



MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met on Tuesday, November 17, 2020 for a meeting held electronically in accordance with the provisions of Utah Code 52-4-207(4), Open and Public Meeting Act, due to infectious disease COVID-19 Novel Coronavirus. Council Chair, Ms. Dominguez, determined that to protect the health and welfare of Murray citizens, an in-person City Council meeting, including attendance by the public and the City Council is not practical or prudent.

Council Members in Attendance:

Rosalba Dominguez –Chair	District #3
Diane Turner – Vice Chair	District #4
Kat Martinez	District #1
Dale Cox	District #2
Brett Hales	District #5

Others in Attendance:

Blair Camp	Mayor	Janet Lopez	City Council Director
Jennifer Heaps	Chief Communications Officer	Jennifer Kennedy	City Recorder
G.L. Critchfield	City Attorney	Pattie Johnson	City Council Office Admin.
Danny Astill	Public Works Director	Kim Sorensen	Parks and Recreation Director
Brenda Moore	Finance Director	Melinda Greenwood	CED Director
Dennis Lyon	Home Serve, USA	Bill Francis	The Imagination Company

Ms. Dominguez called the meeting to order at 4:30 p.m. with the following statement:

Considering the continued rise of COVID-19 case counts in Utah, meeting in an anchor location presents substantial risk to the health and safety of those in attendance because physical distancing measures may be difficult to maintain in the Murray City Council Chambers. The Center for Disease Control states that COVID-19 is easily spread from person to person between people who are in close contact with one another. The spread is through respiratory droplets when an infected person coughs, sneezes or talks and may be spread by people who are non-symptomatic. The intent is to safeguard the lives of Murray residents, business owners, employees and elected officials by meeting remotely through electronic means without an anchor location.

The public may view the meeting via the live stream at:

www.murraycitylive.com or <https://www.facebook.com/Murraycityutah/>

Citizen comments or public hearing comments may be submitted by sending an email in advance or during the meeting to city.council@murray.utah.gov. Comments are limited to less than three minutes, include your name and contact information, and they will be read into the record.

Approval of Minutes – None.

Discussion Items

Home Serve USA Presentation – Mr. Lyon shared information related to solving aging infrastructure challenges. View the power point presentation at:

<https://youtu.be/sOYOEob6IPw?list=PLQBSQKtwzBqLxiqGGqdVorSUzCOAEmh-2&t=180>

He explained that the service line warranty program is 17 years old, which can either be offered by cities; or homeowners can enroll voluntarily. The one of kind program is endorsed by NLC (National League of Cities) and the ULCT (Utah League of Cities and Towns); and requires minimal City involvement. His hope was to give Murray residents a new awareness that problematic water and sewer lateral lines are the homeowners' responsibility.

The following was highlighted:

- Infrastructure challenges are a national problem:
 - Due to COVID-19, utilities and municipalities have experienced a great loss in water service-related revenue.
 - In 2017, the ASCE (American Society of Civil Engineers) issued infrastructure report cards to many cities, estimating that over one-trillion dollars will need to be spent nationwide to repair, replace and upgrade water systems over the next 20 years.
- Aging infrastructure is a problem for homeowners:
 - The median home-build year for Murray was 1976; so, 50% or more of private infrastructure in the City is 44+ years old.
 - All lateral lines are subject to damaging elements like ground shifting, fluctuation in temperatures, tree-root penetration, and corrosion. Homeowners are left to pay for costly repairs.
 - There are two misconceptions about lateral line repairs: 1.) Cities are responsible for them; and 2.) Homeowners insurance will help cover repairs. Therefore, most people do not know they are responsible to pay for these emergency projects, until a problem arises.
 - Home Serve helps reduce homeowner frustration and eliminates call volume to utilities and municipalities about non-city infrastructure repair issues.
- When surveyed, 62% of Americans cannot afford the estimated \$500 emergency expense of broken lateral lines.
- Benefits of the program:
 - No cost to the City; and no public funds are used.
 - Home Serve handles all marketing, billing, claims and customer service; they hire and send out licensed contractors to homeowners.
 - Optional revenue share for municipalities. This option is tied into homeowner participation, where there is no minimum participation in order for the program to be available in communities. Municipalities receive \$.50 per month, per warranty agreement. If residents enroll in all three products; revenue can be as much as \$1.50 per household. Annually, accrued revenue is paid out every January. Revenue can be utilized as a city wishes.
 - The program functions as a free public awareness campaign; so information is sent to everyone to educate people about the responsibility of lateral line repairs.
- From Tennessee, Home Serve representatives conduct background checks and drug screening of local contractors that are well vetted, licensed and bonded to ensure quality service. Paid directly by Home Serve, reputable plumbers are dispatched 24-seven, 365 days a year.
- Three separate coverages/products are offered:
 - Water lines, sewer laterals and in-home plumbing.

- For outside water and sewer repairs - the program provides up to \$8,500 per incident.
- For in-home plumbing they pay \$3,000 per incident.
- All three services require no annual or lifetime limit; no deductibles, or service fees.
- Home Serve is regulated by Utah Insurance Department. Participants can opt-in or out, at any time without penalty; no pre-inspection upon enrollment, and coverage begins after a 30-day waiting period.
- Without City partnerships the program is not available to communities.
- Nationally, over 900 municipalities and utility companies currently participate. This is over five-million customers, who saved over \$454 million in repair costs.
- In Utah city-partners total 14; which is approximately 38,000 enrolled; with customer savings of over \$5.1 million in repair costs.

Council Comments and Discussion:

- Ms. Dominguez wondered how data would be collected from Murray for solicitation. Mr. Lyons said cities relinquish a list of property owners; but if a city ordinance prevents divulging information, a third party is used to locate real property owners within cities.
- Ms. Dominguez asked when partnering with Home Serve, would outside sources tap into Murray's systems. Mr. Lyons stated Home Serve is a private partnership; working independently without access to any of Murray's technological connections.
- Ms. Dominguez asked how Home Serve was different from homeowners' insurance, or homeowners handling issues on their own. Mr. Lyons explained with a lack of insurance writers willing to include this type of clear coverage, the process to attain financial assistance is confusing. In addition, without Home Serve, residents get overwhelmed by vetting poor contractors, scheduling repairs, attaining quotes, paying upfront; and waiting for claims that have unclear reimbursements. Home Serve handles everything; offers no penalties, no increased insurance premiums, and no hidden fees.
- Mr. Hales asked if premiums were based on enrollment totals. Mr. Lyons confirmed all customers in approximately 45 states pay the same rate; Murray City would fall into that same universal underwrite. If the City does not participate in offering the program, citizens can purchase services on their own for the following monthly rates:
 - Water protection = \$5.25
 - Sewer protection = \$7.25
 - In-homing plumbing = \$9.49

Mr. Lyons concluded the program allows financially vulnerable citizens to get costly emergencies fixed without facing a huge financial sacrifice.

There were no Council comments or questions.

General Plan and Zone Map Amendments 5448 & 5452 South 700 West – Ms. Greenwood discussed why the General Plan and Zone Map need to be amended in this area. To view her entire presentation, go to: <https://youtu.be/sOYOEob6IPw?list=PLQBSQKtwzBqLxiqGGqdVorSUzCOAEmh-2&t=1557>

She noted the parcels total 2.74 acres; and the change from a C-N (Commercial Neighborhood) zone, to the R-M-15 (Multi-family low density residential) zone would facilitate a new residential area. Ivory Homes submitted the request to develop the land. Ms. Greenwood explained that in the past, the parcels were used as a single residence with agricultural activity. Due to the configuration of the nearby intersection at 700 West, and 5400 South, the property is unsuitable for commercial development.

An aerial map, and the current zone map were displayed. Neighboring zones were noted as residential and commercial. Ms. Greenwood pointed out that the Future Land Use map reflected the parcels should become an R-N-B (Residential Business) zone. So, this was an oddity, because the City normally follows the Future Land Use map when proposing a land map amendment – but not in this case. Photos of the parcels were shared, where an old house remains.

Ms. Greenwood reviewed land *Uses*, and land *Regulations* for both the current C-N zone, and the proposed R-M-15 zone, and highlighted a few differences:

Uses:

- C-N: Businesses, various retail stores, gas stations, assisted living, and childcare centers.
- R-M-15: Single family home lots up to 8,000 sq. ft. (square feet); or, two multi-family dwellings on 10,000 sq. ft. lots; as well as, bed and breakfasts, and retirement homes.

Regulations:

- C-N: Height requirement, maximum 35 feet; no lot size minimum; front setback- 20 feet.
- R-M-15: Height requirement, maximum 40 feet; lot size 10,000 sq. ft., 12 units per acre; front setback- 25 feet.

On October 15, 2020 the Murray City Planning Commission met after 103 public notices were sent out. Five public comments were received with a common concern regarding height, traffic, and housing size, located near older smaller homes. The Planning Commission voted 6-0 in favor to recommend approval to the City Council. Staff also recommends both amendments to the General Plan and the Zoning Map. The Council would consider these changes during the council meeting on December 1, 2020.

Ms. Greenwood summarized, due to the UDOT (Utah Department of Transportation) right-of-way barrier located on 700 West, and restricted traffic access to the property, there are limitations on how the property can be developed commercially. This is why staff believes the R-M-15 zone is the best use for these parcels. She confirmed Ivory plans to construct townhomes, versus single-family homes. A subdivision would not be acceptable on the property, because City ordinances do not allow for properties to be subdivided off of a private road, and space is lacking to provide a public road on the land.

Council Comments:

- Ms. Martinez asked if future residents would exit onto 5400 South. Ms. Greenwood clarified citizens would exit onto 700 West; a small private road would be constructed to access the development.
- Mr. Cox wondered if the multi-family use meant that apartments would be included in the project. Ms. Greenwood said Ivory was not looking to construct multi-family homes; with two and half acres, 25 two and three-story townhomes would be constructed. Zoning would not allow for an apartment complex.

State Fraud Risk Assessment – Ms. Moore explained that the State Auditor of Utah is requiring all local government entities to complete a fraud risk assessment questionnaire this year. No formal action is required by the City Council.

The details were reviewed, and Ms. Moore believed the requirement was in response to multiple embezzlement and fraud activity, occurring mostly in smaller cities. The main purpose was to make governing bodies understand their responsibilities; and be aware of where risk heavily occurs. A copy of the completed fraud risk questionnaire was displayed. (Attachment #1)

Ms. Moore said her goal was to place the City in the lowest risk category. She noted the first question, as the most important factor: *Does the City have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?* Because Murray City has very good internal controls and separation of duties; she pointed out that the City scored the full 200 points regarding that issue. A review of the questionnaire and points received continued. Visit the following link to see the presentation:

<https://youtu.be/sOYOEob6IPw?list=PLQBSQKtwzBqLxiqGGqdVorSUzCOAEmh-2&t=2421>

Ms. Moore highlighted the following answers that provided additional questionnaire points:

- All written policies suggested by the auditor are in place.
- Ms. Moore is a CPA, and many city staff members hold bachelor's degrees.
- Forty-hours of formal government accounting, budgeting and other training is completed annually, by Ms. Moore.
- A link to the State fraud hotline is posted on the Murray City website.

As a result, the City scored a total of 305 points, which falls into the *moderate* risk category. Ms. Moore said if Council Members respond to her once a year in writing, that they will commit to reading the City's ethics ordinance, and abide by it, the City can receive another 20 points. In addition, if Council Members would take the State online auditors training class, once per-term, another 20 points would move the City up to the *low* risk category.

She confirmed four Council Members have taken the State online training; her staff was committed to ongoing training, and the administration is committed as well, to notify her by email upon training completion. As a result, Ms. Moore hoped to end the year with a score of 355, which would place Murray in the best category; *very low* risk. She reiterated that Murray City has good security and effective internal controls that help prevent fraudulent activity.

Ms. Moore reported that Murray City has an audit committee, but it is not as robust as what the State Auditor Committee has outlined. Regardless, she felt the committee functions very well, for a city of its size; so, no changes are necessary.

Fiscal Year 2020-2021 Budget Amendment – Ms. Moore discussed the need to amend the FY 2020-2021 budget again; she noted it was the fourth time this year. The following items were discussed:

- Appropriate \$97,834 of prior years' *state alcohol funds* from reserves to purchase police equipment.
- Increase the City Council's *professional services* budget \$10,000 for auditor fees, due to additional record keeping and reporting required by the COVID-19 Cares Act grant.
- Receive and appropriate *grant money* from the following entities:
 - Justice Department = \$29,524
 - ZAP (Zoo, Arts and Parks) = \$88,100
 - Utah Humanities Create in Utah = \$10,800
 - Utah State Asset Forfeiture = \$5,400
 - Homeland Security Protection = \$7,790
- Receive \$300,617 in reimbursement money for helping fight wildfires in California; and receive \$42,240 for aiding with Colorado wildfires. The money will cover Murray City Fire Department *personnel and equipment* costs.

- Allocate *roll-forward* items that were previously missed, which will allow projects to continue:
 - 900 East water-well rehabilitation project = \$582,600
 - Waterline replacement projects = \$200,000
- Increase *Capital Projects* budget for Murray Park pavilion #5 = \$250,000

Council Comments and Discussion:

- Mr. Hales was grateful the City received \$88,100 in ZAP funding. He noted in prior years other cities received millions of dollars in ZAP money, when Murray was not awarded anything. Because of his gratitude, he felt it important to remember the late Murray City Mayor, Ted Eyre in this contribution, who would have expressed gratitude for finally attaining ZAP grant money of any comparative size.
- Ms. Moore noted that during the MBA (Municipal Building Authority) meeting on December 1, 2020, a budget opening would occur to appropriate bond proceeds of just over \$36 million. She noted that \$34 million held in the Construction Trust account at Zions bank, would earn interest of \$34,000 to be used for the new city hall. The MBA would consider those items at that time.
- Mr. Hales asked what the interest rate was. Ms. Moore said, due to coupons of 4%, the final rate was 2.895%.

Announcements: Ms. Lopez reminded the council about the upcoming annual IPA (Intermountain Power Agency) meeting, to be held virtual on December 1, 2020.

Adjournment: 6:27 p.m.

**Pattie Johnson
Council Office Administrator II**