



MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, February 7, 2017 in the Murray City Center, Conference Room #107, 5025 South State Street, Murray Utah.

Council Members in Attendance:

Diane Turner, Chair	District #4
Dave Nicponski, Vice-Chair	District #1
Blair Camp	District #2
Jim Brass	District #3
Brett Hales	District #5

Others in Attendance:

Ted Eyre	Mayor	Jan Lopez	Council Administrator
Janet Towers	Chief Admin. Officer	Frank Nakamura	City Attorney
Pattie Johnson	Council Office	Tim Tingey	ADS Director
Blaine Haacke	Power – General Manager	Greg Bellon	Power –Asst. Gen. Manager
Matt Young	Power – Energy Service Manager	Jennifer Kennedy	City Recorder
Jennifer Brass	Resident	Charles Turner	Resident
Craig Burnett	Police Chief	Joe Tarver	Assistant Police Chief
Justin Zollinger	Finance Director	Doug Hill	Public Services Director
George Katz	Resident	Sally Hoffelmeyer Katz	Resident
Richard Crangle	Resident	Eliot Setzer	Resident

Ms. Turner called the Committee of the Whole meeting to order at 5:45 p.m. and welcomed those in attendance. Mr. Nicponski would be arriving late.

1. Approval of Minutes

Ms. Turner asked for corrections and approval on the minutes from December 13, 2016 and January 10, 2017. One correction was noted by Mr. Camp. Mr. Brass moved approval with corrections. Mr. Hales seconded the motion. All were in favor.

2. Business Items

2.1 Solar Power Presentation – Ryan Evans – President of Utah Solar Energy Association

Solar power is a growing interest and is peaking in popularity. Utah is well positioned to be a leader in solar energy as the fifth sunniest state in the country. There are more than 100 companies in the state guiding the solar business industry and it is growing quickly.

Mr. Evans provided an overview of the growing industry, explained many considerations in how solar is most applicable to Murray City and focused on key topics.

Installations

In 2015, approximately 230 MW of solar was installed in Utah, which is 8th place on a national level. He did not have exact totals for 2016, however, he provided information through September of 2016, noting that 391 MW of solar had been installed which was the equivalency of powering 67,000 homes.

In 2013, rooftop solar saw 595 residential and 58 commercial installations. Numbers in 2015, were close to 3,000 residential and 150 commercial. Final numbers for installations in 2016 is expected to be slightly more than 12,000 rooftop installations across the state of Utah.

When breaking down 391 MW of installed solar in 2016, 15% was for residential and 8% for commercial, meaning the rooftop component of solar for commercial and residential is a considerably lower percentage of the total solar installed. Large utility projects account for the remaining installations, and several of them are currently underway in the southern and central part of the state.

Mr. Camp asked Mr. Evans what he meant by the statement that rooftop solar was an ‘applicable option for Murray’ and wondered if and why a community solar project wouldn’t make the most sense for the city. Mr. Evans explained he felt solar was a relative conversation for the Murray community in evaluating rooftop solar and net metering and not necessarily in terms of future policy. He is supportive of many approaches to solar because not everyone has a rooftop, such as apartment dwellers, nor can everyone afford solar and many people have shaded roofs which are also not good candidates. Community solar has its place, however, one challenge is that electrons produced do not necessarily make it to your own home.

Consumer Motivations

Solar energy is cleaner energy, which means the opportunity to reduce poor air quality. Mr. Evans explained that prices had fallen drastically, with a 66% price drop since 2010 and a 12% drop alone in 2015-2016.

A survey related to consumer motivation was taken last summer by 500 solar owners and the following was discovered about solar use:

- 89% just wanted to save money
- 76% wanted energy independence and emergency preparedness

- 76% stated it was for environmental reasons

In general, 88% of Utahans favor more solar development.

Value of Solar

After denying many of Rocky Mountain Power (RMP) proposals for net metering policies in the past, looking at the value of solar is something the Public Service Commission is currently considering for RMP customers. They are more or less instructed to consider the cost of doing business. However, the Utah Solar Energy Association would challenge their pricing due to confusion around their proposals. After understanding the value of solar, one could also see the environmental and economic benefits of solar energy. A graph was shown depicting 16 states who looked at the value of solar at the state level and not just municipal levels. The vast majority of those states found the value of solar to be at a retail rate.

Ms. Turner noted the arrival of Mr. Nicponski at 6:00 p.m.

Economic Impact

The increase in popularity has provided thousands of jobs and in the last two and years alone, about \$638 million in capital investment. Solar provides tremendous growth over time, along with job creation for installers, administrative, construction, engineers, designers, and financier positions. The growth rate from 2012, when there was less than 300 jobs, is now 4,400 jobs in the state of Utah related to the solar industry. Not to mention 5,800 indirect jobs associated with solar, making it the fastest growing job industry in the state per capita.

Considering the economic impact of rooftop solar alone, from a purely residential only standpoint, expectations are well over \$300 million in economic activity in the year 2016. This brought more than \$10 million in sales tax, also affecting income taxes for residential and corporate entities. Cities also collect permitting fees, inspection fees and service upgrade fees that add back to the city budget.

Income levels

Tracking income levels of those who took advantage of tax credits is one way of knowing who is installing solar. A graph indicated income levels of purchasers peak at \$100,000 to \$125,000, and second highest was \$125,000 to \$250,000 in 2015. Many income brackets utilize solar; it is not just for the wealthy.

Emergency Preparedness

Mr. Evans would like to see inverter switches more readily offered and popular. Having the ability to flip a switch during a power outage, natural disaster or unnatural disaster, such a terrorist attack would make customers better prepared for emergencies. Also being able to store solar for evenings, by battery backup helps to sustain during a long term crisis.

Mr. Brass invited Mr. Evans to participate in future discussions on net metering. He said he sees a lot of poor installations and would like to see more policing of the industry.

Mr. Evans agreed the challenge is there and has posted a solar buyers guide on their website. Pilot programs are underway for the county that would cover ethics and required training for retailers to be licensed. Ultimately, the hope would be to provide professional licensing, where unscrupulous people would have a track record following them. Maintaining a good image is most important in the solar industry.

Mr. Brass added as a solar customer for the last 18 months, this past winter has been bad for solar due to the heavy snow storms and inversions; he went weeks without any generation. He felt people need to be aware of this side of the business as well, and agreed having an inverter switch would have been nice.

3. Announcements: Ms. Lopez made the following announcements:

- Wednesday, February 8, 2017 - Mid-Year Budget Meetings by appointment from noon to 5:00 p.m.
- Tuesday, February 14, 2017 - City Council Retreat from noon to 3:00 p.m. Discussion items were requested.
- Tuesday, March 7, 2017 – Council Meeting, General Plan Public Hearing
- Friday, March 3, 2017 – Chamber of Commerce fund raiser, the Monte Carlo Masquerade located at AISU, 6:00 p.m. to midnight.
- Friday, May 19, 2017 City vs City Gold Tournament, located at Fox Hollow Gold Course in Spanish Fork
- UAMPS Events: April 5, 2017 Seminar in St. George, August 13-16, 2017 Squaw Valley, CA, Member Conference; September 12, 2017, SLC, Workshop; December 20, 2017 Banquet and Annual Meeting.

4. Adjournment: Ms. Turner adjourned the Committee of the Whole at 6:20 p.m.

Pattie Johnson
Council Office Administrator II