



**MURRAY MUNICIPAL COUNCIL
COMMITTEE OF THE WHOLE**
Meeting Minutes

**Tuesday, January 4, 2022
Murray City Center**

5025 South State Street, Conference Room #107, Murray, Utah 84107

Attendance: Council Members and others:

Diane Turner – Chair	District #4
Kat Martinez	District #1
Pam Cotter	District #2
Rosalba Dominguez	District #3
Open position not filled	District #5

Brett Hales	Mayor	Jennifer Kennedy	City Council Executive Director
Doug Hill	Chief Administrative Officer	Pattie Johnson	Council Administration
Tammy Kikuchi	Chief Communications Officer	Rob White	IT Director
G.L. Critchfield	City Attorney	Craig Burnett	Police Chief
Blaine Haacke	Power Manager	Brooke Smith	City Recorder
Danny Astill	Public Works Director	Camron Kollman	IT
Brenda Moore	Finance Director	Russ Kakala	Streets Superintendent
Jared Hall	CED Division Supervisor	Residents	

Conducting: Ms. Turner called the meeting to order at 5:16 p.m.

Approval of Minutes: Committee of the Whole November 16, 2021 – Ms. Dominguez moved to approve the minutes. Ms. Martinez seconded the motion. All in favor 4-0.

Discussion items:

- **Amend the FY 2021-2022 budget.** – Ms. Moore indicated this would be the second budget opening of the fiscal year. She provided a memo to the Council outlining the request for funds and budget adjustments and a PowerPoint was shared to review grants, reimbursements received, allocations from reserves, and bond activity. (See Attachment #1) The Council will consider the proposed ordinance for the budget amendment during a public hearing scheduled for the January 18, 2022, council meeting.
- **Moderate Income Housing Report for 2021.** – Mr. Hall reminded Council Members that each year the State of Utah requires that cities and counties file a report on moderate income housing. The report must be filed by December 1, 2021 that provides an estimate of the city's housing needs at the recognized income limits of 80%, 50%, and 30% of the area median income.

A PowerPoint was shared that explained calculations were based on Salt Lake County's area median income of \$78,828. This amount was provided by the State and used to gauge Murray's progress on

providing housing for those levels of income by unit numbers. Mr. Hall said the trend has remained the same for the last 5-7 years, where several hundreds of units are usually available for the 80% income level because townhomes and two- and three-bedroom apartments are what developers are currently constructing. Murray is several thousand units short to meet households at the 50%- and 30%-income levels. The report also reviews modern income housing elements that the City already has, responds to questions related to how Murray will strategize to provide more affordable housing, and what steps are being taken to meet those demands. He said because of a State requirement Murray does not get to choose whether or not to have a moderate-income housing element within the GP (General Plan) but Murray has always attempted to face housing challenges. In 2019 when the City officially became a “Transit-City” in State Code, Murray implemented two strategies to reduce residential parking and to implement mixed-use zoning for properties around transit stations, placing Murray in full compliance. Mr. Hall noted the City’s moderate income housing section is located in chapter nine of the GP.

Ms. Martinez asked if there were any elements that Murray has historically avoided or thought not appropriate in the past, for whatever reason. Mr. Hall said no. The report was merely an accounting to the State that the City is in full compliance of all requirements related to affordable housing. He assured the Council they are constantly trying to better address housing challenges which is a significant regional challenge in Utah and nationwide.

- **Interlocal Board and Committee Reports:**

- **UAMPS** (Utah Association of Municipal Power Systems). - Mr. Haacke reviewed functions of UAMPS and was grateful that he would continue serving as a 2022 UAMPS board member. He explained executive board member duties, shared details about city membership, discussed how power is purchased by the group and spoke about current projects that UAMPS is involved in. Available resources are large scale solar, waste heat, wind, a carbon-sequestered plant, nuclear, and natural gas plants. Cost options and possible generation interest was noted for some of these resources. Ms. Dominguez inquired about whether buying into the rebuilt San Juan coal plant would become a similar situation like the nuclear project that was dropped by Murray City. Mr. Haacke clarified the difference between ownership in the nuclear plant option and contracting with a resource like the San Juan Plant to purchase a specific amount of energy. He said they are cautiously optimistic that the San Juan plant would work out to be one of the least expensive UAMPS resources.
- **IPA** (Intermountain Power Agency) – Mr. Haacke was grateful that he would continue serving as Chair of the IPA Board in 2022. He reviewed that there are 23 Utah cities, 6 California cities and 6 Co-op utilities involved with the Delta, Utah coal fired plant known as IPP (Intermountain Power Project). He discussed how the plant is undergoing a fuel change from coal to natural gas, then eventually to hydrogen. California entities are pushing the fuel change forward due to California legislation, so they are paying costs to upgrade the plant. He confirmed the only way that Murray Power would pay for the upgrade would be within the next five decades should Murray decide to call back energy. The cost to purchase power would include the financial bonding and mortgage of the plant. He reiterated that California alone is paying for all reconstruction and pushing for the 2.5-billion-dollar conversion project to become 100% hydrogen because it is the only way energy can be sold to the California market. As of 2025 IPP will no longer be a coal plant but instead offer 70% natural gas and 30% hydrogen mix.

Mr. Haacke said controversy was underway since Utah's Governor Cox called a special session for Quasi-government debates in November of 2021. IPA is not happy with the outcome because unexpected legislation SB (Senate Bill) 2002 was passed through quickly, placing hundreds of millions of dollars on hold for Utah entities and the IPA project. During the debate IPA representatives were given only three minutes to refute the bill before the House of Representatives voted on it. Mr. Haacke and others felt the bill was handled with less importance. He believed the item would be addressed again sometime during the 2022 Utah State Legislative Session but in the meantime the project is now delayed and IPA is very concerned.

Mr. Haacke will continue to strategize the next move for IPA and stressed that education is key. He gave packets of flashcards to Council Members which contained valuable information intended to help council members and mayors belonging to the IPA group. Information conveys that IPP is a super economic power in Central Utah with over 400 full-time employees. Since 1985 IPP has contributed over \$600 million to Millard County alone by ad valorem taxes. Council Members were urged to study the material regarding issues like coal, water, and SB2002 to gain correct knowledge about IPA in hopes of educating senators and representatives from our area to make a good vote on the situation. He said after legislation was passed, he contacted Murray's political representatives who voted against SB2002 because it was so hurried; he received positive responses. He stressed that the matter was extremely important because for the first time since 2012, Murray Power would need to call back energy this summer from IPA.

Ms. Turner agreed it was unfair to Murray the way legislation was pushed through. Ms. Dominguez stressed the importance of continuing the conversation and working in tandem to push support forward. Mr. Haacke reported other cities like Bountiful and Logan would also rally for support.

- **Trans-Jordan** – Mr. Kakala reported the following:
 - Due to a lightning strike a trash compactor caught fire and was a total financial loss. They would receive \$560,000 from insurance coverage to help replace it. The cost for a new compactor is approximately \$1.2 million and would be delivered this month; Trans-Jordan landfill operates three compactors all day every day.
 - The inbound scale stopped working, which was expected to fail so bids were already prepared. The station will be back in operation next Tuesday.
 - The design phase of the new transfer station in Sandy City is underway with a completion date sometime in 2024.
 - Earlier this year, Trans-Jordan entered into an agreement with a company named Zipline, which is a service that delivers medicine by small plane. Zipline will lease a small area of unused ground from Trans-Jordan to use for a landing pad. Medicine weighing up to four pounds can be dropped to individuals in urgent need by small parachute from planes similar to a drone.
 - The Public Convenience Center was falling apart on one end, so reconstruction now includes plans to extend the facility.
 - The landfill is struggling to attain, retain, and recruit employees. A \$250 hiring bonus did not incentivize well, so wages were adjusted higher effective this month. It was during the last board meeting that approved raises were decided affecting the budget. Normally they have

- 14 part-time employees who clean up roadway garbage at the landfill, and even with temporary hires, those positions have not been filled. As a result, the board also decided to increase those types of wages slightly; there is one potential new hire so far.
- There will be no annual breakfast meeting this year so Executive Director Jaren Scott is offering a 30-minute presentation to interested entities.
- **UTOPIA (Utah Telecommunications Open Infrastructure Agency).** – Ms. Moore reported that the UTOPIA board authorized a contract with Bozeman Fiber in Montana to receive fiber. This means expertise, engineering, and NOX media assistance will be provided but Bozeman Fiber will have their own technicians to conduct the installation. The new contract means more revenue for UTOPIA without having to hire employees or take any risk. The same thing occurred in Idaho Falls, Idaho, so the thought is that when both units are completely built-out intake will be over \$100,000 per month.
 - **UIA (Utah Infrastructure Agency).** – Ms. Moore reported that bond parameters were approved during the December board meeting. One for building a fiber network in Santa Clara, Utah, where they will backstop a bond of \$7.8 million. If take-rates are low, Santa Clara will make the bond payments. The same occurred for Cedar Hills, Utah with a bond of \$7.2 million. Ms. Moore said once these areas are completely online extra revenue will go to funding new builds and help pay down UIA/UTOPIA debt.

Murray will continue to make UIA/UTOPIA debt payments of \$1.8 million per year. She said the organization is receiving an additional \$40,000 each month in new revenue, in addition to approximately \$3 million per month from UIA income. Murray's take-rate is approximately 34% which is a decrease due to building out other cities. The hope is that by June 30, 2022, all of Murray City will be built out and all Murray residents will have access. The Midvale City buildout is complete, take-rates remain low, but they expect that to increase. Higher take rates of 50% and 60% are located in Morgan and Lindon, Utah. She said the UIA budget is doing well and is encouraged that Murray's annual payment will not increase during the next budget cycle.

- **VECC (Valley Emergency Communications Center).** - Mr. Hill said VECC is one of two 9 1 1 emergency answering call centers in Salt Lake County and the largest call center by volume in the State of Utah. The organization is comprised of all cities within the county, except Salt Lake City and Sandy City. He reviewed how deficiencies were found following a State audit of VECC related to the response times that VECC answers 9 1 1 calls. In correlation with State Legislation adopted in 2020, VECC was one of the few centers in the State not able to meet the new standard that all 9 1 1 emergency call centers answer 90% of calls within 15 seconds and 95% of all calls within 20 seconds. Because of that, legislative pressure was put on VECC to resolve the matter. Since the audit, VECC made great effort to improve their performance and finally in November of 2021 reached the standard by answering 91.08% of calls within 15 seconds exceeding the 90% requirement.

Mr. Hill said improvements would not come without cost to Murray because VECC had to purchase new software to match that of Salt Lake City and Sandy City. Also, to continue meeting the standard a new phone system was purchased to help reduce call waiting time; significant wage increases occurred, more employees were hired, and with a shortage of applicants, it was felt that

paying employees more would incentivize people to work for VECC. In addition, because the current radio frequency cannot reach some remote areas, to interface with the 9 1 1 system, the State of Utah is requiring all call centers to implement a specific new radio system utilized for remote search and rescue operations for both fire and police. To accommodate all the necessary cabling and installation of consoles for the radio system, VECC will undergo significant upgrades to their facility. This will require bonding costs of \$5.4 million in the first quarter of this year where some of the money will also refund existing bonds. Mr. Hill indicated that the Council would see cost increases to the City's VECC expense account in the 2023 budget year associated with both police and fire departments. He thought most increases would be absorbed in the current budget, but a significant increase to Murray City is expected for utilizing VECC impacting Murray City's budget significantly

Ms. Dominguez asked if the State would provide any funding towards the expenses. Mr. Hill said the State would help pay for radio systems but not the needed upgrade to facilities.

Mr. Hill said the University of Utah recently joined VECC and that the Utah State Patrol would join in the next few months.

- **Metro Fire.** – Mr. Hill had nothing to report at this time.

Announcements: None.

Adjournment: 6:20 p.m.

Pattie Johnson
Council Office Administrator III

ATTACHMENT #1



TO: Murray City Municipal Council

From: Brenda Moore, Finance & Administration Director

Date: December 17, 2021

Re: Fiscal Year 2022 Budget Opening #2– Committee of the Whole

A budget opening public hearing has been scheduled for January 18. The opening will request funds and budget adjustments for the following:

Grants/Reimbursements Received (All General Fund unless indicated otherwise)

1. Receive and appropriate \$1,660 in the victims advocate miscellaneous expense received for beard growing donations.
2. Receive \$90,000 ZAP grant funding and appropriate to reserves.
3. Receive and appropriate a \$7,500 EMPG grant for emergency preparedness. Total grant amount was \$15,500, \$8,000 had previously been budgeted. Offsets a small portion of Assistant Fire Chief Mittelman salary for time spent on emergency preparedness.
4. Receive and appropriate \$15,000 Utah Division of Arts and Museums for programming
5. Receive and appropriate \$20,000 from Utah Humanities ARPA grant for museum staffing.
6. Receive and appropriate \$516,286 reimbursement for California firefighting. We are reimbursed \$6,409 travel expenses, \$366,467 payroll costs including overtime incurred due to personnel being away, and \$143,410 rental on our equipment. The rent received for the use of our apparatus will be transferred to the Capital Projects Fund to save for future replacement of the equipment.
7. In the Library Fund, receive and appropriate \$4,800 from Utah State Department of Cultural and Community Engagement ARPA hot spot grant.

From Reserves

8. In the Capital Projects fund, allocate \$135,000 from reserves to complete pavilion number 5 and surrounding park landscaping.
9. In the Capital Projects fund, allocate \$75,000 for fire equipment. In FY2021 the fire department was reimbursed for equipment use. This will move the funds to fire's equipment to save for future equipment replacement.
10. In the MBA Fund roll forward \$8,330,469 for the City Hall building. \$20,000,000 was rolled forward as part of the original budget. This is the remaining budget plus the interest earned on bond proceeds during fiscal year 2021.

Bonding Activity

11. In the General Fund receive and appropriate \$6,533,000 of bond proceeds. \$43,046 will be appropriated in the to pay the cost of issuance and \$6,489,954 will be transferred to the capital projects funds for road projects.