



**MURRAY CITY MUNICIPAL COUNCIL  
COMMITTEE OF THE WHOLE**

---

---

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, March 30, 2010, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray, Utah.

**Members in Attendance:**

Jeff Dredge  
Darren V. Stam  
Krista Dunn

Council Chairman  
Council Vice Chairman  
Council Member

**Members Excused:**

Jim Brass  
Jared A. Shaver

**Others in Attendance:**

Daniel Snarr  
Jan Wells  
Frank Nakamura  
Janet M. Lopez  
Peri Kinder  
Blaine Haacke  
Anne vonWeller  
Zachery Fountain  
Pat Wilson  
Diane Turner  
Carol Heales  
Dan Barr  
Greg Bellon  
Tim Tingey  
Bill Finch

Mayor  
Mayor's Chief of Staff  
City Attorney  
Council Office  
Valley Journals  
General Manager, Murray Power  
Public Services  
Mayor's Office  
Finance Director  
Citizen  
Murray City Recorder  
Murray Library Director  
Murray Power  
Comm & Econ Dev Director  
Citizen

Chairman Dredge called the meeting to order at 5:32 p.m. and welcomed those in attendance. He excused Mr. Brass and Mr. Shaver due to out of town travel.

Mr. Dredge asked for changes to the minutes from the Committee of the Whole meeting held on March 9, 2010. Ms. Dunn noted one correction and moved approval. Mr. Stam seconded the motion. The motion carried 3-0.

**Business Item #1 - Committee and Board Reports**

**Blaine Haacke - Utah Associated Municipal Power  
Systems/Intermountain Power Agency (UAMPS/IPA)**

Mr. Haacke stated that UAMPS had been going through the budget process, with a fiscal year running from April 1 to March 31. The larger cities have taken the responsibility to mold the UAMPS budget, which was approved the previous month. It is a budget of \$156 million. There are 40 to 50 cities involved, and Murray is one of the largest. It was determined to minimize the operations and maintenance budget, taking a decrease of 3% which amounts to about \$300,000. The labor budget for UAMPS is \$4.8 million, and lobbying efforts are \$74,000 per year. Outside services have been decreased by \$500,000, and legal costs have been decreased by \$200,000.

The San Juan coal resource is going to be an issue this year. Environmental questions are being raised about this plant. UAMPS has allocated an extra \$300,000 to fight the Grand Canyon Wilderness group, which is filing lawsuits against San Juan. It is located in the four corners area. A major overhaul has just taken place there with scrubbers installed, making it one of the cleaner plants in the region. As an older plant, it has become a target of environmentalists. Murray does not have a big ownership percentage in San Juan, therefore, it will not affect us as it will affect other cities. Everything is computed by proportion of ownership.

One of the issues this year was the methodology of allocating costs according to proportion. It seems that the larger cities, including Murray, often pay a larger chunk of the expenses. A few matters here were changed, for example, UAMPS wanted to send the entire board (50) to Orlando for the APPA conference. The larger cities would have paid the majority of that expense. Murray's cost would have been close to \$11,000, however, Mr. Haacke was successful in deterring that expense.

Regarding resources, the Kern River gas plant has compressor stations located every 50 to 100 miles to keep gas moving through. Near Fillmore, UAMPS is proposing a combined waste, heat, steam plant next to an existing engine, which is pushing gas. This is dual purpose, expensive, and he does not think Murray has an interest in it, however, he wanted the Council to be aware of this, because it is a renewable resource with RECs tied to it.

The coming year will prove interesting with the Hunter resource. The debt is satisfied July 1, 2010, so no more payments will be necessary. However, the bad news is that they are already setting some money aside for a major overhaul in 2014. By the year 2015, all coal fired plants will be required to go through excessive scrubbing. Pollutant package devices will go on the exhaust, and money will be reserved for that over the next 22 months.

Doug Hunter has sent a letter to the Council Members asking for reconsideration of the Idaho wind project, called Horse Butte Wind Project. He paints a rosy picture, however, the staff and Murray Power Board advises against this wind resource. It is only a 21% load factor, meaning about 80% of the time, it is off. It is expensive, close to \$90 per MWh with transmission, twice as much as coal.

Murray has put its effort into landfill gas for a renewable resource.

UAMPS will be moving from the Cottonwood high rise office space, and by January 1 it will relocate to downtown, near Energy Solutions, in the old Salt Lake hardware store. This office space will cost them \$20 per square foot, verses \$26 in Cottonwood. The first nine months are free, and UAMPS figures it will save close to \$150,000 per year on rent. It is a 10-year lease.

IPA is run primarily by the California entities, even though most board members are from Utah cities. Los Angeles Department of Water and Power (LADWP) is the operating agent. A new mine near Panguitch is being considered. It is felt that the current plant is being straddled by railroad contracts as a monopoly, and if a trucking company, rather than rail, could be utilized for transportation, the costs would be less. A coal mine near Panguitch would be within 100 miles of the plant, which would decrease expenses substantially. There are some environmental issues. The Panguitch City Council is involved due to the large trucks that would be going through town.

Mr. Haacke explained that there are salt caverns under the Delta plant where Magnum Fuels wants to store gas. Parts of those caverns are directly under the IPP site, therefore, it is an issue to have natural gas under a 1800-MW plant. They claim it is far enough under ground to become an issue. This could be a benefit to use gas as a resource instead of coal. The turbines could be repowered.

IPA is involved in a strategic plan, focusing on 2027 when the IPP contract expires. Murray will have the additional 72 MW. Mr. Haacke stated that he feels there will be a market for the 72 MW. His bigger concern is how LA will operate the plant up to that point. California is trying to rid its mix of coal fired plants, and the Utahns want to make sure the plant is maintained and operational over the years. The committee will have some recommendations within the next couple of months. All sides are working together well. Transmission is tied to generation by agreement. The Californians would like to separate that to have transmission in the future to carry 300 MW from Milford Wind Farm to California.

Mr. Haacke announced the APPA conference in Orlando in June. It is a three-day conference with pre-conference seminars the weekend before. He asked to let him know about attendance so that lodging can be reserved.

On May 17, as part of the IPA coordinating committee, Mr. Haacke is taking a group to tour the Delta plant. It will be a one-day trip for anyone who would like to see how a coal fired plant works. It is one of the finest plants in the nation.

UAMPS summer meetings will be held in August with courses available, including information on how the UAMPS process works. It is in Susanville, California, the home of Plumas-Sierra Public Utility District. They are a customer of Murray's, purchasing some IPP callback.

The Utah Association of Energy Users will hold a one-day conference on May 20

at Little America. It gives a good perspective of energy usage in the western United States. They have had notable speakers in the past and it is a good conference.

Mr. Haacke thanked the Council for their trust in him in representing Murray, and for the opportunity to report back to the City.

### **Anne vonWeller - Trans-Jordan Cities**

Ms. vonWeller explained that Trans-Jordan has a new website that is more user friendly. It is located at [transjordan.org](http://transjordan.org). At the previous reporting meeting, the landfill had experienced a drop in usage. It has begun to slowly build again, and has now leveled at the 207 range. Growth issues are being re analyzed. The lower numbers recently have eased the worry about reaching capacity so soon. Projections, based on today's usage, show that there is still about 20 years of capacity left. Of course, that is reflected in lower revenue. The board is working hard at keeping expenses down, and hoping to build reserves, as well. Trans-Jordan is diversifying investments, and has transferred \$500,000 out of the state treasurer's pool to the Bank of American Fork. A much better return is expected, however, the transfer involves only a small portion of reserves.

The county has raised fees for its landfill by 75 cents per ton. Proposed legislation to add another 19 cents per ton failed. Long discussions have taken place regarding what Trans-Jordan fees to the landfill should be to the member cities, and commercial users. The fees will increase by one dollar a ton, the first raise in prices in twelve years. For Murray City, that amounts to about \$14,000 annually. Commercial rates will increase to \$24 per ton, which matches the county landfill rates. The desire is to just stay competitive.

Ms. vonWeller stated that there are \$7 discount passes for Murray residents during the month of April.

### **Anne vonWeller - Central Valley Water Reclamation**

Ms. vonWeller stated that tours of the Central Valley Sewer Plant and the new ultraviolet system will take place on May 20.

The ultraviolet light project is substantially complete, after working on it for the past two years. The final bugs are being worked out and it is expected to be operational within the next few weeks. Elimination of the chlorine storage is a huge advantage, especially with the leaky rail car next to the Jordan River. The rail car will be demolished on site, and the permits are being sought to expedite that issue.

The compost operation will be relocated to the Central Valley site, which will save fuel, and trucking time. People will be encouraged to bring in their chipped waste. The audit was carried out last month. It was very favorable, and nothing inappropriate was reported in that document. Linda, in Finance, has a copy of that if anyone wants to take a look at it.

### **Jan Wells - Council of Governments (COG)**

Ms. Wells related that a report was completed showing use in criminal activities. Challenges are being faced with minority use, which is disproportionate to the total. The Salt Lake County Diversity Affairs is working with COG to develop programs to help with those issues. There are receiving centers for juveniles, which law enforcement can use, and they would like departments to be aware of the process, and feel comfortable using it. There is a number to call for those interested in juvenile issues and the court system.

Wasatch Front Regional Council (WFRC) has presented the social economic forecast, which shows that over the next 30 years, population is expected to double in Salt Lake County. They would like cities to be aware of ways to improve land use, and ordinances to make the best decisions possible regarding transportation opportunities that are available. WFRC predicts Murray population to grow to approximately 75,000 residents. For Murray, that means infill or building up. Approval of the forecasts, and plans are being delayed until both are ready to be voted on.

COG meets on Thursday, April 1, 2010. Senator Bennett will be in attendance to answer any questions people have for him.

### **Jeff Dredge - Utah Telecommunications Open Infrastructure Agency (UTOPIA)**

Due to the recent meetings UTOPIA has held, most Council members are up to date with what is happening there.

### **Krista Dunn - Valley Emergency Communications Center (VECC)**

This is a busy time for VECC as they are looking at budgets for the coming year. These quasi governmental agencies are made up of municipalities, however, they sometimes do not understand that as the cities decrease expenditures, they are expected to do so, as well. All cities are questioning spending now, and why there is a need to increase costs for municipalities, when the cost of running the center is no higher than previous years.

Murray pays separately for fire and police. Calls for service in police have gone down, however, the fees have gone up by \$35,000. Calls for fire have gone up slightly, and the fees have gone up too.

The board has asked for justification for spending. One issue involved the budget committee forwarding the proposed budget, although, the budget committee has never met. The board is committed to holding management accountable. Chief Fondaco was operations board chairman last year, and Chief Rodriguez is the current operations chairman, therefore, they both sit on the budget committee. The next VECC meeting will be entirely focused on the budget, and the budget committee will meet prior to that. It is hoped that some answers will be forthcoming. Ms. Dunn will present additional news after these meetings take place.

Ms. Dunn has brought up the use of 911 funding at VECC for several years. They were formerly misinterpreting the law, and utilizing funds illegally. The audit showed this to be true. VECC hired a lobbyist to help pass legislation to allow more leeway in use of the funds. That was House Bill #173, which did pass. Some new rules will come through that will help the VECC budget.

### **Zachery Fountain - Legislative Policy Committee (LPC)**

The LPC meets weekly during the legislative session to review the priority list of bills, and vote on the position to take on various bills. The LPC carries a lot of weight at the legislature, and senators and representatives approach this group for support of legislation.

There were 841 bills drafted this year, and 481 passed. One issue addressed was the state retirement system where LPC was able to get some movement on certain proposals because of its concerns voiced.

The group was coordinated as a whole to support an inter facility ambulance bill. Ms. Dunn helped tremendously in those negotiations.

The 911 funding bill will be a longer term issue because coordinating emergency entities will require some additional work, noted Mr. Fountain.

Long term impacts will be seen by the local district taxing authority, specifically for special district taxing. Whether those boards that are not made up of elected officials can raise taxes, is in question. Senator Bramble was especially concerned with representation on these boards. They will need to have elected boards, or proposals for raising taxes will have to come back to the local entity for approval.

Mr. Fountain is in the process of finalizing his report for the Council detailing the approved bills that have a municipal impact. That was to be in the Council Communication packet that same week. Upcoming issues before the LPC include billboard legislation, with negotiations throughout the summer with Reagan and Yesco. This will involve local land use ordinances, and outdoor advertising.

Ms. Dunn complimented Mr. Fountain on his effectiveness at the legislature.

### **Dan Barr - Murray City Library**

Mr. Barr reported that there is a City Council representative on the Library Board as an ex-officio member. Mr. Barr is not a member of the board.

The board is involved in three traditional functions: policy writing, planning and budgeting.

On March 17, the Library Board adopted its budget for next year which is smaller than the current year budget. There are some dollars set aside for the reserve fund. He

is happy to be able to maintain service, and not be required to deal with budget cuts.

As far as planning, the library is in the first year of a three-year strategic plan, which is built around reallocation with no anticipation of additional funds or revenue.

On policy, the board is in the process of rewriting the selection policy for the materials that are added to the library collection.

Use continues to increase, and year to date is up 13%, which makes about six to seven years in a row. It sounds like good news, but it does impact the facility, staff, and resources. The board has taken no official action on the proposed changes to the school district and surrounding property, however, there is concern about what that may mean for the library. Prior to renovation, there was talk of expansion, and that issue could come up again in the future.

There being no further business, Mr. Dredge adjourned the meeting at 6:10 p.m..

Janet M. Lopez  
Council Office Administrator