



MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, February 19, 2019 in the Murray City Center, Conference Room #107, 5025 South State Street, Murray Utah.

Council Members in Attendance:

Dave Nicponski - Chair	District #1
Dale Cox – Vice Chair	District #2
Jim Brass	District #3
Diane Turner	District #4
Brett Hales	District #5

Others in Attendance:

Blair Camp	Mayor	Jan Lopez	Council Director
Rob White	IT Director	Jennifer Kennedy	City Recorder
Jennifer Heaps	Comm & PR Director	Pattie Johnson	Council Office
Kim Sorensen	Parks & Rec. Director	Doug Hill	Chief Admin Officer
Blaine Haacke	Power General Manager	Melinda Greenwood	CED Director
Bruce Turner	Power	Danny Astill	Public Works Director
Jon Harris	Fire Chief	Jim McNulty	CED Manager
Jennifer Brass	Resident	Kathleen Stanford	Resident
Kat Martinez	Resident		

Mr. Nicponski called the Committee of the Whole meeting to order at 5:15 p.m.

Approval of Minutes - Mr. Nicponski asked for comments or a motion on minutes from Committee of the Whole – December 11, 2018. Ms. Turner moved approval. Mr. Hales seconded the motion. (Approved 5-0)

Discussion Items

Salt Lake County Transportation Funding – Blair Camp and Danny Astill

Every year Salt Lake County gives transportation choice awards, so, the city sought funding and submitted three applications in the fall of 2018 for the “Regional Transportation Choice Fund” (4th Quarter) awards.

Two projects were chosen; Vine Street widening project from 900 East to 1300 East. All money was sufficient to complete the project, including purchasing right-of-way. The other project for downtown development; known as the Hanauer rebuild and relocation, where plans include design, utility relocations, and road construction. The city would provide matching funds to complete this project.

Ms. Turner asked when the Vine Street project would be finished. Mr. Astill was hopeful construction would begin in May or June and continue throughout most of the summer. He said the council would consider adopting the resolution for the interlocal agreement in a few weeks, which Salt Lake County already approved and was ready to fund.

General Plan Amendment and Rezone - 160 West Winchester – Mr. McNulty

Mr. McNulty said the request submitted by from KC Heating and Air. The property was studied on an aerial where the area is currently listed as an R-N-B Zone (residential neighborhood business). The General Plan amendment and zoning map rezone would create an M-U Zone (mixed-use) for the .28-acre area that included two affected parcels. A home is situated on one lot, and the other parcel is vacant.

Another map was used to explain that during the application process, an error occurred regarding actual acreage and the number parcels. As a result, Ms. Nixon informed the applicant the process would need to start over to include a third parcel not mentioned in the initial request. The applicant decided to move forward as is, without attaining the third parcel, in hopes of opening a heating and air conditioning business on the back side of the structure. The current zone does not allow for that type of business.

The zone could potentially change, but the planning commission recommended denial to the city council during public hearings held on January 17, 2019 - for both the amendment and rezone. Until a good decision is made regarding how to utilize the area that abuts the I-215 freeway, the city applied for TLC grant funding to determine best use and help fund a Small Area Plan study. If funding was granted, the city would receive recommendations to consider other uses, highest and best use, which includes lower commercial with apartments above. However, the planning commission made it clear they favor the current R-N-B Zone, and during the public meeting, residents also expressed a desire to keep the R-N-B Zone, because it provides a nice buffer to their neighborhoods.

Mr. Brass noted the first R-N-B Zone began in this area of Murray.

Mr. Cox asked how long it would take to complete a Small Area Plan study if grant money was attained. Mr. McNulty thought about nine to twelve months, and invited the council to participate in the process, where a committee would review all options; he suggested a council member be on the committee. The council would consider the General Plan amendment and rezone in two weeks during their public hearing.

Quarterly Power Department Report – Mr. Haacke

IPP (Intermountain Power Project) – The resource now has a seven-year lifespan, until California shuts it down, due to new legislation regarding the use of coal. Mr. Haacke said the process to change to a natural gas plant has not been easy, although, new plant construction is underway, and engineers are being hired at a costly rate by the LADWP (Los Angeles Department of Power and Water).

Adelanto Substation – The existing converter station in California, fossil fueled by Utah’s IPP, experienced a \$10 million failure in December 2018, and only half of the allowable energy was provided to California. As a result, the IPA board made a hard decision to purchase a standby transformer for \$1 million. Although the plant is nearing its end and is still undergoing construction – it was necessary to provide energy for 5-6 more years. In addition, another standby transformer was already on order, and would be put in place by the end of March. The plant is scheduled to close in 2025, but it is hard to maintain until then. The transformer failure caused 1200 megawatts of power to travel from Delta, to California, instead of the required 1700 megawatts, so the state was short and attained energy from other sources.

For the last two years, the plant only utilized 50% of capacity, due to lower market pricing and carbon tax issues. The situation has been difficult for California, but concerns do not impact the city, and California legislation continues to increase the price of the resource. Therefore, Murray may never call-back power again because the cost would be so significant by the time construction is complete.

By 2045, California would like to achieve the 100% green status; New Mexico and Washington State also have legislation to match the status. Mr. Haacke explained this was not possible with today’s technology, because there will always be the need for fossil fuel to back-up the natural gas grid – and people do not understand that. He said Murray is at the top of the list, statewide, for having a 50% green portfolio, due to the hydro plant.

CRSP (Colorado River Storage Project)

Mr. Haacke led a discussion related to an inquiry Mr. Brass made during a previous meeting about low water levels affecting the resource, and Lake Powell providing water to keep Lake Mead above intake. Mr. Haacke explained silt from the Colorado River was also concerning, and noted Lake Powell is 39% full, which is 126 feet below the spill, and 86’ above the intake.

Mr. Brass expressed concern because Lake Powell at one time was 150’ above intake and thought 86’ above would only last two years. Mr. Haacke agreed and said projections exasperate the problem, and the challenge would always exist to get water above the intake level. He discussed the following inflow history, and projections:

- 2016: 89% of normal
- 2017: 110% slightly above normal.
- 2018: 43% of normal.
- 2019: 70% to 94% of normal - Due to recent heavy snowfall.

Mr. Brass explained Lake Powell was a large percentage of Murray’s resources, and the least expensive; it would be difficult to replace. Mr. Haacke agreed and said there were plans in place to address the drought as follows:

- Utah State University submitted plans to the federal government on June 31, to address the drought. Results are not available yet, however, one option the government suggested was for Flaming Gorge

to drain into Lake Powell, to keep it partially full. Another solution is to reduce seasonal kilowatt hour allocations, by reducing water flow through the dam.

- The federal government is now involved, to restrict the amount of water states are utilizing. It was determined that lower states; Nevada, Arizona, and California, have 'half' allocations from the CRSP resource, and have been taking more water than they are licensed to take. Allocations should have included evaporation totals off of Lake Mead – but it was never calculated that way.

Mr. Haacke noted a high-flow experiment occurred last November. Water flowed without creating energy – lasting 60-hours, at a cost \$1.5 million that included the cost of the study, wasted water, and loss of energy. In addition, last spring a bug-flow was conducted, which was water pushed downstream to keep bug eggs damp; the cost was \$160,000.

CFPP (Carbon Free Power Project), SNR (Small Nuclear Reactors)

The licensing process is underway with the Regulatory Commission as planned. However, there are issues regarding negotiations with Nu-Scale, because once licensing is completed that promotes the construction phase, the project requires \$6 million for the study. Of the \$6 million, \$3 million would come from the DOE (Department of Energy), \$1.5 million from Nu-Scale, who is developing the project; and \$1.5 million from subscribers, like UAMPS members. The city has a small token in the UAMPS portion, which is \$20,000 and was approved in the budget. He explained, problems are arising because partners are backing out, like Energy Northwest, for confidential reasons; therefore, many hurdles are expected but the city is still committed to the 1-megawatt resource and will know in one year if backing out of the resource is an option. A \$55 per megawatt target was anticipated, which is appealing for the cost of energy. Part of the issue is whether the federal government (DOE) would continue to stay committed as well, for as long as 20 years, after initial study work is complete. Until a long-term commitment from the DOE occurs, it is unknown, how the project would be sustained long term.

Ms. Turner thought the resource would cost \$45 per megawatt. Mr. Haacke said two years ago – that was the case - but \$55 is the current rate, which is still less than IPA by \$15.

Light-Up Navajo - Mr. Haacke appreciated the city council supporting the service project, to be addressed in the upcoming council meeting. He said the project was a good mutual aid process for the city, and participating employees were excited to go to the reservation on the third of May.

Power Outlook for Small Hydro – The resource is located at the base of Little Cottonwood Canyon. Mr. Haacke reviewed snowpack measurements at ski resorts, as of February 1, 2019, and reinterpreted, the canyon overall was 89% of normal, due to strong snowstorms. A slow melt with a strong controlled flow during the spring runoff was always desired.

Outage Report – In January and February 16 outages occurred. Most caused by underground and overhead issues, cars hitting poles, and one equipment failure. The city averages about 20 outages per month and overall reliability was noted as 99.9911%.

Finances – Reserves = \$19 million. A line-up for high-load contracts is anticipated to ensure summer

needs are met between 8:00 am to 11:00 pm, for May, June, July and August. Mr. Haacke said there was a significant increase in natural gas pricing that jumped from \$2 and \$3 per dekatherm, up to \$12. In addition, UAMPS solicited cities to purchase an \$80 resource for high-load summer needs, however, Mr. Haacke thought the city could find a less expensive resource, and the city always used generation as a backup; so with gas prices at the \$5 per dekatherm range, a \$50 to \$60 cost was better than \$80 per dekatherm. Therefore, the biggest concern for the next 2-3 months would be attaining good summer resource pricing to meet the high-load summer season.

Open and Public Meeting Act Training – Mr. Critchfield

State laws requires a council chair to arrange the annual training, therefore, a review of the Open and Public Meetings Act occurred to convey deeper understanding. Mr. Critchfield explained policies are in place so that political subdivisions, or cities, take action openly and city councils conduct deliberations in an open manner. Open to the public, means more than just an interesting agenda and having the public show up, it means deliberating in public - where council members speak their thoughts on record. The following was discussed at length:

- There must a quorum to hold a meeting - Two council members and the mayor can discuss items; although, three council members may do so only in a properly noticed public meeting.
- ‘Open to the public’ includes the agenda, which is most important, and must provide detailed information so the public clearly understands the issues at hand, and what action might be taken.
- If an issue is raised that is not listed on the agenda, it cannot be discussed. However, if a member of the public tries to discuss something not on the agenda, the council chair has the discretion to discuss it briefly – as long as no action is taken. In summary, council members cannot discuss issues not scheduled.
- Closed sessions are limited in scope, and such meetings are allowed.

Ms. Turner said the city council very rarely conducts closed meetings.

Mr. Brass agreed and asked about agendas he saw elsewhere that state certain discussion items might be subject to a “possible closed session.’ He wanted clarification as to whether that verbiage was a good or bad thing noted on agendas. He confirmed the Murray City Council did not state such an option on their agendas. Mr. Critchfield said the practice was not a favorable idea, because in most instances, a council can usually always anticipate closed sessions in advance.

Mr. Critchfield explained the ‘spirit’ of the Act is to insure everything is open to the public – so the public can see how the council conducts business. He said this was challenging at times because the council only meets at a scheduled time, only discusses what is on the agenda, and never meets outside of public meetings to discuss any issues. The spirit of the Act is to make sure all comments are on public record.

A specific conversation occurred related to land use applications and zone changes. He explained when a request was made for a zone change, it is somewhat difficult for the council to discuss what is allowed in a zone. Therefore, for purposes to benefit the applicant, as well as, the planning commission, and city

council, administrative staff devises a concept plan– on the executive side - to convey what the best idea would be. He said a concept plan is not mandatory but if the concept is utilized and building occurs – it was because the initial decision came from the administration. Therefore, if someone comes to the city council with a focus on development related to a concept, it is not helpful for the record or to defend the record - if decisions for making a zone change are based upon a concept plan. He stressed due to the separation of powers; concept plans are administrative decisions, and as a result, for future zone changes, Mr. Critchfield advised the council to not get caught up in ‘ideas’ or concept plans - but keep discussions and focus on zoning regulations.

Mr. Hales confirmed, it was fine for the council to listen to possible ideas related to zone change requests, but the council should only focus on what the current zone allows. Mr. Critchfield agreed –if a concept is found favorable, encouragement was fine, however, the focus should always be on current zoning – because a development plan can always change.

Mr. Brass noted a recent zone change request on Fashion Boulevard for a dentist office, which was denied, even though the idea was convenient and nice; it was not suitable for the neighborhood.

Announcements: Ms. Lopez made several announcements related to coming events for the council members.

Adjournment: 6:10 p.m.

**Pattie Johnson
Council Office Administrator II**