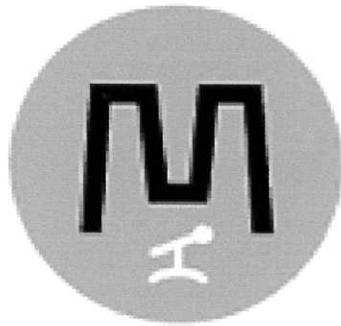
<b>Department</b> <b>Director</b> Janet M. Lopez  <b>Phone #</b> 801-264-2622  <b>Presenters</b> Dave Nicponski	<b>Purpose of Proposal</b> Election of a Secretary-Treasurer of the Municipal Building Authority (MBA).  <b>Action Requested</b> Nominations and election of a single person to serve as Secretary-Treasurer of the MBA.  <b>Attachments</b> None  <b>Budget Impact</b> None  <b>Description of this Item</b> Article IV, Section 1 of the Bylaws of the Municipal Building Authority of Murray City details that the officers of the Authority shall be a Chairman of the Board, who shall also serve as President of the Authority, a Vice President, and a Secretary-Treasurer.....  Current 2019 Officers:  President: Dave Nicponski Vice-President: Jim Brass Secretary: Brett Hales Treasurer: Diane Turner
<b>Required Time for Presentation</b> 10 Minutes  <b>Is This Time Sensitive</b> Yes  <b>Mayor's Approval</b>     <b>Date</b> September 20, 2019	





**MURRAY**  
CITY COUNCIL

**Adjournment**

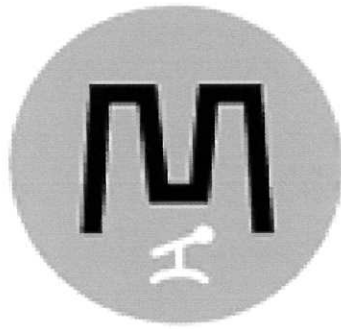


**MURRAY**  
CITY COUNCIL

# Council Meeting 6:30 p.m.

Call to Order

Pledge of Allegiance



**MURRAY**  
CITY COUNCIL

# Council Meeting Minutes



# Murray City Municipal Council Chambers Murray City, Utah

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The Murray City Municipal Council met on Tuesday, September 3, 2019 at 6:30 p.m. for a meeting held in the Murray City Center Council Chambers, 5025 South State Street, Murray, Utah.

## Council Members in Attendance:

Dave Nicponski, Chair	District #1 - Excused
Dale Cox, Vice Chair	District #2
Jim Brass	District #3
Diane Turner	District #4
Brett Hales	District #5 - Excused

## Others in Attendance:

Blair Camp	Mayor	Jan Lopez	Council Director
G.L. Critchfield	City Attorney	Jennifer Kennedy	City Recorder
Doug Hill	Chief Administrative Officer	Jennifer Heaps	Communications & Public Relations Director
Craig Burnett	Police Chief	Brenda Moore	Controller/Acting Finance Director
Jordan Guccione	Firefighter	Jon Harris	Fire Chief
Kevin Davis	Firefighter	Chad Pascua	Battalion Chief
Robert White	IT Director	Mitchel McClure	Firefighter
Blaine Haacke	General Manager of Power	Skylar Van Ekelenburg	Firefighter
Matt Erkelens	Forestry Supervisor	Kim Sorensen	Parks & Recreation Director
Bruce Turner	Power Department Operations Manager	Melinda Greenwood	Community & Economic Development (CED) Director
		Jared Hall	CED Division Manager
Citizens			

## **Opening Ceremonies**

Call to Order – Mr. Cox called the meeting to order at 6:30 p.m. and excused Council Members Hales and Nicponski from the meeting.

Pledge of Allegiance – The Pledge of Allegiance was led by Blaine Haacke, General Manager of Power

## Approval of Minutes

Council Meeting – August 6, 2019

MOTION: Mr. Brass moved to approve the minutes. The motion was SECONDED by Ms. Turner. Voice vote taken, all “ayes.”

## Special Recognition

1. Swearing-In New Murray City Firefighters, Mitchel McClure, Skylar Van Ekelenburg, Kevin Davis, and Jordan Guccione.

### Staff Presentation: Jon Harris, Fire Chief

Chief Harris introduced the four new Firefighters and spoke about each one. The Swearing-In Ceremony was performed by Jennifer Kennedy, City Recorder and the new Firefighters introduced their families.

2. Consider a Joint Resolution of the Mayor and Municipal Council of Murray City, Utah Declaring September 9-13, 2019 Public Power Week.

### Staff Presentation: Mayor Blair Camp

Mayor Camp read the resolution.

MOTION: Mr. Brass moved to adopt the Joint Resolution. The motion was SECONDED by Ms. Turner.

### Council roll call vote:

Mr. Brass	Aye
Ms. Turner	Aye
Mr. Cox	Aye

Motion passed 3 – 0

Mayor Camp presented the resolution to Blaine Haacke, General Manager of Power. He thanked the Power Department for everything they do and congratulated them on being around for 106 years.

Mr. Haacke said Murray Power is one of about 2,000 municipal owned power companies in the country and one of about 50 in Utah. Murray Power provides electricity to about 20% of the State of Utah through their power systems. They have 45 employees and try to keep power outages to a minimum.

Mr. Haacke noted that on September 12, 2019 from 4:00 p.m. to 6:30 p.m. the Power Department will have hotdogs in Murray Park for everyone.

3. Presentation of the 2019 Jim and Jean Hendrickson Beautification Awards.

Staff Presentation: Matt Erkelens, Forestry Supervisor

Mr. Erkelens said this is the 35<sup>th</sup> Annual Beautification Awards Ceremony. He introduced the members of the Shade Tree and Beautification Committee: Dr. Jan Evans, Geneal Nelson, Judith Payne, and Darin Bird and noted that Darin Bird was unable to be in attendance. The committee presented the following awards:

District Awards

District 1 Winner – Maurice Residence at 501 East Julep Drive

District 2 Winner – Boettcher Residence at 125 West Lester Avenue

District 3 Winner – Marko Residence at 5036 South Jazz Lane

District 4 Winner – Alstrup Residence at 1165 East 5840 South

District 5 Winner – Shimada Residence at 804 East Vine Creek Circle

Mayor's Awards

Single Family Residential – Vigil Residence at 817 West Walden Hills Drive

Residential Xeriscape – Taylor & Pratt Residence at 632 East Lincoln Place

Commercial – Studio 6 Extended Stay at 975 East 6600 South

Multi-Family Residential – Lost Creek Apartments at 4950 South State Street

Mr. Camp expressed his appreciation to the winners for the work they do to keep their properties beautiful. He also thanked the members of the Shade Tree Commission.

**Citizen Comments** – Comments are limited to 3 minutes unless otherwise approved by the Council.  
No citizen comments were given.

**Public Hearings**

Staff and sponsor presentations and public comment will be given prior to Council action on the following matters.

1. Consider an ordinance relating to land use; amends the Zoning Map for the property located at 5920 South Fashion Boulevard, Murray City, Utah from the C-D (Commercial Development) and G-O (General Office) Zoning Districts to the P-O (Professional Office) Zoning District. Roderick Enterprises applicant

Staff Presentation: Melinda Greenwood, CED Director

(See Attachment 1 for slides used during this presentation)

Mr. Cox asked Ms. Turner to read a letter that was received by the Council into the record (See Attachment 2 for a copy of the letter).

Ms. Greenwood said tonight's discussion is for a zone map amendment. She explained that a zone map amendment is strictly to change a zone and that project specifics are not considered at this time. The Council will look at the surrounding uses and what the city's

General Plan recommends the property be used for in order to make their decision. She added that a General Plan amendment will come at a later date, tonight is just to discuss a zone map amendment.

Ms. Greenwood said currently this property has two different zonings on it, the south half is zoned Commercial Development (C-D) and the north half is zoned General Office (G-O). The applicant is requesting the zone be changed to the Professional Office (P-O) zone. The Future Land Use Map shows a P-O zone to the south of this property. The site is basically dirt and all the vegetation has been removed.

Staff has looked at the uses of the properties that surround this property and have concluded that the rezoning would be consistent with the development patterns in the area.

Ms. Greenwood noted that some of the comments and concerns that have been received cannot be addressed at this point but they will be later on in this process. She went over the multi-tiered notification process noting that 80 property owners were mailed a notification of this public hearing. A notice of this public hearing was also posted at the site, and published in the newspaper, on the Public Notice website and on Murray City's website.

Mr. Brass said he counted 90 addresses that the public hearing notice was mailed to in the packet. He asked if all the notices went out. He also wondered why notices were mailed to Holladay, Millcreek, and Sandy.

Ms. Greenwood replied all the notices were mailed out. The addresses outside of the city were to affected entities which are neighboring cities and utility companies, which the city is required to notify.

Mr. Cox asked what the main differences were between the General Office and Professional Office zones.

Ms. Greenwood said the main difference between the zones is the allowable height of a building. In the General Office zone there is a maximum height of 30 feet within 100 feet from a residential property boundary. However, you can increase that height by one foot for every four feet of distance from the property boundary beyond the 100 feet. In the Professional Office zone, the maximum height of a building is 35 feet within 100 feet from a residential property boundary. After that, it can go up to 50 feet, there is no incremental height increase.

Mr. Brass noted that an R-1-8 zone, which is a typical residential zone, allows for a height of 35 feet.

Michael Roderick – Roderick Enterprises

Mr. Roderick said his business has been located in Murray City for over 20 years. He spoke about some of the projects his company has done in the city. They have a long history in Murray and would love to continue to do business with the city.

Mr. Roderick explained that this site was an opportunity for them. Their intent is to put their corporate headquarters on this property. If there is space left over, they would like to lease that space to medical professionals.

Mr. Cox asked if the height of the buildings in these zones included any air conditioners or anything else that would go on the roof.

Ms. Greenwood replied it does not.

Mr. Brass explained why the Council doesn't look at projects when they consider zone changes. The zones have a list of permitted uses and the Council has to determine if the zone change requested goes along with what currently exists around the property. As a Legislative Body, the City Council approves zone changes and the Planning Commission handles the site plan reviews.

Mr. Cox opened the public hearing for public comments.

Kim Kimball – Murray City, Utah

Mr. Kimball said Mr. Roderick does a good job with his projects. His wife works at Intermountain Health Care (IHC) and he goes over there every day. His concern is the height a building could be if the zone of the property is changed. The people on Gillen Lane were the ones who originally owned this property, he even owned a piece of the property himself back in the 1960's. He and his neighbors are comfortable with a two-story building on the property, but not a four-story building. He doesn't understand why a four-story building has to be put on this property.

Julia McMillan – Murray City, Utah

Ms. McMillan said her children walk along Belview Avenue to McMillan Elementary School and she is concerned about the traffic because last year two kids got hit in the crosswalk. She realizes an increase in traffic could happen even with a two-story building being built on the property, but there would be even more traffic if a four-story building was built there.

Janet Hill – Murray City, Utah

Ms. Hill said she met with Jared Hall, CED Division Supervisor, this morning and asked about the differences between the General and Professional Office designations. She thought that Professional Office was the only zoning that would permit restaurants and entertainment type facilities. However, both designations allow those uses via a conditional use. Once the zone is changed, the developer is able to change the project to anything that is on the approved use classification list. Because of that, Ms. Hill is looking at what could be the worst case scenario which, to her, would be a hotel going up on the

property.

Ms. Hill looked at the General Plan that was dated 2003. Under the goals in that plan it states that one of the goals for future land use changes is to draw a line around existing commercial precincts to protect adjacent residential areas. New land uses at the perimeter of existing residential areas should help stabilize existing neighborhoods and support the creation of a quality residential environment. The second goal that was listed was to preserve and protect the quality of life for viable residential neighborhoods.

Ms. Hill reiterated that the fact that a hotel could potentially go up on this property was reason enough to vote against this zone change.

Melanie Kimball – Murray City, Utah

Ms. Kimball said she is concerned about the parking situation with a zone change. She works for IHC in the new Cottonwood Clinic. The building she works in has four-stories and is not even filled up yet. With the proposed P-O zoning change, her concern is how is there going to be enough parking with this large of building on this property. She works on the third floor of Cottonwood Clinic and her patients complain about parking all the time. She hopes the parking issue will be considered and addressed.

Raymond Poole – Murray City, Utah

Mr. Poole asked the Council how they would feel if they lived on Gillen Lane. A lot of times people think if it's not in their backyard or it doesn't affect them, it's okay. He asked the Council to put themselves in the shoes of the people who live on Gillen Lane and on 200 East when they vote.

Mr. Cox closed the public hearing.

Ms. Greenwood said that each zone has parking formulas that are applied to each project that comes before her staff.

Mr. Brass said in looking at the parking requirements for the G-O zone, a medical, dental or related office requires one stall for every 200 square feet of net usable area. Any other use in that zone would be four stalls for every 1,000 square feet of net usable area. Medical offices have a much higher parking requirement, although he realizes parking is usually a challenge at medical facilities.

Mr. Brass said the C-D zone has a 35 foot height limit within 100 feet of a residential property boundary. That height can then increase by one foot for every four feet of distance from the property boundary beyond the 100 feet. The G-O zone has a 30 foot height limit within 100 feet of a residential property boundary and then increases up incrementally.

Ms. Greenwood stated the Planning Commission heard this item on July 18, 2019 and



held a public hearing the same night. They forwarded a recommendation for approval on both the general plan and zoning map amendment to the Council. Staff is recommending the Council approve the zoning map amendment as presented.

Mr. Roderick said there has been no talk from his group or anyone else about building a four-story office building on this property. He explained that in today's world, tenants want 12 to 14 feet of clear space within their suites. He doesn't anticipate a building being higher than three-stories. As far as a hotel, they are not in the hotel business and would not build a hotel.

Kim Kimball noted that without seeing a site plan, they don't know what is going in on the property. They are working off of what the P-O designation indicates.

MOTION: Ms. Turner moved to adopt the ordinance. The motion was SECONDED by Mr. Brass.

Mr. Brass said he agrees that looking at the P-O zone is all anyone has to look at. He read through that zone and was concerned about the possibility of a hotel also. He drives by this property frequently and is familiar with the depth of it. In looking at all the different properties in the area and what the General Plan involves, he agrees with the findings of the Planning Commission.

Ms. Turner said she understands the resident's concerns and issues, but for her, this is a zoning issue. These other issues will be dealt with at another time. What they are voting on tonight is the zoning map amendment.

Mr. Brass said he doesn't disagree and understands the frustration with the amount of tax-exempt properties in Murray City. He doesn't believe Mr. Roderick's property will qualify as a non-profit and would be subject to property tax.

Council roll call vote:

Mr. Brass	Aye
Ms. Turner	Aye
Mr. Cox	Aye

Motion passed 3 – 0

Mr. Brass thanked the citizens for coming out. He noted that zoning issues are some of the hardest issues that City Councils have deal with.

Mr. Cox encouraged the citizens to look for notices on the next meeting.

2. Consider an ordinance relating to land use; amends the Zoning Map for the property located at 871 Tripp Lane, Murray City, Utah from the A-1 (Agricultural) Zoning District to

the R-1-8 (Low Density Single-Family) Zoning District.  
Applicant: Salt Lake Neighborhood Housing Services, Inc.

Staff Presentation: Jared Hall, CED Division Supervisor  
(See Attachment 3 for slides used during this presentation)

Mr. Hall said this request is from NeighborWorks. The property is just west of Riverview Jr. High and is mostly surrounded by R-1-8 property. The Future Land Use Map calls for this property to be Low Density Single-Family Residential. There are a couple of vacant residential buildings on the property that would be demolished if this rezone is approved.

Mr. Hall stated the Planning Commission held a public hearing regarding this rezone on July 18, 2019 and has forwarded a recommendation of approval to the City Council.

Allison Trease and Robert Lund – NeighborWorks Salt Lake

Ms. Trease said they feel this is a great opportunity for the neighborhood to add some more residential properties and bring some more good people into the City of Murray.

The public hearing was open for public comments. No comments were given, and the public hearing was closed.

Mr. Brass said he likes NeighborWorks and the work they do for Murray City. He explained a little about what NeighborWorks does. NeighborWorks has been in Murray for about 10 years and have done about 30 projects in that time.

MOTION: Mr. Brass moved to adopt the ordinance. The motion was SECONDED by Ms. Turner.

Council roll call vote:

Mr. Brass	Aye
Ms. Turner	Aye
Mr. Cox	Aye

Motion passed 3 – 0

3. Consider an ordinance amending the City's Fiscal Year 2019 – 2020 Budget.

Staff Presentation: Brenda Moore, Finance Director

Ms. Moore said the purpose of this budget is to rollover funds for projects in process, receive and allocate grant money the city has received, reconcile changes in wages and benefits due to open enrollment and new hires, and move budgets between departments for janitorial services.

The public hearing was open for public comments. No comments were given, and the public hearing was closed.

MOTION: Ms. Turner moved to adopt the ordinance. The motion was SECONDED by Mr. Brass.

Council roll call vote:

Mr. Brass	Aye
Ms. Turner	Aye
Mr. Cox	Aye

Motion passed 3 – 0

**Mayor's Report and Questions**

Mayor Camp reported on the following items:

- The outdoor pool is closed for the season and the re-plastering of the pool will begin right away. The re-plastering of the indoor pool should be done in the next 1-2 weeks.
- There has been a number of wildfires lately and Tooele County has requested assistance. The city will be sending a crew of two with a brush truck to assist them. It will probably be a 24-48 hour deployment.

**Adjournment**

The meeting was adjourned at 8:00 p.m.

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Jennifer Kennedy, City Recorder

# Attachment 1

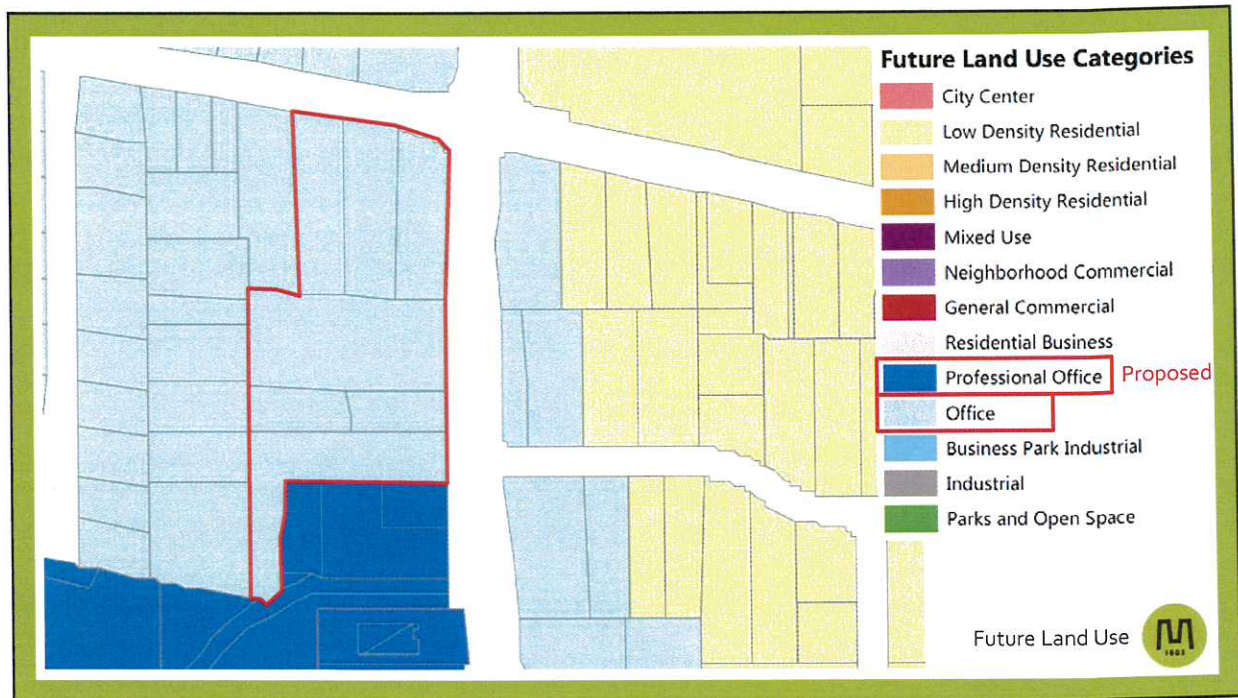
**RODERICK ENTERPRISES**  
General Plan Amendment from Office to Professional Office  
and Zone Map Amendment C-D and G-O to P-O  
5920 South Fashion Boulevard













Facing south



Facing southeast



Existing offices, facing east



Existing apartments, facing north



Facing northwest



Facing southwest



Existing office building, facing east



Fashion Blvd, facing south





## Findings

1. Re-designation of the Future Land Use Map and Zoning Map for the subject property as requested would be consistent with the development pattern for the area and will allow for development of the property to the highest and best uses available.
2. The requested amendments have been carefully considered based on the characteristics of the site and surrounding area and the policies and objectives of the 2017 Murray City General Plan and have been found to be in harmony with the goals of the Plan.
3. The proposed amendment of the Zoning Map from G-O and C-D to P-O is in harmony with goals and objectives of the Murray City General Plan.



## Staff Recommendations

### **General Plan / Future Land Use Map Recommendation**

Staff recommends that the Planning Commission forward a recommendation of APPROVAL to the City Council for the requested amendment to the General Plan Future Land Use Map designation of the property located at 5920 South Fashion Boulevard from Office to Professional Office.

### **Zoning Map Recommendation**

Staff recommends that the Planning Commission forward a recommendation of APPROVAL to the City Council for the requested amendment to the Zoning Map designations of the property located at 5920 South Fashion Boulevard from C-D, Commercial Development and G-O, General Office to P-O, Professional Office.



# Attachment 2

For the record Gillen Lane is only 20 feet wide. The houses on Gillen Lane face East, so the impact on these properties is to their front yards. Gillen Lane is a private lane and dead ends.

The property owners on Gillen Lane and the subdivision directly East known as Belview and Afton Ave have raised some concerns and spoke out at the Planning Commission meeting. In no way are these residents trying to scuttle the project, they are simply asking common sense questions as to appropriateness of a P-O zoning. 1: It was brought up in the Planning meeting that there was no posting as required by the applicant. The applicant Mr. Roderick, stated in the record that "the postings were torn down several times." Yet none of the residence owners that frequent the area daily ever saw any notice. Again for this meeting no one ever saw any posting and as of Monday at 10 PM there is no evidence of any posted notice. Why were there no public notice signs about these two meetings posted on the property so the public could know about this zoning change? It was suggested by Mr. Smallwood that notice must have been sufficient due to the large body of people at the meeting, however only three people addressed the board. The bulk of the attendance was there for Kimball Associates 4670 S 900 E project of which many citizens took time to attend and speak.

2: On page 4 of the Murray city planning and zoning meeting minutes from July 18, 2019, why are there two different requirements for setbacks and a buffer zone? It is ambiguous with how it is stated. Please clarify what those required setbacks are for a 35' building and a 50' building and clarify what the setbacks and a buffer will be for the proposed PO zoning change if it is accepted by the Murray City Council. A 100' setback from Gillen Lane would consume nearly 1/3 of the land on the west border. That does not seem like enough land left to place building zoned P-O on, is it?

3: How many buildings are there planned for this property and how can you decide to change the zoning if you do not know what the size and the footprint of each building is going to be? Discussions about the process say that a site plan is not necessary at this point which flies in the face of common sense that the Council would have to vote on this type of zoning change without some sense of the footprint of the building(s), parking, location of entrance and exits from the property and other impact items.

4: There are three University of Utah buildings that are further south of the proposed property for the zoning change. The five story building is over 600 ft away from residential property owners, the three story building is over 200 ft away, the two story is over 300 feet away from residential property owners. The same for Intermountain Healthcare further north. The new Cottonwood Clinic which is 4 stories is 550 ft away from residential property owners, the Medical Tower #5 building that is 4 stories is over 300 ft away from residential property owners. Mr. Roderick's property is not adjacent to the University of Utah property or IHC property as was suggested in the minutes from the zoning and planning meeting in the July 18th meeting, except for the small tiny piece at the southwest end of his property which only borders Fashion Square Drive and Steward Primary Care which is a one story building. How can you justify this size of a building with this proposed zoning change that close to residential property owners on Gillen Lane?

5: How can you justify this zoning change when all of the buildings that surround the property on Fashion Blvd. and 5900 south are one level and two level buildings? In paragraph 2 of the

planning meeting minutes Mr. Roderick further explains that; "Initial plan was to build his corporate offices for himself but there was interest from the medical community and the plan changed." Would not the medical community still be interested in nice two story buildings that conforms to the existing Fashion Blvd. zoning and construction of one and two story buildings or were they only interested in four story buildings that could be had by the new PO Zoning designation just recently created by Murray city? The area is pretty much medical already with the current GO zoning designation.

6: Murray already has more than its share of tax exempt properties, somewhere in the neighborhood of 35%. From the minutes of July's planning and zoning meeting it states, per Mr. Roderick, "....he wants to be consistent with whatever IHC and the University of Utah are doing in the area because the subject property is located in the middle of both". Mr. Roderick stated ".....there was interest from the medical community and the plan changed". Mr. Roderick stated he wanted to keep his company headquarters here. So which is it going to be ? A Roderick corporate office or another tax exempt tenant or owner"?

7: The traffic on Fashion Blvd. and 5900 south is already bad enough. Has there been an impact study done to evaluate how this would change the traffic patterns with the extra capacity a P-O zoning would provide ? With Mc Millan elementary school so close and school children walking to and from school what about their safety? At this point it is already difficult for residences of the Belview Ave and Afton Avenue subdivision to turn south on Fashion Blvd.

8: If this PO zoning change is accepted and a 50' high building is built on this property what will that do to the property values of the homes on Gillen Lane and second east? Who wants to buy a home with 100's of people looking down into your front and back yard ? Although Murray City does not determine property values, it is still a question of impact the planning, zoning and Council should consider.

9: If a 50' high four story building is built on this property will there be enough parking for employees and customers and will there be enough handicapped parking spaces? If not how is this going to affect the neighborhoods in the area if there is not sufficient parking?

This is a question that cannot begin to be answered without knowing the answers to these and other questions.

10. The interest of the Roderick's to improve Murray is duly noted. We do though believe that Roderick Enterprises did not acquire all that property without having a plan what to do with it. The #2 habit of Stephen R. Covey's 7 Habits of Highly Effective People is "Begin With The End In Mind". It is hard to imagine Roderick Enterprises does not have the end in mind. To simply approve a P-O designation without a vision of the end is premature. The current designation of Office is sufficient for a properly sized project on the parcel(s). Approving a P-O designation at this time in light of the concerns of the property owners on Gillen Lane and others in the vicinity is pre-mature until these questions can be addressed to the satisfaction of the citizens of Gillen Lane. Citizens who have lived on Gillen Lane for many years



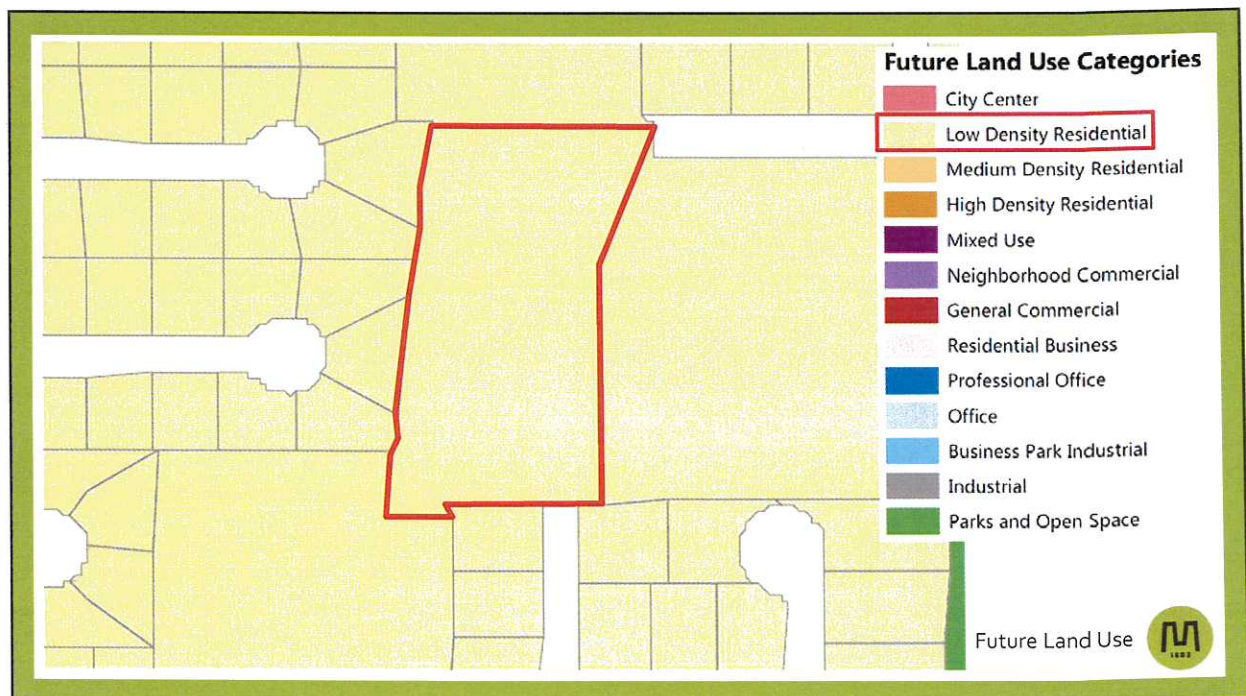
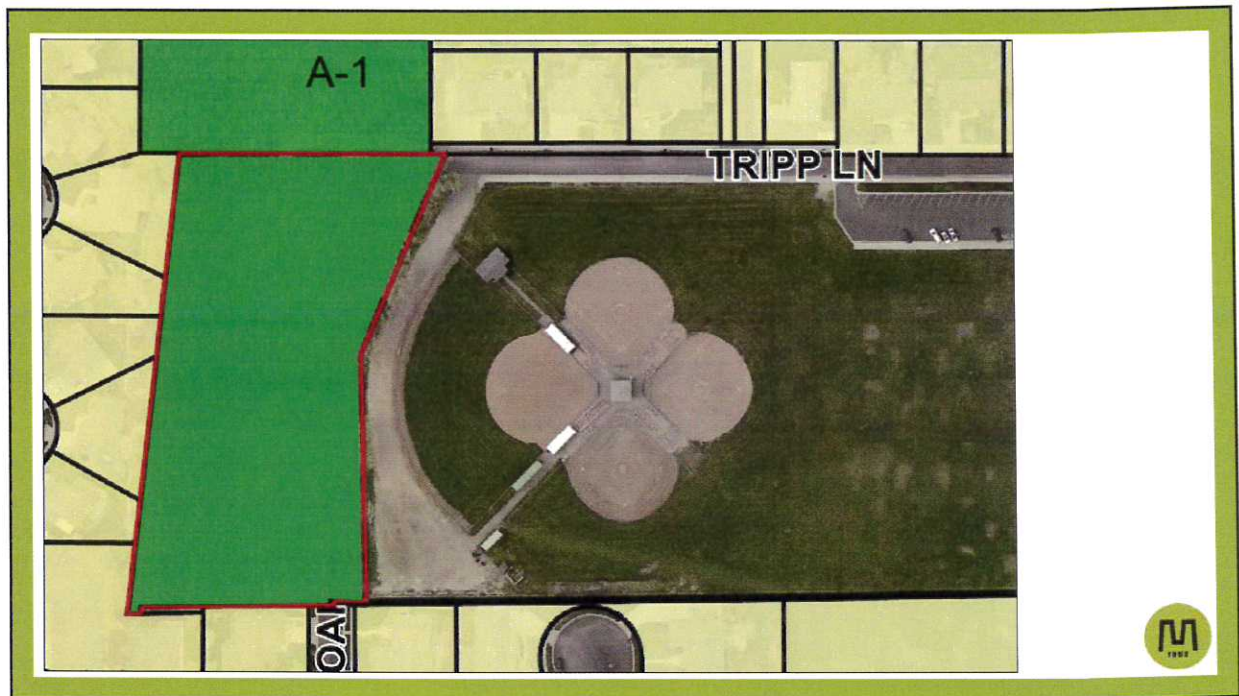
# Attachment 3

# SALT LAKE NEIGHBORHOOD HOUSING SERVICES

Zone Map Amendment from A-1, Agriculture to  
R-1-8, Single Family Residential

871 West Tripp Lane









Looking west at the subject property



Subject property, looking north



## Findings

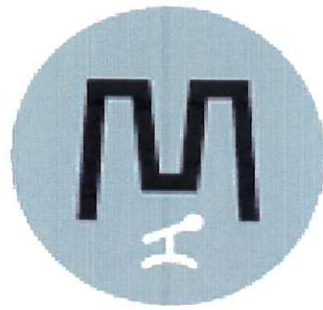
1. The rezoning of the property to R-1-8 is supported by the Future Land Use Map designation of Low Density Residential and will not have negative impacts to the surrounding properties, infrastructure, or utilities.
2. The requested rezoning has been carefully considered based on the characteristics of the site and surrounding area and the policies and objectives of the 2017 Murray City General Plan, and have been found to support the goals of the Plan.
3. The proposed amendment to the Zoning Map from A-1 to R-1-8 is in harmony with the established Low Density Residential land use designation of the subject property.



## Staff Recommendation

Staff recommends that the Planning Commission forward a recommendation of APPROVAL to the City Council for the requested amendment to the Zoning Map designation for the property located at 871 West Tripp Lane from A-1, Agriculture to R-1-8, Single-Family Residential.





**MURRAY**  
CITY COUNCIL

# Special Recognition #1





**MURRAY**


# Murray City Fire Department

**Fire Prevention Week  
Oct. 6-12, 2019**

## Council Action Request

**Council Meeting**

Meeting Date: October 1, 2019

<b>Department Director</b> Jon Harris	<b>Purpose of Proposal</b> Declare Fire Prevention Week from October 6-12, 2019
<b>Phone #</b> 801-264-2775	<b>Action Requested</b> Approval of joint resolution
<b>Presenters</b> Joey Mittelman	<b>Attachments</b> Joint resolution
	<b>Budget Impact</b> None
<b>Required Time for Presentation</b>	<b>Description of this Item</b> See attached resolution
<b>Is This Time Sensitive</b> No	
<b>Mayor's Approval</b> 	
<b>Date</b> September 19, 2019	

**A JOINT RESOLUTION OF THE MAYOR  
AND MUNICIPAL COUNCIL OF MURRAY CITY, UTAH  
TO DESIGNATE AND SUPPORT THE WEEK OF OCTOBER 6-12, 2019  
AS  
FIRE PREVENTION WEEK**

**WHEREAS**, the City of Murray, Utah is committed to ensuring the safety and security of all those in Murray City, and acknowledge that fire is a serious public safety concern both locally and nationally, and homes are the locations where people are at greatest risk from fire; and

**WHEREAS**, fire departments in the United States responded to 357,000 home fires, resulting in 2,630 deaths in 2017; and most U.S. fire deaths (4 out of 5) occur at home each year; and Murray residents should identify places in their home where fires can start and eliminate those hazards; and

**WHEREAS**, working smoke alarms cut the risk of dying in a home fire by 60%. Murray residents should install smoke alarms in every sleeping room, outside each separate sleeping area, on every level of the home, and assure all batteries are functional. Murray residents should also practice a home fire escape plan to better prepare for a fire emergency; and

**WHEREAS**, the Murray City Fire Department is dedicated to reducing the occurrence of home fires and home fire injuries through prevention and education; and the 2019 Fire Prevention Week™ theme, "Not Every Hero Wears a Cape. Plan and Practice Your Escape!™" effectively serves to remind us that we need to take personal steps to increase our safety from fire.

**THEREFORE**, we do hereby proclaim October 6-12, 2019, as Fire Prevention Week throughout this city, and urge all the people of Murray to be aware of their surroundings, look for available ways out in the event of a fire or other emergency, respond when the smoke alarm sounds by exiting the building immediately, and to support the many public safety activities of the Murray City Fire Department during Fire Prevention Week 2019.

**PASSED, APPROVED AND ADOPTED** by the Mayor and Municipal Council of Murray City, Utah this 1<sup>st</sup> day of October, 2019.

Murray City Corporation

Murray City Municipal Council

\_\_\_\_\_  
D. Blair Camp, Mayor

\_\_\_\_\_  
Dave Nicponski, Chair, District 1

\_\_\_\_\_  
Dale Cox, District 2

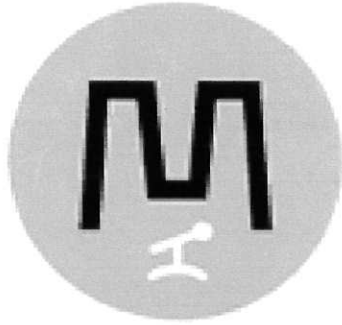
\_\_\_\_\_  
James A. Brass, District 3

Attest:

\_\_\_\_\_  
Diane Turner, District 4

\_\_\_\_\_  
Jennifer Kennedy, City Recorder

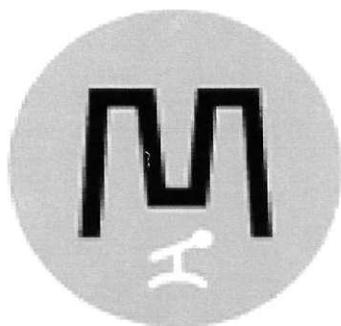
\_\_\_\_\_  
Brett A. Hales, District 5



**MURRAY**  
CITY COUNCIL

# Citizen Comments

Limited to three minutes, unless otherwise approved by Council



**MURRAY**  
CITY COUNCIL

# Public Hearing #1

## **Murray City Corporation**

### **NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that on the 1<sup>st</sup> day of October, 2019, at the hour of 6:30 p.m. of said day in the Council Chambers of Murray City Center, 5025 South State Street, Murray, Utah, the Murray City Municipal Council will hold and conduct a Public Hearing regarding proposed amendments to the Murray City Municipal Code relating to stormwater rates. The purpose of this hearing is to receive public comment concerning proposed amendments to the **stormwater rates.**

DATED this \_\_\_\_\_ day of September, 2019.

MURRAY CITY CORPORATION

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Jennifer Kennedy  
City Recorder

DATES OF PUBLICATION: September 20, 2019





**MURRAY**


# Public Works Department

## Storm Water Rates Adoption

### Council Action Request

### Council Meeting

Meeting Date: October 1, 2019

<b>Department Director</b> Danny Astill	<b>Purpose of Proposal</b> Storm Water Rates Adoption
<b>Phone #</b> 801-270-2404	<b>Action Requested</b> Hold a public hearing to adopt a new storm water rate structure for the next five years.
<b>Presenters</b> Danny Astill	<b>Attachments</b> Murray Storm Water Rates Report, proposed ordinance
<b>Required Time for Presentation</b>	<b>Budget Impact</b> Taking this action will allow for continued improvements needed in the storm water system and meet Utah State, Department of Environmental Quality and USEPA requirements.
<b>Is This Time Sensitive</b> No	<b>Description of this Item</b> Since completing our Storm Water Master Plan we have been working with Zions Public Finance, Inc. to review and develop a financial model that includes our capital improvements plan, equipment and personal needs. Based on the financial model, we developed several scenarios which were evaluated based on the City's ability to pay for improvements as we go or the ability to take on more debt to pay for those improvements along with the staffing and equipment needed to maintain compliance with our permit.
<b>Mayor's Approval</b> 	<b>Date</b> September 6, 2019

**Continued from Page 1:**

Also, this report includes a brief history of our storm water program and how we are responsible to implement and meet all of the permit elements of the NPDES program related to storm water run off. The program was set up to improve water quality in our local water ways and streams.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING SECTION 13.48.050 OF THE MURRAY CITY MUNICIPAL CODE RELATING TO STORMWATER UTILITY FEES

BE IT ORDAINED BY THE MURRAY CITY MUNICIPAL COUNCIL:

*Section 1. Purpose.* The purpose of this Ordinance is to amend Section 13.48.050 of the Murray City Municipal Code relating to stormwater utility fees.

*Section 2. Amendment of Section 13.48.050 of the Murray City Municipal Code.* Section 13.48.050 of the Murray City Municipal Code shall be amended to read as follows:

13.48.050: STORMWATER UTILITY FEE:

...

D. Charge Per ERU: The monthly charge for each ERU shall be in accordance with the following schedule. Monthly rates go into effect as follows on July 1 of each fiscal year.:

Fiscal Year	Fee
<u>2018Thru FY2020</u>	\$4.65
<u>FY2021</u>	<u>\$5.65</u>
<u>FY2022</u>	<u>\$6.30</u>
<u>FY2023</u>	<u>\$6.95</u>
<u>FY2024</u>	<u>\$7.60</u>
<u>FY2025, continuing thereafter until amended</u>	<u>\$8.25</u>

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*Section 3. Effective date.* This Ordinance shall take effect upon first publication.

PASSED, APPROVED AND ADOPTED by the Murray City Municipal Council on  
this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

MURRAY CITY MUNICIPAL COUNCIL

\_\_\_\_\_  
Dave Nicponski, Chair

ATTEST:

\_\_\_\_\_  
Jennifer Kennedy, City Recorder

Transmitted to the Office of the Mayor of Murray City on this \_\_\_\_ day of  
\_\_\_\_\_, 2019.

MAYOR'S ACTION: Approved

DATED this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
D. Blair Camp, Mayor

ATTEST:

\_\_\_\_\_  
Jennifer Kennedy, City Recorder

CERTIFICATE OF PUBLICATION

I hereby certify that this Ordinance or a summary hereof was published according to law on the \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Jennifer Kennedy, City Recorder



# Murray City



## Murray Storm Water Rates Final Report



**MURRAY**  
**CITY** UTAH



Zions Public Finance, Inc.  
September 5, 2019



## Contents

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Contents.....	1
Storm Water Rates.....	2
Background and Approach.....	2
Growth Projections .....	3
Operating Expenses .....	4
Outstanding Debt.....	5
Capital Projects .....	5
Cash Balances.....	6
Rate Structuring .....	6
Proposed Rates .....	6
Impacts on Existing Storm Water Rate Payers.....	8
Benefits from Change in Water Rate Structure .....	8
Debt Coverage Ratios.....	8
Days Cash on Hand.....	8
Appendix A – Storm Water Rate Analysis .....	9

## Storm Water Rates

### Executive Summary

Zions Public Finance, Inc. worked closely with Murray City and Hansen Allen Luce, the City's storm water engineers, to provide a recommended rate schedule that would account for growing operating expenses, capital improvement needs and increasing storm water regulations. The primary objectives of the rate analysis were to ensure sufficient revenues to cover all expenses, maintain existing bond covenants and debt coverage ratios, and to keep at least 180 days cash on hand in the storm water utility fund. The City also desired to minimize impacts on existing ratepayers while also providing desired service levels and funding necessary capital improvements.

A review of projected revenues under the existing rate structure relative to proposed expenses indicated that the City would not have sufficient revenues to fund the needed capital improvements without a rate increase. Many rate and bonding scenarios were evaluated, with emphasis on the following four scenarios. Current rates are \$4.65 per month.

- Option 1 – An increase of \$1.00 per month, followed by increases of \$0.65 per year thereafter and \$1.5 million new debt in 2025
- Option 2 - A one-time increase to \$7.50 per month in 2021 and no new debt
- Option 3 – No rate increases – was not feasible because debt coverage ratios would not cover the \$7.1 million bond required by 2022
- Option 4 – An increase to \$5.00 per month in 2021, followed by increases of \$0.50 per month thereafter and \$3.5 million new debt in 2022

The recommended option is Option 1 which attempts to minimize impacts to ratepayers with gradual increases while, at the same time, minimizing the amount of debt to be issued and delaying the timeframe for issuance of debt.

The recommended rate structure is as follows:

TABLE 1: RECOMMENDED RATE STRUCTURE

	2019	2020	2021	2022	2023	2024	2025
<b>Option 1</b>							
Monthly Rates	\$4.65	\$4.65	\$5.65	\$6.30	\$6.95	\$7.60	\$8.25
Bond							\$1.5M
Days Cash on Hand*	368	529	535	448	352	311	316

\*Days cash on hand is measured at the beginning of each year; without the bond in 2025, days cash on hand would decline to 17 days by year-end of 2025.

A summary of assumptions used in the analysis of each of the options is as follows:

- Operating expenses grow at three percent per year;
- ERUs (equivalent residential units) are projected to grow by about 70 units per year; and
- The City desires to maintain at least 180 days cash on hand.

## Background and Approach

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Stormwater utilities are authorized under Utah statute and function as enterprise funds within a City's budget structure. They are defined as being financially self-sufficient and can be designed to furnish a comprehensive set of services related to stormwater quantity and quality management. Services that Murray City's stormwater utility provides not only include the construction and maintenance of facilities necessary to control flooding and improve the character of surface runoff, but also implementation of best management practices (BMPs) designed to address nonpoint source pollution. These BMPs include water quality sampling, public education and plan review, stormwater system maintenance, site inspections and basin planning. All of these program elements are part of the National Pollutant Discharge Elimination System (NPDES) program.

This study addresses the revenues required from stormwater rates to support the construction, operation and maintenance of the City's stormwater system. A key work product in this analysis has been the development of a financial model for future use by City staff. This model – constructed with input from staff – is the tool for quantifying the rates necessary to support the capital, operations and maintenance programs planned by the City. Historical and current budget data figures were obtained from the City and provide the foundation for both the model framework and for developing forecasts. In addition, capital facilities identified in the Master Plan by HAL have been summarized in the model and are fully funded as shown in the rate analysis contained in this report.

Murray City's last rate study was completed in 2011; therefore, the City felt a need to review its storm water rates in order to ensure that it is planning wisely for the future. Murray City has experienced significant development and is a regional retail and commercial destination located in the center of the Salt Lake Valley. It is the home of Fashion Place Mall, Intermountain Medical Center (IMC), numerous car dealerships, hotels, restaurants, the MCDD Redevelopment project west of State Street (between 4800 South and Vine Street) and other commercial and retail space. In order to serve the many demands placed on its storm water system, the City is anticipating significant capital improvements in order to maintain current levels of service, meet storm water regulations and protect its citizens from storm water runoff. Further, inflationary costs are resulting in increased operating expenses. Rates must be designed to keep up with these changes and must be structured to fairly and equitably serve customer needs.

State and federal storm water regulations to improve water quality are increasing operational costs significantly. In fact, the City anticipates the need to add one full-time position by 2021 in order to meet the associated permitting and inspection requirements.

The approach used in this analysis is commonly referred to as a "revenue sufficiency model." All expenses (operating and capital) are first calculated, and then rates are structured to cover annual expenses, maintain sufficient debt service ratios, and to keep at least 180 days cash on hand in the storm water utility fund.

## Growth Projections

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Growth in storm water equivalent residential units (ERUs) is based on historical growth in the City and has been projected at a rate of 0.2 percent per year, which equates to approximately 69 ERUs per year. The City currently has 34,469 ERUs.



TABLE 2: PROJECTED STORM WATER ERU GROWTH

Water Growth	ERUs
2019	34,469
2025	34,885

One residential unit is equivalent to one ERU. Non-residential ERUs are determined based on the amount of impervious surface and each nonresidential ERU is calculated based on 3,400 square feet of impervious surface or portion thereof.

### Operating Expenses

Growth in operating expenses is generally projected at an average annual rate of three percent per year. This includes the costs attributable to new development, as well as inflationary expenses. Fleet and administrative expenses are increased by only two percent per year.

TABLE 3: ANNUAL GROWTH IN OPERATING EXPENSES

Operating Expense	AAGR*
Full-time wages	3%
Part-time wages	3%
Overtime	3%
Social Security	3%
Group Insurance Retirement	3%
Retirement	3%
Worker Comp	3%
Admin Fee Wages	3%
Tuition Reimbursement	3%
Service Awards	3%
Dues & Memberships	3%
Public Notices	3%
Travel & Training	3%
Supplies	3%
Fuel	3%
Small Equipment	3%
Miscellaneous	3%
Maintenance	3%
Equipment Maintenance	3%
Vehicle Maintenance	3%
Credit Card Fees	3%
Professional Services	3%
Utilities	3%
Telephone	3%
Cell Phone	3%

Operating Expense	AAGR*
Rents & Leases	3%
Risk Assessment	3%
Fleet Assessment	2%
Admin Fee O&M	2%
*AAGR = average annual growth rate	

These expense projections are shown in detail in Appendix A.

### Outstanding Debt

Outstanding debt that must be covered by the Storm Water Fund include the Series 2013 and Series 2016 Storm Water Bonds. Payments on these two bonds average about \$375,000 per year. Final payments on both the Series 2013 and Series 2016 bonds will be made in 2033.

### Capital Projects

Capital projects anticipated between 2020 and 2025 are shown in the table below.<sup>1</sup>

TABLE 4: STORM WATER CAPITAL PROJECTS, 2020-2025

Project #	Description	Cost*	Year
P1	725 E Repair	\$2,227,000	2025
P2	Walden Meadows Dr	\$628,000	2021
P3	Clover Meadow Dr	\$722,000	2023
P4	Vine Street (Rodeo Ln to Little Cottonwood Creek)	\$500,000	2022
	Replace 1 Ton Truck/Plow	\$55,000	2021
	New Pickup Truck	\$40,000	2021
	Concrete Washout Trailer	\$10,000	2021
P5	Anderson Ave	\$177,000	2023
	Cleaning Truck	\$420,000	2022
	Topcon Lazer System	\$10,000	2022
	New Pickup Truck	\$40,000	2022
P6	Cherry St and Jensen Ln Intersection	\$252,000	2024
	Street Sweeper	\$320,000	2024
	Pickup Truck	\$45,000	2023
	Trailer Mounted Trash Pump	\$35,000	2024
	Pickup Truck	\$45,000	2025
P11	Spring Clover Dr	\$339,000	2024

<sup>1</sup> Projects shown in the table are in \$2019. The spreadsheet analysis adds in the inflationary costs, depending on construction year.

Project #	Description	Cost*	Year
*All costs in this table are shown in \$2019; the spreadsheet analysis uses a construction cost inflator of 3% per year.			

### Cash Balances

The beginning cash balance in the Storm Water Utility Fund as of August 2019 is \$1,298,458.<sup>2</sup> This represents 368 days cash on hand. An absolute minimum level of cash on hand, in order not to negatively impact bond ratings, is 150 days, and 180 days is preferable.

### Rate Structuring

Current monthly rates are \$4.65 per month per ERU.

### Proposed Rates

The consultants met with the City several times to evaluate potential rate structures. Several options are included below, with the preferred option shown as Option #1. General rate objectives considered in this analysis include:

- Ensure sufficient revenues to cover all operating costs and maintain a debt coverage ratio of at least 1.25;
- Maintain at least 180 days cash on hand;
- Maintain existing rate structure that calculates one ERU as one residential unit or, for nonresidential uses, 3400 square feet of impervious surface per ERU;
- Balance minimizing rates with minimizing new debt obligations; and
- Proposed rates should be easy to implement and administer.

#### Option #1

The proposed storm water rates are structured to ensure that new capital improvements can be constructed, that storm water regulations are met, that inflationary operating costs can be met and that the storm water utility fund maintains at least 180 days cash on hand.

Under Option #1, rates would be increased beginning in FY2021 by \$1.00 per month and would increase by \$0.65 per month per ERU thereafter through FY2025.

TABLE 5: PROPOSED RATE STRUCTURE

RATE SCHEDULE	2019	2020	2021	2022	2023	2024	2025
Monthly Fee per ERU	\$4.65	\$4.65	\$5.65	\$6.30	\$6.95	\$7.60	\$8.25

With the proposed rate structure, the City would still need to issue a \$1.5 million bond by 2025 mainly to fund the cost of repairs to 725 East. With the issuance of the bond, cash on hand would always stay above 180 days and debt service ratios would always be well above the 1.25 ratio generally required in most bond covenants. Cash on hand and debt service ratios are shown, year-by-year, in Appendix A.

<sup>2</sup> Source: Murray City



**Option #2**

Our analyses always include an option that assumes no future debt is issued. If no debt is issued, and the capital improvements schedule and costs remain the same, the City would be reduced to 17 days cash on hand by the end of 2025. In order to keep cash flows positive through the end of 2025 (with at least 180 days cash on hand), rates would need to be increased to \$7.50 in 2021 and then held constant.

**Option #3**

The option that would produce the lowest rates would be to issue a larger bond, but more interest costs would be incurred over time. In order to keep rates at current levels (\$4.65 per month), the City would need to issue a \$7.1 million bond by 2022 in order to maintain at least 180 days cash on hand at the end of 2025. However, this is not feasible as debt coverage ratios would go below 1.0. A debt coverage ratio of at least 1.25 is needed.

**Option #4**

This option explores the lowest rates that the City can enact, while still issuing new debt to ensure revenue sufficiency. If the City increases rates in 2020 to \$5.00 and by \$0.50 per year thereafter, it would need to issue a bond for \$3.5 million in 2022. Debt service coverage ratios would stay at 1.47 and above under this scenario, thereby ensuring the feasibility of this approach.

**Comparison of Options**

TABLE 6: SUMMARY OF RATE STRUCTURE OPTIONS

	2019	2020	2021	2022	2023	2024	2025
<b>Option 1</b>							
Monthly Rates	\$4.65	\$4.65	\$5.65	\$6.30	\$6.95	\$7.60	\$8.25
Bond							\$1.5M
Days Cash on Hand*	368	529	535	448	352	311	316
<b>Option 2</b>							
Monthly Rates	\$4.65	\$4.65	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50
Bond							
Days Cash on Hand*	368	529	535	630	644	647	633**
<b>Option 3 – Not Feasible</b>							
Monthly Rates	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65
Bond				\$7.1M			
Days Cash on Hand*	368	529	535	349	1,787	1,373	964**
<b>Option 4</b>							
Monthly Rates	\$4.65	\$4.65	\$5.00	\$5.50	\$6.00	\$6.50	\$7.00
Bond				\$3.5M			
Days Cash on Hand*	368	529	535	384	1,046	838	672**

2019	2020	2021	2022	2023	2024	2025
*Days cash on hand is calculated based on the beginning of each year						
**Option 2: days cash on hand at year-end declines to 258 days and to 183 days in the year following; Option 3: days cash on hand at year-end declines to 216 days; Option 4: days cash on hand at year-end declines to 196 days						

Based on the above analysis, the consensus was that Option 1 strives to keep rates relatively low, with gradual increases, while also minimizing the need to bond and delaying the timeframe when a bond would be needed. Option 1 is the preferred and recommended option.

### Impacts on Existing Storm Water Rate Payers

This rate structuring was chosen, after extensive discussions with City staff and its consultants, because it has minimal impacts on existing storm water rate payers. A residential unit would initially see an increase of \$1.00 per month, or \$12.00 per year. The City then increases the rate, each year thereafter, by \$0.65 per month, for a total increase of \$7.80 each year.

### Benefits from Change in Water Rate Structure

Benefits from the change in the storm water rate structure are that the City will be able to better meet its capital needs requirements as well as to conform to regulations regarding storm water.

### Debt Coverage Ratios

Debt coverage ratios, with the issuance of the \$1.5 million bond, are shown in Appendix A and never get lower than 1.52. Minimum debt coverage ratios are generally assumed to be 1.25.

### Days Cash on Hand

After 2020, cash on hand never gets lower than 311 days which is well within the 180-day guideline set forth in this report.



**Appendix A – Storm Water Rate Analysis**

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APPENDIX A		2018	2019	2020	2021	2022	2023	2024	2025
STORM WATER RATE ANALYSIS									
Storm Water Impact Fee		0	0	1	2	3	4	5	6
ERCs		34,400	34,469	34,538	34,607	34,676	34,746	34,815	34,885
Growth Rate		0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Growth in ERCs			69	69	69	69	69	69	70
Days Cash on Hand (Target 180 days)		-	368	529	535	448	352	311	316
Revenues									
Operational Revenues									
Storm Water Fees		\$1,919,523	\$1,923,370	\$1,927,217	\$2,346,356	\$2,621,523	\$2,897,781	\$3,175,135	\$3,453,585
Write-offs		(\$125)	(\$42,400)	(\$57,817)	(\$70,391)	(\$78,646)	(\$86,933)	(\$95,254)	(\$103,608)
Unbilled Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous		\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operational Revenues		\$1,924,398	\$1,880,970	\$1,869,400	\$2,275,965	\$2,542,877	\$2,810,848	\$3,079,880	\$3,349,978
Operational Expenses									
Full-time wages		(\$404,159)	(\$450,909)	(\$464,436)	(\$560,369)	(\$577,180)	(\$594,496)	(\$612,331)	(\$630,701)
Part-time wages		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Overtime		(\$20,600)	(\$20,600)	(\$21,218)	(\$21,855)	(\$22,510)	(\$23,185)	(\$23,881)	(\$24,597)
Social Security		(\$31,603)	(\$36,070)	(\$37,152)	(\$38,267)	(\$39,415)	(\$40,597)	(\$41,815)	(\$43,069)
Group Insurance Retirement		(\$92,809)	(\$105,172)	(\$108,327)	(\$111,577)	(\$114,924)	(\$118,372)	(\$121,923)	(\$125,581)
Retirement		(\$94,143)	(\$104,737)	(\$107,879)	(\$111,115)	(\$114,449)	(\$117,882)	(\$121,419)	(\$125,061)
Worker Comp		(\$5,868)	(\$8,785)	(\$9,049)	(\$9,320)	(\$9,600)	(\$9,888)	(\$10,184)	(\$10,490)
Admin Fee Wages		(\$84,630)	(\$123,424)	(\$127,127)	(\$130,941)	(\$134,869)	(\$138,915)	(\$143,082)	(\$147,375)
Tuition Reimbursement		(\$3,000)	(\$5,000)	(\$5,150)	(\$5,305)	(\$5,464)	(\$5,628)	(\$5,796)	(\$5,970)
Service Awards		(\$500)	(\$500)	(\$515)	(\$530)	(\$546)	(\$563)	(\$580)	(\$597)
Dues & Memberships		(\$8,500)	(\$8,500)	(\$8,755)	(\$9,018)	(\$9,288)	(\$9,567)	(\$9,854)	(\$10,149)
Public Notices		(\$5,000)	(\$5,000)	(\$5,150)	(\$5,305)	(\$5,464)	(\$5,628)	(\$5,796)	(\$5,970)
Travel & Training		(\$7,000)	(\$7,000)	(\$7,210)	(\$7,426)	(\$7,649)	(\$7,879)	(\$8,115)	(\$8,358)
Supplies		(\$41,000)	(\$41,000)	(\$42,230)	(\$43,497)	(\$44,802)	(\$46,146)	(\$47,530)	(\$48,956)
Fuel		(\$25,000)	(\$25,000)	(\$25,750)	(\$26,523)	(\$27,318)	(\$28,138)	(\$28,982)	(\$29,851)
Small Equipment		(\$10,000)	(\$10,000)	(\$10,300)	(\$10,609)	(\$10,927)	(\$11,255)	(\$11,593)	(\$11,941)
Miscellaneous		(\$1,000)	(\$1,000)	(\$1,030)	(\$1,061)	(\$1,093)	(\$1,126)	(\$1,159)	(\$1,194)
Maintenance		(\$150,000)	(\$150,000)	(\$154,500)	(\$159,135)	(\$163,909)	(\$168,826)	(\$173,891)	(\$179,108)
Equipment Maintenance		(\$45,000)	(\$45,000)	(\$46,350)	(\$47,741)	(\$49,173)	(\$50,648)	(\$52,167)	(\$53,732)
Vehicle Maintenance		(\$17,000)	(\$17,000)	(\$17,510)	(\$18,035)	(\$18,576)	(\$19,134)	(\$19,708)	(\$20,299)
Credit Card Fees		(\$5,000)	(\$5,000)	(\$5,150)	(\$5,305)	(\$5,464)	(\$5,628)	(\$5,796)	(\$5,970)
Professional Services		(\$94,352)	(\$25,000)	(\$25,750)	(\$26,523)	(\$27,318)	(\$28,138)	(\$28,982)	(\$29,851)
Utilities		(\$1,500)	(\$1,500)	(\$1,545)	(\$1,591)	(\$1,639)	(\$1,688)	(\$1,739)	(\$1,791)
Telephone		(\$500)	(\$500)	(\$515)	(\$530)	(\$546)	(\$563)	(\$580)	(\$597)
Cell Phone		(\$5,000)	(\$5,000)	(\$5,150)	(\$5,305)	(\$5,464)	(\$5,628)	(\$5,796)	(\$5,970)
Rents & Leases		\$0	(\$8,000)	(\$8,240)	(\$8,487)	(\$8,742)	(\$9,004)	(\$9,274)	(\$9,552)
Risk Assessment		(\$55,861)	(\$27,896)	(\$28,733)	(\$29,595)	(\$30,483)	(\$31,397)	(\$32,339)	(\$33,309)
Fleet Assessment		(\$12,515)	(\$14,590)	(\$14,882)	(\$15,179)	(\$15,483)	(\$15,793)	(\$16,109)	(\$16,431)
Admin Fee O&M		(\$28,210)	(\$34,956)	(\$35,655)	(\$36,368)	(\$37,096)	(\$37,837)	(\$38,594)	(\$39,366)
Total Operating Expense		(\$1,249,750)	(\$1,287,139)	(\$1,325,258)	(\$1,446,510)	(\$1,489,390)	(\$1,533,546)	(\$1,579,016)	(\$1,625,839)
Non-Operating Revenues									
Impact Fees		\$6,000	\$10,000	\$12,616	\$12,641	\$12,666	\$12,691	\$12,717	\$12,742

APPENDIX A	2018	2019	2020	2021	2022	2023	2024	2025
Interest Income	\$40,000	\$20,000	\$20,000	\$20,000		\$20,000	\$20,000	\$20,000
Developer Contribution	\$0	\$0	\$0	\$0		\$0	\$0	\$0
Sale of Capital Assets	\$0	\$0	\$0	\$0		\$0	\$0	\$0

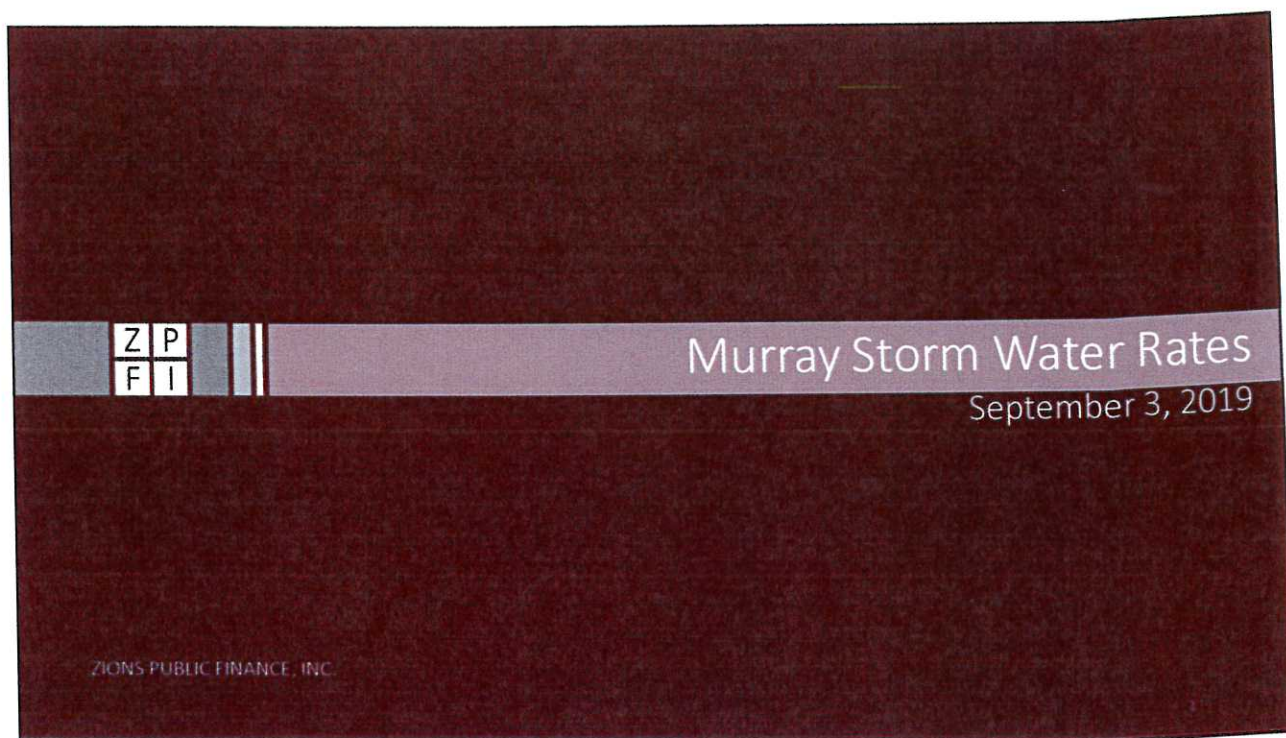
Transfers

Total Non-Operational Revenues and Expenses		\$46,000	\$30,000	\$32,616	\$32,641	\$32,666	\$32,691	\$32,717	\$32,742
Net Revenues Available for Debt Service				\$576,758	\$862,096	\$1,086,153	\$1,309,994	\$1,533,581	\$1,756,881
Outstanding Debt	Series 2013 Storm Water Revenue Bonds	(\$179,493)	(\$177,193)	(\$179,893)	(\$182,493)	(\$179,993)	(\$182,180)	(\$179,580)	(\$181,850)
	Series 2016 Storm Water Revenue Bonds	(\$194,550)	(\$196,400)	(\$197,000)	(\$192,400)	(\$192,800)	(\$193,000)	(\$193,000)	(\$192,800)
	Fiscal Agent Fees	\$0	(\$1,250)	(\$2,500)	(\$2,500)	(\$2,500)	(\$2,500)	(\$2,500)	(\$2,500)
Future Debt	Bond 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Bond 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Bond 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Outstanding and Future Debt				(\$379,393)	(\$377,393)	(\$375,293)	(\$377,680)	(\$375,080)	(\$377,150)
Coverage Ratio with Impact Fees (Min = 1.25; Target = 1.5)				1.52	2.28	2.89	3.47	4.09	4.66
Coverage Ratio without Impact Fees (Min = 1.0)				1.49	2.25	2.86	3.43	4.05	4.62
Net Revenues After Debt Service				\$197,366	\$484,703	\$710,861	\$932,314	\$1,158,501	\$1,379,731
Bond Proceeds - Bond 1		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000
Bond Proceeds - Bond 2		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond Proceeds - Bond 3		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond Proceeds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000

	2018	2019	2020	2021	2022	2023	2024	2025
Capital Needs								
P1	725 E Repair	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,659,154)
P2	Walden Meadows Dr	\$0	\$0	\$0	(\$666,245)	\$0	\$0	\$0
P3	Clover Meadow Dr	\$0	\$0	\$0	\$0	\$0	(\$812,617)	\$0
P4	Vine Street (Rodeo Ln to Little Cottonwood Creek)	\$0	\$0	\$0	\$0	(\$546,364)	\$0	\$0
	Replace 1 Ton Truck/Plow	\$0	\$0	\$0	(\$58,350)	\$0	\$0	\$0
	New Pickup Truck	\$0	\$0	\$0	(\$42,436)	\$0	\$0	\$0
P5	Mini Excavator Trade-In Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Concrete Washout Trailer	\$0	\$0	\$0	(\$10,609)	\$0	\$0	\$0
	Anderson Ave	\$0	\$0	\$0	\$0	\$0	(\$199,215)	\$0
P6	Cleaning Truck	\$0	\$0	\$0	\$0	(\$458,945)	\$0	\$0
	Topcon Lazer System	\$0	\$0	\$0	\$0	(\$10,927)	\$0	\$0
	New Pickup Truck	\$0	\$0	\$0	\$0	(\$43,709)	\$0	\$0
P7	Mini Excavator Trade-In Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Cherry St and Jensen Ln Intersection	\$0	\$0	\$0	\$0	\$0	\$0	(\$292,137)
	Street Sweeper	\$0	\$0	\$0	\$0	\$0	\$0	(\$370,968)
P8a	Pickup Truck	\$0	\$0	\$0	\$0	\$0	(\$50,648)	\$0
	Mini Excavator Trade-In Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	6400 South	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P8a	900 E and Woodoak Ln	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Trailer Mounted Trash Pump	\$0	\$0	\$0	\$0	\$0	\$0	(\$40,575)

APPENDIX A		2018	2019	2020	2021	2022	2023	2024	2025
	Mini Excavator Trade-In Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P8b	5600 S and 1080 E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Street Sweeper	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Pickup Truck	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$53,732)
	Mini Excavator trade in program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P9	5770 S	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P10a	Riley Ln	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P10b	5750 S	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Skid Steer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Mini Excavator trade in program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P11	Spring Clover Dr	\$0	\$0	\$0	\$0	\$0	\$0	(\$392,994)	\$0
P12	Vine Street (350 W to Commerce)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Mini Excavator trade in program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P13	Woodrow St to Hillcrest Dr	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P14	Main St from 4500 s to Big Cottonwood Creek	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Street Sweeper	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Mini Excavator trade in program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P15	Brown St.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P16	Murray Parkway Golf Course	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Mini Excavator trade in program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Street Sweeper	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Mini Excavator trade in program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL Capital Costs		\$0	\$0	\$0	(\$777,640)	(\$1,059,945)	(\$1,062,480)	(\$1,096,673)	(\$2,712,887)
Beginning Cash Balance			\$1,298,458	\$1,922,289	\$2,119,655	\$1,826,719	\$1,477,634	\$1,347,468	\$1,409,296
Ending Cash Balance			\$1,922,289	\$2,119,655	\$1,826,719	\$1,477,634	\$1,347,468	\$1,409,296	\$1,576,140
Days Cash on Hand		-	368	529	535	448	352	311	316
RATE SCHEDULE		2018	2019	2020	2021	2022	2023	2024	2025
Monthly Fee per ESU		\$4.65	\$4.65	\$4.65	\$5.65	\$6.30	\$6.95	\$7.60	\$8.25





1

NEED FOR THE STUDY

- Fees have not been reviewed since 2011 (9 years)
- Maintain financial viability (current debt service requirements)
- Increased operating expenses
- Capital improvement needs
- Increased storm water regulations

2

2

## GUIDELINES

- Stormwater utilities are authorized under State statute
- Functions as an enterprise fund
- Continue to provide the construction and maintenance of facilities necessary to
  - Control flooding
  - Improve the character of surface runoff
- Employ best management practices to address nonpoint source pollution
  - Water quality sampling
  - Public education and plan review
  - System maintenance
  - Site inspections
  - Basin planning

3

3

## OBJECTIVES

- Ensure sufficient revenues to cover all expenses
- Maintain debt coverage ratios and meet bond covenants
- Keep at least 180 days cash on hand
- Minimize impacts to existing ratepayers
- Establish fees that are easy to understand and administer

4

4

## BACKGROUND

- HAL – leading water engineers in the State
- ZPFI - consultants have completed 42 rate and impact fee studies in the past year alone

5

5

## PROJECTED GROWTH

<b>Year</b>	<b>ERUs</b>
2019	34,469
2025	34,885
AAGR* 2019-2025	2.0%

\*Average annual growth rate

One ERU:

Residential – per dwelling unit

Non-Residential – 3,400 square feet of impervious surface

6

6

## CAPITAL COSTS

Project #	Description	Cost*	Year
P1	725 E Repair	\$2,227,000	2025
P2	Walden Meadows Dr	\$628,000	2021
P3	Clover Meadow Dr	\$722,000	2023
P4	Vine Street (Rodeo Ln to Little Cottonwood Creek)	\$500,000	2022
	Replace 1 Ton Truck/Plow	\$55,000	2021
	New Pickup Truck	\$40,000	2021
	Concrete Washout Trailer	\$10,000	2021
P5	Anderson Ave	\$177,000	2023
	Cleaning Truck	\$420,000	2022
	Topcon Lazer System	\$10,000	2022
	New Pickup Truck	\$40,000	2022
P6	Cherry St and Jensen Ln Intersection	\$252,000	2024
	Street Sweeper	\$320,000	2024
	Pickup Truck	\$45,000	2023
	Trailer Mounted Trash Pump	\$35,000	2024
	Pickup Truck	\$45,000	2025
P11	Spring Clover Dr	\$339,000	2024

\*All costs in this table are shown in \$2019; the spreadsheet analysis uses a construction cost inflator of 3% per year.

7

7

## OPTIONS ANALYSIS

Options Summary	Year 1 Increase per Month	Increase per Month, 2022- 2025	Bond Amount	Bond Year
Option 1	\$1.00	\$0.65	\$1,500,000	2025
Option 2	\$7.50	\$0.00	\$0	
Option 3	\$0.00	\$0.00	\$7,100,000	Not feasible
Option 4	\$0.35	\$0.50	\$3,500,000	2022

8

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### OPTIONS ANALYSIS – Comparison for Single-Family Residences

	2020	2021	2022	2023	2024	2025
<b>Option 1</b>						
Monthly Rates	\$4.65	\$5.65	\$6.30	\$6.95	\$7.60	\$8.25
Bond						\$1.5M
Days Cash on Hand*	529	535	448	352	311	316
<b>Option 2</b>						
Monthly Rates	\$4.65	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50
Bond						
Days Cash on Hand*	529	535	630	644	647	633**
<b>Option 3 – Not Feasible</b>						
Monthly Rates	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65
Bond			\$7.1M			
Days Cash on Hand*	529	535	349	1,787	1,373	964**
<b>Option 4</b>						
Monthly Rates	\$4.65	\$5.00	\$5.50	\$6.00	\$6.50	\$7.00
Bond			\$3.5M			
Days Cash on Hand*	529	535	384	1,046	838	672**

\*Days cash on hand is calculated based on the beginning of each year

\*\*Option 2: days cash on hand at year-end declines to 258 days and to 183 days in the year following; Option 3: days cash on hand at year-end declines to 216 days; Option 4: days cash on hand at year-end declines to 196 days

9

### IMPACTS ON EXISTING STORM WATER RATE PAYERS

#### Preferred Option – Option #1

2021 - \$1.00 increase per month or \$12.00 per year

2022-2025 – Increase of \$0.65 per month or \$7.80 per year

10

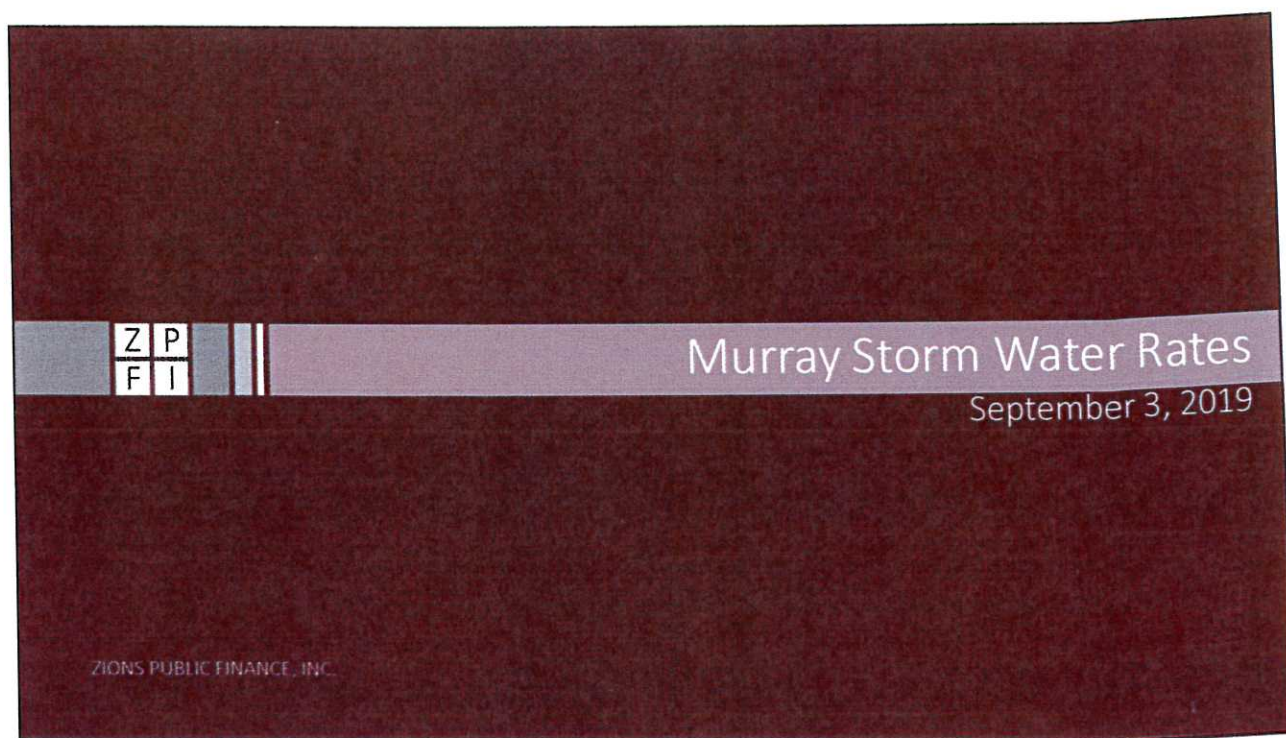
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## COMPARATIVE STORM WATER FEES

City	Rate
Lehi	\$3.00
Taylorsville	\$4.00
Murray (current)	\$4.65
West Valley City	\$5.00
West Jordan	\$5.58
Murray (proposed)	\$5.65
Springville	\$5.66
Riverton	\$6.00
North Salt Lake	\$6.00
American Fork	\$6.00
Sandy	\$6.00

City	Rate
Payson	\$6.07
South Jordan	\$7.15
Lindon	\$7.19
Orem	\$7.35
Salt Lake City	\$7.60
Layton City	\$7.60
Ogden	\$7.85
Provo	\$9.20
Spanish Fork	\$9.82
Pleasant Grove	\$13.10





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11