

**MURRAY CITY-SCHOOL COORDINATING COUNCIL
MINUTES**

The Murray City School Coordinating Council met on Thursday, May 8, 2014 in the Murray City Center, Conference Room #107, 5025 South State Street, Murray, Utah.

Board Members Present:

Murray City

Brett Hales – Vice Chair
Blair Camp
Diane Turner
Jim Brass- excused
Dave Nicponski- excused

School Board

Darrell Pehrson –Chair
Mitzie Huff
Belinda Johnson
Marjorie Tuckett
Cris Longhurst-excused

Others Present:

Ted Eyre - Mayor
Jan Wells
Janet M. Lopez
Kim Fong
D Wright

Dr. Steve Hirase
Janet Towers
Tim Tingey
Chief Burnett

Welcome – Approval of Minutes

Darrell Pehrson welcomed everyone to the Murray City School Community Council meeting. Mr. Pehrson asked for approval of the minutes from February 13, 2014. Ms. Tuckett moved to approve the minutes, Mr. Hales seconded the motion. All were in favor.

Economic Development Update –

Tim Tingey

Mr. Tingey said there are three hotels that everyone is aware of nearing completion, and some other good things happening to be discussed later.

Murray City entered into a memorandum of understanding with Woodbury Corporation as strategic partners. Woodbury is interested in working with the City for the redevelopment of the downtown area. Part of that memorandum of understanding is that the City would work with them on evaluating the market and look at developing some conceptual designs for future development in the downtown area. The hope is that a development agreement would soon follow and then as partners, they could move forward. Woodbury Corporation has put together some information for the Council of the concepts being discussed.

Woodbury has also been engaging Intermountain Medical Center (IMC) and Intermountain Health Care (IHC) as partners in this development process. This has been a three way conversation between the City, IMC, and Woodbury.

The work with Woodbury prompted the recent trip to Rochester, Minnesota to look at the Mayo Clinic. IMC suggested that City representatives go there and look at some of the amenities to hopefully create, in conjunction with the redevelopment of this area.

Mr. Tingey showed a picture of the downtown area. One of the concepts that Woodbury is really interested in is adding amenities in and around the hospital and connecting the downtown area. Some examples of amenities in larger cities include above grade walkways. These walkways have been done in a lot of locations, including big cities and smaller locations also. Some of the walkways go across major highways, similar to State Street or even larger.

Another conceptual idea is to involve the creek somehow. A waterway in and around a hospital is considered an amenity. Murray would like to incorporate the creek somehow.

Other conceptual elements are bridges with development around it. The corner of 4800 South and State Street is the location of the desired Performing Arts Center. The City has submitted an application to develop the Performing Arts Center and that is an important part of the plan that they are trying to facilitate in the downtown area.

There is a RFP (Request for Proposal) out for three different sites for a New City Hall. He showed a potential location with lower level retail and upper level offices of City Hall incorporated. He showed the existing City Hall site, which could include lower level retail and upper level residential condos close to the hospital for doctors or other hospital personnel.

Woodbury is completely convinced that there is a need for a grocery store in this area to be an important anchor for the downtown. The proposed location is on the IMC site, accordingly the hospital would have to agree with this concept. There could possibly be an assisted living facility above the store, as IMC wants to see an assisted living facility located on their campus.

Mr. Tingey showed a proposed City Hall site and stated that one interesting concept is the elevated walkway connecting the east side to the west side of the development. The walkway would cross State Street and connect across the river to IMC. It would also include a potential long-term connection to the proposed Performing Arts Center. He showed a fly-over view of the proposed development.

The City is working with Woodbury and IMC to create some of these important amenities for the patients, families and staff of the hospital. Woodbury is very excited and is talking to retailers in the downtown area. Murray hopes to have a development agreement with Woodbury within the next six months to a year and work towards developing some of these concepts.

Ms. Tuckett asked if there was a timeline for the New City Hall development. Mr. Tingey replied that an architectural firm would be selected mid-June and they would do a programming assessment on the needs and provide a recommendation on three different sites. One of the sites is the current location, another is on State Street, near 4800 South and the other one is a property available in the Independence Square site. The process will begin in the summer or early fall.

Police Report-

Chief Burnett

Mr. Pehrson congratulated Chief Burnett on his new position and welcomed him.

Chief Burnett said there hadn't been any changes in the schools as far as increases in crime or other specific issues. The ongoing problem of cyber bullying is still occurring as well as the problems with e-cigarettes. He stated that kids still think that e-cigarettes aren't really tobacco and show up at Junior High with their e-cigarettes. Ms. Johnson said the biggest struggle with that seems to be in the Junior High. Chief Burnett agreed. Ms. Tuckett asked what e-cigarettes cost. Chief Burnett said he didn't know the price, and there is always someone out there that will buy them for the kids. Mr. Hales asked if e-cigarettes cause a high or what is the desired effect. Ms. Johnson replied that the flavors are similar to fruit loops or other sweet candy flavors. Chief Burnett said it is still nicotine in a mist form.

The DARE program was just completed for the year. He stated that the DARE program is a great program and he appreciates that the officers can take the program into the schools. Mr. Hales complimented the Mayor on his presentation of the DARE pledge.

Chief Burnett said they have also been working on a distracted driver pledge. The City received a grant from the State Highway Safety Program. There are signs up targeting teenage drivers, and distracted adult drivers as well. Everyone has issues with all the electronic devices, and the kids have enough going on without those added distractions. This program just reminds the kids to be less distracted and try and keep them safe. Chief Burnett said that the new law prohibits using any handheld device, not just texting, but also looking down at an app or a music list. He believes the fine is in the neighborhood of \$300.

He stated that parents are concerned about the crossing at Riverview Junior High at 700 West. He said every year there are complaints and concerns from parents in that area. They installed flags and he hopes that helps a little bit, but is open to any suggestions or ideas. He said the flags are on the crosswalk at Tripp Lane. Since it is a secondary school, crossing guards are not required. Ms. Huff asked if the complaints are mostly regarding to and from school or lunchtime hours. Chief Burnett said he believes the main problem is in the morning with the kids going to school. He mentioned that there is a lot of traffic at that time, and the traffic is going at a fast rate. He said they are concerned about it and looking at options. Mr. Pehrson asked if the school has addressed the students regarding the use of the flags. Chief Burnett said the flags are still there but is concerned that they remain on one side of the road. Ms. Johnson commented that Officer Whiting was there at the beginning of the school year and that seemed to help. Chief Burnett said the kids will often cross without pushing any of the buttons for the light to cross. Ms. Johnson commented that some adults don't use the buttons either. He commented that the last student hit in a crosswalk was a few years ago by an elderly driver. Mr. Pehrson remarked to Dr. Hirase that the Principal should address the students regarding the flags.

Mayor's Report -

Mayor Ted Eyre

Mayor Eyre thanked Dr. Hirase for the introduction. He commented that in the previous minutes regarding multi-generational recipients that receive a high school diploma. He said the correct percentage was that only 20% had a high school diploma, instead of 37%.

Mayor Eyre said that one of council members requested that the Mayor address the one situation that is probably the most important issue that Murray has faced, at least recently. That issue is UTOPIA; it affects every school age child, every person that has a business in Murray, and everybody all the way up to retirement. Currently, it costs about \$1.6 million of taxpayer money to pay for the UTOPIA bond. If Murray pays the OpEx fees, it will cost about another

\$400,000 per year to equal over \$2 million per year and would increase annually by about 2%. That large amount of money coming from the General Fund affects everybody. He noted that City officials have been studying this issue on almost a daily basis for three months. There are weekly meetings on this issue, if not more frequently.

He said when he first ran for office he asked if all 13 Mayors could get together and sit down in a room and discuss the issue. They have had five meetings thus far. This is the first time all the Mayors had met since UTOPIA was created about 12 years ago, or 10 years in the ground. The group of Mayors has been able to have guest speakers attend, such as representatives from the ISPs (internet Service Providers), UTOPIA, Macquarie and others. There have been important and influential people as far as UTOPIA is concerned, come and discuss their aspects. It has been very informative and a little disheartening because of the difficulty in 13 people coming to a single solution. He noted that Centerville and Brigham City are nearly 100% built-out, Murray has a 64% build-out, and West Valley City has less than 10% build-out, with twice the financial obligation and three times the population. The cities are all in different situations but yet all locked together in this one agreement. The decisions need to be made as a whole group and that is difficult to do. That may be a factor that contributed to the inefficiency of UTOPIA.

UTOPIA has a business model that has failed. It cannot go on as the current business model, because it will run out of money unless the cities put forth more money to keep it going. There have been attempts year after year to try and see if the new plan will get it going through the critical time. So far, none of the plans have worked he noted.

Things are now at a critical point in UTOPIA. He stated that the more that Murray has pushed for full exposure of UTOPIA, the uglier the picture has become. Many didn't realize some of the long-term problems that have been going on at UTOPIA.

Mayor Eyre said he ran for office on a platform stating that he would present five different possible solutions for UTOPIA, and investigate each one of those in detail, and discover the best and worst of each of them. The City was about a month into discovering different options when Macquarie Capital came onto the scene. Macquarie is a company out of Australia, with their North American operations out of Vancouver, B.C. Macquarie is a multi- billion dollar organization that builds infrastructure all over the world. They build bridges, and built the water and sewer network for the City of London. They have done massive civic projects.

Macquarie came to Murray with a pre-development proposal which was signed and obligated all 13 cities to look in to this acquisition, more or less, of UTOPIA. It was a four stage proposal with four different milestones and the cities could proceed from milestone 1 to milestone 4 at predicted times. Each milestone had parameters that had to be met before proceeding to the next milestone.

Milestone 1 has been completed and Murray City received the information that was needed. Out of all the information, there were nine different fields of study, so a great deal of information was obtained. The most important piece of information received was the amount of the utility fee imposed on every rooftop, which means every house, business, and apartment. The utility fee imposed would be \$10 for every apartment, \$20 for every house, and \$40 for every business. If all eleven cities agree to impose this fee on their citizens, it would be close to 155,000 to 157,000 homes, depending on the census used. If Macquarie was guaranteed this minimum \$20 fee from every household, they would do a complete build out within 30 months. The residents would receive high speed internet in the form of fiber optics with 3 mbps up and

down and 20 gbs of data storage. If the cities agreed to this, then Macquarie would continue the build out to all eleven cities. It would refresh the existing system that is ten years old. The fiber in the ground does not deteriorate; however, the connectors do deteriorate and have to be upgraded. As an example, when Provo sold their ten year system to Google, Google said it would cost between \$20 million and \$30 million to refresh the existing system. He said the system has to be continually refreshed and could cost millions of dollars that Macquarie would cover within the thirty year period. Macquarie would have the ISPs connect to every home for free, and eliminate the \$2750 current UTOPIA connection fee. Those customers that already paid the \$2750 hookup fee would be refunded, or receive a credit for free service until that amount is paid back.

The internet service would have different tiers available. The standard tier received with the \$20 monthly fee would be the basic tier. There would also be a Tier 2, Tier 3, and Tier 4 available with an extra fee. Tier 4 would be a gigabyte up and down, an unbelievably fast speed, and an almost unlimited data storage.

The plan is a thirty year obligation for Murray yet does not eliminate the bond payment. Murray would still pay the bond, but it would eliminate the OpEx payment of \$400,000 per year. If Murray chooses not to go with the Macquarie proposal and chooses to take an off-ramp provided, Murray would still have to pay a percentage of expenses incurred while doing their feasibility study. For example, phase one cost about \$480,000, and if Murray chooses not to go forward with Macquarie, then Murray would owe 12.37% of the \$480,000. If Murray chooses to go on to phase two, then Macquarie would absorb the expense; but if Murray chose to take the off-ramp after milestone two, the City would have to pay expenses from both milestones one and two combined. At the completion of milestone four, it would be the concessionary agreement and Murray would sign it and it would be the responsibility of the City to make sure that every home built is charged that amount. At the end of the thirty years, the City would own the entire system.

Murray has 60 days from April 27th, 2014 to tell Macquarie and UTOPIA whether Murray is in or out. During the next fifty days, Murray needs to educate the citizens in an unbiased manner about all the provisions and consequences of the Macquarie proposal. Murray is not a referendum City having the citizens' vote on every single thing. They have elected officials to make those decisions.

There would be three focus groups; one would be about 10 to 12 City employees, another would be made up of citizens throughout the community, and the third one would be made up of business owners in the community. Those will be about one hour meetings to get their input.

There have been four different types of media used to inform the citizens about the citizen meeting held at the Doty Center on June 5, 2014. He said there will be a format that allows the residents to ask questions. There will be a very simple survey asking if the citizens would like to move forward with Macquarie or not.

Chairman Hales asked Mayor Eyre to explain the downside of not going with Macquarie. Mayor Eyre said if Murray decides not to move forward, there would be two or three major consequences. Out of the 11,000 UTOPIA customers, Murray has over 2,000 customers, or almost 25% of the customers, which makes Murray a major player. If Murray bows out, it would most likely impact the other cities and require Macquarie to raise the \$20 basic fee. There might be ten other cities that are not happy with Murray City. The consequences for Murray are a little

unknown. He doesn't believe that they would make the system go dark and cut off over 2,000 customers. Murray is about 64% built out, but that would mean the other 36% of the City would not be built out at this time. Most likely there would not be any ISPs available if they are connecting all the other houses in the other cities. There would not be any UTOPIA money left over for marketing purposes. Murray may be left on its own to service, upgrade, maintain and build out the system. Murray has a wonderful reputation for running utilities. However, this will be very tough, if not impossible for Murray City to break out of the bond alone. That bond is for all eleven cities and the holders of the bonds don't want to break them up. The obligation of that bond would most likely stay intact. If Murray doesn't have a way to fund that bond, the refresh, and the operational expenses while also creating a new department, it would be costly. Chairman Hales stated that the bond creates a \$400,000 per year increased obligation on top of that. Mayor Eyre clarified that was correct because of the UIA bond. Eventually the UIA customers would migrate over to UTOPIA, or for other reasons not be part of the UIA bond. Currently, the UIA bond of about \$60 million is being funded by people that have signed up under UIA.

Chairman Hales said that he can't wait to hear the responses of the citizens at the mandatory \$20 fee. Mayor Eyre said that of the \$20 fee you actually get the hardware and service that adds some value to your house. He added that there is a good chance, if history repeats itself, that the other providers, such as Comcast and Centurylink would have to lower their rates to compete. For example, the provider may have to discount their rate by \$20 per month to entice the customer to stay with them.

Jr. High School Programs Report

Kim Fong

Ms. Kim Fong introduced herself as the Director of the Murray Library. She wanted to inform them of some different things going on with the Junior High kids that attend the Library every day. There is a large influx of Junior High kids that come to the Library after school, around 100 to 150 per day.

Ms. Fong said when she began working at the Library, there seemed to be a negative attitude regarding the Junior High kids in the Library, and she wanted to change that to a positive opportunity for the Library. She has changed the staffing and has a devoted a full-time and a part-time employee to teen services. That enables the Library to provide a lot more services for teens.

There has been an after school program added for teenagers every day after school. In the past, there had not been a lot of teen programming, and it was always intermittent. The auditorium has been set up for a teen hangout area. There are three big flat screen televisions with video games playing, there are board games out and depending on the day of the week, other activities for kids also. There are crafts, Lego building, coloring, book clubs, and writing clubs for teens.

There is a teen advisory group made up of teens that come to the Library and help make decisions regarding teen services. There is an activity planning committee that helps plan the "lock-ins". There have been two "lock-ins" thus far, that have been very fun and well attended. They are held on a Friday night after the Library is closed and only teens can enter. There was a Halloween "lock-in" as well as a Doctor Who "lock-in", that were both very successful. There will

be another “lock-in” held in June to kick off summer reading called *Larger than Life*. The kids chose the theme for the party.

Ms. Fong stated that the kids are very involved and making good relationships with the Library staff. Most days, there are 25 to 45 kids in the auditorium at a time after school. At the end of April, the total attendance of teens coming to the programs equaled 4, 444. The Library is very excited about those numbers and believes things are going very well. There are also many teens just hanging out in the Library. There are still some behavior issues to deal with, but staff is trying to avoid telling any children not to return to the Library. Occasionally, they will have to tell a student to leave and come back the following day or week.

There is a dedicated teen area in the Library with six computers dedicated to their use after school. The library just received new teen furniture and is trying to make the Library a welcoming place for teens.

There are still some issues with the parking lot. Many parents are using the Library parking lot as the drop-off and pick-up location for their kids. The Library has such a small driveway that it causes a long line of cars waiting on 5300 South. She is hopeful that when the new school is finished and the parking area completed that the situation might be alleviated. She suggested a possible driveway that would link the Library parking lot to the school parking lot. She said she had previously spoken with Dr. Hirase and offered to pay for the appropriate section of the driveway. It would help the Library patrons to get in and out of the lot. She said that people are in the habit of using the Library parking lot to drop off their children, and would like that to change if possible.

She is very excited about the success the Library has had with the teens. Mr. Pehrson said he appreciates the efforts by the Library. Ms. Johnson commented that otherwise these kids might be at home alone for a long time, and it is a good place for them to be.

Dr. Hirase commented that he appreciates Ms. Fong and her attitude and efforts to make the Library a fun and inviting place for the students.

School District Report

Superintendent Hirase

Dr. Hirase said there is an upcoming project on 300 West that would begin this summer. The Hicks property is on the corner and has been up for lease, and the District is currently negotiating to obtain that property. That will really help and improve the site. The site plan is for a bus garage and maintenance facility, a warehouse, the IT facility and the District Office. He showed a drawing of the bus garage and maintenance facility, warehouse and IT building. The buildings would face Vine Street, where all the traffic would primarily enter and exit. The main entrance to the District Office would be on 300 West. The new District Office would have a board room and training rooms, and be quite a bit larger than the existing office. All the busses will be able to park on the back side of the buildings. Currently, they are parked in all different places.

Construction on the new tennis courts will begin this summer.

There are two schools, Liberty and either McMillan or Grant that are having seismic improvements done. It has been decided to seismically rehabilitate two or three schools per year.

Chairman Hales asked when the construction would be done on the District Office. Dr. Hirase said it could be a year or more. They are trying to decide if the construction should be staged and what is in the best interest of the taxpayers. He added that this would not have any impact on the residents' taxes.

Mr. Camp asked if the property reached to the freeway. Dr. Hirase said it did not due to the storage units in the back of the property.

Ms. Johnson commented that the new building will look so much better.

Approval of Minutes

Mr. Pehrson referred back to the minutes and asked for approval after the correction was made on Feb. 13th, the Mayor's report, regarding the 20% graduation rate. Ms. Johnson moved approval with the noted correction. Chairman Hales seconded the motion. All were in favor.

Mr. Pehrson said he appreciated the new valuable information, especially from the Mayor.

He said the next meeting would be Thursday, October 9th at 5:15. He adjourned the meeting.

Council Office Administrator II
Kellie Challburg