



MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, December 10, 2019 in the Murray City Center, Council Chambers, 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	Janet Lopez	City Council Executive Dir.
Brenda Moore	Finance and Administration	Pattie Johnson	City Council Administrator
Doug Hill	Mayor’s Office	Kim Fong	Library Director
Jennifer Heaps	Mayor’s Office	Zachary Smallwood	CED
Danny Astill	Public Works Director	Russ Kakala	Public Works
Joe Mittelman	Fire Department	Jennifer Brass	Citizen
Melinda Greenwood	CED	Blaine Haacke	Murray Power

Chair Dave Nicponski called the Meeting of the Committee of the Whole to order at approximately 4:30 p.m.

Approval of Minutes - Committee of the Whole – October 15, 2019.

Council Member Brass moved to approve the minutes of the Committee of the Whole for October 15, 2019. The motion was seconded by Council Member Hales. The motion passed unanimously.

Discussion Items

Reports from Representatives to Interlocal Boards and Commissions:

UAMPS (Utah Association of Municipal Power Systems) and IPA (Intermountain Power Project) – Blaine Haacke.

Murray Power Manager, Blaine Haacke thanked the Council for their support over the past year and stated that during that time they have addressed the refueling of the IPA power plant. He remarked that it was a difficult decision to shut down the coal plant, which impacted the economy in Delta. The Council

also helped explore the SMR (Small Modular Reactors), which was a significant issue. They entered into a large-scale solar contract in the Four Corners area, landfill contracts, and extended one contract. Mr. Haacke reported they continue to bring methane-based energy into the City. The CRSP (Colorado River Storage Project) contracts have also been pursued. He stated this has all taken place in the last few years and thanked the outgoing Council Members for their support of the power department.

Mr. Haacke reported a small modular reactor issue emerged over the past few weeks through UAMPS. He addressed initiatives that have come up that may or may not require Council action in the near future. In August of 2019, the City entered into a resolution to explore SMRs in Idaho and agreed to subscribe to 10,250 kilowatts of the original technology. They also agreed to take an additional 4,000 kilowatts 10 years later when the Department of Energy turns their nuclear turbine back into the pool. There will be several off-ramps they will be able to exercise, pull out of the project, or allow UAMPS as a group to withdraw. The offramps coincide with any time that UAMPS' nuclear budget is opened or amended. If the UAMPS group stays and Murray pulls out, Murray would lose the money expended for the study. If the UAMPS group as a whole were to pull out, the money expended will be guaranteed by their partners.

Mr. Haacke stated there will be an offramp in 2023, which is when they hope to receive the NRC (Nuclear Regulatory Commission) license to pursue the project. In 2023, hundreds of millions of dollars will be expended and ground broken on construction of the project in Idaho. Mr. Haacke informed the Council there would be other interim offramps taking place, including one in the spring of 2020 when they could choose to pull out if desired. Mr. Haacke reported UAMPS did not open the budget in October 2019, however, in mid-November of this year UAMPS triggered an offramp capability when they opened the budget to request more funding.

Therefore, the commitment would require more money from UAMPS into its study pool. In Murray City's case, the additional cost would be \$50,000. On November 20, 2019 the UAMPS Board of Directors voted to amend the budget, which created an offramp cities could exercise within a 10-day period. That was determined to not be enough time. Mr. Haacke noted an extension was granted until December 13 for the City to react, and said there were many options, but he prioritized the following two:

1. Stay in the project as was resolved in August, proceed forward and not exercise the off-ramp option at this time and take a closer look in 5 months at the next offramp in 2020.
2. Have the council give a 24-hour notice tonight, to call an emergency meeting this Thursday, scrutinize the matter in more detail and decide whether to take the offramp.

He reported to date, Murray City spent \$200,000 on the project, which did not come out of Murray's budget, but was money escrowed aside through a bridge loan offered by UAMPS. When they bond in 2023, money expended through the bridge loan will flow into the bond. He proposed no tangible dollar amount would come from Murray during this phase of the project. He explained UAMPS would need to contribute a couple more million dollars at this time, with the request from Murray for an additional \$50,000. He reiterated the \$50,000 would be rolled into the bond and would not come out of Murray's budget. He asked for direction from the Council with staff's recommendation being to proceed forward.

Mr. Hales affirmed the off-ramp in October was expected, but it did not initially include the request of an additional \$50,000. Mr. Haacke confirmed the financial need to give the NRC more money was not realized in October. He explained the cause as a management change with partner Fluor, a large multi-

billion-dollar organization that in the course of a one month, backed out on part of a financial commitment and asked UAMPS to increase their financial portion slightly more. Mr. Haacke said Floor has been a good partner in the project that expended millions of dollars up to this point, they would continue to be a partner, and will possibly return the unexpected \$50,000.

Ms. Turner expressed concern about the lack of transparency and that the City has only 10 days to act. Mr. Haacke confirmed 10 days was in the original power sales contract, and agreed it was not enough time, however, the request was not made until mid-November.

Procedural issues were discussed. Mr. Critchfield clarified that the Council is only required to vote if they are withdrawing.

Mr. Brass commented until another resource is discovered that is schedulable 24/7 with zero emissions, the City should stay in the project; he said the price is also very reasonable. Mr. Haacke confirmed the projected resource cost will be around \$55 per megawatt-hour in 2025. Mr. Brass confirmed there was no other resource available at this time.

Mr. Cox agreed and thought they were still headed in the right direction.

Ms. Turner did not agree and thought they should pull out. Ms. Turner voted against the project before and expressed her continued opposition.

Mr. Hales expressed his continued support and asked if the situation was similar to other projects that typically end up costing more money than anticipated; for example, the fire station, and the city hall building. He thought since the Council agreed to commit to the SMR project from the start, he could not disagree with it now, due to an additional cost of \$50,000. Mr. Haacke agreed, the request was a small financial change, due to the management issue at Floor; he noted the COE was replaced, and the new board of directors recommitted Floor back to the project. In the meantime, there was a lapse of around \$3 million of billing that needed to go to the NRC on behalf of this project that UAMPS was asked to provide. He said the City's overall commitment of \$800,000 occurred in August and the \$50,000 had nothing to do with a change in the technology. The price of the product at the end of the term – 40 years from now - would be the same at \$55 per megawatt.

Chair Nicponski expressed support for maintaining the status quo.

The consensus of the Council was to move forward.

Trans-Jordan Cities – Russ Kakala.

Streets and Stormwater Superintendent, Russ Kakala reported that based on the needs of Trans-Jordan for future planning, it was determined that two transfer stations will need to be outfitted in a 12-year period. With that in mind, they are purchasing 50 acres adjacent to the Trans-Jordan site on the south side where one of the transfer stations will be located. Previously, there was discussion of a transfer station in Sandy City next to the Public Works Building. They have seven acres they are going to donate for the other transfer station. The site, however, is not large enough since 10 acres are needed. They are currently negotiating the purchase of three additional acres of property from the Sandy Suburban Improvement District located at 11800 South 900 West. That transfer station was projected to open in 2024.

Mr. Kakala stated when it opens in 2024 there will be large heavy truck hauls to Trans-Jordan until it is full. With respect to the budget and short-term planning, there may be a \$2 increase in tipping fees in the next year. In 2031, there will be an \$8 increase. Currently, the tipping fee is \$16 for member cities and \$31 for commercial. The proposed increase equates to about \$25,000 for the year.

Murray City Library – Kim Fong.

Murray Library Director, Kim Fong reported that after participation in a study over the past several months the Library's top five values were identified as:

- Helpful;
- Welcoming;
- Inclusive;
- Engaging; and
- Innovative.

Mrs. Fong said the activity gave them a very good idea of what the community and patrons desire from the Library.

Council of Governments – Mayor Camp.

Mayor Camp reported COG (Council of Governments) meets quarterly. At the most recent meeting, the WFRC (Wasatch Front Regional Council) gave a presentation on the availability of grant funding. He thought they were in a good position to have the City Engineer serve on the Transcom TAC Committee.

There was also a presentation on the Corridor Preservation funding. One of COG's functions is to review grant proposals with one approved for the County in the amount of \$720,000 and another to West Jordan City in the amount of \$2.1 million. Two additional applications were not funded.

At the August meeting, New UTA Executive Director, Carolyn Gonot was introduced. She has an impressive resume and comes from the Santa Clara Valley Transit Authority where she spent 20 years.

There was a presentation on the Seven Canyons Trust Plan. COG did not vote to take any action other than to suggest that they work with the WFRC.

Mayor Camp reported the last meeting was held on November 21, which included a presentation from Senator Jerry Stevenson and Representative Francis Gibson who addressed tax reform. It was clear that they are very focused on the State issues and are not concerned with the counties and the cities.

Mayor Camp reported Mayor Rob Dahle from Holladay City was reappointed as the COG representative to the Salt Lake County Board of Health.

The County made a presentation on the 2020 Homeless Point in Time Count. They wanted to have elected officials involved in going out this year as they count the homeless population.

The next COG meeting was scheduled for January 16, 2020.

Central Valley Water Reclamation – Jim Brass.

Mr. Brass reported that construction was underway. The two trickling filters and the hazardous waste cleanup are both complete. They are now looking at contracts to move forward on other sections. He noted that the project appears to be on time and on budget. Central Valley Water Reclamation also adopted their budget for next year.

The Division of Water Quality has prepared literature on the Reclaim 60 water quality for the next 40 years. It addresses what the State expects the cost of maintaining the water system to be and treatment aspects that will be needed in the future. There was also discussion about stormwater treatment.

Wasatch Front Waste and Recycling District – Jim Brass.

Mr. Brass reported that the Wasatch Front Waste and Recycling District adopted its budget. The district is a cash business so while the budget is simple, they spent a lot of cash. On a yearly basis, the amount spent can be alarming. They are looking at another fee increase in the next year. Council Member Brass pointed out that the district is one of the most expensive waste haulers in the Valley, which will become an issue. They provide many services at no cost that other cities charge for such as neighborhood cleanups. He stressed the need to cover costs. He considered it a well-run organization and noted that they are now fully staffed on drivers. Once they increased wages, they immediately began getting applications. Council Member Brass noted that the new transfer station will benefit the district as well.

Murray Area Chamber of Commerce – Jim Brass.

Mr. Brass reported that the Murray Area Chamber of Commerce Board Meeting was held earlier in the day. The board is currently looking at ways to maintain and increase membership. He was optimistic and looked forward to working closely with City businesses. It is a good group and they are planning to do a golf tournament in June. All proceeds will go to charity. He commented that they have a great board and are doing good things.

General Plan and Future Land Use Map Amendment, Winchester Street and 525 East – Melinda Greenwood and Zachary Smallwood. (Attachment #1)

Community and Economic Development Director, Melinda Greenwood reported on a request for a General Plan Amendment for four parcels that front Winchester Street. When the General Plan update was done in 2017, the direction was to have any properties that front Winchester Street be slated for a future land use designation of Residential Neighborhood Business. The subject parcels are associated with properties that front Winchester Street but they were not included because they are separate parcels. Currently, all of the properties in the area are zoned R-1-8. The request is to move the future land use designation of the properties from Low-Density Residential to Residential Business.

Zoning Map Amendment, Winchester Street and 525 East – Melinda Greenwood and Zachary Smallwood.

Ms. Greenwood stated the Zone Map Amendment Request is the next step in the process for the above parcels. Photos of the property in its current state were displayed. Staff recommended that the Council

approve the General Plan and the Zone Map Amendments. The applicant, Brad Reynolds was eager to get the word out to the neighbors and help them understand his intent. He held a neighborhood meeting and discussed the proposed project, which includes the development of 13 duplexes. Those present at the public hearing before the Planning Commission spoke about the project and not the rezone and General Plan Amendment, which was confusing. It was noted that the property is under contract.

Council Member Hales was pleasantly surprised to find that the neighbors seemed to have high regard for Brad Reynolds. Ms. Greenwood explained that the Residential Neighborhood Business Zone allows for uses that are not in conflict with adjacent residential uses.

Associate Planner, Zachary Smallwood was introduced and acknowledged for his work.

Staff recommended approval of the two items listed above. The Planning Commission forwarded a recommendation of approval on both.

Announcements:

City Council Executive Director, Janet Lopez reported that three Council Members have expressed interest in participating in the Homeless Point in Time event.

The Chamber of Commerce would report to the Council Meeting during the Committee of the Whole meeting scheduled on January 21, 2020.

The following day was the Fire Department's Operation Coverup from 5:00 p.m. to 7:00 p.m. Donations were sought for blankets, coats, jackets, and scarves to the Vine Street Station.

The City Council Holiday Party was scheduled for the following Friday from 12:00 p.m. to 2:00 p.m.

The Newly Elected County Member Training with the Utah League of Cities and Towns ("ULCT") was scheduled the following Saturday from 8:00 a.m. to 2:00 p.m.

The LPC as scheduled for the following Monday at 12:00 p.m.

Adjournment: 5:20 p.m.

Pattie Johnson
Council Office Administrator II