

Murray City Municipal Council Chambers Murray City, Utah

The Municipal Council of Murray City, Utah, met on Tuesday, the 1st day of April, 2008 at 6:30 p.m., for a meeting held in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Roll Call consisted of the following:

Krista Dunn,	Council Chair - Conducted
Pat Griffiths,	Council Member - Excused
Robbie Robertson,	Council Member
Jim Brass,	Council Member
Jeff Dredge,	Council Member

Others who attended:

Daniel Snarr,	Mayor
Jan Wells,	Chief of Staff
Rondi Knowlton-Jeffries,	Mayor's Office
Briant Farnsworth,	Assistant Attorney
Michael Wagstaff,	Executive Director, Council
Pete Fondaco,	Police Chief
Craig Burnett,	Assistant Police Chief
Doug Hill,	Public Services Director
Carol Heales,	City Recorder
Phil Roberts,	Fire Marshall
Kim Sorensen,	Park Superintendent
Ron Koller,	Treasurer
Gil Rodriguez,	Fire Chief
Dale Whittle,	Human Resource Director
David Larsen,	MIS Director
Blaine Haacke,	Power Department General Manager
Patricia Wilson,	Finance Director
Sheri Van Bibber,	Murray Exchange Club
Michael Romero,	Murray Exchange Club
Scott Baker,	Murray Chamber of Commerce
David Wilde,	Salt Lake County Council
Citizens	

A. OPENING CEREMONIES

1. Pledge of Allegiance: Jefferson Hunter

2. Ms. Dunn invited the attending Boy Scouts to stand and introduce themselves, their leaders, and state what merit badges they are working on.

3. Approval of Minutes

Mr. Brass made a motion to approve the minutes of March 18, 2008
Mr. Robertson 2nd the motion.

Voice vote taken; All Ayes

4. **Consider a Joint Resolution of the Mayor and Municipal Council of Murray City, Utah, in support of the Murray Exchange Club recognizing and declaring April 2008 as National Child Abuse Prevention Month by flying the Child Abuse Prevention Flag.**

Ms. Dunn read the complete Resolution.

Mr. Brass made a motion to adopt the Resolution.
Mr. Dredge 2nd the motion.

Call vote recorded by Ms. Heales

 A Mr. Dredge
 A Mr. Robertson
 A Mr. Brass
 A Ms. Dunn

Motion passed 4-0

The Resolution was presented by Mayor Snarr to Michael Romero and Sheri Van Bibber of the Murray Exchange Club.

Ms. Van Bibber stated that the Exchange Club's foundation is Americanism, involving the youth of the community, and one of their biggest concerns is the prevention of child abuse. The City has always been very supportive of the Exchange Club, and every year they come to the City with new ideas and projects.

The Exchange Club wanted a bigger reminder to the community that child abuse is a major problem that concerns them all. On April 21, 2008, the exchange Club

is hosting a bike ride involving motorcycles, bicycles, etc. The Mayor and the Police Department will be attending; the start of the ride will be at Southwood Park, and end at the Murray City Hall. Miss Murray will be attending and has written a song about child abuse that she will be performing. There will also be approximately 700 ribbons that will be tied to the trees that will represent the cases of child abuse that were filed last year.

Mike Romero thanked the City for their support in this project, and reiterated that this is a very important project .

Mayor Snarr thanked the Exchange Club for all of their hard work on this issue and the other community issues they are involved with.

B. CITIZEN COMMENTS (Comments are limited to 3 minutes unless otherwise approved by the Council.)

Tom Henry, 5000 South Glen Street

Mr. Henry stated that he is very proud to be a citizen of Murray, and of the Mayor and Council. He felt that the Council and Mayor deserved a raise and asked how this could come about.

C. CONSENT AGENDA

None Scheduled

D. Public Hearing(s)

None Scheduled

E. Unfinished Business

None Scheduled

F. New Business

- 1. Consider a Resolution acknowledging receipt of the Fiscal Year 2008-2009 Tentative Budget from the Mayor and the Budget Officer, and referring the Tentative Budget for review and consideration to the Budget and Finance Committee of the Murray City Municipal Council.**

Staff Presentation: Mayor Dan Snarr

Mayor Snarr presented the Resolution, saying: “ Council Members, residents, and staff: thank you for allowing me some time to present my recommendations for the fiscal year budget for 2008-2009. I have some amazing news, I have found a way to pay for extra road projects this year. I have received an email from a highly acclaimed businessman in Nigeria, who has offered to help the City make millions. If we send him only a few thousand dollars to do the paperwork..... So, my recommendation is to send him the money.” (April Fools!)

“Seriously though, I wanted to follow up on my comments that I made in my State of The City Address. You will recall going with me on a virtual tour of our City and seeing the wonderful changes that have recently taken place or are underway. Going on the road showcased all of the ways that there is more to Murray. I would like to focus tonight, on how we can continue on that road to success. We are just surfacing from a cold, difficult winter season. We have used overtime, additional salt and every possible vehicle to accomplish snow removal for our residents. I received a heart-felt note from one of our residents who wrote: *‘I am writing a note of thanks to you and wish for you to extend this thanks to all of the loyal and dedicated workers who did our snow removal this entire, long winter. It was a long, early morning task, and they did a wonderfully efficient job for all of us.’* Another resident recently sent a letter of thanks for the work of our Police Department, in getting a residential burglary convict off of the streets. He stated that he felt safer with this person in jail. Our building inspector and code enforcement officers were praised for their work in making a long standing construction site less hazardous for neighborhood children. I hear all the time about the great employees we have working for the City, and how they serve the residents so well.”

“This year, we anticipate having approximately \$2.5 million in additional revenue to be used on programs in the General Fund. We believe we have been very conservative in our projections, however, the economy is challenging to predict. Following your recommendations from last year, we have studied the National Consumer Product Index to determine the cost of living adjustment to give our employees. With the increased cost of fuel and the trickle down impact in all areas of consumer spending, I am recommending a 3% COLA adjustment this

year. I realize that this is more than has been done in past years but I believe it is necessary in order to keep our employees. 5 years ago, the City policy was paying 5% above the market. That provision was eliminated due to budget constraints. This year we lost 2 times the number of employees as in an average year. Therefore, I am recommending that we move to being 3% above the average pay in the market so that we may keep our valuable employees. We are in an organization that serves our residents and we are only as good as the face of the City - our employees.”

“This is a good year in the City for health insurance. For the first time during my administration, our insurance premiums are not increasing. This is another credit to our employees, who have made efforts in improving their health. I also believe that instituting the 1% solution and our wellness committee have been key, positive steps to this result. We are offering 2 health insurance plans beginning this year, and will make the last rate adjustment increase necessary in order to provide health insurance coverage at an 85-15% split.”

“We continue to make progress along our road to success in completing projects in our Fire Department. The new station #82 will be complete in a few months. This, along with the new station #83, will be paid for by reserves from past, good economic years. We have submitted a request to the State for the license to operate an ambulance service for emergency calls. If this request is granted, we have funding in place to staff and equip the operation. Our current station #82, located at 152 E 5900 S, will be available to house the ambulances. We believe this service will be paid for by the charges associated with its use. If the license is granted, we hope to begin this program in the fall. Three ambulances will need to be purchased; we also need a new ladder truck in the Fire Department. Our current ladder truck is 11 years old and is requiring constant repair. I am proposing paying ½ as a down payment on the ladder truck, and then a 5 year lease purchase plan for these vehicles, totaling \$1.1 million. It takes a full year to order and receive the ladder truck, so it is important to begin this process soon. For the most part, our Enterprise Funds have adequate resources to handle the request.”

“Due to the increased costs for the sewer line costs in the Fire Clay RDA and the new disinfection system at Central Valley, we will need to delay improvements in the line from Fashion Place Mall until next year. Increased fuel costs may impact funding necessary for our waste disposal program. This will undoubtedly require us to consider what we charge for waste disposal in the future; as you are aware that we are charging less than any other city in Salt Lake County.”

“Our Power Department has had some circumstances change this year, necessitating a request for a power rate increase. Two main factors have led us

to this challenge: first, we have had to replace a low cost resource from Idaho, with a more expensive one. The length of the contract was completed, and renewing it at a much higher rate was not feasible. This loss is \$900,000 annually to the Power Departments bottom line in revenue. Second, we get a portion of our power from CRSP (the Colorado River Storage Projects.) Rates for this renewable resource are controlled by the Bureau of Reclamation, who increased them this year by 14-15%. In order to make this as painless as possible for our residents and businesses, we are proposing increasing the rates by 5% on July 1st 2008, and then adding another 5% on October 1st 2008. It is our hope that this will get us through the high summer usage months without too much difficulty. Our Power Department has worked very hard to provide great reliability, and I believe we all recognize that the value of this service gives us daily.”

“Our City is a pledging city in the UTOPIA network. About 60% of our city currently has the option to connect to providers bringing these services through the fiber network. Due to a variety of challenges, it has been determined that the pledge amount be increased and the bond term extended. I am recommending that \$250,000 be added to our pledge amount in reserves to cover this increase.”

“Our Murray parks have long been a source of fun, recreation, relaxation and green space in our city. The last Master Plan for Parks and Recreation was completed in 1994. Since that time, most of the recommendations that were adopted have been accomplished. I believe that it is appropriate to undertake a new planning process with regard to our parks, and have included funding to do so in my budget. Along that same line, I have been working with the Utah National Guard to allow the city to own the old garage property surrounded by Murray Park and the Boys and Girls Club. They are under the same rules for surplus property that we are, and it must be appraised and sold at fair market value. The current appraisal is \$380,000 for the property. I recommend that we purchase the property using reserves to give us additional options for park planning.”

“Finally, having a road to success is accomplished by having good roads to drive on. In the recent legislative session, our local leaders and our County Council members, Mr. Wilde, helped our city road budget by providing us with \$1 million for Cottonwood Street improvements. We will work to use these funds to accomplish as much as possible on this newly expanded north-south corridor. I am proposing putting \$1.3 million into other road projects. Staffing is recommending a rebuild on 5900 South from State Street to Cottonwood Street with a \$1 million price tag. This is a very busy road and should be done soon. I am suggesting dividing the cost of this project over 2 fiscal years by beginning it next spring, and completing it after July 1st, 2009. I hope you will also consider Creek Street as a very high priority this year with the additional funds. There is never enough money to cover the needs we have on our local roads. It is an ongoing concern to me, to make as many improvements as possible. I believe we have been

conservative in our budget numbers while keeping an eye on our current economic factors. If additional funds are available as the year progresses, I will come back and recommend working on more road projects.”

“I wish to express my appreciation to Patricia Wilson and Jan Wells on their work on the Budget; and the other department heads for their realistic requests and efforts to move the City forward in making necessary improvements. I believe our united goal is to continue on the road to success that we have already established. Thank you for your efforts, and I look forward to providing additional information as we move forward in this process.”

Mr. Dredge made a motion to acknowledge receipt of the Tentative Budget and adoption of the Resolution for referral to the Budget Committee.

Mr. Robertson 2nd the motion.

Call vote recorded by Ms. Heales

 A Mr. Dredge
 A Mr. Robertson
 A Mr. Brass
 A Ms. Dunn

Motion passed 4-0

Ms. Dunn gave a brief explanation of the process of the Tentative Budget, and recognized David Wilde, our representative on the Salt Lake County Council.

2. **Consider a Resolution approving an Interlocal Cooperation Agreement between the City and Bluffdale, Lehi, Midvale, Salt Lake City, Saratoga Springs, South Salt Lake, South Jordan, Sandy, West Jordan, West Valley, Tooele County, the Unified Fire Authority, Park City Fire District, and South Davis Fire District (the “Parties”) for multi-jurisdictional mutual aid fire and emergency medical services.**

Staff Presentation: Gil Rodriguez, Fire Chief

Chief Rodriguez explained that this is similar to the same agreement signed with the parties last year; other than the fact that we have 14 departments instead of the 7 last year. These are all the surrounding departments which the City could help, or could help our City in the event of an emergency. He also stated that there is a change in the indemnification portion of the agreement.

Chief Rodriguez stated that in the responses, very seldom does any one department respond with only their units. There is help from anybody when it is needed.

Mr. Robertson noted that under section #1 of the agreement where it states "agreement between the City" and the Parties. He asked that if "the City" meant Murray, then we extract the word "Murray" under the parties as it was redundant.

Mr. Robertson made a motion to adopt the Resolution, with the word extraction. Mr. Brass 2nd the motion.

Call vote recorded by Ms. Heales

 A Mr. Dredge
 A Mr. Robertson
 A Mr. Brass
 A Ms. Dunn

Motion passed 4-0

3. Consider a Resolution authorizing the sale of Renewable Energy Credits to 3Degrees Group, Inc.

Staff Presentation: Blaine Haacke, General Manager, Power Department

Mr. Haacke stated that they have come to give money back to the City. As a requirement of the agreement made between Murray City and DTE or Salt Lake Energy Systems, for the sale of REC's (Renewable Energy Credits or Green Tags). This is for the sale of production at the plant, located at the Salt Lake City and County Landfill, for the first half of 2007. The way Green Tags work, is that for every megawatt hour that we generate, we receive a dollar amount for, which is negotiable with those who wish to purchase it. We as a city, are not mandated to keep those renewables for ourselves. Utah State is not required to have those.

Mr. Haacke continued: the figure that they have come with is \$34,944 worth of Green Tags that someone wants to buy. Last year at this time, the City sold the last half of 2006 Green Tags for the price of \$1.15 per megawatt hour. The price has gone up, and will continue to do so as they become more popular with the citizens throughout the western United States, and mandated by government.

Currently, the best price they have been able to get for the first half of 2007 is \$3.00 per megawatt hour.

Last year during the negotiation of the sale, the City received a quote from a company by the name of Evolution Markets, that offered to buy our 2007

production for \$1.50, our 2008 production for \$2.00, and so on in \$.50 increments. At that point in time, the City could have sold out the production for the next 5-6 years, and at the end of 2012, the City would have been making \$4.00 for every REC. Mr. Haacke stated that it was a good move that we did not pre-sell our REC's at that time.

Mr. Haacke explained that this is a good resource being on 93-96% of the time and being a 3 megawatt resource. The people who do the O&M, which are not City employees, have done a great job of keeping those 2 engines on. There is another landfill plan being constructed right now and near the end of this year we will have more access to Green Tags with the production at that plant.

The City has learned that it is best to sell the Green Tags half a year at a time, and will be coming back to the Council again in June, as if they sell before June 30th, they receive more for their money. They need to get access to the Oregon/Washington State markets, to better work these resources. In order to gain access to these markets, the City must join an organization called WREGIS, that tracks the sale of Green Tags to control unscrupulous sales. The cost is minimal, approximately \$1,000 per year, but would be a benefit to the City. In Oregon, Green Tag sales are now at \$5.50, it would be well worth the cost.

For now, the City needs to sell the Green Tags prior to mid April so that they can get the first ½ sales. They have decided that for the first 6 months, as they are learning the process better, to go through a marketer that they have contracted with. The marketer receives 3% of the sale; they have found a buyer for the City. After the 6 months, the City will go out on their own, and have already determined who the buyers are, and we will be able to cut out the middle man.

Mr. Haacke stated that he had recently attended an Energy Market seminar in Philadelphia and touched base with some very important contacts that will be able to help with future sales, and he wanted to thank the City for allowing him to attend this seminar.

Mr. Dredge made a motion to adopt the Resolution.
Mr. Robertson 2nd the motion.

Call vote recorded by Ms. Heales

 A Mr. Dredge
 A Mr. Robertson
 A Mr. Brass
 A Ms. Dunn

Motion passed 4-0

Mayor Report

Mayor Snarr gave credit to the Council for helping to implement the Green Tag program, and now the City is being rewarded for their negotiations.

The Mayor noted that he has been out to the landfill several times to see the progress being made on the new plant. The building is nearing completion, the methane gas has been brought in for the new turbines. They are working on the interconnect with Rocky Mountain Power to bring the power in.

The Mayor attended a meeting last week with the Economic Development Council for the State of Utah. Although there are significant challenges in bringing the necessary power resources to the state, the Economic Development Corporation of Utah is doing an excellent job in recruiting new business, We are very fortunate in Murray, that we have this great REC resource, and other renewable resources.

Mayor Snarr also mentioned that many of the TV stations and programs have been coming to the City on behalf of David Archuleta and his success on American Idol.

The Mayor noted that the Kirton family, residents of Murray, is the largest autistic family and that CNN will be doing a segment on how the family copes with 6 children with autism. April is National Autism Awareness Month. The Mayor quoted a Tee-shirt that a member of the family has: 'I'm Autistic, What's Your Excuse?'

He appreciates that the family has come in to make the City aware of this, and stated that on May 03, 2008 there will be an event at Cottonwood High School to raise awareness of autism.

Questions of the Mayor

None

Adjournment