

MURRAY MUNICIPAL COUNCIL

COMMITTEE OF THE WHOLE

Meeting Minutes

Tuesday, December 6, 2022

Murray City Center - 5025 South State Street, Conference Room, Murray, Utah 84107

Attendance:

Council Members and others:

Vacant	District #1
Diane Turner –Chair	District #4
Pam Cotter	District #2 – Excused
Rosalba Dominguez	District #3
Garry Hrechkosy	District #5

Brett Hales	Mayor	Jennifer Kennedy	City Council Executive Director
Doug Hill	Chief Administrative Officer	Pattie Johnson	Council Administration
Tammy	Chief Communications Officer	Jared Hall	CED Director
G.L. Critchfield	City Attorney	Zack Smallwood	Senior Planner
Robert Wood	HBME, LLC	Emily Barton	Finance
Joann Miller	Finance	Brenda Moore	Finance Director
Loran Pasalich	Murray Chamber of Commerce	Brooke Smith	City Recorder
Craig Burnett	Police Chief	Jared Hall	CED
Rachel Morot	Historic Murray 1 st Foundation	Kim Sorensen	Parks & Recreation Director

Conducting: Council Member Turner called the meeting to order at 3:45 pm.

Approval of Minutes: Committee of the Whole – November 1, 2022 and November 15, 2022.

Council Member Hrechkosy moved to approve both sets of minutes and Council Member Dominguez seconded the motion.

All in favor 3-0.

Discussion Items:

Presentation of independent audit for Fiscal Year 2021-2022:

Ms. Moore invited Mr. Wood, CPA with HBME, LLC to present the fiscal year 2021-2022 audit. Mr. Wood presented the financial statement, gave an overview, and noted that Murray City had applied for the Government Finance Officers Association Certificate, and he expected the City to receive it.

Mr. Wood said he gave the City an Unmodified opinion, which was the best opinion that could be given. He said all governmental activities, all business activities in each major fund, and aggregated information presented to him was fairly stated and in accordance with governmental accounting standards. Various reports regarding internal controls and compliance to State laws, regulations, and contracts were found to have no discrepancies in processing transactions. Mr. Wood said the City has good separation of duties among the finance staff and senior management and there were no issues to report.

Mr. Hrechkosy asked if there were any adjustments booked. Mr. Wood said four occurred, and they

were recorded in the financials.

Mr. Wood noted the State Auditor Office Report and the State Compliance Guide to confirm that tests were conducted on budgetary compliance, the fund balance, justice court operations and the handling of restricted taxes and other restricted revenues. He explained that the fraud risk assessment was conducted once a year which helps cities realize what changes can be made to controls to prevent fraud. Various governmental fees were also tested to determine whether the expense was sufficient to cover governmental costs. Compliance to impact fees were analyzed, all funds were audited as well, fund by fund, and he did not find any material errors, significant deficiencies, or material weaknesses in any of the State compliance findings.

Mr. Wood said Murray's GF (General Fund) is healthy and the fund balance would remain at 24.1%. The City's five main governmental funds and proprietary funds were also tested; all were found to have no issues or concerns.

Mr. Wood presented balance sheets for all governmental funds and business type activities that require a user fee for services like power, water, sewer, solid waste collection and storm water, and the golf course

The Statement of Activities was reviewed. Mr. Wood said everything is operating healthy and there were no issues with any of the fund balances, no funds were found to be deficit, and all are in a strong net position.

The overall budget was reviewed. The City budgeted \$47 million; \$55.9 million was collected, so there was an increase of \$8.8 million. Total expenditures were budgeted at \$49.6 million, and the City spent \$44.8 million which provided a budget savings of \$4.8 million. Ms. Moore confirmed she prepared the budget not knowing how sales tax revenue would do following the pandemic, so she budgeted low, but revenue came in high. Mr. Wood said sales tax revenue in Murray came in very strong. Ms. Moore noted that expenditures were kept at a minimum because City department directors paid close attention to purchasing only what they needed. All savings would be applied to future capital improvement projects. Mr. Wood said there were no findings to report.

Mr. Wood concluded that the City's finances are in excellent order and stated this was a true and complete audit as only minimal adjustments were necessary. Mr. Hrechkosy agreed the audit was clean and commended Ms. Moore and her team for great work.

An ordinance amending Section 3.04.050 of the Murray City Municipal code regarding electronic payment fees:

Ms. Moore explained that currently Murray City Code does not allow the City to charge a fee to customers for processing their credit card payments even though credit card companies will allow the City to do so.

She explained how building permit fees sparked the idea of charging credit card fees to developers, because they pay large deposits and building permit fees with a credit card which generates a large credit card processing fee to the City. If the City were to implement an electronic payment fee for building permits, the maximum the City could charge would be 3.5% of a transaction.

Mr. Hrechkosy asked how much the City paid in credit card processing fees. Ms. Moore replied \$30,000 per month. She said it was not the small transactions that created the expense, but thousand-dollar deposits paid by developers. Deposits are eventually refunded back to developers at 100%, so it is this type of transaction that leaves the City with a high credit card processing expense. She said the proposed fee would never be applied to a utility credit card payment because the Utility Department receives a special processing rate as a utility provider. The amendment also allows Ms. Moore to choose what transactions would be subject to a credit card processing fee.

Mr. Hrechkosy requested a breakdown of the \$30,000 expense to understand better the bulk of that cost to the City. Ms. Moore agreed to provide that information.

Ms. Dominguez confirmed the proposed amendment would not change current Code but would add a new section to the Code which clarifies meaning and details for specific Electronic Payment Fees. Ms. Moore agreed the resolution specifies when the City would implement the fee, that would be set by Mayor Hales, in accordance with the maximum amount of 3.5% determined by credit card companies. Ms. Moore noted the City current limits building permit fee payments made by a credit card to \$4,000, so this proposal would increase that limit.

A resolution authorizing the execution of an Interlocal Cooperation Agreement between the City, Salt Lake County, Layton City, and Salt Lake City for administering and managing certain law enforcement software services:

Chief Burnett said with Council approval the MPD (Murray Police Department) would be able to utilize SLC (Salt Lake County), DA (District Attorney) computer software. The DA approached Murray to participate with the County in using their program that is helpful for conducting investigations.

Chief Burnett explained how the program allows only authorized and trained MPD officers to collect electronic types of evidence, track cell phone movements, sort through social media platforms, and search other type of accounts using specific key words. A court ordered search warrant is required to access the system. Previously, Murray officers used equipment located at the DA office, but now a terminal would be located at the Murray police station. He said the program is worth having as it helps resolve difficult investigations more quickly.

The annual cost to participate is \$3,900. The Council would consider the resolution in the council meeting.

A resolution authorizing the execution of an Interlocal Cooperation Agreement between the Board of Education of GSD (Granite School District) and Murray City, relating to a School Resource Officer

provided by the City to the District:

Chief Burnett explained this resolution is to enter into an agreement with GSD for a resource officer at Cottonwood High School. For the past 20 years the City has provided their resource officer for a cost of \$12,000 per year. The new proposal increases that cost to \$45,000 per year.

Ms. Dominguez asked what Murray School District pays the City for resource officers. Chief Burnett replied \$25,000 per year for three resource officers. He explained the cost increase was happening throughout the Salt Lake Valley so the charge to Granite School District was more in line with what most school districts pay

Mr. Hill commented about the cost differences. He said years ago a rate study was conducted to compare costs for resource officers with how much in turn the Murray School District does not charge Murray City for using their facilities. For example, the City uses school auditoriums and facilities regularly for Murray City Parks and Recreation programs. The City actually benefited more than the Murray School District when it came to using Murray School Districts facilities. The lower cost to provide resource officers to the Murray School District was a good way to balance the City's use of the Murray School Districts facilities. He said most municipalities no longer provided resource officers to local schools for various reasons, but Murray would continue the provision due to the good working relationship between the two entities.

Mayor Hales said with a shared swimming pool and gymnasium at the Park Center and use of other facilities like school auditoriums and ball fields, the City is very intertwined with the Murray School District. Ms. Turner agreed Granite School District is more independent. Chief Burnett said Granite School District was willing to work with Murray City regarding the cost for a resource officer at Cottonwood High School.

Amendments to the MCCD (Murray City Center District) ordinance:

Mr. Hall gave an overview about the progression of the proposed MCCD Zone amendments that resulted from the August workshop.

He displayed graphics to point out all areas within the MCCD Zone, reviewed height adjustments, architecture, design standards, parking, landscaping, and open spaces that would be impacted as a result of change requests made by the Council. To be sure everyone was on the same page, Mr. Hall said that currently in the MCCD Zone:

- Buildings shall not exceed ten stories in height or 135 feet, whichever is less.
- The height of a structure located adjacent to a residential zoning district may not exceed 50 feet within 60 feet of a residential zoning district.
- Properties located north of Court Avenue that are adjacent to Center Street, buildings shall not exceed 35 feet.)
- Properties north of 4800 South at Block One are subject to a limit of 50 feet.
- For new buildings located west of State Street and south of 4800 South, a minimum height of 40 feet or four stories, whichever is less, is required.

Mr. Hrechkosy asked at what height level do developers use steel in constructing tall buildings. Mr. Hall replied anything five-stories and over is type-one construction which is steel and concrete. Five stories and up cannot be stick framing.

Mr. Hill commented that the building on Vine Street is five-story stick construction over two-stories of steel and concrete, that is used for parking, which technically makes the building seven-stories high. Mr. Hall explained stick construction on top of concrete and steel is now called "five-over-twos." He said Murray is not unique in requiring ground floor commercial or structured parking in a mixed-use zone.

Ms. Turner confirmed that currently a 10-story building could be constructed in the MCCD. Mr. Hall said yes except on properties adjacent to residential neighborhoods. Ms. Turner tried to recall why 10-stories was ever allowed. Mr. Hall said at one time the MCCD Zone was a very aggressive plan with no height or density limits.

Ms. Turner called for a five-minute break.

Further discussion ensued about what Mr. Hall gained from the previous MCCD workshop and other related Committee of the Whole meetings. For Block-One he proposed:

- Everything in the MCCD north of Vine Street and 300 feet on each side of the right of way of State Street near Poplar and Brown Street would be called the Block One Overlay.
- Height adjustments included 10-foot step backs that are limited to three-stories.
- Step backs could be 20 feet and not 10, depending on how many stories developers want to add.
- From Center Street to Hanauer Street architectural standards would be required to create a traditional Murray architectural look.
- Story limits would drop from 10 stories to seven stories.

Ms. Dominguez recalled from the past workshop that Council Members agreed to a three-story limit at Block One down to Hanauer Street and structures behind Hanauer Street could be slightly taller. Mr. Hall said he would make that adjustment. She also recalled that from Center Street to Box Elder, and on the east side of State Street Council Members agreed that only six-story projects would be allowed, and they never agreed to 10-stories. Ms. Turner confirmed.

Mr. Hrechkosy asked if Mr. Hall was proposing to reduce the building height in the MCCD from 10-stories to seven-stories. Mr. Hall said he proposed seven-stories because it was the way of the industry.

Ms. Turner asked why not limit construction to six-stories. Mr. Hall said only for the reason that Mr. Yost articulated, which was that lower height restrictions cause projects to become more sprawled out. State Legislation has forced developers and cities into developing higher density projects even

taller than a five-over-two building. Since the current code in the MCCD is 80 units per acre, a lower height restriction would increase the footplate of a building. The zoning code is the only thing that keeps a developer from constructing even taller buildings. Ms. Turner asked about changing the MCCD zoning code to reduce the density. Mr. Hall said that was possible, which was the only way to lessen density in the MCCD.

Ms. Dominguez clarified from the August discussion that Council Members favored density near surrounding transit areas only. Ms. Turner said that is where density made sense, that was all the City needed to do, and density should be less in the MCCD zone. Mr. Hall asked should density in the MCCD be less than it is at Fireclay. Mr. Hrechkosy asked what was the density standard at Fireclay. Mr. Hall said all of Fireclay is 70 units per acre.

Mr. Hall discussed parking standard concerns. He said the way developers handle a higher parking requirement is to eliminate two-bedroom units from a project, allowing them to provide only one-bedrooms and studios. Mr. Hrechkosy thought this was not ideal for building a family in Murray. Ms. Dominguez agreed.

Ms. Turner preferred seeing more projects with mixed types of housing and asked how that could be implemented. Mr. Hall said townhomes, duplexes and triplexes are being constructed in Murray but the reason residential developments like that are not seen now is because the City no longer has vacant parcels large enough to create new subdivisions.

Mr. Hall reviewed his notes again from the August workshop and clarified that Council Members did prefer a six-story height limit in the MCCD. He said if the Council were to restrict the height to 300 feet for MCCD properties further away from State Street he had no objections. Although he still suggested seven-stories, he respected the Council's decision of six.

Visual concepts were shown to explain how step-backs of various distances would appear along State Street. Ms. Turner favored a three-story rendering that would front State Street and stressed that high density is not what Murray citizens want to see at Block One. There was brief discussion about green space areas, open public gathering areas, and landscaping that would not create more heat.

Ms. Dominguez led a discussion about whether the new city hall building could be viewed from State Street. Mr. Hall said they could require buildings fronting State Street be limited to three-stories with a 20-foot step-back. He said he would change the height limit to six-stories. Mr. Hrechkosy thought -there was value in showing that the Council did listen to the Block One survey results, so height would be reduced.

Adjournment: 5:35 p.m.

Pattie Johnson
Council Office Administrator III

