



MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, August 23, 2011, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray Utah.

Members in Attendance:

Jim Brass	Council Chair
Jeff Dredge	Council Vice Chair
Darren V. Stam	Council Member
Jared A. Shaver	Council Member
Krista K. Dunn	Council Member

Others in Attendance:

Michael D. Wagstaff	Council Executive Director
Dan Snarr	Mayor
Jan Wells	Mayor's Chief of Staff
Frank Nakamura	City Attorney
Janet M. Lopez	Council Office
Peri Kinder	Valley Journals
Angela Price	CDBG Coordinator
Gilbert Gonzales	Building Department
Kim Sorensen	Parks Department
Tim Tingey	ADS Director
Bill Finch	Citizen
Jennifer Brass	Citizen
Brett Hales	Citizen
Pat Wilson	Finance Director

Chairman Brass called the Committee of the Whole meeting to order at 5:32 p.m. and welcomed those in attendance.

Minutes

Mr. Brass asked for corrections or action on the minutes from the Committee of the Whole meeting held on August 2, 2011. Mr. Shaver moved approval as written. Mr. Stam seconded and the motion was approved 5-0.

Business Item #1:

Strategic Plan Steering Committee Council Member Selection

Mr. Brass stated that he and Mr. Shaver had participated in the interviews of Strategic Plan finalist candidates. He commented that it was suggested by two members that they continue to participate. Mr. Stam moved Mr. Brass and Mr. Shaver continue to serve on that committee. With no objections voiced, Mr. Brass and Mr. Shaver agreed to remain on the Strategic Plan Steering Committee.

Business Item #2:

2012-2013 Community Development Block Grant Update (CDBG) - Tim Tingey and Angela Price

Mr. Tingey informed the Council that there are some changes coming from Salt Lake County on the Community Development Block Grant program. With reductions imposed from the Federal government it restricts the amount of funds Murray gets; therefore, the County is reevaluating the process and how non entitlement cities obtain funding. They are considering an application process for these cities to get any funding from the CDBG program.

Ms. Price stated that the new CDBG funding cycle begins in the October-November time frame and although it seems early she hoped to bring the Council up to date on current funding and what happened over the past year.

For several years Murray had roughly \$260,000 in CDBG funds. In the 2011-2012 year a little more than a 16% reduction from the county left funding at \$217,000. Soft costs were 15% of that totaling about \$32,500 and hard costs were \$184,500. For the next program year Ms. Price has heard that another 14% to 25% reduction can be expected. These substantial cuts must be planned for.

Ms. Price noted that about one month prior Karen Wiley called a meeting of the non entitlement cities to brainstorm planning for the coming CDBG program year. With the 14% cut to the County they expect funding to be about \$2 million overall. Those funds are split among the 13 different non entitlement cities.

One issue unique to Murray is that the census data is suggesting that the City does not have any low census tracts in the community. This means that according to the census, there are no low income individuals; therefore, CDBG funding would not allow a street project now because it would not be possible to do it on an area basis. The City would have to look for other avenues to fund that.

Salt Lake County has proposed a couple of things. Initially, they considered keeping all the funds within the County and not allocating to cities. None of the cities liked that idea. Now it looks like the County will keep the soft cost funding amounting to 15% of the total and Murray will no longer have control of funding for the public service agencies. The County will decide through their committees and process who will receive those monies. The County will administer those contracts themselves. They have asked each city to provide funding priorities for them. She stated that she put together a list of priorities based on current funding criteria, which includes the following five areas:

- Shelter and housing
- Food
- Medical care

- Employment
- Youth programs

Another proposal dictates that the City may not give out any awards of less than \$7,000 simply because of the administration and oversight for small amounts.

All contracts are for two years; however, Murray actually banked some money to start NeighborWorks and the housing program. If there are many cities banking money the County can have funding lowered or be fined for that procedure. They have asked the cities to be very diligent and spend the funding in the two year time frame.

Ms. Price stated that it would not surprise her to have the County decide to keep hard cost funding as well. She feels that they might divide it among the cities for another year and then change their approach. Most of the counties in the country handle CDBG funds themselves. Murray has tried to plead that as a City the staff knows what is best for its own community; however, she feels the City needs to be prepared for that loss of funds, as well.

Mr. Stam asked if the City could still submit to the County its priority of agencies for receipt of funding. Ms. Price responded positively. She further explained that the County feels that if money is spread throughout the County then an agency could help residents throughout the County. Take Assist as an example. If Assist receives funds from Murray then those funds can only be used for Murray residents. If the funding is countywide, then Murray residents might get bumped down to a lower bracket.

Ms. Dunn said that is an important point to consider, because we need to look at citizens in our community that are most in need and make sure they receive services.

Ms. Price confirmed that cities such as Murray, Holladay, and Cottonwood Heights have started programs, NeighborWorks for example in Murray, to get ahead of housing deterioration and if this approach is taken then it could hurt these communities that are not as bad as other cities. If the County focuses on the low to moderate census readings then Murray may not get as much funding as when we have control of the money. Ms. Dunn stated that we still have low income residents that require help and may be overlooked. Ms. Price said that Murray's aging population contributes to the low income problem too. There are many criteria that contribute. The City relies on this money. Another issue is that Murray will be required to go to the County and make a proposal for funding. It will be a little more challenging, Ms. Price expressed.

Ms. Dunn confirmed that Murray will be lower on the priority list because there are fewer low income residents.

Mr. Shaver asked about the two year spending requirement on the hard costs. He wondered if we award funding to a specific entity they can then hold on to the money past the two year period. Ms. Price stated that the entity must spend it within two years. If, for example, the Boys and Girls Club did not spend the money, then it could be reallocated back to them the following year. In the future, Murray may not have much control over that.

For an overview, Ms. Price detailed that a 14% cut would give a total allocation of \$152,000 in hard costs. The City priorities began a focus on housing and job creation or retention the previous year. For example the Boys and Girls Club is an excellent entity that allows parents the freedom to work until 5:00 p.m. because their children have a place to go after school. It will be important to continue in that direction and focus our efforts even more

specifically because of the low funding. Additionally, if there are any projects we want to fund they definitely need to be funded this year because the future of the program is so unknown. The County does not even have to ask the cities for input. For example if we want to update our housing study, then it should be done this year.

Mr. Shaver asked if she would make recommendations to the Council for funding dollars. She said that would be a good way to handle it. Mr. Tingey said that housing is a priority because of the partnerships that have been established and the need that exists. The housing market study is important because the state requires that we conduct that study every three years and we are at that point now. Mr. Shaver pointed out that a suggested list is very helpful to him.

Mr. Brass commented that he would like to see money go to housing if we are not going to have as much to allocate. He understands the requirement for the study; however, to conduct a study and then not have the money to do anything strikes him as backwards. On the other hand, when buildings are built and tax increment is coming in, then Murray will have the ability to fund through increment, which will be a substantial amount of money. The need for the study exists, however, he would like to see the money get out to the people who need it.

Ms. Price said that she proposes changing the CDBG system a little by modeling after the County. They do a presentation to the Council and Mayor before the public hearing, similar to what Murray did this past year. Following that, at the public hearing, she would give a quick explanation of the process detailing the recommendations and how such amounts were determined. Then the public hearing would be opened and as agency representatives arrive they would be given a written statement of the recommendations rather than Ms. Price going through it on a power point presentation. She feels that will shorten the public hearing and reduce redundancy by not repeating information that had previously been reported to the Council. The soft cost applicants will go directly to the County and this procedure should also help to shorten the public hearing substantially. She asked if the Council approved that change.

Ms. Dunn mentioned a suggestion for Ms. Price to think about. She visited a Council meeting in South Carolina when there on business. They had the CDBG night where each agency set up a table and Council members visited the table to talk with representatives. This lasted for one and half hours, then they looked at the CDBG recommendations and voted that night. It would not drag out a meeting with presentations. Mr. Brass stated the possibility of another Committee of the Whole for setting the percentages. Mr. Dredge liked what had been done the last two years with recommendations set by the department rather than going back to the way it was handled in the past. Mr. Brass agreed that it was a painful to set amounts during the Council meeting and with less money it will be more difficult.

Ms. Price confirmed that she would meet with the Committee of the Whole again on this topic.

She advised the group that the Fair Housing and Equal Opportunity division of the Federal Housing and Urban Development (HUD) department visited the City in the past year. A report of that visit has not been received yet and it will go to the County first. They really drilled the staff on increasing outreach, especially to diverse populations. Ms. Price will focus on that this year.

The other item Ms. Price confirmed with the Council was their approval of working with electronic submission (CDs) for the CDBG application and documents. Everyone approved that concept.

Mr. Brass thanked Ms. Price and stressed the importance of getting information out regarding low interest loans and options people have in housing.

Business Item #3: Murray Park Pavilion Restoration Options – Doug Hill

Mr. Hill commented that he is looking for some feedback and direction for moving forward on restoration of the Murray Park pavilions.

In the fiscal year 1999 the City budgeted money to replace the four pavilions in Murray Park. The bid prices were shown on a handout Mr. Hill distributed, which was a total of \$865,000 for the low bid. A copy of what the new pavilions would look like was on the second page. The economy took a downward turn that year and the pavilions never were replaced. Since that time, there has been continued rotting in the beams for the roof structure. Murray's chief building inspector Gilbert Gonzales has informed Kim Sorenson and himself that the pavilions must be closed down on October 31, Mr. Hill remarked. That is the last day of reservations for the current year; however, reservations are scheduled for all of next year, due to our policy of making reservations a year in advance. Mr. Gonzales' concern is that if they are open during the winter months, with the possibility of heavy snow, it could be dangerous. They will remain closed permanently until some repair takes place.

In talking with the Mayor and working with Mr. Stam, three alternatives have been considered. The first is a temporary fix that Mr. Gonzales developed after meeting with a structural engineer and a contractor. It would involve nailing up "I" beam structures on the existing beams. That has gotten a negative recommendation because no contractor could be found who was willing to do that. This was the least expensive; however, it is really not practical because it is only a short term repair.

The second alternative was to install some brackets on the existing beams. This could probably be completed for around \$15,000; although there are head room clearance issues and the beams would continue to rot. The staff is not recommending that option.

The third possibility is to replace the beams. The cost for this option is about \$60,000; however, the staff feels comfortable with this option. It gives us some time to recover financially. The original beams lasted almost 40 years and; although there could be some rotting in other beams they are now in fairly decent shape. This buys plenty of time. The staff discussed it with the Mayor and everyone agreed, as well as a positive recommendation from the Parks and Recreation Advisory Board.

Mr. Hill explained that the roof membrane structures will also need replacing because the water leaks through which causes some problems. Another \$35,000 will be necessary to complete that work. The total will be about \$95,000 to \$100,000. Mr. Hill indicated his desire to start on it as soon as possible to complete it this fall having them ready to go by May first so the reservations for next summer can be fulfilled.

This is the recommendation to the Council. There are no funds budgeted for this purpose and it would require a budget opening as soon as possible.

Mr. Brass asked what the revenue is for the pavilion rentals. Mr. Hill responded that it is about \$20,000 per year.

Ms. Dunn expressed that Murray Park is one of the crown jewels of Murray. In working with other City Councils around the state, they always refer to our park and how lucky Murray is that it was planned into the City from the very beginning. All of our residents benefit from the park and pavilions and she views it as a major need. If there is a way to repair them now, until the budget improves she is in favor of it.

Mayor Snarr said this is a perfect example of delaying and it could impact our residents if there were a major storm event. Money from reserves will need to be used to take care of this now. If we let it go and it comes down, a disaster could occur with kids using the space.

Mr. Brass added that there is wind load and snow load to be concerned with. Three major storms have blown through Murray recently and he has been concerned for some time. He said that because people from all over the valley use the park it is really a regional facility and he wondered if there is any possibility to get some County participation on the expense. He would appreciate that we ask the County.

Mr. Dredge asked if all the pavilions were in equally bad shape. Mr. Hill said that the large Pavilion #1 is in the worst shape. Mr. Sorenson added that Pavilion #2 is similar. Pavilion #3 needs to have the beams replaced but it is not nearly as bad. Pavilion #4, off of Vine Street, is in good shape except for the roof.

Mr. Shaver asked about the difference between the beams versus the roofs. Mr. Sorenson stated that the beams are large wooden vertical structures that need replacing. There are horizontal beams that are in good condition. We may gain another 20 years or more, because the roof membrane will be done a little different so as not to have the same problem in the future.

Council members agreed on the need to have this work done. Mr. Stam commented that it shows the City has a real need for a capital projects fund to be established to plan for these expenses rather than wait for them to occur. Mr. Brass agreed, however, he stated that this is what reserves are for, when a need is clearly presented.

Mr. Shaver asked if the idea is to open the budget in two weeks. Mr. Hill said that was the plan unless the Council raised objections that evening. There are a couple of other items to be addressed at the same time. Some funds from the previous year need to be rolled over to complete projects that did not get started. He would work with Ms. Wilson on that.

There were no objections to going forward with this matter.

Business Item #4: **Park Center Membership Discounts – Doug Hill**

Mr. Hill informed the Council that the Park Center was approached by an organization called Healthways, which works with many large insurance companies across the United States to provide access to fitness facilities at no cost to members of the insurance companies. They broker between the insurance company and the fitness facility and work with all the large well-known insurers. A large membership base of over 1,000 people in Murray is insured by these companies. They have worked with the Sports Mall and the West Valley City Recreation Center, which are both Healthways facilities and provide this program.

The program allows members to go into a Healthways certified facility and use it at no cost. The facility tracks the users by their card and bills Healthways for their visits. The staff sees this as a revenue opportunity to reach people that are not visiting the Park Center now. There are two programs, one for senior citizens age 65 years and older and 99% of the people using the facility will be in this category. The other program is for those under age 65; however very few people in that age bracket use the program.

Mr. Hill explained that citizens would be able to come into the facility at no cost. The City would track visits and send a monthly bill to Healthways for \$3 per visit for those 65 and over, and \$3.50 for people under age 65. This applies up to a maximum of \$30 and \$35 respectively. The Park Center will be required to certify some instructors and offer a fitness class twice a week that is part of their program. The City must also provide equipment availability for the people to use and we already own the necessary equipment.

As staff, it is believed that this will be a good opportunity to bring new people and financial support into the center. West Valley City is bringing in about \$3,500 to \$4,000 monthly. This amounts to an additional \$50,000 per year, at the high end, that could come into our facility. Staff recommends participation in the Healthways program for the Park Center. It is also known as the Silver Sneakers program, Mr. Hill noted. He talked with the owner of the Sports Mall to see if there would be any impact to them. That seems to be a non issue with little impact expected and he feels this is the way to capture revenue in the future.

This is a change in direction on memberships; however, if there are no concerns from the Council then he will work with the attorney's office to see if a change in the ordinance must come forward or if the program can be offered under the existing language of the code. Healthways is ready to sign a contract.

Ms. Dunn asked how far down the Park Center is on memberships. Mr. Hill would have to send out a report on that. The City had a big membership push last November when fees increased. At that time a incentive was offered for those who purchased two years at that time. A lot of memberships were sold then, but there has been a decrease since that time. It is hard to know if the economy is driving the decrease, the membership drive or a combination. Daily numbers do not show a decrease in participation; it stays fairly consistent with about 2,500 to 3,500 in daily admissions.

Ms. Dunn asked if West Valley is seeing an increase in utilization in the daytime with the senior population. Mr. Hill confirmed that to be true, which is one of the reasons the staff liked this program, because seniors have more flexibility in their schedules.

Mr. Stam asked if the monthly pass runs \$30 to \$35. It does, so that is consistent with Healthways rates.

Mr. Brass has had some positive citizen comments from his aging population on this topic and anything that increases exposure of the Park Center will bring in more people.

Mr. Dredge asked if there will be additional costs for the programs offered. Mr. Hill responded that it will be very little as each class is \$25 so that will be \$50 a week and the center is already set up to collect the data on billing. No new software will be necessary.

Mr. Shaver asked if the City pays for the certification of instructors. Right now the certifications are being offered for free unless someone has to travel out of state, but that should not be necessary as it is available at the Sports Mall or West Valley.

Mr. Hill said another idea that has been discussed with the Park Board is to open up a special discounted membership during the evening hours, which some people perceive as a slow time. The Board liked this idea. Included in your packet was an hourly breakdown of attendance at the Park Center. The busiest time is the morning hours between 5:00 a.m. and 10:00 a.m., the evening hours between 6:00 p.m. and 10:00 p.m. is the second busiest time, and the dead time is between 11:00 a.m. and 2:00 p.m. He said that staff did not like the idea of discounting membership during evening hours. It might even decrease revenue. He likes the concept of doing something in the middle part of the day to draw people in. Increased programming is a thought and a discounted punch card is another incentive discussed. This would be good between the hours of eleven and two and allow usage of the equipment, track and swimming to increase use during this dead time. Again, it would require a conversation with Mr. Nakamura to see if this fits under the promotion clause or would require an ordinance change. He wanted to make sure the Council is okay with something along that direction.

Mr. Dunn said that anything that helps the community and brings people in should be done. Mr. Stam mentioned that the Healthways program would utilize those hours too. Mr. Hill confirmed that the Silver Sneaker classes could possibly be offered during those hours dependent upon instructor availability. Ms. Dunn said her experience is that between eight and eleven is a big time for seniors because most of the crowd has cleared out to go to work. There were no objections to this concept.

There being no further business Mr. Brass adjourned the meeting at 6:30 p.m.

Janet M. Lopez
Council Office Administrator