



MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday November 21, 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
Pam Cotter	District #2
Jim Brass	District #3
Brett Hales	District #5

Others in Attendance:

Blair Camp	Interim Mayor	Jan Lopez	Council Administrator
Doug Hill	Public Services Director	Janet Towers	Deputy Mayor
Pattie Johnson	Council Office	Craig Adams	Wasatch Front Waste & Recycling
Janice Strobell	Resident	Pam Roberts	Wasatch Front Waste & Recycling
Dale Cox	Resident	Jann Cox	Resident
Jennifer Brass	Resident		

Ms. Turner called the Committee of the Whole meeting to order at 5:45 p.m. and welcomed those in attendance.

1. Approval of Minutes

Ms. Turner asked for action on the minutes from October 3, 2017. Mr. Brass moved approval. Ms. Cotter seconded the motion. All were in favor.

2. Discussion Items

2.1. Wasatch Front Waste & Recycling District (WFWRD) Fee Increase – Pam Roberts

Ms. Roberts introduced Craig Adams as Assistant Controller, and Treasure of WFWRD, and provided an overview to discuss the need to increase rates. Because WFWRD services were provided to

approximately 2800 homes, located in the annexed area of Murray, she noted the rate increase would affect only residents in that location.

Ms. Roberts reviewed her discussion held with the council four years ago, related to the separation of WFWRD from Salt Lake County, and the transparency of billing. At that time, the board adopted a \$2.00 increase in 2014, with the hope of an additional fee increase in 2015. The majority of municipal councils agreed to approve the \$2.00 increase in 2014; however, the appeal for a 2015 increase was denied, with the request for WFWRD to return for a review when the increase was actually needed. As a result, she said WFWRD was operating on a tight budget since 2014.

Ms. Roberts explained, the county resolution that established WFWRD, mandates that - prior to implementing a residential fee increase, an approval from the majority of municipal councils is required. Currently, the service package fee is \$14.75. Nine out of 13 municipal councils, including all five incorporated metro townships, as well as, the city of Millcreek, authorized WFWRD to implement a \$2.25 rate increase. Therefore, the base service fee of \$14.75 would increase to \$17 per home, per month. For additional recycling cans, there is a new \$3 fee, per home, per month, which would also be implemented. (See resolution for further details – Attachment #1)

A slide show described all services and goals for 2018, clarifying revenues by service. She reviewed proposed residential rates and cash projections, which include increasing maintenance fees, fleet replacement schedules, staffing, competitive wages, and health care costs. Costs for 2018 service budgets were noted. (See Attachment #2 for details).

Ms. Turner asked if trucks ran on natural gas. Ms. Roberts reported all residential collection trucks run on compressed natural gas (CNG) - consisting of 46 side load trucks. An overnight fueling station is available on sight provided by an Interlocal Agreement with Salt Lake County. The cost is approximately \$1.80 per diesel equivalent gallon – where diesel is roughly \$2.60 per gallon.

Mr. Brass stated WFWRD was recently recognized by Utah Businesses magazine, as being a successful “green business” by having a 100% CNG fleet. Ms. Roberts was proud to confirm and reported a reduction in fuel costs since the fleet adopted CNG trucks in 2013. She reported an additional CNG truck was purchased with savings of \$300,000. Ms. Turner appreciated the savings, as well as, the positive impact to air pollution issues.

Ms. Roberts noted challenges of landfill rate increases, recruiting new employees, and competing with private waste haulers in the valley. A nationwide shortage of truck drivers was mentioned, not just for the waste industry, but for qualified CDL truck drivers in general, therefore, recruiting qualified drivers was difficult. In addition, the hope was to remain competitive with fee structures, to prevent residents from requesting private services.

Several municipal council members in other cities asked Ms. Roberts if there was a way to provide services without increasing fees. Ms. Roberts stated with the lower fees, a variety of services may need to be eliminated, such as, area clean ups and leaf services. She said it all depends on what services residents would like to have.

A new valley wide campaign, called *Bring Your Own Bag* was initiated. The hope is to encourage people to make recycling a priority - especially when it comes to the discontinued use of plastic bags. A reusable tote bag was designed depicting the logo, and is available that includes a recycling guided inside for clear instructions about proper recycling material.

Mr. Brass commented that plastic jams up recycling machinery. Ms. Turner stressed her favor of eliminating plastic grocery bags.

In October of 2017, the cost to dispose recycled material to Rocky Mountain Recycling Center was \$25 per ton -the county landfill charges \$31.35 per ton.

Residential fees and fees for specific services are the only funding sources for WFWRD. Ms. Roberts noted as a result of new homes construction in the district, the revenue base grows 1% per year. Expenditure increases are 3% per year, and therefore, an imbalance was noted.

The cash based organization is debt free. Capital purchases would remain at six per year, to replace aging trucks.

Ms. Roberts explained without the fee increase, by 2019, the organization would experience tougher challenges. She noted the board set a policy for a 20% year-end cash balance. The 20% is based upon budgeted revenues to ensure that WFWRD remain solvent and sustain a debt free status.

A public hearing was held by the WFWRD Board to take comments on the rate increase, which passed unanimously without any opposition.

The Murray City Council would consider approving the rate increase on December 5, 2017, during the council meeting.

2.2 Murray City Municipal Building Authority (MBA) – Frank Nakamura

The Murray City MBA has been inactive in years, therefore, a suggestion was made to dissolve the entity –mainly because it was of no great value to the city anymore.

Mr. Nakaumra explained, municipal building authorities, prior to 2002, were utilized for bonding, to finance projects, and would actually be the entity buying buildings for long term capital needs. Buildings were leased to cities, and cities would make lease payments to the entity. However, in 2002, state legislation changed, allowing the city to use sale tax revenue for bonding, which is much less expensive. Since much of Murray’s revenue comes from sales tax dollars, the city utilizes sales tax bonds when the need for bonding occurs.

Therefore, Mr. Nakamura felt there was good reason to dissolve the entity, which would not be active in the future anyway. Although he sees no harm in keeping the entity active, by paying the \$10 fee, electing officers and holding meetings, he reiterated it was an entity the city does not need or use.

Mr. Nakamura felt the entity could be restored if ever needed, however, with 2002 legislation, the city changed the way it bonded, and therefore, MBA activity became obsolete on its own.

Ms. Turner agreed it was a positive decision and wondered if council action was needed.

Mr. Nakamura said the council would consider the resolution during an upcoming council meeting. All council members were in favor of considering the suggestion.

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

- Thursday and Friday, November 23, and 24, 2017 - offices are closed for Thanksgiving.
- Wednesday, November 29, 2017 – City School Coordinating meeting at 5:30 p.m.
- Saturday, December 2, 2017 – City Hall Christmas tree lighting at 6:00 p.m.
- Friday, December 15, 2017 – City Council Holiday Open House, held in the chambers from Noon to 2:00 p.m.
- Tuesday, December 19, 2017 – Public Services potluck Christmas luncheon, at 11:00 am.

4. Adjournment: 6:22 p.m.

Pattie Johnson
Council Office Administrator II