

Murray City Municipal Council Chambers Murray City, Utah

The Municipal Council of Murray City, Utah, met on Tuesday, the 19th day of February, 2013 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:

Brett Hales	Council Chair
Jim Brass,	Council Member
Darren Stam,	Council Member - Conducted
Jared Shaver,	Council Member
Dave Nicponski,	Council Member

Others who attended:

Daniel Snarr,	Mayor
Jan Wells,	Chief of Staff
Zachery Fountain,	Legislative Affairs
Jennifer Kennedy,	City Recorder
Frank Nakamura,	City Attorney
Tim Tingey,	Administrative & Development Services Director
Justin Zollinger,	Finance Director
Doug Hill,	Public Services Director
Mike Terry,	Human Resource Director
Pete Fondaco,	Police Chief
Craig Burnett,	Assistant Police Chief
Gil Rodriguez,	Fire Chief
Bruce Turner,	Power Department
Brad Astin,	Police Department
Nathan Turner,	Water Department
Bryce Philbrick,	Parks Department
Kevin Potter,	Fire Department
Daren Wightman,	Fire Department
David Frandsen,	Power Department
DJ Didericksen,	Parks Department
Marilyn Potter,	Police Department

Lynn Potter,
Charles Crutcher,
Alissa Black,
Marci Williams,
Jackie Sadler,
David Wilde,
Citizens

Engineering Department
Power Department
Police Department
Parks Department
Municipal Court
Salt Lake County Council, District #3

Mr. Stam commented that at the last meeting there were a lot of people who were concerned about an item on the public hearings. They were very respectful of the process and of each other. There was no cheering or clapping. Mr. Stam asked that if people were here for the public hearings, that they be respectful and realize that they will get their opportunities, but they don't want to drag things out longer than necessary.

5. OPENING CEREMONIES

5.1 Pledge of Allegiance- Marci Williams, Park Center Director

5.2 Approval of Minutes

5.2.1 January 8, 2013

Mr. Shaver made a motion to approve the minutes of January 8, 2013.
Mr. Hales 2nd the motion.

Voice vote taken, all 'ayes'.

5.3 Special Recognition:

5.3.1 **Special recognition of Murray City Council Employee of the Month,
Detective Brad Astin.**

Staff presentation: Pete Fondaco, Police Chief

Chief Fondaco stated that he really gives the detectives a hard time only because he expects a lot from them. Detective Astin gives all that he can to this position and is becoming one of the go-to detectives. In the first couple of weeks in January there were two officer involved shootings in Murray. When you have an officer involved shooting, the first thing you have to do is assign a lead detective. When you have officers responding to a call and somebody turns and starts shooting at them, it is an important case. The Police Department immediately turned that case over to Detective Astin.

Chief Fondaco said that Detective Astin has done an exceptional job in this case. The detectives did all of the reports and submitted them to the District Attorney's Office so they could review the entire case. The comments Chief Fondaco received from the District Attorney were amazing on both the shootings, especially that they had taken the lead on this case. This was an important case which was done correctly and Chief Fondaco would put Murray's detectives up against anyone else in this valley and in the State. They do an excellent job and they need to know that. He does expect a lot from them, but they do a great job.

Chief Fondaco reiterated that when you have an officer respond to a call and the suspect turns around and fires six shots at them that is an important case. You are seeing more of that in this valley. You are seeing more return fire police shootings and that is something you didn't see for a long time in this state. It is something that people are becoming more and more willing to do which is pretty frightening when you are out there at night and can't see what they are doing and have them immediately turn on you and start shooting. That is something that the police don't like to see a lot of. It was a very grueling case which was handled very well.

Chief Fondaco read the following:

Detective Astin was hired by the Murray City Police Department in November of 2002. He worked both patrol and Detective Division and has been a SWAT member for many years. He is currently assigned as a detective working Crimes Against Persons. Detective Astin has a true desire to seek out criminals and bring them to justice. He can be counted on, time and time again, to go above and beyond in criminal investigations frequently working well past normal office hours. Recently he was assigned as lead detective on an armed robbery in which the suspect fired shots at the responding Murray Patrol Officers. Detective Astin took charge of the case immediately and devoted everything he had to solving this case and taking the dangerous criminals off the street and he accomplished this goal within 72 hours. One suspect was taken into custody and one was shot and killed in Salt Lake City.

He was the lead investigator in a homicide case that occurred in 2011 as well as conducting a stellar investigation. He assisted the family during the funeral arrangements to help them feel safe from retaliation during the proceedings. He has also remained in close contact with the victim's family since then and kept them updated on court appointments and proceedings. He works tirelessly in the performance of his SWAT duties. He has spent many hours training and becoming proficient in the field of explosive entries which can be a dangerous field without the proper knowledge.

The Department is proud to have him as a detective serving in this important field.

Chief Fondaco stated that these are just some of the examples of his dedication and devotion to the job. He is to be commended for a job well done.

Mr. Stam presented Detective Astin with a certificate and a gift card, as well as saying that his name will be placed on the plaque hanging in the Council Chambers acknowledging the Employees of the Month. Mr. Stam congratulated Detective Astin and thanked him for his service.

Detective Astin introduced his family and coworkers.

Chief Fondaco added that as this is only the second Employee of the Month award, he didn't have much to go on. As Mr. Tingey had presented his employee with a rose, the Chief also presented Detective Astin with a rose.

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

None given.

Citizen comment closed

7. CONSENT AGENDA

Mr. Stam asked that the following confirmations be taken together. No objections were noted.

- 7.1 Consider confirmation of the Mayor's appointment of Maren Patterson to the Murray Planning and Zoning Commission in an At-Large position for a three-year term to expire January 15, 2016.
- 7.2 Consider confirmation of the Mayor's appointment of Blair Camp to the new Murray City Ethics Commission for a three-year term to expire February 19, 2016.
- 7.3 Consider confirmation of the Mayor's appointment of Jan Evans to the new Murray City Ethics Commission for a three-year term to expire February 19, 2016.
- 7.4 Consider confirmation of the Mayor's appointment of Ray Black to the new Murray City Ethics Commission for a two-year term to expire February 19, 2015.
- 7.5 Consider confirmation of the Mayor's appointment of Donnetta Mitchel to the new Murray City Ethics Commission for a one-year term to expire February 19, 2014.
- 7.6 Consider confirmation of the Mayor's appointment of Rod Horton to the new Murray

City Ethics Commission for a two-year term to expire February 19, 2015.

Mr. Stam explained that the Ethics Commission is a new commission that has just been established. The terms are different so that the expiration dates differ so that they do not have to replace everyone all at once. Mr. Stam asked any of the people confirmed, who are in attendance, to stand and be recognized and thanked them for their willingness to serve.

Mr. Shaver made a motion to approve the appointments.

Mr. Brass 2nd the motion.

Call vote recorded by Jennifer Kennedy.

A Mr. Brass

A Mr. Shaver

A Mr. Hales

A Mr. Nicponski

A Mr. Stam

Motion approved, 5-0

8. **PUBLIC HEARINGS**

8.1 Public Hearing #1

8.1.1 Staff and sponsor presentations and public comment prior to Council action on the following matter:

Consider an Ordinance amending Section 17.48.120 of the Murray City Municipal Code to allow for additional height and size for signs on properties adjacent to I-15 and I-215 in the General Office District (G-O). (Harmony Home Health.)

Mr. Stam stated that the sponsor, Harmony Home Health, has asked to have this matter continued. As they have published this as a public hearing, the City would like anyone who would like to speak to this issue to have the opportunity to do so.

Public Hearing opened for public comment.

None given.

Public Comment closed.

Mr. Stam added that at this time they do not have a definitive date for when this matter

will be considered.

8.2 Public Hearing #2

8.2.1 Staff and sponsor presentations and public comment prior to Council action on the following matter:

Consider an Ordinance amending the City's Fiscal Year 2012-2013 Budget to increase the Capital Project Fund by \$475,000.00 as revenue from the Utah State Legislature, increase the General Fund by \$105,908.00 as revenue from the Utah Department of Transportation and to appropriate \$15,000.00 from the Fire Department 2012 Budget savings.

Staff presentation: Justin Zollinger, Finance Director

Mr. Zollinger stated that the City received \$475,000.00. Initially, they thought that they would be receiving about \$100,000.00 this year but actually received \$475,000.00. The City now has the money for the 5900 South Project. They are opening the budget so that they can get that project rolling. The total amount that the City will be awarded is \$1.2 million.

Mr. Zollinger said that the second item is money from the Utah Department of Transportation. They are reimbursing the City for some utility relocation items. This is good news as there is a little bit more money available for this and the City didn't have to pay for this out of pocket. As he worked with Trae Stokes, the City Engineer, they found out that there was some more room to request reimbursement for this. This is additional money that the City was planning on spending out of its own budget, but UDOT is now reimbursing the City for it.

Mr. Zollinger said that the last item is for the Fire Department. Since they received a grant for \$29,000.00 for a command vehicle and would like to use some of the savings from the prior year to outfit that command vehicle. Mr. Zollinger had no issue with this, especially where the Fire Department saved and had the money to do it out of pocket, and supports this issue.

Mr. Shaver asked when the City received more than expected, did Mr. Zollinger ask them why there was a difference.

Mr. Zollinger explained that initially, they thought that the grant was fully expended. Now that they have gone back through and are doing their final totals, they found additional room that the City could submit for. Mr. Zollinger gave credit for that to Mr. Stokes for working so closely with UDOT on this.

Public Hearing opened for public comment.

None given.

Public Comment closed.

8.2.2 Council consideration of the above matter.

Mr. Brass made a motion to approve the Ordinance.
Mr. Hales 2nd the motion.

Call vote recorded by Jennifer Kennedy.

- A Mr. Brass
- A Mr. Shaver
- A Mr. Hales
- A Mr. Nicponski
- A Mr. Stam

Motion was approved 5-0

8.3 Public Hearing #3

8.3.1 Staff and sponsor presentations and public comment prior to Council action on the following matter:

Consider an Ordinance amending the City's Fiscal Year 2012-2013 Budget to appropriate from General Fund Reserves \$168,800.00 to be used by the Utah Telecommunications Infrastructure Agency (UTOPIA) to help cover operational expense.

Staff presentation: Justin Zollinger, Finance Director.

Mr. Zollinger stated that over the past month and a half or two months, UTOPIA has presented and provided the City with information on where their financial standing is. One of the proposals that they shared with the City was for the participating cities to help support by covering operational costs. The one that is before the Council today would cover five months of operating costs at approximately \$34,000.00 per month. The request was made for the City to open the budget to pay for the City's portion of the shortfall. He will try his best to answer questions he has studied the different plans some but he is not the originator of those and will leave it up to the Council.

Mr. Shaver asked if Mr. Zollinger had an opinion on this.

Mr. Nakamura said that Mr. Zollinger did not have to offer his opinion if he did not want to.

Mr. Zollinger said that he has shared his memo with the Council and if anyone has a question on where he stands it should be stated in that.

Public Hearing opened for public comment.

Keith Bateman, 569 E. 6295 S., Murray, Utah

Mr. Bateman stated that he is a lifelong resident of Murray and a business person. He has been involved in running businesses that have been very successful, and has run businesses that have failed. He thinks it is sad that this gentleman (Mr. Zollinger) had to stand up and say that while there isn't anyone from UTOPIA here to explain all of this. It is strange to him that they would not even be there. Mr. Bateman said that to him, UTOPIA was ill-conceived in the very beginning. Over the last many, many years that it has been in existence, it has proven that it is ill-conceived. He feels that Murray City, the Council, the Mayor, and anyone else that dedicates any more of the City's funds... Mayor Snarr told him in an email a few months ago that in 2012 Murray City had to pay \$1.5 million towards the debt and servicing. UTOPIA will never succeed. It is competing with Comcast and everyone else and Murray City needs to get out of it, however they do. When a business is failing, it should go into bankruptcy and go out of business. UTOPIA has been failing for a long time. The only thing that is keeping them going is the money that the City is putting in there and \$168,000.00 is a lot of money. He doesn't know how many people in the room make \$168,000.00 a year, but it is too much and he highly recommends that no more money from Murray City goes towards UTOPIA. It either succeeds on its own or it fails on its own merits.

Mr. Stam asked those in attendance to refrain from clapping or cheering. He said that it is somewhat distracting and makes the public hearing last longer than it needs to.

Christian Rodren, 5110 Commerce Dr., Murray, Utah

Mr. Rodren stated that as far as UTOPIA goes, he believes that the Salt Lake Tribune called UTOPIA a fiber optic nightmare. 54% of Murray residents are completely unaware of the service that exists, according to the Deseret News. There are only about 10,000 subscribers in the Murray area using this current system. The connection fee is about \$3,000.00 and he doesn't know how many people have \$3,000.00 laying around to hook up an internet connection, and if they do, they can be his best friend.

Mr. Rodren said that in 2011, UTOPIA lost \$18.8 million. It has a negative net worth of \$120 million. It has not turned a profit. It is hemorrhaging money. Mr. Rodren is afraid that they the City might go into a small-scale bailout. In any case, the economic spur that was promised us is only 40% complete. As far as some of the new money that has been flushed into UTOPIA, it hasn't gone into increasing service or expanding, it has gone to pay off its debts. He fears that this further influx of money will just go to pay off debts instead of expanding services for users or potential users.

Mr. Rodren added that it is not profitable. If he were to say that he has a company that is negative \$120 million, how many people would divert their money from their stock portfolio to invest in it? If he were posting these kinds of losses, he would not see anyone jumping for joy for that investment. He would ask that the Council take the same consideration before they vote yes or no on UTOPIA. He believes that this is a waste of money and he prefers that they let them stand or fall on their own.

Mr. Hales said that Mr. Rodren had mentioned that there are 10,000 in Murray. He believes that there are 10,000 all around, full subscribers and that there are only about 3,000 in Murray.

Royce Van Tassel, 656 E 11400 S, Draper, Utah

Mr. Van Tassel stated that he is the Vice-President of the Utah Taxpayers Association. The Taxpayers Association has frankly enjoyed the conversations that they have had with Murray and the other ten members of UTOPIA over the past decade. They have had occasion to disagree, but the dialog that they have had here in Murray and throughout the UTOPIA footprint has been very helpful. He feels that it has helped residents understand the challenges. You have heard some of the concerns that they and others have expressed, even in the comments that have been offered so far. He thinks it is important to understand that this is a fundamental change in the way that UTOPIA is operating. They have historically said that they will be able to make a go of this out of their own operating revenue if the launching pad is made long enough we can get up to speed. Having looked at the plans and spoken extensively with Todd Marriott and others in UTOPIA, he feels that there is now a realization that there isn't in the foreseeable future, a velocity that gets UTOPIA into the air. It is difficult to understand why taxpayers would continue to subsidize its operations. The debt service obligations that Murray and other cities have taken on are there, and there really isn't anything that can be done about that. It is difficult though to understand why the City, without any reasonable expectation that the operating deficit will change, would continue to say that they would continue to cover that operating debt. For those reasons they hope that the Council will decline to participate in that.

Mr. Stam said that over the past couple of years, he has heard a lot of what Mr. Van Tassel has said, and read many things that he has written. He understands from Mr. Van Tassel's comments that he would like to see UTOPIA go away. His question is, he has heard a lot of what Mr. Van Tassel said about wanting it to go away, but he has never heard a suggestion or an offer of 'how' to make it go away. What would Mr. Van Tassel like to see the cities do in light of all of the debt that they have and the additional debt they would incur by shutting it down. What would his suggestion be?

Mr. Van Tassel said that he suspects that Mr. Stam is referencing the additional expenses that may accrue if the network is shut down. He suspects that he is referencing a memo that UTOPIA had written from their Attorneys examining what the go-dark scenario looks like. He knows, for example, within the last two weeks, a system in Groton, Connecticut was sold to the private sector and the Iowa Communications Network is in the process of being sold. In one case the Legislature and in the other the City Council felt, having seen year upon year of operating losses, that they just couldn't continue to sustain that and be the ultimate back-stop. He feels that there are lessons to be learned. There are no easy answers to the situation that was created. That is part of the reason that the Taxpayer's Association was so vehement early on. Once you get into this things only get more complicated. They become even more complicated when additional rounds of debt financing are accrued. That is not to say that there aren't solutions, he thinks that there are important lessons that need to be learned. He spoke with Gary Crane from Layton today about that and said that, as the Taxpayer's Association, UTOPIA and its member cities, take some time and talk to the people in Groton specifically. They indicated that they have gone through two separate rounds of RFP's before they found something that worked. It is a very complex issue but this has been done before, it has been done in California, Georgia and it has been done in Oregon.

You are right-there are no obvious, easy answers. That being said, the real challenge is to say at what point have we passed the point where we can't just keep throwing more money after more money in the hope that something is going to turn around. We are a decade into this and the picture is only getting bleaker. Perhaps while there are serious questions that have to be answered about how the shut-down or sale would happen he thinks that as communities, as Murray, as the Taxpayer's Association, as UTOPIA, they need to address these very real questions because they just don't see a way for this to change.

Mr. Stam asked if Mr. Van Tassel is aware of any potential buyers.

Mr. Van Tassel said that there have been folks, on occasion, contact his office. They have, where appropriate, passed those names on. He can't really speak in specifics but there are folks who have expressed varying degrees to them, knowing that they are interested in the issue. They are obviously not decision makers though.

Mike Adams, 4930 S. Laura Drive, Murray, Utah

Mr. Adams thanked the Council for the opportunity to speak. He has been a resident of Murray for 48 years. He was the president in 2002 when they took the vote at UTOPIA. He wasn't happy then, and he isn't happy now. He has done a lot of research regarding UTOPIA and what it has done. Mr. Adams apologized in advance if he is redundant and hopes he will not be. He wanted to point out that back in the Committee of the Whole meeting where Mr. Marriott was present, he made a couple of comments that Mr. Adams wishes someone would have addressed him on because it did not make sense to him. Mr. Marriott made the comment that out of all the households in Murray, there are 31 residents that 'own' or paid the \$3,000.00. There are approximately 47,000 residents in Murray. UTOPIA has been around since 2002 and that does not add up, there is a problem right there. Mr. Marriott also commented about the current model and that it is going to hit projections and exceed projections. He made a statement that UTOPIA

is running \$50,000.00 negative monthly. Those models are not working. Mr. Adams does not mean to slam Mr. Marriott while he is not here, but he is going off of the notes that he took from that meeting that Mr. Marriott directly said.

As the Council knows, Mr. Adams sent them an email yesterday with a lot of information, most from the Salt Lake Tribune and Deseret News. There were eight links with comments that Mr. Adams added and they all address the situation with UTOPIA. The information was mostly current, with the oldest being from August or September. Out of all of those articles, there was not one positive about UTOPIA. They were all negative about the operations and the way it is being run.

Mr. Adams mentioned that he had come across another article from the Heartland Organization which is a non-profit organization that reviews entities such as UTOPIA. He read from the article, saying that the study was done by NTU which is the National Taxpayer's Union and was written by Andrew Moylan and Brent Mead. "*UTOPIA's debt has skyrocketed from \$85 million in 2005 to \$201.5 million in 2011.*" Mr. Adams stated that you do not run business that way. If he runs a business and doesn't make ends meet he needs to shut that business down whether he files bankruptcy or whatever the costs may be. He understands that Murray City is on the line and on the hook for what it is already obligated to, but giving this company any more money is not right. He feels that the most frustrating thing for him is that when a company can't get any more funds from anywhere else, even the Federal Government, they start another company so that they can. This is not right, nor is it ethical or moral in his opinion. Obviously, this was a business decision on their part to do that, but you cannot do that to the taxpayers of Murray City. Your obligation as Councilmen is to your constituents, not to UTOPIA. He feels that it is time to say no now because he will guarantee that they will come back again and ask for more money. They do not have a model to succeed.

Mr. Stam clarified that there are 31 people that paid up front for their connection in the last year and 187 that are paying monthly for the connection and approximately 500-600 that received free connections for the first eight years.

Mr. Adams said that he knows there are more subscribers but not nearly enough to support this company.

Mr. Hales asked Mr. Adams to explain what he was referring to when he said 'going to the government to get more funds.'

Mr. Adams stated that he did not want to speculate on what that was, but could not find the information in his notes. He said that in approximately 2007-2008 UTOPIA went to the Federal Government, under the RUS (Rural Utility Service), and asked for money. The RUS turned them down. After that UTOPIA came to all of the cities and still received more money. He does not understand how the Federal Government can see through that and see where UTOPIA was going to have issues and problems, but the cities, including Murray, continue to fund them. That is very frustrating and he does not see any way that this company is going to make any kind of a profit, now or in the future. It doesn't have the model to do so. That is his opinion of course, but those are his thoughts and feelings on this and he feels that it is time to stop the bleeding.

Pam Cotter, 752 Bullion Street, Murray, Utah

Ms. Cotter stated that she has lived in Murray since 1985 and she thought that as a resident, they got to vote on things. Why were the residents not informed about UTOPIA and the City Council voting on this? She does not know if anyone on the Council was here at that time when it was voted on or not. She also asked if anyone on the Council works for UTOPIA.

The Council said that they did not.

Ms. Cotter asked if they have UTOPIA in their homes and pay for their services, do they still get taxed on it through their property taxes.

Mr. Shaver stated that they are not taxed through property tax.

Ms. Cotter asked if they are taxed in any way on this, and if not on property tax, then how.

Mr. Brass said that we are pledged on sales tax revenue.

Mr. Shaver explained that when someone buys something in the City of Murray, the taxes that are paid go to pay UTOPIA.

Ms. Cotter stated that she does not have UTOPIA in her house, but at the time that UTOPIA was going down Bullion, she thought her house was going to collapse. You cannot even drive down the street without having your car bump all the way up.

Mayor Snarr interjected, saying that it is not UTOPIA. It is from the waterline that was replaced on Bullion Street that they have had a lot of issues with.

Ms. Cotter said it was still a mess. She tells her adult children who are living on their own, if you need money, keep knocking on the doors. If UTOPIA wants the money have them go back around Murray and knock on the doors.

Jackie Sadler, Murray City Court Employee

Ms. Sadler stated that she does not live in Murray City but has been an employee for the City for ten years and is the President of the Murray City Employees Association. At the beginning of this month she sent out an email to the employees, giving them information about this issue and asking for feedback. She did receive a lot of feedback and wanted to share the thoughts that some of the employees had and the feedback that she received. Many thought that this was a waste of money. As has already been said here tonight, UTOPIA keeps coming back every year or few years and asking for more money. Most employees wanted to say 'stop', go away and don't give them anything else. That goes with the maintenance plan that they had shared with the City as well-not to give them any more money but maintain the current customers that we have and eventually pull out the best that we can.

Many employees, after looking at the information, really just want to do what is going to cost the City the least amount of money. Whether it is go dark or give them the money. With the scenario that they saw, with UTOPIA going dark, will add financial burden to the City with the different bonds that will be called and have to be paid back now instead of over the 40 years. It is going to cost a lot. Basically, the employees just want to get to a point where they can get a raise again. The employees have not had a raise for several years and that is what is on the employees minds. If there is a way to do both, if it has to be one or the other, the employees want the raise and that is the bottom line.

Pam Squires, 687 E Winchester St., Murray, Utah

Ms. Squires stated that she has lived in her neighborhood for 26 years. She was here the night of voting and the entire chamber was filled with tons of people. You have to look on line and really be watching the paper to know what issues are being voted on. When there are issues that Murray doesn't want you there for, it is amazing how you don't know about some of them. She has a son who received an email and he called her from Washington to tell her to come to this meeting.

Ms. Squires said that at the meeting she attended, three people voted for it and two people voted against it. Mr. Dredge, who represented District #1, was the accountant for UTOPIA or it was rumored that he owned property that he was renting to UTOPIA. There was a big outcry that it was a conflict of interest and Ms. Dunn, who was the Chairman, said that he was allowed to vote and people were upset. There was already a lot of bad publicity and the last two months before Murray voted, tons of other cities pulled out. This whole room was filled with people from District #1. She knows this because they came up and gave their name and address and she wrote them down and looked them up. To some degree things were set up and it has been a black hole of a money pit since the beginning.

What ticks her off the most is not just the money, but what is the government doing in the private sector? Let a private company who wants to do this run it. We all know that anytime a government comes in, 99% of the time it is not run at high-efficiency and under the best ways and trying to conserve as many pennies as we can. What do we do when we can't make it? We tighten our belt. We are all tightening our belts right now and figuring out every single way that we can save \$5.00 or \$10.00. She has a girlfriend who has figured out that if she puts her clothes on a drying rack she can save \$10.00 on her electric bill, and it is worth it to her. A man in her neighborhood works for Comcast, but when he buys something in Murray his tax money goes to a company that is in direct competition with him. That is not fair. There are some things that a city should do- streets, water, safety, etc. That is great. But when they start getting into the private sector they are stepping on people's toes and we pay for it. They think that they can always just go back and charge more money.

Ms. Squires is against this. It has been a mistake from the very beginning. She was here that night and it only got voted in by one vote. It was three to two and that is part of the record that can be looked up. She spoke up that night and she is here again to say that she does not feel that the government belongs in the private sector.

Mr. Stam asked to clarify a couple of points. He was not on the Council at the time that they voted in, but he does know that there were public hearings held, there were open-houses held where citizens were able to make comments and be part of that. In Jeff Dredge's defense, the only thing that Mr. Dredge did with UTOPIA was lease them office space out of his office when they first started. He was not compensated by UTOPIA in any way.

Mr. Hales stated that he was not aware that Mr. Dredge had office space he leased to UTOPIA. He was not aware of that and is very surprised by that fact.

Cameron Ashby, 1800 South Main St, SLC, Utah

Mr. Ashby said that there have been a lot of great points brought up, most about money and if this is viable or sustainable. He would like to bring up the principle. What is the principle, what is the role of government? Is the role of government to fund companies, picking winners and losers? Is that the role of government? When the Council is thinking about this, think about what it is you should be doing.

As far as solutions, Mr. Ashby wanted to suggest some solutions that he feels could work. If they stop the bleeding, stop paying them, then you are talking about buy-out instead of bail-out. He feels that is better for the people that are paying for it. Spending is an increase in tax whether it is an actual percentage in the increase of the tax or how long they are paying off that debt. One way or another you will be paying for it if it gets voted in. If UTOPIA needs money from the people, why not go to the people instead of the City. In principle it is not efficient, but even if it was, is that the role of the government? He would submit that it is not.

Sherelynn Gray, 816 Marjane Ave., Murray, Utah

Ms. Gray said that she has lived in Murray about 50 years. The thing that bothers her the most is that she gets the feeling that she is hearing the Council say that this is too big to fail. Do they have any suggestions on how to get out of it? She is exasperated hearing people say that this is too big to fail and the solution being to pour more money into it so it won't fail. She thinks that everyone is tired of putting good money after bad. She has been a public school teacher in Utah for 37 years and she can think of a lot of places where that tax money revenue could go to better profit than this. She is frustrated every day that she goes to work and sees lack of funds and what more that they could be doing if they had more financial support and what teachers are accomplishing without it.

Ms. Gray would like to see some creative problem solving from the Council. She knows that this is going to cost money to get out of, but she doesn't think that UTOPIA is too big to fail and if it is, then the City needs to find a way to get out. Pouring more money in is not a solution.

Brock Hansen, 1134 Valewood Dr., Murray, Utah

Mr. Hansen has lived in Murray since he was three years old. He agreed with Mr. Ashby's question on what is the role of government and would also like to know what is a right and where do our rights come from. He would like everyone to think about that question and steer the people in the proper way of when they should be taking funds for certain things. The other question that he would like to have answered is what is this contract that the City has, how long is it for and for what amount of money for UTOPIA.

Mr. Hales explained that this is a bond that the City has in the amount of \$1.6 million per year. It goes up 2% every year for a little over \$2 million per year. A couple of years ago they redid the bond and it stretched it out to the year 2040.

Mr. Nicponski said that one of the bonds is for a total of \$23 million and another one is for \$3.5 million.

Mr. Zollinger stated that Murray's portion of the bonds is approximately that but there are also swaps in addition to that.

Mr. Hansen asked what the cost to the City would be to buy-out. Is there an estimate?

Mr. Shaver stated that part of the difficulty is that we are only one member city and not the only entity. Murray is not making the decision alone. There are many that have to make that decision and therefore, each City has a direct proportion of each of those bonds and we have a direct proportion. When it gets to a point where we want to buy out, we would be buying out exactly what our portion of that bond would be. If you think of it like a mortgage, if you keep making payments then you are reducing what you actually owe and when you finally get to that point, you can't say that today you owe this because it would change tomorrow. We owe a portion of that and those numbers are available to the public and the City would be happy to provide those numbers.

Mr. Nicponski added that if the stars aligned just right the City could probably buy themselves out for about \$26.5 million.

Mr. Hansen asked what caused this to happen. When they talk about UTOPIA and how bad they are, a lot of it has to do with the symptoms. They talk about how to get out of this obligation but how do the people get out of it? He does not feel that the City has a right to make the people obligated to pay for something that is not for streets or safety or things like that. He would like them to figure out the cause for this so that it doesn't happen again. Let's not just fix the UTOPIA problem, let's make sure this never happens again with any service.

Deborah Ng, 5330 Majestic Village Circle, Murray, Utah

Ms. Ng stated that she was here for the first several hundred UTOPIA meetings as well as attending the UTOPIA public meetings. She was there a couple of months ago when they were doing their independent audit. The audit report indicated that they were on the rise, that they were doing well. That is what the report indicated. When she walked into the UTOPIA meeting, she drove into the parking lot where they have a beautiful celebrity type RV sitting there. She asked them what the RV was for as it seemed like a big waste of money to her. They stated that this was their 'command center.' Why do they need a command center? They are barely making it. They had beautiful trailers, a spread for the public to come in and enjoy with food, lunch meats, fruits, everything. They are spending money for everyone to eat which again made her think that they are wasting money on that. It is not like they are thinking about saving as much money as they can but rather how much money can they spend. She looked at the last request for the \$168,000.00. The UTOPIA employees are requesting a raise and she would like to know why the City is paying for a raise for their employees? The lady there said that it was because their workers are doing a great job and they don't want to lose them. She is doing a great job at her work, is not asking for a huge raise and isn't getting a raise. Most people are not getting a huge raise so why should a company that is failing, get raises for their employees? She recommends that the Council does not approve the funding for this.

David Wilde, Salt Lake County Councilman, 4873 Stone Crest, Murray, Utah

Mr. Wilde stated that he has lived in Murray since 1957. He would like to say that \$1.6 million per year, as he calculates it, works out to about \$35.00 for every man, woman, and child in the City. In his household with himself, his wife, his daughter and his mother-in-law who also lives there, it comes to about \$140.00. He realizes that this is supported by sales taxes but it seems to him that if this money wasn't going to UTOPIA it could go to other things in Murray City. That could be Police, Fire, runs the recreation center or other things that Murray needs. As the Employee Association's representative stated, it could go to a raise for the employees. It could go to all those things and it could then, since we are now spending property tax money to support those things, it could reduce property taxes if we were not spending that \$1.6 million a year on this project. He has to say, as a taxpayer whose household is being billed, as he sees it, \$140.00 per year, he is not happy about it. He realizes that commitments have been made. He understands why commitments were made and some of the arguments that proponents made, but it seems to him that the City has a long history of promises being made that are not being fulfilled. There comes a point where as a wise steward, you say it's time to stop throwing good money after bad. He truly believes that they are at that point in Murray City. He feels that the great majority of Murray citizens do not want any more funding to be committed to UTOPIA and he would ask the Council to reject this request from UTOPIA.

Mr. Shaver thanked Mr. Wilde for his comments and his service to the County.

John Rush, 877 E. 5230 S., Murray, Utah

Mr. Rush stated that there have been a lot of great points that have been brought up tonight and he would like to speak to some of those. There is indeed a legitimate role for government in facilitating some of these programs and he can cite a few examples. The beautiful development across the street where the hospital is, Fashion Place Mall, Willow Creek Pond, our beautiful recreation center, etc. He thinks the Council and the Mayor worked very hard and so did the City to facilitate those types of things. Then there are the things that the government legitimately should not have a roll in and are much better left to the private sector. What it comes down to is funding. He does not know much about the UTOPIA project. He does not have it and does not have any relationship with UTOPIA. From what he understands, it is an outstanding product and it is said it is a superior project. However, the issue is not whether it is a good product or not but whether the City can afford it or not. It is a very simple issue. The City employees should not have to subsidize any service for that matter, whether it is UTOPIA or any other service. We should never have to count on the City employees to go without a raise or a benefit increase, whatever the case may be, for the benefit of any service. We should always take care of our employees.

We also have to trust in the wisdom of the Council. He has his own personal opinions on this. You are elected to represent us and they know that they will do the right thing, but when it comes right down to it, you folks have to decide if this is something that the City can legitimately afford. Not necessarily if this is a legitimate role for the City, that is a philosophical discussion for another time, but can they afford it, can they continue to afford it, or should they foreclose on any further opportunity. They have to trust in the Council's judgment. Mr. Rush said that he will most likely not be around in 2040 to see the bonds retire but for those who will, he is sure that they will look back retrospectively and wonder about some of the decisions that were made. Let us just not have them wonder about this one.

Public Comment closed.

Mayor Snarr stated that he was a part of this and will take responsibility for some of this. Of all the things that have challenged him as the Mayor, other than the death of his son, this has been the most challenging thing he has had to deal with. He is a great believer in the future success of America. America is falling further and further behind other countries and they always say 'what is the legitimate role of the government in helping us be a progressive country, a country that proves to the rest of the world that technologically we are more advanced. We are no longer there. There has been article after article about the fact that we are falling behind. He being an eternal optimist and recognizing that for 20 years Murray City Power suffered and struggled, it was not easy. Do we compete against the private sector? I guess we do. We are the only city in Salt Lake County with their own power and we have been recognized as one of the premier power providers in the whole nation. Reliability wise and we will be debt free in four years. We have stayed the course.

Mayor Snarr said that on this, he has had a lot of sleepless nights over this. What he is worried about now is something that many are not aware of which is the obligations that we have to businesses that have come to Murray because of the Fiber. We have two major facilities at the

hospital that are connected to the fiber. If you have ever been over there for any heart or surgery procedures, that is all fiber optically connected. The nine story medical office tower is fiber optically connected. Our children are now educated and the system that they work through now to get the information back to the district offices are all done over the fiber optic lines. A lot of people have come here because of the fiber and we are invested in it.

Mayor Snarr said that all of the citizens are the benefactors of Murray having the lowest power rates and they give a great contribution back to the City every year. Our SCATA system, which is the real time, minute, fractional, second data that goes back to our power department, is on that fiber optic network which we sold to UTOPIA because they could manage it and we could get out of the management business of the fiber. We are going to be responsible for bringing that back in house, which is going to be several hundred thousand dollars. To try and manage that, we are going to have to hire personnel and what not to take care of it, support it, to go out to the sites throughout the City, the cabinets, the boxes where the fiber is interconnected, etc. We are going to be responsible for all of that. Obviously we can work towards a solution with the library system, which is a part of Murray City, and maybe we can cut a deal and help the School District as well.

There are a lot of questions that are unanswered. Those concerns weigh very heavily on him. He looks at where we need to be as a country and where we could be as a city and it has been successful in other places, but it also has been unsuccessful in places too. There were a lot of miss-steps and he will be the first one to confess to that. He was not there, he was not managing it but he supported it. He supported the concept and looked at the potential for the future. He looks at all of the home occupation businesses that Murray has now and those people are going to be out of business. There are consequences either way, and he does not know what potential litigation would occur and can't speak to that. He is not going to exaggerate it either-that is not good government and he believes that truth is the greatest advocate for progress. The truth is that we have a real challenge ahead of us. He gets data saying that if you stay the course you can be successful and other data says it is a money pit.

Mayor Snarr stated that this is the Council's decision, but the thing that he would like to see is the other options that the City could try to explore. He would love to try to find someone to buy it and make it be successful. The City's theory was that we were not going to charge a lot of money for it, which we don't. People have come here because of that, the ultra-high speeds, and the capabilities to do things that they couldn't do anywhere else. We have major industries here now because of it and he is looking at this saying that he really wants to get a better understanding of what this is really going to cost the City to move out of it beyond the costs that Mr. Stam brought up. Just the costs to go in-house and start monitoring all of that work inside. That weighs very heavily on him because he knows that the City will be in turmoil for years to come. Everybody recognizes that. He wishes that the City Council would postpone the decision. He does recognize the Council having the responsibility to make that decision and he is not there to lobby the Council. He has expressed where he is coming from time and time again.

Mayor Snarr said that what he feels more badly about than anything else is the direction that America is taking. Every president has gotten up and said that this is as critical as the interstate highway was and we are not doing anything about it. It is what it is, we are where we are. and it

is the Council's decision. Mayor Snarr would suggest that they postpone making a decision but if they can as there are other options he feels that they can explore. If they cut it right here they will need to deal with the consequences versus trying to figure out the other options.

Mayor Snarr expressed his appreciation for the decorum tonight. He appreciates the excellent comments that were made without sensationalism and that is how it should be when making tough decisions like this. He has faced a lot of decisions, such as on hotels, where it wasn't that way and he appreciates the way they were able to express themselves without taking off after people.

Mr. Nicponski also thanked everyone who shared and appreciates the fine job everyone did.

Mr. Stam added that it makes everything go smoother when everyone shows respect.

8.3.2 Council consideration of the above matter.

Mr. Hales said that he knows that this weighs heavily on the Mayor. He also noted that Ms. Squires had used the expression of 'high efficiency' for the operation of UTOPIA. He has been here for a year and is still green and doesn't know much, but the transparency was 'nada' with UTOPIA. He has asked and asked for information and couldn't get it. UTOPIA had commented in a public meeting that they were an 'extension of Murray City'. He asked them what their salary was and they would only give a conglomerate, not individual information. There were so many times that they would say that they were going to do this or that, but it never made any sense. That does not mean that the product is not good, there are people in his area who have told him that they love UTOPIA and the speed. They also told him that they do not want him to vote to give them more money. These are people who have UTOPIA.

Mr. Hales said that this has been his struggle. The communications with UTOPIA has been horrible and he does not feel like he has gotten answers to his questions at all.

Mr. Stam, quoting his colleague sitting next to him, said that they have many meetings where they have to make decisions that deal with money and issues. The comment that Mr. Brass would always make is that as a Council they cannot encumber future Council's. This is a situation where they have been greatly encumbered with the debt that they have to pay with a relationship with other cities. They have been greatly encumbered and it is a burden that they have had to bear. He knows that this is a very emotional decision that he wishes they could take the emotion out of and only deal with the facts, it would make things a lot easier, but know that they do have Council Members that have spent many hours reviewing this, being involved and trying to find the best solutions possible.

Mr. Brass said that Ms. Cotter asked if anyone sitting on the Council was there in 2004 when this was voted on. Mr. Brass was on the Council at that time, having just been elected. It was one of the most controversial and contentious decisions that he had to make. He was one of the two who had voted no on this and has done so regularly. The reason that he did that was that in looking at their model, of which there have been many, he always said 'you have a cost to hook up a home;

you have an amount of money that you are making off of that home.’ In the beginning it never paid back, not ever. Not in twenty years. Now they have it down to ten years and in some cases he has heard three. He would actually like to see that number but, again, if you hook up a home and it costs ten years to pay off that home, you cannot make money and that has always been his concern. He begged them to prove him wrong.

Mr. Brass agrees with the Mayor and is concerned about telecommunications in this country. He has travelled to other places and we look like we are twenty years behind. They have phones that we haven’t even seen yet, but that doesn’t change anything. Four years after we made the vote, UTOPIA came back for more money. Two years after that they came back for more money. A year after that they came back for more money. You can see how that cycle is going and here we are six months later and we are looking at money and being told that if we don’t do the \$168,000.00 it will fail. Annualized out that is \$403,200.00. We are paying out \$1.6 million a year right now and they are looking to bond for more. That was part of the agreement when UIA was formed. That will up that annual payment and he is concerned about all of these things.

It was mentioned that other networks have tried it and failed and sold. When this was proposed to the City, virtually every network that uses the model is gone today. He paid attention to that. He worked in the power industry, has sold fiber optic cable, has paid attention to the networks and has done a lot of research. That bothers him. Mr. Brass asked Mr. Zollinger about the accelerated bond payment and if they can call the bonds.

Mr. Zollinger said that it is non-callable.

Mr. Brass said that the other interesting comment was that UTOPIA employees are getting a raise because they don’t want to lose them while we are losing employees. We are cycling through police officers like crazy, he doesn’t even recognize half of them anymore. Part of it is that we are a small force and there isn’t a lot of room for advancement but the other reason is that there was a time when we paid more than everywhere else. That is what Murray did and we did it to keep good people and we don’t do anymore. We have asked our employees for the past three years to please, stand by us. We took a hellacious hit in the downturn. We depend disproportionately on sales tax dollars. We lost \$3 million which is a chunk of money for our budget and the employees all stood by us. Things are getting better and now we are going to give that money further to this.

Mr. Brass said that he does have UTOPIA and he absolutely loves it. The original deal was that this network would pass every home in Murray, we would guarantee it with sales tax revenue, and they would not come to us for anything else. That was the original deal and it was made because the incumbents at the time, Comcast and Qwest (now Centurylink) were not providing high-speed internet access to all of the homes in Murray and indicated that they probably wouldn’t. If anything, this has changed that and everybody has access to some form of higher speed internet service. He has not found one as fast as UTOPIA yet, but is it worth \$21,000.00 per subscriber? That is his question. They have been asked to postpone the vote. He does not want to drive this into the ground. He does not believe that the City’s \$168,000.00 is going to do much \$215 million later. That is like telling the guy who dropped the ball in Spring training during an exhibition game and the guy got to first place that he is the reason that the team lost the

World Series all those months later.

Mr. Brass feels that there are other options and he would like to explore other options at some time. He thinks it would be interesting to see if the cities that allegedly own this network actually took it over and ran it. But without a change in management, he cannot in good conscience, go forward with this.

Mr. Nicponski said that he is of the opinion that these folks took the time out of their schedules, and they are important schedules, and he is not going to let them leave without knowing where he stands on UTOPIA. He doesn't know how they are going to do that but when they get to that juncture he will voice his opinion. He wants the citizens to know where he stands on UTOPIA. He doesn't know if that is going to take a motion or what.

Mr. Shaver agreed with Mr. Nicponski. He feels that they need to call the issue and have a vote. The public hearing is closed.

Mr. Hales made a motion to deny the Ordinance.

Mr. Shaver 2nd the motion to deny.

Mr. Nakamura wanted to make it clear that a vote 'aye' was a vote to deny the ordinance.

Mr. Brass added that regardless of how the vote comes out, UTOPIA might want to consider coming back with other options. One of which, in Mr. Brass' opinion, would be a change in management.

Mr. Nicponski agreed, saying that this 'either / or' mentality where if the Council doesn't support this \$168,000.00 appropriation, then it is going to go dark, he feels that there is a lot of room between now and going dark.

Mr. Brass added that he feels that there is an asset here that has value to somebody.

Call vote recorded by Jennifer Kennedy.

A Mr. Brass

A Mr. Shaver, adding a comment that he loves the word 'model' but models don't always work. He also noted 'taxation' saying that many, many years ago in a harbor, they threw tea into the water because it was taxation without representation and he agrees totally with the Chair of the Council that sometimes in the issues that come before the City, one of the wonders that comes before them is the opportunity of asking department heads and the Mayor for absolute clarity, transparency is the word that is used, on an issue. On this one, many times they don't get an answer directly to a question that is asked and that to him is bothersome. A diamond is created by pressure. He believes that fiber optics is the wave of the future there isn't a doubt about that. No one is challenging the science of fiber optics in this meeting. You cannot challenge the speed and conductivity that fiber optics gives you. However, he agrees with Mr. Brass and his difficulty is with the

management and how UTOPIA has been managed and run. That is his challenge and because of that he must vote aye.

A Mr. Hales, echoing Mr. Shaver's sentiments.

A Mr. Nicponski

N Mr. Stam adding that having been the representative to UIA this past year, he has spent hundreds and hundreds of hours of his own time out there trying to come up with solutions and new models and things, as well as seeing the changes that have been made. He spent many hours with six finance directors from several cities reviewing the options in both sides of things. Knowing the changes that are being recommended, the management issues that have been faced and the things that are going, his goal the entire time has been to do what is going to cost the citizens, the employees, and the people of Murray the least amount of money. Having spent that much time and understanding fully where it is, he would have to vote nay.

Motion to deny the Ordinance was approved 4-1

9. **UNFINISHED BUSINESS**

9.1 None scheduled.

10. **NEW BUSINESS**

10.1 **Consider a Resolution approving Sponsorship and Professional Development Assistance Match Grant applications to the Economic Development Corporation of Utah.**

Staff Presentation: Tim Tingey, Administrative & Development Services Director

Mr. Tingey stated that attached to the documents that the Council has is a Resolution for these sponsorship grants. The grants are something that they request each year to the Economic Development Corporation. The three elements of what the grants are for are:

- A sponsorship match grant for funding for the City's Economic Development Symposium that is held each year. The City has held three of these so far.
- There is a Professional Development Assistance Grant that provides funding for educational training.
- They also have a marketing match grant. They will be focusing their marketing efforts on the downtown area of Murray City.

These are the proposals. The amounts for these are: \$1,143.00 for the sponsorship, \$800.00 for the development assistance and \$2,000.00 for the marketing match grant.

They will match those dollars with both the Redevelopment Agency (RDA) and General Fund dollar amounts that have already been budgeted and will be proposed in the future years as well. Mr. Tingey stated that they are recommending approval of this Resolution.

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

Call vote recorded by Jennifer Kennedy.

A Mr. Brass
A Mr. Shaver
A Mr. Hales
A Mr. Nicponski
A Mr. Stam

Motion passed 5-0

11. **MAYOR**

11.1 **Mayor's Report**

Mayor Snarr stated that Chick-fil-A is going to open on February 28, 2013 at 9:00 a.m. They will have a camp-out the night before. This is a tradition that Chick-fil-A has started across the country and as soon as he gets more details from them, which they hope to get this week, he will pass that on via email.

Mayor Snarr remarked that he had noticed some interesting things. Most people are aware that the properties that are owned by the School District now have been cordoned off with green construction fencing. Our Public Safety Department has been over there doing training. A lot of the Fire Department personnel and apparatuses have been there over Presidents Day doing training to cover the needs of the citizens, both from a fire and police perspective. They are going to be setting some fires over there but they will make sure that those are secured and not go beyond a certain area. He has spoken with the Fire Department and they indicated that they will be doing that sometime this week before the demolition process starts.

Fire Chief Rodriguez indicated that those fires should be on Thursday as well as one day the following week.

Mayor Snarr said he has watched something over the past several years that he finds very interesting. Just outside of Murray's boundaries is Wind River Investments where they recycle all of the asphalt and concrete. That is owned by Miller Paving who does a lot of the work for the City. It is an advantage to be able to haul the asphalt and concrete a short distance and bring back crushed road base. That property went up for sale last Thursday

and he thinks that the County is pushing more aggressively to create that RDA and take it all the way down to 3900 South. If you go over there right now, they are building some really nice affordable housing units on 150 West and approximately 4000 South.

Mr. Tingey indicated to the Mayor that after four and a half years of trying to get something onto the property of the old Take Five and Concept Furniture, the Mayor is excited that Woodbury Development has partnered with the Kimball Investment Group and they are going to start the demolition process in the next few weeks. Mayor Snarr did speak to several of the subcontractors that will be working on that project and they have submitted their bids which were accepted and hopefully we will see some activity there soon. It is going to be a major project that will take about thirteen months. With the cost of building it and the cost of the land acquisition, that project is well over \$15 million.

The Hilton Hotel Home 2 Suites will hopefully start sometime in March. They have indicated to the Mayor that they do not have to be out of their particular building sooner as they have a contractual lease that goes into the first week of April, so they may start demolishing some of the other buildings and leave some intact. That is the property off of State and Vine where the old Quik-Sak, Alberto's, and Wasatch Broiler used to be on the north east corner. That whole corner will be coming down.

Mr. Nicponski said that Mayor Snarr has done a great job with the economic development of the City with all of the hotels and things. It is all coming to fruition.

Mayor Snarr, giving credit to Mr. Tingey and his department, said that the City has worked very aggressively to showcase the City and they will be doing that again when Mr. Tingey attends the International Conference of Shopping Centers. Although the Mayor has not wanted to attend for the last four years, he has agreed to go one more time.

Mayor Snarr stated that the Medi-Star facility is getting close to being wrapped up. He also noted that Millers are also putting in all of their landscaping. If the weather is on their side by the end of the week, they will have everything done other than the sod.

Henry Walker Homes is going to build some really nice townhouses down in the Fireclay area and they are getting ready to go to work on that. There are a lot of exciting things happening in the City and the Mayor is very bullish for the future.

11.2 Questions of the Mayor

Mr. Shaver said that the Mayor had mentioned that he was hoping to work with the property owners of the Best Buy property and trying to get that released. He asked if

there had been any progress with that.

Mayor Snarr stated he had not. He added that this has been the biggest mess he had ever seen because Chick-fil-A has the concern of people turning left or right off of State Street thinking that they can get into the Best Buy development area and they can't. Over the course of the last several months as he has been talking to the project manager of the Chick-fil-A, they have seen people going in there time and time again trying to find a way out, and it is a problem that is going to have a negative impact on the Chick-fil-A patronage because of the traffic circling in and out of there. It is a frustration for the Mayor because this could have been worked out but sometimes people want to charge money for access to their property. His whole philosophy was that if anybody benefits from that signal there, it is the people that are coming out of the development at the Point @ 5300. There is now a safe way to turn into that development from State Street which they didn't have before. The Mayor has tried everything and right now it just isn't going to happen. It is not a very expensive fix to make that happen and he just doesn't know what to say to the issue.

Mr. Brass said that he was on Planning and Zoning when that property was approved. It has been a long time, but if his memory serves, they talked about this and he thought it was part of the agreement that the road would connect into the parking lot of Best Buy. If you go over to that corner of the parking lot it is set up that way. The City gave them development money to help with the landscaping and relocation of the intersection of 5300 South to put in all that nice stuff. Has anyone researched that? It should be in the minutes.

Mayor Snarr said that, unfortunately, that was a road that was a road that was going down to interconnect to the road that runs in front of the Park Center. The reason that Gary Howland put that road in is because he was trying to negotiate a deal with the Freeze's to buy the property from them. Thinking in advance, he thought he could go ahead and buy that and put in a stub-off which would be a lot less expensive than having to put that whole road through. He stubbed that and if you go over and look at it, you can see what the original design was.

Mr. Shaver asked if it wouldn't still be worth looking into.

Mayor Snarr said that they would research it but he is pretty sure that the plan was a straight shot through with that road. There were also concerns by some of the citizens that they thought it would bring traffic from Vine Street and that the parking lot would be used to cut through instead of people going down State Street and turning onto Vine. They didn't require that they do it and Mr. Howland didn't own the Freeze property. He will have Mr. Nakamura look into it though. That has been a nightmare at the location. People have pulled in and tried to jump it, getting stuck in the mud, and have ruined the curb of the Chick-fil-A. They have brought in some additional rocks but it doesn't look attractive at all.

Mr. Shaver asked who the contact person would be if a citizen wanted to talk to the owners of the property to encourage them to sell.

Mayor Snarr said that he has already tried to talk to everyone about that but it all comes down to money.

12. ADJOURNMENT

Jennifer Kennedy, City Recorder