

MURRAY
CITY COUNCIL

Council Meeting March 6, 2012



NOTICE OF MEETING
MURRAY CITY MUNICIPAL COUNCIL

PUBLIC NOTICE IS HEREBY GIVEN that there will be a meeting of the Murray City Municipal Council on Tuesday, March 6, 2012, at the Murray City Center, 5025 South State Street, Murray, Utah.

5:45 p.m. **Budget & Finance Committee:** To be held in the Conference Room #107

1. **Approval of Minutes** January 24, 2012

5:46 p.m. **Committee of the Whole:** To be held in the Conference Room #107

2. **Approval of Minutes**
 - 2.1 None scheduled.
3. **Business Items**
 - 3.1 CDBG Application Process Discussion – Tim Tingey (25 minutes)
 - 3.2 Capital Improvement Program (CIP) Policy – Justin Zollinger (10 minutes)
4. **Announcements**
5. **Adjournment**

6:30 p.m. **Council Meeting:** To be held in the Council Chambers

6. **Opening Ceremonies**
 - 6.1 Pledge of Allegiance
 - 6.2 Approval of Minutes
 - 6.2.1 None scheduled.
 - 6.3 Special Recognition
 - 6.3.1 None scheduled.
7. **Citizen Comments** (Comments are limited to 3 minutes unless otherwise approved by the Council.)
8. **Consent Agenda**
 - 8.1 None scheduled.
9. **Public Hearings**
 - 9.1 Approximately 6:30 p.m.

9.1.1 Staff and sponsor presentations, and public comment prior to Council action on the following matter:

Consider an ordinance relating to zoning; amends the Zoning Map for property located at approximately 5 East 6100 South, Murray City, Utah from R-1-8 (Single-family Low Density Residential District) to C-D-C (Commercial Development District). (Marcelo Occon) (Tim Tingey presenting.)

9.1.2 Council consideration of the above matter.

10. Unfinished Business

10.1 None scheduled.

11. New Business

11.1 Consider a resolution of the Municipal Council of Murray City, Utah ("The Issuer"), authorizing the issuance and sale of not more than \$5,200,000 aggregate principal amount of Water and Sewer Revenue Refunding Bonds, Series 2012; fixing the maximum aggregate principal amount of the Bonds, the maximum number of years over which the Bonds may mature, the maximum interest rate which the Bonds may bear, and the maximum discount from par at which the Bonds may be sold; delegating to certain officers of the issuer the authority to approve the final terms and provisions of the Bonds within the parameters set forth herein; providing for the publication of a Notice of Bonds to be issued and the running of a contest period; authorizing and approving the execution of a Supplemental Indenture of Trust, a Bond Purchase Agreement and other documents required in connection therewith; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution; and related matters. (Dustin Matsumori presenting.)

12. Mayor

12.1 Report

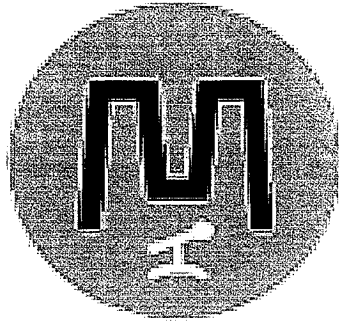
12.2 Questions of the Mayor

13. Adjournment

NOTICE

SPECIAL ACCOMMODATIONS FOR THE HEARING OR VISUALLY IMPAIRED WILL BE MADE UPON A REQUEST TO THE OFFICE OF THE MURRAY CITY RECORDER (801-264-2660). WE WOULD APPRECIATE NOTIFICATION TWO WORKING DAYS PRIOR TO THE MEETING. TDD NUMBER IS 801-270-2425 or call Relay Utah at #711.

Council Members may participate in the meeting via telephonic communication. If a Council Member does participate via telephonic communication, the Council Member will be on speaker phone. The speaker phone will be amplified so that the other Council



MURRAY
CITY COUNCIL

Budget & Finance Committee

Budget & Finance Committee Minutes



**MURRAY CITY MUNICIPAL COUNCIL
BUDGET AND FINANCE COMMITTEE
Fiscal Year 2011-2012**

The Murray City Municipal Council met as the Budget and Finance Committee on Tuesday, January 24, 2012, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray, Utah.

Members in Attendance:

Jared A. Shaver
Brett A. Hales
Dave Nicponski
Darren V. Stam
Jim Brass

Budget Chair
Budget Vice-Chair
Committee Member
Committee Member
Committee Member

Others in Attendance:

Daniel Snarr	Mayor	Jan Wells	Chief of Staff
Doug Hill	Public Service Director	Brenda Moore	Finance
Joe Canepari	Finance	Gil Rodriguez	Fire
Tim Tingey	ADS Director	Mike Terry	HR Director
Tammy Paynter	Attorney's Office	Briant Farnsworth	Attorney's Office
Frank Nakamura	City Attorney	Juliette Dorsett	Police
Pete Fondaco	Police Chief	Craig Burnett	Police
Jennifer Kennedy	City Recorder	Brent Davidson	Recorder
Robert White	IT	Doug Roberts	Police
Mike Fernandez	Police	Tom Martin	Police
Joe Tarver	Police	Jaclyn Sadler	MCEA
Greg Bellon	Power	Charles Crutcher	Power
Bruce Turner	Power		

Mr. Shaver called the Budget & Finance Meeting to order at 8:35 a.m. and welcomed those in attendance. He acknowledged that many of the departments' budgets are in line and he did not feel the necessity to bring them in; therefore, there has been an effort to shorten the meeting and focus on areas where the Council has concerns or require additional information.

Mr. Tingey is serving as acting Finance Director and he presented an overview of finances. He said that a lot of work has been done in the few weeks since Ms. Wilson retired especially in evaluating revenues. He is excited to share that. He introduced and expressed his appreciation to Joe Canepari and Brenda Moore from the Finance Department. Mr. Hill has helped to look over things and evaluate the City's position.

Mr. Tingey distributed handouts with a memo for the Mid-Year Revenue Review and graphs and charts to go along with his power point presentation. The General Fund revenues by source were shown on a circle graph that everyone could view. He mentioned that the franchise taxes include cable television and telecommunications; miscellaneous includes

some bond reimbursements and rents; transfers are the in lieu of tax transfers from the enterprise funds. Mr. Shaver asked if the interest income includes all departments. Mr. Tingey responded that it is General Fund only.

Mr. Stam asked how the money is accounted for when the Police replace guns, and they sell the old ones back. He wondered if the money they receive from the sale comes in as general revenue or goes back into their budget. Mr. Hill answered that in some cases, like the golf cart trade in, the return becomes part of the bid and there is no actual revenue coming into the City. When General Fund department items are surplus, vehicles or computers, that goes into the General Fund and not back to the department. Ms. Moore said any revenue would come in as miscellaneous income. Mr. Stam asked about the rent on the training facility. Mr. Hill said that comes in as charges for services. Any fees that are charged, for example, recreation center activities like Junior Jazz or baseball fees are revenue sources that go into charges for services. These are broken out in detail in the budget, Mr. Tingey explained; however, they are all lumped together in the graph.

Mr. Tingey next had a graph showing the enterprise funds revenue by source. The bulk comes from charges for services with some from capital grants and contributions and a little interest income.

Some projections had been run on sales tax revenue. These projections are for July to December, since we are in the midyear, and they compare each of the previous years from 2006 to current year. Through the first half of this fiscal year, sales tax revenue has been up 9.18% which is \$419,000 over the previous year. At this pace the City would end the year with \$13 million in revenue, which is \$1.5 million over the previous year. Even flat the rest of the year, sales tax would still be over by \$809,000. Mr. Tingey said these are exciting results and actual holiday sales are not included here. The receipts are actually two months behind. Projections are above the floor guaranteed by the state.

The next graph indicates the General Fund revenues and expenditures for July through December from 2006 to fiscal year 2012. Revenues are down slightly from the previous year and some fees for services are down. Expenditures are up a little from last year. The in lieu of tax transfers are down also. Overall, the City is in fairly good shape and in line with the previous year.

Enterprise funds revenue and expenditures were shown next. The revenue is quite a bit higher by comparison and that relates to the power department. In fiscal year 2011, the expenditures were up based on using reserves to implement projects from July to December. That increase in revenue is addressed specifically in the power department report, Mr. Shaver stated.

There was a graph showing revenue and expenditures for each enterprise fund; and there was a graph of combined expenses and revenue for all funds in the City. From July to December some positive things are happening in the City.

Mr. Hill noted that, as the auditor pointed out, all the enterprise funds are in great shape with the exception of two: the golf course and storm water utility. The storm water utility is currently doing a rate study that will be presented to the Council next month by the consultant with his recommendations on what to do regarding rates. If a rate increase is adopted, that should solve the issue. The golf course matter is not as easily solved. Some rounds have been played in December. That accounts for about \$40,000 in revenue for December and January.

Mr. Brass stated that if the City decides to raise the storm water rates, then he advises to hold a series of meetings on the east side to talk with them about storm water and roads.

Citizens need to be educated and understand that without this the costs to treat storm water would be much greater. Mr. Hill said that they do have a strategy on how to raise rates, and he added that the biggest concern is not so much with residential properties, because it will be minimal to them (one to two dollars a month); however, the biggest hit will come to the businesses, churches and school district.

Mr. Tingey showed the revenue numbers breakdown by fund related to the previous year and the next slide indicated by fund the percent received in relation to the current budget. By this time the receipts should be over 50%, some are and others are not. Some of this is due to timing, for example the RDA; the county has been slow in getting the revenues to the City. Probably, within three months RDA will be at full budget.

Mr. Shaver asked about the miscellaneous revenue that is significantly down. Mr. Tingey said that some of it is bond reimbursement that has not been received yet. Again, this may be a timing element.

There was also a chart showing the revenue numbers from July to December, fiscal year 2006 to 2012.

Finally, Mr. Tingey pointed out a budget comparison for the early retirement salaries and benefits. It is still somewhat of a work-in-progress. The original budget shows all the departments prior to retirements. The second column shows the payout and then the difference, which indicates the City has had to cover \$81,000 in the General Fund and a total of \$146,000 including the enterprise funds. Projecting from what is being paid right now to the 2013 fiscal year costs; there should be a fairly significant savings. The total General Fund savings is estimated at \$1 million. With the enterprise funds the savings is projected to be \$1.9 million. The administration is trying to understand these elements while moving into the next budget cycle.

Mr. Shaver said that in going through the mid-year budget reports, the comment that departments are staff short was repeatedly noted. If we meet all of these needs, Mr. Shaver said it will be important to know what that number would be. It is not reflected in the retirement savings indicated in this report. Mr. Shaver detailed that he would like to see a column that represents meeting the hiring needs and how that affects these savings. Mr. Hill commented that you likely will not see that until the next budget requests are prepared. Mr. Shaver would like to see that now. For example, if the police department wants to hire two officers then to see that reflected on this form would be helpful, previous to the budget request. Mr. Shaver mentioned the Mayor's State of the City address noting the comment that the highest priority is salary increases for the employees. It will give him a better idea if, possibly, one officer could be hired and give an increase to all employees. Mr. Tingey stated that he could do that. The Mayor said that it is a moving target, dependent upon what some of the retirees do, for example new employment or benefits through a spouses job. It will continually change. He agreed that the Administration and Council would consider together what can be done to compensate the employees.

A couple of things to make the Council aware of in preparing the next budget is, one, no finance director has been hired; therefore, there may be some delays in getting the budget to the Council. Second, the City is working on a cost allocation study that was initiated by Ms. Wilson. A group from California is working on that and the time frame for completion is March to April, which may hold up the budgeting process.

Mr. Shaver asked if a Wasatch Compensation Survey is being done. Mayor Snarr said that one has not been initiated; however, it is the way the City has always reviewed where we are in comparison to other cities. Mr. Hill said that HR has no plan to do that survey for this coming fiscal year.

Mr. Nicponcski voiced his observation and he said he may not be interpreting Mr.

Shaver's intentions properly, but he would not want to presume that if there is an overrun from the retirement that employees would be replaced. He would like to see the dollar number and leave what to use it for open for discussion. He does not want to tie that to a number of employees.

Mr. Tingey clarified that the cost allocation study is evaluating the cost of services for IT, attorney, and HR that the enterprise funds pay the General Fund. It has been more than 10 years since that has been evaluated. Mr. Hales asked if this is ongoing. Mayor Snarr said that business license fees and cost allocations have been reviewed, but not to this extent. The goal is to determine what is fair and reasonable. Mr. Tingey said this group is evaluating the methodology behind the numbers and they will have a model that will be in place for several years.

Mr. Hill explained that regarding the budgeting process, typically the Mayor has tried to deliver the budget to the Council by the first few weeks in April. Mr. Nakamura has stated that the Mayor legally has until the first Tuesday in May to deliver the budget. The departments have not been asked to begin putting their budgets together and that takes some time. Additionally, with the delay in getting the cost allocation study, the administration may need the extra two weeks before delivering the budget. The Council will still have all of May and June to work through the budget and get it adopted. Mr. Shaver does not feel it will be a problem.

Mr. Tingey agreed to keep a close eye on the sales tax and revenue projections and to inform the Council of progress. Mayor Snarr said he has seen the numbers from Fashion Place Mall and all were impressed.

Fire Department

Chief Rodriguez

Chief Rodriguez said that his biggest concern in looking at the budget is vehicle maintenance. As vehicles have not been replaced more maintenance is required. The heavy vehicles and apparatus are being repaired by firefighters. Quite a bit of money and energy has been spent getting the reserves up to where they need to be so that is the one concern. He does not touch the budget until absolutely necessary. The uniform allowance is kind of odd. It was only at 21% and it is a fixed cost that goes into the checks, therefore he has no control over that. The overtime is interesting. The three different divisions are administration, suppression and medical/ambulance. If you look at all three overtime accounts, they are actually very good. He has reevaluated how he did things in the past and if the numbers are down, he will pull an ambulance out of service rather than hire people back. If the overtime steadies he may look at bringing people back on the weekends if that is the busy time to keep the ambulance in service. When he shuts down an ambulance the potential of losing revenue exists. When he shuts down an ambulance, whatever agency is the closest to a call backs us up, the Chief said.

Chief Rodriguez asked Mr. Tingey about the fixed garage costs. He said that the only thing he uses the garage for are the staff vehicles. He wondered if that number can be adjusted. Mr. Shaver asked about cell phone expense as this is high in most accounts. Fire is at 66% and he wondered if there is greater use of the cell phone. Chief Rodriguez is using a different system with the paramedics. They can send information to the hospital on a data system. It may need to be adjusted in the next budget year.

Mr. Brass asked if all the firefighters are on the same cell phone service. It would be an advantage if they talk amongst themselves. They are on the same system. There is not a lot of dialog with the phones the City supplies the Chief responded.

Mr. Shaver asked about a previous comment made by the Chief regarding Murray's equipment matching the other agencies. These are the tanks (SCBA) that have been upgraded

under the small equipment line item. That line item is 94% spent.

Mr. Shaver said that the Council members have talked about the need to have emergency personnel are up to date and have everything they need.

The Chief expressed that apparatus are the biggest expense and they are recurring, about every four to five years. He would like to continue the conversation about capital investments with money being put in annually for that. It is always difficult but then he would not have to request so much when apparatus is needed.

Mr. Nicponski asked if the City can have a capital reserve account and not have it affect the 18% maximum. Mr. Brass said that he believes the City can hold capital and carry it over. Mr. Shaver said that it has been discussed with Novak who is preparing the strategic plan and it will be discussed further at the retreat. There are similar issues in other departments.

Mr. Brass said that the Council does not want to cut personal protective equipment. The Chief says that in addition to the apparatus, they have the gear that wears out. It costs about \$1,500 to \$1,700 per set. To replace 60 sets is expensive.

Ambulance billing has gone up, which reflects charges for services. Overall the department is at 50%. Mr. Nicponski commended the Chief for stepping up and taking reductions in force, establishing policy and administering that policy. Service levels are not suffering due to the actions he has taken and it is outstanding, Mr. Nicponski noted.

Public Services

Doug Hill

Mr. Hales asked if the numbers for salary, benefits and overtime is kept by the department head or if it comes from somewhere else. Mr. Hill said that finance provides the regular salary costs and benefits; however, the department controls the overtime. They try to anticipate and budget for that and temporary employees. He noted that in most budgets the regular employees will generally be over budget due to the early retirement payouts.

Roadways – Equipment maintenance costs are escalating throughout his budgets because the staff is driving equipment that should have been replaced several years ago and the expense of maintaining is greatly increasing, Mr. Hill stated. It is a reflection of old vehicles. Some are 20 years old with rusted out floorboards.

Mr. Shaver said that in talking with Novak there have been discussions on the means to replace vehicles as a capital investment rather than annual expenditures in the budget.

Mr. Hill directed the Council's attention to the street light energy. There are two accounts, an internal (MCC) account and Rocky Mountain Power (RMP) that basically takes care of the area east of 900 East. He is not able to explain why those costs are going up and Rocky Mountain Power has told the City that it is strictly the power cost of the street lights in that area. It is 71% spent; however, it is not something that the department can control. Mr. Hill confirmed that the line item will be over budget based on current usage. Mayor Snarr commented that Rocky Mountain had a rate increase approved. Some cities charge for this service but Murray has not taken that position.

Class C Roads – Mr. Hill pointed out the sealer, mulch, concrete and road base line items. These are the funds left for road projects this year and are pretty much committed. The mulch, concrete and road base will be used for an overlay on 5900 South and Vine Street between about 700 East and 1300 East. Due to a water line issue the department was not able to complete this before the snow came in the fall. The sealer is committed to do some neighborhood streets and the staff is evaluating which neighborhoods to do now. The money will be spent in the spring.

Mr. Stam asked about the rejuvenator that the City has used. Mr. Hill said that they like it. Although, it seems to have worked better on Potomac than it did on Green Oaks. The quality of the road on Green Oaks has improved. It is very inexpensive and for a road that is in good shape with only some drying asphalt, it is a way to keep the road in good shape.

Mr. Brass said that he received some interesting phone calls in his district. With the slurry seals that were done, people think they are getting their roads repaved. It looks like that. The psychological effect is actually very good. Mayor Snarr said the key is to prevent alligatoring, which with freeze and thaw scenarios the road is blown apart. It is one dollar to do good road maintenance versus ten dollars to do a total rebuild. Mr. Hill advised that you cannot do it on roads that are too far gone.

Mr. Nicponski asked how long the life extension is due to sealer. Mr. Hill expressed that you can get an additional ten years.

The line item for Cottonwood and Winchester intersection shows nothing spent on it. That is an agreement entered into with Utah Transit Authority (UTA) about three years ago when they were constructing the station for the Mid-Jordan line. The road had to be realigned along 300 West at the intersection. It is completed and our agreement was that they would pay for it up front and Murray would reimburse them when the funds became available. This year \$350,000 was budgeted not knowing what the total reimbursement would be and we are working with them to pay it, Mr. Hill stated. We also have to pay interest on the funds and are getting closer to finalizing it, however, it is anticipated that the payment will be greater than \$350,000. He indicated a need to put it into the next fiscal year budget or if the payment needs to be made before the end of this fiscal year, then it would likely require a budget opening.

Mr. Brass asked if Winchester is a Murray street or the state's. Mr. Hill stated that it is all Murray's.

Mr. Shaver questioned the time frame. Mr. Hill detailed that it started about two and a half years earlier. They had to buy right of way, buy land, build the road and install the traffic signal. To our benefit the interest was tied to the public treasurer's fund, which is about half a percent. It could be \$100,000 in interest.

Main and Big Cottonwood is a project going out to bid next week. This is the bridge on Main Street over Big Cottonwood Creek. It is a shared project between Murray and Salt Lake County because half of the bridge is in the County and half in Murray. We anticipated Murray's cost at about \$77,000; however, Utah Department of Transportation (UDOT) lost some money and had to use a different source of funds from the federal government requiring a higher match from the City, and some design and building costs increased because of a major sewer line to be moved. The engineer's estimate is about \$300,000 that Murray City will split with Salt Lake County. This is a lot more than the \$77,000 budgeted. The City will bid it and see what the costs come in at. Typically, a deposit is required before construction begins; therefore, it may require a budget opening in this fiscal year to come up with the matching funds to build that project. Murray is taking the lead on this project.

There is a huge unbudgeted expense under Reimbursement Cottonwood/ Winchester for \$2,117,000, Mr. Hill pointed out. This was a three day in/out account and what does not show up here is the matching revenue account. We had to issue a check to UDOT and about three days later UDOT issued a check back to the City for the same amount. Ms. Moore stated that there is a line item in the General Fund for that particular amount. Mr. Shaver recommended that the explanation be included on this line item for the Council's tracking purposes. Mr. Hill added that as a result of that transaction, the total shows that the public works

budget is 91% spent, which does not take that transaction into consideration.

Engineering – In the Engineering budget the overtime is 132% spent. Mr. Hill discussed this with the Mayor and it was decided that the overtime costs needed to continue to be paid. There is an extraordinary amount of work going on by other agencies in the City's public right-of-ways that require Murray to have people out inspecting, making sure water lines are done correctly, that sidewalks are replaced and that landscaping is done properly. If we do not have a person out there inspecting it could become a problem that Murray inherits in the future. Much of this work is done on weekends and after hours because it is being done by the private sector or other utilities. He anticipates being significantly over budget this spring depending on the amount of work being done.

Mr. Nicponski asked how many people were doing this work before the reduction in force. Mr. Hill said that one person was lost in engineering going from two inspectors to one. Still the afterhours work is primarily the issue. Mayor Snarr stated that it is critical to be there. He noted that on Peak Circle and Revere Jordan Valley Water installed the lines too quickly and they all sunk a couple of inches. They were called to come back and repave it; however, if Murray had gone in to do a grind and overlay it would not have been a good job because there was additional sinking where the trenches were laid.

Mr. Shaver asked about the shop and garage and the utilities that have varied so greatly from the budgeted expense. Mr. Hill said that it is difficult to track utility costs from year to year because they are so different each year. Those bills come into finance and they are not certain how they are tracked into the department. In working with the Finance Director this last year they tried to project some historical usage. With better historical information, they can get closer to actual costs. They are always a year behind in reacting. Mr. Hill said that Ms. Wilson changed the way the utilities were paid by sending them out to the departments before automatically paying them. The departments are more aware of utility costs and they may consolidate some meters for cost savings.

Parks and Recreation – Under City Parks' improvements there is \$100,000 which was allocated to make the pavilion repairs on the beam replacements. The project has started and as the contractor removed the roofs to get to the beams, there was significant damage to other beams and to the structure the roof attaches to. He stated that it makes sense to have that repaired also while they torn apart. He has talked with the Mayor and has authorized Mr. Sorenson to have the contractor repair as much as possible; although, they will not repair one of the pavilions. Fixing the underlay for the roof structure puts the expense at about \$110,000 and he will try to absorb that elsewhere in the budget. He said that in his opinion, this is a real band aid approach to repairing the pavilions.

Mr. Hales said that the condition of the pavilions is horrible. The ones that will not be repaired are horrendous. Mr. Shaver asked what the cost would be to repair them right.

Mr. Hill said that in his opinion the pavilions need to be replaced. A bid was done and the City was ready to start that project in 2008 before the economy fell apart. The bids were about \$800,000 for four pavilions. The design and drawings are done and paid for. What is being done now, will get the City by for a couple of years. But if the Council thinks these will last five to ten years, they are wrong. In two years we will be back in this same situation. We are committed to the \$100,000 repair now; however, he would not like us to continue spending \$100,000 every two years.

Mr. Brass said that it would be prudent to rebid it and then put it on the list as a priority on capital expenditures. Mr. Hill can have an engineers estimate done based on the drawings we have. He guesses it will still be in the \$800,000 to \$1 million range. Mr. Shaver commented that one could be rebuilt while three are patched. The following year another could be rebuilt and two patched and so on until all have been rebuilt. That would make it part of the capital

improvement program (CIP) with an end result planned.

Mr. Hales asked what is meant by using the CIP. It was explained that they would be fully rebuilt over a period of about six years.

Mr. Brass asked what the risk is by not repairing all the pavilions now. Mr. Hill said that the worst ones will be repaired and the others will be okay. Pavilion 4 will not be repaired. They will fix the safety part and put on a roof that will not leak. It is just not a long term fix. He confirmed that the ones that are not being repaired will withstand a windstorm as was experienced by Bountiful this past year.

The Mayor is very concerned about deterioration where we are not able to see it. Mr. Brass stated that Logan has a tester that one can drill into the beams to see the condition. Mayor Snarr mentioned some trees that turned out to be hollow inside and he ordered them removed because they were unsafe.

Park Center – The budget for maintenance of buildings under the Park Center is already 90% spent. There are two major problems that must be addressed, almost immediately. First is a leaky roof; water was all over the gym floor. A dozen buckets were all over the gym and a girl slipped and fell and hurt herself. Before long the claims will exceed the cost of repair. Three bid estimates have been received and they are all around \$40,000. The Park Center roof is ten years old and it is time to do something with it. A budget opening will need to occur to fix the roof. The other issue involves the stairs up to the water slide in the building, which are rusted through. Bids are being obtained to repair or replace it. He advised that it could probably wait until the next budget year to come up with a good number, but it is imminent. Now they have duct tape on the railing to hold it together; however, it is safe and has been certified by a structural engineer as well as by Glen Sidwell. The duct tape is just to keep people from cutting themselves.

Mr. Shaver asked if when this was built an estimate of life was given due to the water and chlorine atmosphere. Yes it was, Mr. Hill replied. Mr. Shaver stated that when the CIP is developed these things can be anticipated for replacement at a specific time. Mr. Hill would like to do that for all the City buildings because HVAC systems and roofs only last so long and it would be nice to have those items on a CIP plan.

Mr. Stam asked if the stairs are stainless steel. Mr. Hill said they are not stainless but are coated with a rust proof material; they are rusting from inside out. Mr. Stam stated that the only way to protect it would be to dip it. Mr. Stam mentioned a company that makes those of fiberglass, which is a little more expensive initially, however, it lasts much longer with no maintenance.

Mr. Hill's only other concern is how the City will deal with the revenue, expenses and capital projects of the golf course.

Mr. Nicponski stated that it would be nice to have a list identifying the costs of all the repair and replacement projects.

Following a ten minute break the meeting continued.

Attorney's Office

Frank Nakamura

Mr. Nakamura introduced Briant Farnsworth who works with the claims and helps with the budget, and Tammy Paynter who is working on the budget, as well, and is relatively new with the attorney's office.

Mr. Nakamura mentioned that his memo addressed all items that were significantly over or under the 50% mark; therefore, he was open to questions from the Council.

Mr. Shaver asked about the need for a new copier and pointed out \$2,500 budgeted in the small equipment line item. Mr. Nakamura stated that he is waiting to see if his copier can be repaired; however, the copier in the prosecutor's office is an older one from another department that replaced one. He feels that it is becoming less cost effective as the maintenance is exceeding the cost of a new one. He also has a need for a fax machine and scanner. Mr. Brass pointed out that it becomes a productivity issue too. Mr. Shaver noted that the Council is also concerned with money that has not been spent and the reasons behind it. If money is budgeted, he would like the departments to take full advantage of it. Mr. Nakamura is trying to stay up with the technology and the way business is being done. Most places want documents that are scanned; they can be signed and scanned and deemed official documents. He admitted that he relies on Briant and Tammy for technology expertise. The copy/scanner is really needed.

Mr. Shaver asked Mr. Nakamura to talk about the Risk Fund and explain what is being done because many feel this is something that needs to be resolved. Mr. Nakamura commented that the City carries liability insurance for claims above \$250,000, which is our deductible amount. We are covered for certain kinds of claims, not all. We can be considered self insured for up to \$250,000; however, that is really not considered being self-insured. For certain tort claims the City does have some immunity and caps. The insurance carrier has never had to pay. You can get it in your mind that maybe the money we are paying in premiums could be put into a risk fund that builds up. Mr. Hales asked if would make some interest if we kept it. Mr. Nakamura said that we would make interest and he would hope to invest it. There are only certain investments, very conservative, that can be made as a City. If Murray were totally self insured, it would also have control over coverage. With an insurance company you never know whether they are going to cover you or not because there are exceptions. All these issues come into play. It takes only one case to be catastrophic to the City. This makes him nervous about moving into such a program. The cost of litigation and how a jury rules are such unknown factors. He is going back and forth on this matter, and working with the insurance advisor, he feels there are some things that need to be cleared up, such as gaps in coverage. Some cases are not covered; those are the land use cases. There is no available coverage for this. Again, here a risk fund would be helpful and should be talked about. There is better accounting, the expenses can be related to claims and will be easier for everyone to see. There may be professional services involved. How far the risk fund goes is the question and he is not in a position to make a recommendation. Insurance advisors have been asked to look at catastrophic coverage to see what is available. Mr. Nakamura thinks the City would need that until a risk fund is built up to several million dollars.

Mr. Shaver asked if we carry catastrophic coverage, while we build our risk fund, can we cease insuring some other areas because of the limited liability, so that some funding can go into the risk fund to build on. Mr. Nakamura said that under Utah law there are certain claims covered by the Utah Governmental Immunity Act that have caps on them. The caps continually have increased over time. We could craft a program taking that into consideration, and then carry \$500,000 per occurrence and \$1 million per event. Some claims could be crafted differently than others. Then there are the claims that are not covered by insurance companies.

Mr. Shaver stated that we could develop a strategy to get us to an end result, just like the CIP. We need to forward think. He quoted from Mr. Nakamura's narrative, "Further, States tends to invoke exceptions to pending cases to avoid having to be responsible for a claim." Mr. Nakamura has informed States that he needs to know up front what is covered; he does not intend to be in the middle of litigation receiving letters making exceptions to claims. They have told Mr. Nakamura that their attorneys are developing a policy stating what they will be responsible for. This is one of the issues; knowing where the gaps are. Mr. Shaver said that if we have equity interest in States then the City should have input into what those are. Mr.

Nakamura said the equity interest is not real. States was formed with the idea that there would be a fund, dividends would be paid and we would pay a premium. We do have a voice and they have been more open to discussing the exceptions and they plan to enact a policy that will clarify what our concerns are. It may be necessary to go through each one of the exceptions to know what they are.

Mr. Shaver would like to formulate a committee or group that would analyze building a risk fund and what the process is to do that. He would like to combine administration, department heads and Council members to look at those who are at risk and discover how to do this.

Mr. Stam asked how much money is put away to cover the \$250,000 deductible. The City has 10 to 20 claims per year and there is \$1.4 million in the risk fund to cover deductibles. Mr. Stam asked if we look at history and maximum payouts are we at the threshold with \$1.4 million, or how much do we need to have. Mr. Shaver said that is why we have an insurance company to create the actuarial tables. Someone else needs to analyze it. Mr. Nakamura said that by looking at the data, the City could come up with a number; although there is a part of him that is scared of the one case that is catastrophic. We can never know what a jury is going to do. Mr. Shaver reiterated the need for a committee to look at it.

Mr. Nakamura pointed out that he has four attorneys and much of his efforts are directed towards the prosecution. There are more than 10,000 cases going through his office.

Human Resources

Mike Terry

Mr. Shaver commented that Mr. Terry was specifically asked to consult with the Council on issues facing it in the budgeting process.

Mr. Terry added that the Human Resource Director wears many hats and his presentation would be to discuss compensation. He has a benefits hat, employment action hat and a recruiting hat.

He proceeded to give an overview of the Murray compensation plan and point out some of the issues currently at hand. The City has 35 grades and each grade has a range with a minimum, midpoint and a maximum. A survey is done to assign a grade to each job. The midpoint is compared to other cities and counties. This is called 100% of average. The minimum is 80% of that and the maximum is always 120% of average. This process was created over ten years ago at a time where an employee could get through this range in from eight to ten years. The City was averaging a 5% raise even for poor performers and one could receive up to an 8% raise. It was quite common for someone to reach the maximum after ten years. Since then, over the last few years there have been no increases and the only way to get up through your range is by a merit increase. An employee is given an evaluation; depending on your score a raise is given, maybe to 83% or then to 87% until one has topped out. That point is called "red lined." Over the last few years, with no raises given, salary compression has occurred. For example, in the police department, officers are hired at minimum. An officer hired four years ago who is still at minimum is paid the same as an officer hired two weeks ago at minimum. There are probably ten officers sitting at the minimum. This causes frustration, especially in a time when all salaries are public and everyone knows what others make. Websites such as the state transparency website and UtahsRight contain all that information. If you go to these sites, make sure that you compare apples to apples. Some agencies enter only salary while others combine the salary and benefits into a total. Click the person's name to determine the salary and benefits separately.

The purpose of a compensation plan is to attract and retain good people. If an entity is

not paying what it should, good people will not be attracted and they will be lost. Once the economy begins to improve, employees will begin to look other places. In addition to the 34 retirees, Murray has had an additional 12 employees resign in the last six months. This is a significant amount for Murray City. We are at 372 full time employees. There was some discussion on this, and Mr. Terry noted that in a regular year about 3% of the employees would leave. This would be about 12 people per year.

A couple of other issues have affected staff. An office administrator study was done to combine all the secretarial type positions (about ten previously) and these have been consolidated down into 4 positions. The grades may have changed and titles changed but no money compensated these adjustments because the City could not afford to.

A midpoint employee should be someone with five years experience, a journey level, who is proficient at their job. A maximum level employee should be someone with ten years experience, an expert in their field, they know what they are doing and have mastered their job. For an office administrator, for example, who has been here 25 years to be sitting toward the bottom of her current range is not paying her fairly, Mr. Terry expressed as a compensation expert.

Mr. Terry said that the City has a policy that a department head can bring in an employee anywhere between minimum and midpoint depending on their experience if they have the money in their budget. They have that leeway. A department head may have a hard time filling a position, for example, for awhile civil engineers were very difficult to find. He is finding that to be the case with the police forensic lab manager. There were only two applicants, making it difficult to find someone good. Department heads bring in their employees at different points and it does create some dissention amongst the employees.

In police and fire there was a time when it was hard to find good officers and firefighters. A policy was created that if a person had five years experience with another city, they were brought in at midpoint. Some existing officers, even after seven or eight years, still were not being paid at midpoint. Now we have this same situation with the long time officers and new hires because there have been no merit increases for several years.

These are some of the issues with our current plan. Mr. Terry explained his proposal, which has been recommended to the Mayor for his consideration. He pointed out his graph on the whiteboard showing that when someone was with the City for five years they should be at midpoint and at maximum by 10 years. Mr. Shaver said that this was based on very specific assumptions, at five years an employee should be at this point based on length of employment.

Mr. Terry said that these days are gone and probably will never be seen again. His proposal has cut that in half. He said that after ten years his hope would be that an employee could be at least in the middle of the range. If they have been employed for 20 years then they should at least be at the top of the range. An expert in their field should be at the top of the range. Same with a ten year employee, they know what they are doing are knowledgeable and understand the position and should be half way up the range.

What this proposal does is to move employees that are below that standard, Mr. Terry remarked. A ten year employee would go to midpoint; a 20 year employee would go to red line and every step in between would move. Looking at the Proposed Salary Adjustment Comparison Mr. Terry prepared, you can see that 224 employees would receive a salary adjustment in their grade range. There are 148 who are okay in their range but would receive a cost of living adjustment (COLA). The adjustment would include the COLA, because the way a COLA works is if you have a range from \$10 to \$20 and you give a 1% COLA, now the range is \$10.10 to \$20.20. If you are moving an employee out to red line then it is already included in the range. The ranges are adjusted when a COLA is given. The employee moves up within the range.

The bottom section of the Proposed Salary Adjustment Comparison shows the costs associated with the increases. If a 2% COLA was given the average COLA for the 148 people would be \$1,100 and the average salary adjustment for the 224 employees would be \$4,700. The total cost of that would be \$1.2 million. The comparison shows the corresponding numbers for the 3%, 4%, and 5% COLA giving a range of choices for the Council discussion and consideration. Mr. Terry thinks this is the fair thing to do and there are many employees who are not where they should be in their range, but the Council can debate whether or not they should be anywhere in their range. To run an effective compensation plan, people need to be moved to where they should be in their range.

Mr. Shaver recognized that the 224 people are going to be at a variety of years and experience within that range. You are adjusting people equal to their time, not equal to their pay.

Mr. Terry confirmed that a ten year employee at 97% of midpoint would move to midpoint (100%). An 85% employee who has been here over 20 years would move clear up to the maximum, due to their time with the City. One assumes that time equals knowledge and value to the City. Mr. Terry said that if we were to hire a fire chief from Unified Fire with the exact knowledge and experience that Mr. Rodriguez has, would I not pay him at the top of our range.

Mr. Stam asked how the Murray grades and ranges compare to other cities. Mr. Terry said that is a big lesson for another day, however, what is done is to look at our midpoint. For example if we look at a meter reader, who is a grade ten with a midpoint of \$16.75. He surveys the other cities, called the Wasatch Compensation Survey, and we compile their salary data. He takes the midpoint from the other cities and averages that out. In the past, Murray set a standard to beat that midpoint by 5%. If the average midpoint for a meter reader is \$17.00, then we would have beat that by 5% and move that person up to a grade 11 with a midpoint of \$17.53. We discontinued that standard but we do want to be average, not below. If we are significantly below the average then we would move that meter reader to a higher grade and the employee would get a salary adjustment as he moves up.

Mr. Nicponski acknowledged from the chart that a 2% COLA with the salary adjustments would cost \$1.2 million. Mr. Terry said a 2% COLA across the board is only a cost of about \$400,000. But with the adjustment for 224 people and COLA for 148 the cost is \$1.2 million. It is a recurring cost, Mr. Nicponski confirmed. It is always recurring with salary adjustments.

Mr. Stam asked when the last Wasatch Compensation Survey was done. Mr. Terry said it had been many years. It takes months to do and is a very labor intensive survey. In the economic climate it would not have made sense to do it because we would not have been able to make any changes had we discovered we were below average.

Mr. Stam indicated that at the last VECC meeting, the cities were asked how many would be looking at making some type of COLA this year. He said that nearly every city is making some sort of adjustment. Mr. Nicponski stated that Sandy is not doing anything near what VECC was considering. The Mayor wants to give something.

Mr. Shaver said that Murray's Office Administrator I may not equate in another city. Mr. Terry pointed out that when the survey is done, they attempt to match positions as honestly as possible. We have positions that other cities do not have. For example, Brent Davidson is over purchasing and is the Deputy City Recorder. That job will not match anywhere, so other ways are found to determine his grade. We have compared him to other jobs in the City and when these jobs move up then Mr. Davidson's job moves up with them.

Mr. Nicponski asked if it has been four years since any salary increase. Mr. Brass said it has been four years since there has been a positive revenue stream. Mr. Terry said that there have been no changes since 2008. So it has been three years.

Mr. Shaver asked if an employee had gotten an education and increased their knowledge, did they not also get a raise. Mr. Terry said that depends on the job they are in. If they are in a police job, education and certifications can move them from a Police Officer II to a Master Police Officer. A maintenance worker can become certified and become an equipment operator. Not every position has that opportunity and these are called Career Ladder opportunities. Most jobs do not fall under the Career Ladder.

Mr. Hales asked if the proposed salary adjustment is competitive with other cities. Mr. Terry said that he does not know and this was his idea to make the salary more equitable. This is a pay for performance plan, meaning that your better employees are going to get better raises dependent upon your evaluation. There is another plan called a step plan. There are so many steps until reaching the top and everyone in this job for two years makes the same amount of pay, no matter how good an employee you are. As a City, we determined that we like the pay for performance method to reward employees that deserve it. Ms. Wells pointed out that his proposal really does not address performance. He confirmed that his proposal nears a step plan in that we want to at least bring people up to the step where they should be. Ms. Wells added before we can start the performance management to move forward. Mr. Brass commented that 20 years does not always equate to 20 years of knowledge. That is why you trust your department heads, Mr. Hales noted.

Mr. Shaver said that the Council is truly considering salary adjustments and as Mr. Terry is the expert, it is desirable to take full advantage of his knowledge and recommendation. How we go about this, is an Administration and Council decision based on the budget, but now we are all on the same page and can have a conversation that makes sense.

Mr. Hales asked if the City uses Performance Pro for evaluations. Mr. Terry explained that Murray was one of the first to use Performance Pro because of Dale Whittle's personal relationship with Jerry Nelson who started it and they are a Murray company located on Winchester. The City has used them for about ten years.

The meeting continued following a short break.

Administrative and Development Services (ADS)

Tim Tingey

Mr. Tingey commented on the remodel that was part of the reorganization, bringing the ADS department together, some other elements related to City Hall and some construction at Public Services. The cost estimate was \$14, 410 and the Council approved \$30,000 with any leftover funds going into general maintenance for City Hall. The remodel is almost complete and just over \$14,000 has been spent. It will come in very close as a couple of final items are yet to be completed. He gave credit to Tom Baker who has done an amazing job.

There have been challenges for the budget process when bringing all these divisions into the new department, understanding staff capacity and other needs for the department. It has been an ongoing process.

Administration – Looking at the line items Mr. Tingey noted that office supplies have been underestimated for the transition of the new department and he acknowledged that it will be greater in the next budget year. There was discussion of the \$200 budget and the Council asked him to move on.

Treasurer - Mr. Tingey pointed out the regular employee's line item that is at 67% and relates to a staffing issue due to the retirement payout. Office supplies are high because

everything was not transferred from finance for the utility billing expenses. Postage increased and we will need to look at additional funding in that area. Under the cell phone category for treasurer we are a little bit high (85%) and that is an issue that has been discussed. We will evaluate that more fully for the whole City; however, the reason the treasurer is high is because a couple of meter readers retired and their cell phone service was cancelled incurring some cancellation fees. That should not occur in the future. Mr. Shaver mentioned that the office phones and cell phones were split out a couple of years earlier and getting a handle on that has been an issue.

Recorder - Mr. Tingey mentioned that the tool allowance is over budget, but will be moved into the maintenance of building and grounds line item. Instead of the City having to buy the tools, Tom Baker utilizes his own tools and the City pays him an allowance, which was set up years ago. Mr. Shaver asked if there is anyone else doing this. Mr. Tingey said no, he did not think so. Mayor Snarr said he uses some of his own tools, others the City does own. Mayor Snarr purchased a set of portable tools, saws and drills that he purchased and gave to Tom. This is a unique situation, no one else uses their own equipment, Mr. Shaver said.

Vehicle maintenance is high with older vehicles. Code codification is higher than budgeted and we really have no control over that. There have been some increases in the modifications. Mr. Shaver asked if this is something that will show up on the historical numbers. Major code changes have been made and we typically do not have to do that. Election services are at 81%, but that is all that will be spent in that line. Mr. Shaver mentioned that the county bills us for that and we have no control over it. He suggested that Mr. Tingey and the Finance Director work together to move that excess into an item where it is needed, like in the code codification. Mr. Tingey says that is how he is looking at his budgets.

Information Technology (IT) - Mr. Tingey stated that the office supplies are over due to a lawsuit requiring the purchase of some back-up tapes. Mr. White explained that it was for mail that had to be sealed and they were put on tape and will go into storage in the mountain for years to come.

Software maintenance is fairly high but some of it is due to timing issues and the department will be in line. Mr. Shaver asked about the data processing equipment that is only 32% spent. Mr. Tingey said that it is time sensitive and will be spent.

Mr. Shaver noted that some of his concerns are what has not been spent. He wants to be sure that the City has the equipment and things it needs.

GIS - There were some adjustments made but there are not a lot of major issues. Many items are time sensitive in IT and GIS.

Building Inspection - There are some maintenance issues with vehicles here, Mr. Tingey stated. Mr. Shaver asked about the fuel expense. Mr. Tingey said they are spending a lot more time on the road doing inspections. There have been issues at the Fireclay area and at Fashion Place Mall.

Community & Economic Development - The Utah Economic Development Corporation is just paid a flat fee once per year so that is 100% spent. There has already been a discussion on weed control and with the budget amendment done this should be fine until July.

Mr. Shaver asked about the software support. Mr. Tingey said that is based on the cost allocation. It is what is transferred for software support from this division. It does fluctuate among the departments. It is just how and when it is allocated per department.

Mr. Tingey focused on the challenges that he has put together. He recognizes there are a lot of priorities from the departments. What he sees as needs includes training and some equipment in GIS.

A big issue in ADS over the next few years will be the technology investments. It will be part of the ongoing maintenance and costs to operate the City. As the IT equipment gets older it becomes more costly to continue the ongoing maintenance. The question will be whether we will invest in additional equipment. The new IT governance committee will look at these things and as we bring forward proposals they will have gone through a process to determine priorities. PC replacement is one of the big things we will look at for next year. Each department has to budget for the replacement of a PC. We want to put that in one area and have IT work towards that. We have a list of the oldest computers and will go through an ongoing process of replacing those.

Mr. Shaver has questions on that particularly as the Council looks at the CIP. If the IT budget includes every computer that the City uses and they manage it hands on then the computer becomes theirs, not the police, fire or recorder office computer. Then an allotment can be budgeted and the IT department maintains it. Is this a correct understanding of what you are recommending, Mr. Shaver asked. Mr. Tingey confirmed that. We have a list of every computer and rather than waiting for them to break down and the department request one, we will have an ongoing process of replacing the oldest ones from year to year. Mr. Shaver asked if IT would bill each department or how that would work. The City will fund it in IT budget so no billing will take place. Mr. Shaver asked if the computer in the court does specific functions for the court and a computer in power does the functions for them. They may be used differently, but it is just a computer. When we talk about vehicles, as the finance director, does the City have vehicles that can work the same way or are they so specific to the department that we don't do it, Mr. Shaver asked. Mr. Tingey said that they have not gone into it to that extent yet. Mr. Stam said that some computers are not just hardware, because some departments are using it for high graphic programs, like GIS, then that computer must be built for a certain function. A secretary using it only for word processing does not need those types of functions. A GIS computer could be redistributed and by running that through IT that can be controlled, Mr. Brass commented.

Mr. Shaver suggested that if the City buys a brand new vehicle and the same garage handles all those cars, will the same principle apply? Not equipment like the fire department uses; this is for cars, police vehicles and pickup trucks that do inspections. Those are vehicles that the same group handles; they maintain them, change the oil and rotate the tires. They are all handled under one roof. Is the future thinking to be that the vehicles to be replaced each year should be done through the garage, like in IT? Then the CIP would indicate a certain number of vehicles to be replaced. It is just an idea.

Mr. Hales asked how it is handled now. Mr. Shaver responded that every department buys their own vehicles now from a single line item for a single year; as opposed to, the City needs to replace 25 vehicles. When a Capital Improvement Project is created the Council can say here is the money to do this CIP which means vehicles. Then the departments would go to the fleet service with their requests, which would be in Public Services. This may be one of the ways we want to look at it.

The other challenge is building maintenance here at City Hall. A couple of big issues include a boiler and HVAC unit.

Related to staff capacity, in most of the department we are doing well. One area of concern is in the utility billing division. We had three people retire in that area. None were replaced and one position was increased by 30 hours. The time is difficult and sometimes they miss their lunch break because it is a constant flow of customers and phone calls. One person will be going on medical leave in the next few weeks, making it even more challenging. We may request in this budget year to look at some capacity, which would be a budget amendment.

Under the current budget there are some unanticipated needs that we can cover within the budget. In IT domain web certificates are due to expire; these need to be renewed every five years. We just became aware of it. He may have to work with the finance director to transfer some funds between line items.

Mr. Nicponski asked where the utility billing is and confirmed that three people retired from that area. He had 12 prior to those retirements.

For the future, technology investments are going to be a big issue in the IT, GIS and Building Divisions. Equipment and vehicle replacement needs in the future will be something to be addressed.

Redevelopment Agency – We have money that comes in each year and we budget dollar amounts in line items. There are times when we know we are not going to spend the line item amounts and if we can roll dollars over then we accumulate money for future larger projects such as property acquisition. There were questions about this rollover from Mr. Brass. It rolls over into a RDA reserve account and must stay within its area, such as the Central Business District or Cherry Street. According to state code it must stay within those areas. Some administrative costs in each can also carry over and the amount was set up when the RDA was established, Mr. Tingey explained. For example, 1992 Cherry Street had a 4% administrative cost. Central Business District had a 4% administrative amount approved by the Taxing Entity Committee.

Future issues are to be able to invest in larger scale projects and meet the needs. We may use the rollover amounts to assist with these bigger projects. Mr. Stam asked if the money can be lumped to purchase property in another area. Mr. Tingey stressed that it cannot be used in a different area. Mr. Stam commented that in an older area, where you are collecting a little bit of money, there may never be an opportunity for use. Mr. Tingey used Vine Street as an example. It was formed in 1992 with some original infrastructure projects that were completed and were never reimbursed because collection just started on this last year. A line item has been built into the budget for planning reimbursement and infrastructure reimbursement. Then we may identify additional projects in that area, maybe more water line upgrades are needed, for example, and the money can be used for that.

Mr. Nicponski asked how much is in the Cherry Street RDA now. Mr. Tingey responded that about \$70,000 per year is being collected. Some small business owners have come into the area and we have been able to help with infrastructure needs.

Finance - Line items that are significantly over 50% of budget have been identified. The outside auditor is a perfect example of a timing issue. Temporary services had a zero budget amount. A person from a temp agency has been working in accounts payable since Tom Steffy left. Mr. Tingey said that when a new finance director is hired that position will be addressed. Mayor Snarr said that they have agreed that the new finance director will be given a chance to become familiar with the overall arrangement in order to hire the right person to help them. (This was in reference to the position previously held by Gabe Johns.)

Mr. Shaver pointed out the group insurance line item that he has seen in several different places. Some have no expenditures and he asked what it does. The health insurance is listed with the salaries and benefits. Ms. Moore said that she suspects it may be funds that need to go into the risk fund; however, she said that she is not sure. Mr. Tingey agreed to look into this item and stated that some of it relates to the properties under non-departmental.

Mr. Shaver asked for some explanation on the service award line item that is \$8,000

over a zero budget. Then under that is employee incentives with nothing spent of a \$20,000 budget. There was some discussion about this and Mr. Tingey will look into it and get the specifics. Mr. Shaver also pointed out the insurance line item of \$81,000 with no expenditures and the retained risk fund holding the \$424,000 that was discussed earlier.

Mr. Brass said that if we look at history and self insure and if the history says we do not need that much, then just looking at the COLA increases that would cover a portion of it. We could begin to give people raises.

One of the things Mr. Tingey thinks the City needs to look at is staff capacity in the finance area. For example, we did not fill the deputy director position and he feels this is a need to be able to perform the best that we can. Mr. Brass asked if accounts payable is in finance. He commented that just the interest alone on a late power bill begins to cover the cost of someone.

Mr. Shaver asked if departments are sharing people. He noted that there used to be someone who worked so much for one department and then some for another. Mr. Tingey said we still do that in City Hall. There is backup occurring from finance into utility billing right now. Mr. Shaver said that sometimes one and a half employees are needed, rather than two. He does not want to stretch someone beyond what they are able to do; however, we do not want someone with not enough work to stay busy. Mr. Tingey said that has been done for a number of years by the payroll person; however, that is a huge job too and we are still very short. Mr. Hales said that if the staffing is as short as some of the department heads indicated, then there is a problem, not just with productivity but also with the quality of work.

Mr. Brass said that a hiring freeze was done along with the retirement incentive with the idea to get the long time employees retired and have the opportunity to hire others at less money. Mayor Snarr said that he is still trying to get a handle on where we need to be with staffing. He would like the new director to determine what he needs. Mr. Shaver commented that if we have a morale issue because there have been no raises and now they cannot take a lunch because there is so much work to do, that does not work.

Mr. Nicponski stated his desire to understand each of the departments and what work absolutely has to be done for the constituents. If you are going to get so many applications per year on average and it takes X number of people to process those, if you cut into that then you have a manpower issue. On the other hand, there may be a department where someone did some meaningful things; however, it is not imperative to replace that person. He feels that the department heads need to make sure the Council understands those differences.

Mayor Snarr said that he feels it is going to be a challenge when all the apartments at Birkhill and Fireclay come on line. Mr. Tingey pointed out that the utility division now does the UIA billings in addition to the other utilities. Mr. Nicponski agreed that is an excellent point. And if response times are suffering due to staffing cuts, then serious consideration is due to solve the problem. Mr. Brass agreed, but noted that in power the department wanted to go from a four man crew to a three man crew and the retirements gave them the ability to do that. A three man crew is safe. Fire has gone to a two man crew and they are doing okay, Mr. Nicponski added.

Mr. Stam commented that with the new department and the work Mr. Tingey has done, reading the mission statement report and the goals he has for the department has done a lot for all the departments. It has done more than just bring them together, the morale issue has been taken care of because the people can see what to look forward to and they are being heard and paid attention to. Mr. Nicponski confirmed that idea, as well.

Police Department

Chief Fondaco

The Chief addressed the challenges that he is facing. The training and overtime is a problem in each account. Ms. Wilson created a revenue account for the overtime

reimbursement in the police department. If you just look at the overtime line item and see that it is 200% overspent, you must know that there is a revenue account that offsets that amount. The problem has been that much of the revenue is electronic and it has not gone into the right account. It may just be going into the General Fund. It is coming in but this is the first year the revenue account was established and he does not have a way to track it. Mr. Shaver would suggest that when the depletion is seen viewing how the income comes back in would be helpful, either as a line item underneath or as an explanation. For example, the training facility is rented out and last year \$18,000 in revenue was received, Mr. Shaver stated. He would like this to pay the overtime in the police first and then put the rest in the General Fund. He is looking at a better way of tracking that.

Records overtime has been addressed several times. The department is currently four months behind in reports. This means October reports are still being typed. It is a problem; the department is down three people in records. Two retired, Linda and Connie, and one was given up during the budget cuts, who was a records person who quit and we agreed to try not to replace that employee. There are five staff people in records, which includes one detective secretary who types those reports. They are 236% spent in overtime; therefore, cuts in that area will have to take place. They are now on 10 hour shifts working five days a week.

Mr. Nicponski asked if they are all day shift personnel. The Chief responded that one person is brought in on Saturday and one person on Sunday. They volunteer to work those days but it is overtime for them. During the lunch hour, the Chief has to pull a records person off typing to cover the front desk.

Mr. Shaver asked about the Chief's comments that some officers are helping with some reports. He wanted to know what the determining factor was there. Chief Fondaco said that he is looking at the ones that are more computer literate. There is a lot to entering the reports, the process is long and some officers are very good typists. A temporary solution might be to have temporary employees come in to get him caught up. The Chief said that his secretary and the two retirees are typing reports from home and he pays them \$8 per report, which is less than they were paid as employees. They log into the database that houses the digital narrative and then Juliette adds the property and other details. They have typed a couple hundred reports in the last couple of weeks, when he started that program. Mr. Stam asked if this method will catch him up.

Ms. Dorsett said that the numbers she provides to the Council comes from the approximately 650 to 800 cases a week. Including the staff, with Connie and Linda, about 550 to 600 are being typed each week. We will always be over and she likes the idea of pulling in a part time person to help resolve this. She wants to provide the information needed. Mr. Shaver said further discussion can take place on this afterward.

Chief Fondaco said that vehicles are the next area of concern. He figures that by waiting until the next budget year to buy vehicles, by the time the state bid comes out and they are ordered, it would be this time next year (2013) before they would start being delivered and there would be between 20 to 25 vehicles with more than 100,000 miles. Previously, we tried to replace between eight and twelve per year. It has been three years since we have replaced any vehicles. The maintenance projection is about \$150,000 over budget. He said he has no place to make that up and will not be able to produce a balanced budget with that overage in one account. It will be a problem. That was additionally cut this year from the Mayor's budget submitted to the Council. He has commented to the officers that he wants them as safe as they can be, so if something breaks he wants it to be fixed. The age and mileage contributes to this. Mr. Nicponski asked the average year for the vehicles. Officer Burnett said that the majority of the fleet is between 2004 and 2006. The last purchase year was 2008. The Chief said that the car per man allows them to extend the life of the vehicles. They put 20,000 to 25,000 miles per

year on the vehicle.

Mr. Shaver said that timing is a concern also, so that information is important as the planning and prioritizing takes place; those are things we need to be aware of. That's the hard part, we will need to know how many vehicles have 70,000 or 80,000 miles or more so that we can begin to plan by mileage and year. We want to make this work for everyone across the board. We may not get back to 10 or 12 per year.

Mr. Nicponski asked how many vehicles the police have. Mr. Burnett handles the fleet so he responded stating that there are 76 officers, code enforcement, victim advocates and five patrol cars and two unmarked cars as spares; therefore it is between 80 to 85. When new cars are ordered, they keep the best of the ones being replaced as the spares for two to three years. Mr. Nicponski asked if leasing had been discussed to keep the officers at the safest capacity. The Chief said that he would be happy to run the numbers on leasing vehicles.

Mr. Shaver commented that the Chief had taken the brunt of cuts and that he cares about his officers and service in the City. He knows that he has taken some heat and the Council appreciates what he has done. Chief Fondaco said that as Chief he worries about response time and everything they do is based on that. You will not see an increase in response time. If we are holding calls the Sergeant is instructed that he needs to free someone up to go to that call. It may be motors, detectives or anyone on duty. The response time is from the time the call is dispatched to the very first officer on the scene. He pressures them to get there just as quick as they can. We are five officers down and citations for the year are up. Officers are instructed to do more with less and the production and output has not changed, in fact it got better. The court will tell you that citation cases are up this year. No raises and no extra help and they are still out there doing a bang-up job.

The Chief pointed out number 2 regarding the video server. All patrol vehicles have a video camera that records any case they want from DUI to traffic stops. Those are put on the server. The server is seven years old and we don't want it to crash and lose that data because it is court information too. The Spillman records server is almost five years old, so we want to look at replacing that. The in-car cameras are \$5,000 each and there is nothing cheaper. The fleet includes 36 patrol cars each with a camera. Now there will be no more Crown Victoria's so the cages or the consoles will not be able to transfer to Chargers or whatever car we go to, Officer Burnett stated.

The police radio system is another concern. You have seen from Council Communications that the department bought microwave equipment for a new site. When the company went out of business they took our money. He lost a grant so it will have to be made up because the money is gone. He met with UCAN, the communications department for the entire valley. Every police and fire agency is on UCAN except for Murray and Salt Lake City police because both agencies have their own. We set up our own radio system: the tower by animal control, etc. and that equipment is 12 to 15 years old so it needs to be revamped and upgraded. He is getting a bid on upgrading equipment and also on selling our equipment to UCAN for a discount on their service to get out of the radio equipment. That way the Council will be able to see both sides. One way or another there will be expenditure in this area. A walkie talkie on our system is \$400 for UCAN it runs \$3,200 and they charge \$27.50 per radio per month. We have about 90 radios for 12 months; it is \$60,000 to \$75,000 per year ongoing forever. When we bought our own system it was just under \$200,000 for the tower and everything and for 12 years we have paid nothing. Mr. Nicponski asked if the Chief has the capital in place. The towers are in place; however, some things need replacing. Once we walk away, to recapitalize in five or six years down the road, we probably could never afford to, Mr. Nicponski commented. The Chief said that if the decision is made to go the UCAN, Murray will be there forever; you could never start it back.

Lastly, related to VECC, on the Board of Operations there were two votes against that

budget and that was the West Valley Fire Chief and the Murray City Police Chief. Those addition packages were way too high, the Chief added. Mr. Nicponski agreed with that and thought the Chief's comments were good. The Chief said that was another account that had been cut in his budget. It is easy to budget for as we know the costs; although, somehow between the Mayor's budget and what was passed, \$8,000 was lost. That account is over by the \$8,000.

Mr. Shaver explained that the Council is also concerned about what has not been spent. He pointed out that for desktop computers \$10,000 is budgeted and only \$999 has been used. The Chief said that he is waiting for IT to give him a list of the oldest computers. He plans to give the new computers to the records people, because they are on them ten hours a day six days a week. A detective may only use it eight hours a day. The newer, faster computers will go to records.

When the IT study is done then he will know what to do, Mr. Shaver added.

Chief Fondaco stated that another \$5,000 was cut from the laptop replacement budget. Police can only get about three years use on the laptops in the police cars. These cost \$1,200 to \$1,500 each. They do not get the rugged ones for \$4,000. He may have to take some of the desktop money to buy laptops; therefore, the reason he is holding off on spending those dollars.

Mr. Shaver asked about the insurance line item with \$62,000 budgeted and nothing spent. The Chief replied that he does not touch that. Mr. Shaver pointed out that would pay for another employee.

Mr. Stam asked about the firearms training which is at 78%. In talking with Mr. Robertson, he understands the building is leased out, but Murray provides the targets that come out of that training budget. He said it would be nice to see the report of how much is received because the cost comes down with that offsetting revenue. The same concept applies to the firearms replacement. With the trade in, the cost comes down substantially. If the Council could see the revenue side and not only the cost, it would make it easier to compare.

Chief Fondaco stated that they do get about \$200 trade in per gun, and it costs about \$200 for the new gun and a holster and light are purchased with the gun. That is just the handgun, not for the rifles or anything else. They try to make it stretch. With the whole package of about \$400, the \$5,000 does not get 25 guns. The officers rotate these weapons every four years. He said that as long as he has done the police budget, he has never had to look at the revenue end, like the training center. The Finance Department sends out a bill and they receive the money. There is revenue from the fingerprints where we charge \$5 per card and the money goes into the General Fund, he does not know how much that is per year. They do a lot of bar cards; the employees have to get a \$15 bar card; however, he does not know how much that revenue comes to.

Mr. Nicponski asked if the officers like the Glocks. The Chief said they are testing the new Glock 45 that actually has fewer problems than the Glock 40. The firepower goes down but the number of rounds is greater, it holds 13.

Murray City Employees Association

Jaclyn Sadler, President

Ms. Sadler mentioned challenges and issues brought to her attention on behalf of the employees, with raises as the top request on employees' minds. She understands after meeting with Mr. Brass and Mr. Shaver that it is on the mind of the Council Members too. It has been a long time since anyone has received either a COLA or merit increase.

A couple of years ago tuition reimbursement was cut in half and the alternative transportation payout was eliminated. These are some small things. Mr. Hales asked what the alternative transportation was. Ms. Sadler said the when employees carpool, ride the bus or other things rather than driving their car, there was a reimbursement after a certain period of time. It does stimulate employees and we would like to bring some of these benefits back to help with morale. Mr. Stam asked how many employees take advantage of the tuition reimbursement. It was cut because it did not affect many people, but she does not know how many. Mr. Terry said he would guess it was around 30 employees and it was cut from \$2,500 per year to \$1,250.

Ms. Sadler thanked the Council for the extra holiday around Christmas and the \$100 bonus.

She said the MCEA is trying to keep the newsletter going and different contests, some of which are only for MCEA members and others for all employees. They do try to represent everybody. Mr. Shaver asked what she meant by represent everybody. He asked if some employees do not participate with the MCEA and what is the reason for that. Ms. Sadler said that the MCEA does represent all employees; however, some do not think the group does anything for them besides plan Christmas and summer parties. The MCEA is trying to help them know that more is done for the benefit of employees than parties, like being involved in the budget meetings and so on.

Mr. Hales asked how many people are on the MCEA committee. Ms. Sadler said that there are ten on the committee and they do not have representation from each department, something she is trying to remedy. Mr. Nicponski asked how many members there are. About 320 employees, Ms. Sadler responded.

Mr. Shaver stated that it would be important for employees to know that the Council Chair has asked Ms. Sadler to report quarterly to the Council like the departments do. He also clarified that the Christmas bonus idea came from the Mayor's office and the Council merely approved the expenditure.

Mr. Hales asked Ms. Sadler how long she has held this position. She said that she was Vice Chair for two terms, four years, and President for one year.

Power

Greg Bellon

Mr. Bellon referred to the memo written by Mr. Haacke that was very informative describing the department fairly accurately. Overall, power is doing well. Metered sales are up and can somewhat be attributed to conservative planning; however, the economy seems to be coming back a little.

Mr. Shaver appreciated the savings and the income power is seeing on a regular basis; it is healthy. Mr. Bellon pointed out that the memo mentioned waiting until midyear review to take on any major expenses unless they were needed. It is important to know that power is progressing financially before doing some of the work. There are some capital projects that they would like to work on and some capital expense needs to come out of this year.

An interesting issue is the desire to sell part of Murray's TransJordan Landfill power to Truckee-Donner because they are looking for "green" power. The latest margin on that sale for one year will be \$171,000 in revenue; although, the better part are the avoided costs. This is a \$63 resource, which Murray will replace with \$30 to \$40 power amounting to \$165,000 in avoided costs. That will amount to a total savings of just over \$1 million for the year. Both the Council and Power Advisory Board were in favor of that transaction.

Overall, the major expense outlays are for power costs. Containing those costs have

been very successful this year. The Colorado River Storage Project (CRSP) has produced better than average flows and generation; however, they have just announced that some of the extra power will be pulled back. This is federal hydro power systems from Glen Canyon, Lake Mead and Flaming Gorge. It is the best resource the City has and in November we took 15,000 MWh. It will go back down to about 12,000 MWh. It comes in at \$24.50 per MWh compared to \$48 to \$60 other resources. Mr. Shaver noted that our costs to customers do not fluctuate so that is where our margin improves. It is important to know that when they do overload us, then some of our scheduled power must be sold at a loss; however, overall it ends up being a good resource. We take the extra power whenever they have it. We have the contracted rate of delivery for transmission that was originally purchased but they can't meet that allotted amount and we have this extra transmission that we can bring power in on a monthly basis. That is another area where we have tried to capitalize.

Council members noted that our own hydro was operational for a very long time and at full capacity through July. It just shut down in December, Mr. Bellon confirmed. The turbines were not running much because the prices on the open market were less expensive than we could generate at.

Mr. Brass commented that for all the enterprise funds, deferring capital projects is a concern for him. One thing he likes best about Murray Power is reliability. He noted that our reliability numbers are practically bomb proof. He would hate to see the capital project deferral become a trend, especially on the back-yard rebuilds.

Mr. Bellon said that there are some areas that need to be addressed and they do not want to put off anything that needs to be done. It is their desire to stay up to date and manage those projects this year that they have the ability and money to complete them.

We were lucky that the high wind problems did not affect Murray and the tree trimming is invaluable in controlling those issues. There was also an early snow storm when the trees were still loaded with leaves.

Mr. Shaver asked about several employee benefit items starting with 053-5344-680.13016 with budgeted numbers and no expenses. Mr. Bellon said that he believes those are all controlled from City Hall. There is one person who has just started taking advantage of the tuition reimbursement program and the others are through City Hall.

Mr. Shaver had concerns about an administration line item numbered 053-5344-684.68-00 with \$500,000 budgeted and no expenditures. There is no explanation for the line item. Mr. Bellon said that is the budgeted amount to go into reserves for the year. He said that it is transferred at the end of the year; however, it could go into reserves on a month to month basis.

Mr. Shaver pointed out another line item numbered 053-5351-645.11-10 with \$10,000 budgeted and another item numbered 053-5351-654.11-10 for \$386,476. He did not understand these items. Mr. Bellon said that one was street lights and the other was for overhead and maintenance. Anytime there is an employee payout it is #11-10. It is an account for someone to charge to as maintenance is done. So if maintenance is done on street lights, for example, it is charged to a particular line item. All the employees' wages are distributed throughout making some overdrawn and others under drawn because sometimes we do more overhead maintenance and no underground maintenance. Mr. Shaver detailed the process stating that there may be an employee with three different abilities; underground maintenance, overhead maintenance and another one. Based on the work that was done, it would take so much time and would be debited from one account or another. It is a pool of so much that is split into a pie according to where we think it will go based on our best guess. Mr. Shaver gave an example of a secretary working for three different businesses owned by the same person. Depending on

how much work she did for each company her pay would be debited to each business accordingly. Their work is allocated by work order according to the project like is done in Public Services and Community and Economic Development, Mr. Tingey explained.

Mr. Bellon said that the bottom line is determined by the number of employees and the total number of hours they work so there is a bottom line number that does not vary but it could be from three or four different accounts. Overtime is more difficult to control when employees are working on an outage or something of that nature.

Mr. Shaver asked about a power line item for chain saw supplies. When they are stolen is insurance carried to cover replacement of tools and copper theft? Mr. Bellon said that there is no insurance for that; it is a cost of doing business. Mr. Shaver said that he is thinking we should create a risk fund for the risks of doing business, it must be made up. If there were a fund for that, then the replacement cost would not have to come from the general budget. Mr. Bellon said that they do have a contingency fund for customer claims. They budget \$20,000 per year not knowing what claims may be filed during the year. He understands that concept.

Mr. Shaver referred to an expense for gas compressor maintenance. Mr. Crutcher said that he could not remember the particular one; however, these are huge gas compressors for the turbines. Five hundred dollars was budgeted as a place holder, it is usually used and sometimes the cost does go over. We do not want to overinflate it and have to pull from one of the other accounts, he said. Mr. Shaver restated the comments to understand that just a little is put aside to be covered for whatever needs to be repaired. Mr. Crutcher added that it has been necessary to rebuild a gear box on one of the turbines this year, which was not specifically budgeted for, but power does have the money to do it. That expenditure will be for \$70,000 to \$80,000.

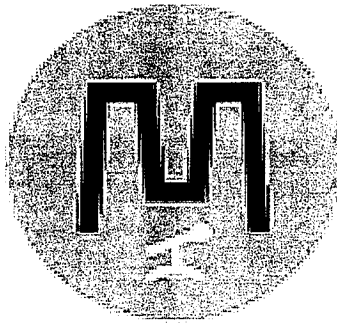
Mr. Stam brought up the subject of having video equipment for security in different locations. Mr. Bellon said there is perimeter on the ground at the Riding Sub Station. It is a beam around the station where people came in and cut the grounds off the transformers. Two cameras will have fiber soon for a better bird's eye view. Central Sub Station has perimeter around it too. There was a wave of thefts that came through for awhile and now he has heard they may be back. Some money has been spent on these and he feels it will help.

Mr. Shaver asked Ms. Wells if she had anything to add. She said that on the finance director position, a couple of interviews took place the previous day and she feels they are getting closer and making progress.

With no further business, Mr. Shaver thanked Mr. Tingey for taking on this responsibility and helping the Council get a handle on what is being done.

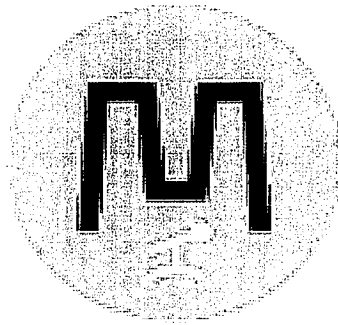
The meeting adjourned at 12:52 p.m.

Janet M. Lopez
Council Office Administrator



MURRAY
CITY COUNCIL

Committee of the Whole



MURRAY
CITY COUNCIL

Discussion Item #1

Murray City Municipal Council Request for Council Action

INSTRUCTIONS: The City Council considers new business items in Council meeting. All new business items for the Council must be submitted to the Council office, Room, 112, no later than 5:00 p.m. on the Wednesday two weeks before the Council meeting in which they are to be considered. This form must accompany all such business items. If you need additional space for any item below, attach additional pages with corresponding number and label.

1. **TITLE:** (Similar wording will be used on the Council meeting agenda)

CDBG Application Process Discussion

2. **MEETING, DATE & ACTION:** (Check all that apply)

☐ Council Meeting OR ☒ Committee of the Whole

☐ Date requested March 6, 2012

☐ Discussion Only

☐ Ordinance (attach copy)

Has the Attorney reviewed the attached copy? ☐

☐ Resolution (attach copy)

Has the Attorney reviewed the attached copy? ☐

☐ Public Hearing (attach copy of legal notice)

Has the Attorney reviewed the attached copy? ☐

☐ Appeal (explain) _____

☐ Other (explain) _____

3. **ATTENDING POLICY:** (This Section is not required until after the City-wide Strategic Plan is completed – toward the end of 2011) (Please explain how request relates to city-wide policy)

4. **FUNDING:** (Explain budget impact of proposal, including amount and source of funds.)

5. **RELATED DOCUMENTS:** (Attach and describe all accompanying exhibits, minutes, maps, plats, etc.)

See attached memo

6. **REQUESTOR:**

Name: Tim Tingey

Title: ADS Director

Presenter: Same

Title: _____

Agency: _____

Phone: 801-264-2680

Date: 2/22/2012

Time: _____

7. **APPROVALS:** (If submitted by City personnel, the following signatures indicate, the proposal has been reviewed and approved by Department Director, all preparatory steps have been completed, and the item is ready for Council action)

Department Director: _____

Date: 2/22/12

Mayor: _____

Date: 2/22/12

8. **COUNCIL STAFF:** (For Council use only)

Number of pages: _____ Received by: _____ Date: _____ Time: _____

Recommendation: _____

9. **NOTES:**

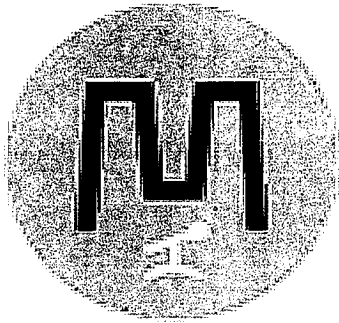


MURRAY CITY CORPORATION
COMMUNITY AND ECONOMIC DEVELOPMENT

B. Tim Tingey, Director
801-270-2420 FAX 801-270-2414

TO: Murray City Council
FROM: *AP* Angela Price, CDBG Coordinator
DATE: February 21, 2012
RE: CDBG Council Briefing

COMED staff will be present at the Committee of the Whole meeting on Tuesday, March 6, 2012 to discuss the upcoming Community Development Block Grant (CDBG) application process. If you have any questions please don't hesitate to contact me at 801-270-2419.



MURRAY
CITY COUNCIL

Discussion Item #2

Murray City Municipal Council

Request for Council Action

INSTRUCTIONS: The City Council considers new business items in Council meeting. All new business items for the Council must be submitted to the Council office, Room, 112, no later than 5:00 p.m. on the Wednesday two weeks before the Council meeting in which they are to be considered. This form must accompany all such business items. If you need additional space for any item below, attach additional pages with corresponding number and label.

1. **TITLE:** (Similar wording will be used on the Council meeting agenda.)

CAPITAL IMPROVEMENT PROGRAM (CIP) POLICY

2. **KEY PERFORMANCE AREA:** (Please explain how request relates to Strategic Plan Key Performance Areas.)

KPA #6 - WELL MAINTAINED, PLANNED AND PROTECTED INFRASTRUCTURE AND ASSETS

3. **MEETING, DATE & ACTION:** (Check all that apply)

☐ Council Meeting OR ☒ Committee of the Whole

☐ Date requested

☒ Discussion Only

☐ Ordinance (attach copy)

Has the Attorney reviewed the attached copy? ☐

☐ Resolution (attach copy)

Has the Attorney reviewed the attached copy? ☐

☐ Public Hearing (attach copy of legal notice)

Has the Attorney reviewed the attached copy? ☐

☐ Appeal (explain) _____

☐ Other (explain) _____

4. **FUNDING:** (Explain budget impact of proposal, including amount and source of funds.)

5. **RELATED DOCUMENTS:** (Attach and describe all accompanying exhibits, minutes, maps, plats, etc.)

PROPOSED CIP POLICY

6. **REQUESTOR:**

Name: Mike Wagstaff

Title: Council Executive Director

Presenter: Justin Zollinger

Title: Finance Director

Agency:

Phone:

Date: February 23, 2012

Time:

7. **APPROVALS:** (If submitted by City personnel, the following signatures indicate, the proposal has been reviewed and approved by Department Director, all preparatory steps have been completed, and the item is ready for Council action)

Department Director:

Date:

Mayor:

Date:

8. **COUNCIL STAFF:** (For Council use only)

Number of pages: _____ Received by: _____ Date: _____ Time: _____

Recommendation: _____

9. **NOTES:**

Murray City

Capital Improvement Program Policy

Introduction

The Capital Improvement Program (CIP) of Murray City is a long-term planning tool for prioritization, financing and technical design, execution and timely completion of all capital projects. Generally, these capital projects will have a significant impact on the City's infrastructure.

The CIP serves as an important growth management tool. Additional benefits include:

- Establishing a system of examining and prioritizing the needs of the City ensures that the most essential capital improvements are provided first;
- Providing a mechanism for coordinating and consolidating all City departmental requests prevents duplication of projects and equipment purchases; and
- Coordinating physical/infrastructure planning with long-range financial planning allows maximum benefits from available funding sources.

The CIP document represents a five-year period, or beyond, of the City's ongoing capital Improvements. Each year, the document is updated to represent the next five-year window. In each annual update, completed projects, as well as projects scheduled to be completed before the end of the fiscal year, will be removed from the document, new projects will be added and other previously programmed projects may be re-prioritized.

CIP planning is a dynamic process that will include changes over time. These changes may be necessitated by organizational changes, funding uncertainties, unforeseen emergencies, project delays or plans by other entities that can derail even the most meticulously planned and analyzed CIP.

The CIP is a planning document to be used as a companion to the City's annual operating budget. Each year, the funding included in the first year of the five-year CIP is allocated and approved by the City Council as part of the annual budget adoption process. In addition to the up-front funding requirements associated with CIP projects, the City's annual operating budget must also absorb the cost of maintaining and operating new facilities or equipment that are built or procured under the City's capital plan.

Definition of Capital Projects

Capital projects are economic activities that lead to the acquisition, construction or extension of the useful life of capital assets. Capital assets include land, facilities, parks, playgrounds and outdoor structures, streets, bridges, pedestrian and bicycle systems, water and sewer infrastructure, technology systems and equipment, traffic control devices and other items of value from which the community derives benefit for a significant number of years.

Capital expenditures and operating expenditures are primarily differentiated by two characteristics: dollar amount of the expenditure and the useful life of the asset acquired, constructed or maintained. Capital expenditures will enhance, acquire or extend the useful life of assets through a variety of activities. Generally, land acquisition, feasibility studies, planning, design, construction, asset rehabilitation, enterprise technology acquisition, planning activities and project implementation are activities associated with capital projects.

1. In general, **capital projects** in the CIP:

- Have a total project cost in excess of \$50,000.
- Range from construction of new infrastructure or buildings to renovations, additions or conversions or demolition of existing facilities.
- Have a minimum useful life of 10 years, significantly extend the useful life of an asset or significantly alter the nature and character of an asset (i.e. not to include annual asset maintenance costs, annual warranty cost or other ongoing costs).

2. The CIP is also the vehicle by which planning for technology capital investments occurs. In general, **technology capital projects** in the CIP:

- Have an estimated cost in excess of \$25,000 and /or require six months or 1,000 hours for implementation or completion.
- Include applications systems, network design and implementation, telecommunications infrastructure, enterprise hardware and software systems, web design and implementation services, document imaging, data base design and development, consulting services (business process studies, requirements analysis or other studies), and technology associated with new construction and/or renovation and relocation projects.
- Have a minimum useful life of three years, significantly extend the useful life of an asset (i.e. not to include annual software and hardware maintenance and upgrade costs, warranty costs or other ongoing costs), provide a significant enhancement to functionality, or represent a change of platform or underlying structure.

3. The CIP can be a vehicle by which planning activities or studies can help direct the future purchases and direction of the City. In general, **planning capital projects** in the CIP:

- Have an estimated cost in excess of \$10,000.
- Be a comprehensive document, long-range in its view, set public policy regarding growth and development, and intended to provide guidance beyond 5 years.

Capital Maintenance Program

The Capital Maintenance program is designed to protect City assets from premature failure and to minimize and eliminate unnecessary risks and loss to the City. An effective Capital Maintenance program

ensures that existing capital assets are maintained in reliable, serviceable condition without requiring capital appropriations that vary significantly from year to year.

Capital Maintenance funds programs that consist of non-expansion projects. Non-expansion projects are those that do not change a footprint of a building, expand a current asset, provide resources for services not already being undertaken or increase the operating budget once complete. For example, street paving is funded to maintain the condition of Murray roads, but it would not fund the construction of new turn lanes or travel lanes.

Another important aspect of a Capital Maintenance program is that projects must significantly extend the life of the asset *and* meet the criteria for a capital project. Repainting individual offices (as a program) may add to the life of an asset, but it would not meet the criteria of a capital project. Painting buildings, on the other hand, would be fundable as a component of a Capital Maintenance project.

Other Definitions

The following definitions apply to terms used throughout the City's CIP.

Capital Assets – Land, infrastructure, buildings, equipment, vehicles and other tangible and intangible assets that have useful lives longer than one year.

Capital Equipment – Equipment such as vehicles, furniture, technical instruments, etc., which have a life expectancy of more than one year and a value of over \$2,500. Equipment with a value of less than \$2,500 is operating equipment.

Capital Expenditure – A direct expenditure that results in or contributes to the acquisition or construction of major capital assets (e.g., lands, roads, buildings). The expenditure may be for new construction, addition, replacement or renovations to buildings that increase their value or major alteration of a capital asset.

Capital Improvement Program – A five-year plan, or beyond, that addresses the construction or acquisition of fixed assets, including buildings, parks, utility systems, sidewalks, etc., and major items of capital equipment and operating expenses related to new facilities.

Capital Project – Any project with an estimated total cost of \$50,000 or more and has a minimum useful life of 10 years, significantly extends the useful life of an asset or significantly alters the nature and character of an asset (i.e. not to include annual asset maintenance costs, annual warranty cost or other ongoing costs). Capital projects include construction, purchase or major renovation of buildings, utility systems, other structures or purchase of land.

Capital Projects Funds – Funds that account for the acquisition and/or construction of major capital facilities or capital improvements.

Fixed Asset – Items the City owns that have a considerable cost and a useful life exceeding two years, such as computers, furniture, equipment and vehicles.

Operating Equipment – Equipment that has a life expectancy of more than one year and a value of less than \$2,500 dollars. Equipment with a value greater than \$2,500 dollars is capital equipment.

Operating Budget Impact Statement – The estimated fiscal impact of capital improvements on the respective fund operating budgets, which is required for all capital projects. Costs are developed for first-year start-up costs as well as an annual operating cost estimate. The impact statement may include an analysis of impact on cost-of-service to determine if any changes to fees and charges should be recommended to the City Council.

"Pay-As-You-Go" Construction – Capital construction funded with current year General Fund revenues as opposed to construction financed through the issuance of bonds. This is a method of paying for capital projects that relies on current tax and grant revenues rather than debt.

Useful Life – The period of time that a fixed asset is able to be used. This can refer to a budgeted period of time for an equipment class or the actual amount of time for a particular item.

Capital Project Prioritization Criteria

All capital projects in the CIP will be approved and prioritized based on the following general criteria. Detailed criteria are used by the CIP Committee during the annual prioritization process.

- The project has been certified by all relevant staff and elected officials as being in accordance with all applicable, established City plans.
- The project will alleviate a service deficiency or replace a deteriorated and/or non-functioning facility.
- Federal or State law requires it to be done.
- Federal or State matching funds are available for the project.
- The project will encourage economic development.
- The project is needed to solve an emergency situation.
- The project will improve the quality of life in the City's neighborhoods.
- The project will contribute to the achievement of the existing City strategic plan, policies, goals, vision, and/or work programs.

Public hearings will be held approving projects included in any CIP.

Capital Financing Options

There are three basic methods available to the City for financing capital improvement: current revenues, fund balance and debt. Debt financing includes general obligation bonds, revenue bonds, certificates of obligation, lease/purchase agreements, and other obligations permitted to be issued or incurred under state law. The City should maintain a balanced mix of financing for funding capital projects, including pay-as-you-go (using current revenues and/or fund balance), grants and debt, without excessive reliance on any one source.

The City-adopted finance policy provides the parameters for the amounts and timing of bond-financed projects to be included in the CIP, ensuring that the CIP is financially sustainable.

CIP Review Committee

The City's capital planning process is overseen by the CIP Review Committee. The CIP Review Committee shall be comprised of the Mayor, Chief-of-Staff, Finance Director, and two members of the City Council. Each member of the CIP Review Committee shall be voting members.

The Committee shall formulate its own rules for selection of a chairman, time, place and manner of calling of meetings and other procedural matters; provided, that they following the Capital Planning Schedule each year.

The number of committee members necessary to constitute a quorum is three. The minimum number of yes votes required to take any action is three.

Capital Planning Schedule

The following table outlines the annual CIP update process.

Suggested Timeframe	Actions
January	<ul style="list-style-type: none">• Committee reviews status of current CIP projects• Committee reviews analysis of current capital financing options• City departments prepare and submit requests for revisions to existing/previously approved CIP projects and any new projects for consideration by Committee• Committee reviews and ranks department requests
February	<ul style="list-style-type: none">• Committee prepares an updated five-year project schedule with financing recommendations
March	<ul style="list-style-type: none">• Committee presents recommended annual CIP update to City Council• City Council reviews CIP• Public hearing is held• City Council approves CIP
April - May	<ul style="list-style-type: none">• Finance Department incorporates upcoming fiscal year's CIP projects into annual operating budget
May - June	<ul style="list-style-type: none">• Upcoming year's CIP projects are reviewed and approved as part of City's annual budget process
July - November	<ul style="list-style-type: none">• Beginning of fiscal year on July 1; monitoring of new and ongoing projects.• City Council receives quarterly reports on active CIP projects

CIP Forms

The CIP Review Committee shall adopt an application that should be completed for each project to be considered for placement on the CIP. Citizen requests should be submitted through their Council representative.

The CIP Review Committee shall adopt a 5-year planning summary that shall include all approved CIP projects. The 5-year planning summary shall be adopted each year by the City Council.

Capital Improvement Plan Application

DRAFT

Project Name	
Project Description, Justification, Location and Useful Life	
Amount of Funding Required	Fiscal Year Required
Funding Sources <i>(Sources may include federal, state and regional authorities, the county, adjacent municipalities, civic organizations and private business. If the source of financing involves special conditions or requirements, they should be indicated.)</i>	
Department/Division	Applicant Name
Project meets the following Key Performance Areas <ul style="list-style-type: none"><input type="checkbox"/> Financially Sustainable<input type="checkbox"/> Responsive and Efficient City Services<input type="checkbox"/> Engaged and Informed Residents<input type="checkbox"/> Safe and Healthy Neighborhoods with Varied Housing Opportunities<input type="checkbox"/> Welcoming and Thriving Business Climate<input type="checkbox"/> Well Maintained, Planned and Protected Infrastructure and Assets<input type="checkbox"/> Vibrant Parks, Recreation, and Cultural Amenities	
Project should be included in the following CIP <ul style="list-style-type: none"><input type="checkbox"/> Capital Project – Major Capital (over \$50,000, useful life 10+ years, non-maintenance)<input type="checkbox"/> Capital Project – Information Technology (over \$25,000, useful life 3+ years, non-maintenance)<input type="checkbox"/> Capital Project – Planning and Studies (over \$10,000)<input type="checkbox"/> Capital Maintenance – Information Technology<input type="checkbox"/> Capital Maintenance – Vehicles & Equipment<input type="checkbox"/> Capital Maintenance – Buildings & Facilities<input type="checkbox"/> Capital Maintenance - Streets	

Capital Improvement Plan Application

DRAFT

Project Evaluation Criteria

1. ☐ Yes ☐ No Is the project required to meet a federal, state or local mandate or contractual obligation?
2. ☐ Yes ☐ No Is the project a subsequent phase of a project already underway?
3. ☐ Yes ☐ No Does the project prevent or correct a sub-standard condition that would cause an infrastructure element or facility to be closed or fail in the next year?
4. ☐ Yes ☐ No Does the project prevent or correct an unacceptable environmental condition?
5. ☐ Yes ☐ No Will the project enhance economic development in the City?
6. ☐ Yes ☐ No Will the project reduce the City's operating expense?
7. ☐ Yes ☐ No Will the reduction in annual operating expense equal the cost of the project in less than five years?
8. ☐ Yes ☐ No Will the project directly increase the tax base of the City?
9. ☐ Yes ☐ No Will the project directly benefit a local neighborhood or a cross-section of City residents?
10. ☐ Yes ☐ No Will the project cost be shared with another government jurisdiction?
11. ☐ Yes ☐ No Is the project consistent with the adopted City plans? If so, what plan(s)?
12. ☐ Yes ☐ No Will the project generate annual revenue to the City?
13. ☐ Yes ☐ No Will the project enhance art, recreation and open space opportunities?
14. ☐ Yes ☐ No Does completion of this project depend on completion of a project not yet approved?
15. ☐ Yes ☐ No Will the project increase the City's operating expense?

Add 2 points for each Yes in questions 1-4. Add 1 point for each Yes in questions 5-13. Subtract 1 point for each Yes in questions 14-15.

TOTAL SCORE:

Adjournment

Council Meeting

6:30 p.m.

Call to Order

Opening Ceremonies:

Pledge of Allegiance

Girl Scout Troop #2267 Flag Ceremony

Contact person: Billie Lucero, 801-573-1115

March 6

March 20

Citizen Comments

Limited to three minutes, unless otherwise approved by the Council.

Public Hearing #1

Murray City Corporation

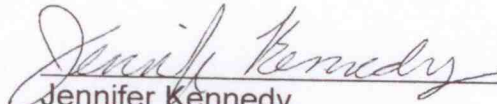
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on the 6th day of March, 2012, at the hour of 6:30 p.m. of said day in the Council Chambers of Murray City Center, 5025 South State Street, Murray, Utah, the Murray City Municipal Council will hold and conduct a Public Hearing on and pertaining to rezoning property located at approximately 5 East 6100 South, Murray, Utah.

The purpose of this public hearing is to receive public comment concerning the rezoning of the property from the R-1-8 (Residential Single-family Low Density) zoning district to the C-D-C (Commercial Development) zoning district.

DATED this 7th day of February, 2012.

MURRAY CITY CORPORATION



Jennifer Kennedy
City Recorder

DATES OF PUBLICATION: February 19, 2012

PH 12-05



ORDINANCE NO. _____

AN ORDINANCE RELATING TO ZONING; AMENDS THE ZONING MAP FOR PROPERTY LOCATED AT APPROXIMATELY 5 EAST 6100 SOUTH, MURRAY CITY, UTAH FROM R-1-8 (SINGLE-FAMILY LOW DENSITY RESIDENTIAL DISTRICT) to C-D-C (COMMERCIAL DEVELOPMENT DISTRICT). (Marcelo Occon.)

BE IT ENACTED BY THE MURRAY CITY MUNICIPAL COUNCIL AS FOLLOWS:

WHEREAS, the owner of the real property located at approximately 5 East 6100 South, Murray, Utah, has requested a proposed amendment to the zoning map to designate the property in a C-D-C zone district; and

WHEREAS, it appearing that said matter has been given full and complete consideration by the Murray City Planning and Zoning Commission; and

WHEREAS, it appearing to be in the best interest of Murray City and the inhabitants thereof that the proposed amendment of the zoning map be approved.

NOW, THEREFORE, BE IT ENACTED:

Section 1. That the Zoning Map and the zone district designation be amended for the following described property located at approximately 5 East 6100 South, Murray, Salt Lake County, Utah from the R-1-8 (Single-Family Low Density Residential) zone district to the C-D-C (Commercial Development) zone district:

Parcel ID No.: 22-18-352-024

BEGINNING NORTH 62 FEET FROM THE SOUTHWEST CORNER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 1 EAST, SALT LAKE MERIDIAN; THENCE EAST 100 FEET; THENCE SOUTH 95.00 FEET; THENCE WEST 100.00 FEET; THENCE NORTH 95.00 FEET TO BEGINNING

Section 2. This Ordinance shall take effect upon the first publication and filing of copy thereof in the office of the City Recorder of Murray City, Utah.

PASSED, APPROVED AND ADOPTED by the Murray City Municipal Council on this day of , 2012.

MURRAY CITY MUNICIPAL COUNCIL

James A. Brass, Chair

ATTEST:

City Recorder

Transmitted to the Office of the Mayor of Murray City on this ____ day of _____, 2012.

MAYOR'S ACTION: Approved

DATED this ____ day of _____, 2012.

Daniel C. Snarr, Mayor

ATTEST:

City Recorder

CERTIFICATE OF PUBLICATION

I hereby certify that this Ordinance was published according to law on the ____ day of _____, 2012.

City Recorder

2. A formal landscaping plan meeting the requirements of Chapter 17.68 of the Murray Municipal Code shall be submitted for approval by the Murray City Forester and be installed as approved prior to occupancy. The applicant will need to provide 10% of the site in landscaping to meet code. The plans will need to be revised to show the street frontage landscaping which shall be a minimum of 10 ft. depth.
3. All trash containers shall be screened as required by Section 17.76.170.
4. Comply with all Water & Sewer and Power Dept. requirements for the project.
5. Provide adequate paved and striped parking to meet the land use ordinance regulations including disabled person parking stalls to meet ADA regulations with signs posted. Designate required customer and employee parking on the site with signs.
6. Repair any damaged sidewalk trip hazards. Upgrade the ADA sidewalk ramp at the corner of Auto Blvd and State Street to meet City standards.

Seconded by Mr. Markham.

Call vote recorded by Chad Wilkinson.

A _____ Karen Daniels
A _____ Phil Markham
A _____ Martin Buchert
A _____ Tim Taylor

Motion passed, 4-0.

MARCELO OCCON – 5 East 6100 South – Project # 12-05

Mr. Taylor started by informing everyone in the room that the Planning Commission is a recommending body to the City Council, so on this particular item they will not be making a decision as to whether or not to rezone this property, but merely a recommendation to the City Council. The City Council will be making the final decision on the rezoning.

Marcelo Ocon was the applicants present to represent this request. Joshua Beach, Murray City Planner, reviewed the location and request. The property addressed 5 East 6100 South is designated for commercial land use in the General Plan. The plan calls for the transition of the single family residential land use in this area to commercial. The proposed zone map amendment would carry out a change that is specifically identified on map 2-4 in the General Plan. The neighborhood is a mixture of single family residences (R-1-8) and commercial uses (C-D-C). The range of uses proposed is consistent with existing land uses in the area. The code requires buffering when commercial zoning abuts residential zoning including construction of a 6 foot buffer wall along with 10 feet of landscaping. These improvements will be required as

new uses are established on the property. There is currently a carport/garage on the site that the applicant has agreed to take down as it is currently illegal. Other concerns related to parking, landscaping and lighting will be addressed at the time of approval of a specific use for the property. There has not been a specific use submitted to the City for approval. Based on the above findings, Staff recommends that the Planning Commission forward a recommendation of approval to the City Council for the requested Murray General Plan Amendment and Zone Change.

Marcelo Occon, 5 East 6100 South is asking for the rezoning because he is currently running a home based business at that location now and is running into problems expanding because the site is currently zoned residential. If the zoning were changed to C-D-C (commercial), then he would be able to expand his business. If the zoning is changed, this will require him to build a 6 foot wall which he is willing to comply with.

Mr. Taylor mentioned that there was an email received by Michelle Upchurch.

The meeting was opened for public comment.

Michelle Upchurch, 6095 South Main Street owns the property that is north of Mr. Occon's property. She has some concerns about the possible change in zoning. If zoning were to be changed, her property would be sandwiched in between two commercial properties. In her email she expressed concerns about the safety of the children in the neighborhood as well as the speed and traffic that will be entering into Mr. Occon's business. She was wondering if it would be possible for Mr. Occon to receive a temporary variance to be granted. Her fear is that he will get the zoning changed and then try to sell the property. There is currently no curb and gutter to his property. Will that be a requirement? She is concerned about the addition of more parking spaces on the property, hazardous substances and the asbestos from the siding of his property. She is very much opposed to the zone change.

Amy Bushman, 6082 South Main Street owns the property directly across the street from Ms. Upchurch. She currently runs a pre-school out of her home, so her concern is the safety of her students by the traffic that will be brought in by a zone change to commercial. She is also concerned about what type of business Mr. Occon will be running out of that location and what it will do to the property values in the neighborhood.

Mr. Occon stated that he is sympathetic to those concerns. He did send a responding email to Ms. Upchurch. The business that they conduct is a homecare business. This is not a facility that will bring patients in, but will be used for training CNA's and caregivers to go in home and take care of the elderly. As far as traffic goes, he anticipates what they have already seen to lessen. He thinks that if the zoning change goes through, Murray City will not grant him more than seven parking spaces due to the square footage of the building. He does own the two properties to the east of the site, but does not have plans at this time to expand. His intention is to keep the building in tack for right now until he can do some research on how to properly dispose of asbestos as not to create a hazard for the neighborhood. However, the carport will be coming down. Hours of operation are from 8:30am-5pm. He does not foresee any increase in traffic. He did mention that there is quite a bit of traffic right

now from the daycare across the street in both the morning and afternoon. He has every intention of making this a safe business for the surrounding community.

Mr. Taylor asked Mr. Wilkinson to come up and talk about the process of a zone change. Mr. Wilkinson explained that there are a series of reviews that have to take place. The size of the property will constrain the use that will be permitted at that site. For instance, even though an area is zoned commercial doesn't mean that a Wal-Mart could go into that site, due to the size of the property. That being said, there are still a variety of uses that could go into that property and that is what needs to be considered. The next level of review depending on the type of use would be a Site Plan which is reviewed by Staff, if it is a permitted use in the zone or possibly a Conditional Use which would require a review and approval by the Planning Commission. Things like; parking, landscaping, buffering walls, if the structure meets code, lighting, etc. However, the job at this point is to consider whether or not this particular property is appropriate for that zoning.

Ms. Daniels asked if the buffer walls would need to go up immediately. Mr. Wilkinson said that if the site continued as a residence it wouldn't be a change of use, just a non-conforming use in the zone. If they were to apply for that business license which sounds like what will happen, that would be a condition of business license approval. Mr. Markham asked what type of wall or barrier would need to be built. Mr. Wilkinson stated that code requires a 6 foot masonry wall and a 10 foot set back from the residential zone. There must also be a landscape buffer in between the structure and the wall. Mr. Wilkinson addressed Ms. Upchurch's request for a temporary variance to be granted to Mr. Occon by saying that Murray City doesn't have a temporary variance in their code.

The meeting was then closed for public comment.

Mr. Taylor wanted to reiterate that the use Mr. Occon is intending to use the property for does not fit within the current zoning designation, therefore the request for change in zone. The Murray City General Plan that was created has this neighborhood planned to become commercial over time. The request from the applicant falls consistent with the General Plan. The Planning Commissions job at this meeting is to determine whether the request is consistent and then consider the uses that could go in there. From there they will give a recommendation to the City Council.

Mr. Buchert made the comment that this is an area of small lots that are slated to change land use over time. This could be done lot by lot or in block lots. Mr. Occon owns three contiguous lots, but is only asking to change the zoning on one of the lots.

Ms. Daniels made a motion for positive recommendation of approval to City Council for a zoning map amendment from R-1-8 to C-D-C for the property addressed 5 East 6100 South. Seconded by Mr. Buchert.

Call vote recorded by Chad Wilkinson.

A _____ Karen Daniels
A _____ Phil Markham

A _____ Martin Buchert
N _____ Tim Taylor

Motion passed, 3-1.

Mr. Wilkinson noted to the public that there will be another opportunity at the City Council hearing for them to give comment.

OTHER BUSINESS – Election of Officers for 2012

Mr. Taylor pointed out that there will be two separate motions, one for Chair and another for Vice-Chair. Jim Harland who is not in attendance has sent an email indicating that if someone wants to nominate him for Chair, he is willing to accept that nomination.

Mr. Buchert nominated Mr. Harland for the position of Chair. Ms. Daniels seconded the motion.

Voice vote taken:

A _____ Karen Daniels
A _____ Phil Markham
A _____ Martin Buchert
A _____ Tim Taylor

Motion passed, 4-0.

Mr. Buchert nominated Ms. Daniels for the position of Vice-Chair. Mr. Markham seconded the motion.

Voice vote taken:

A _____ Karen Daniels
A _____ Phil Markham
A _____ Martin Buchert
A _____ Tim Taylor

Motion passed, 4-0.

A request was made that the new members of the Planning Commission receive minutes from previous meetings.

Meeting adjourned.

Chad Wilkinson, Manager
Community & Economic Development

TO: Murray City Planning Commission

FROM: Murray City Community & Economic Development Staff

DATE OF REPORT: January 13, 2012

DATE OF HEARING: January 19, 2011

PROJECT NAME: Occon Zoning Map Amendment

PROJECT NUMBER: 12-00000005

PROJECT TYPE: Zoning Change Amendment

APPLICANT: Marcelo A. Occon

PROPERTY ADDRESS: 5 E 6100 S

SIDWELL #: 22-18-352-024

ZONE: R-1-8

PROPERTY SIZE: .22 acre

I. REQUEST:

Marcelo Occon is requesting a Zoning Map Amendment from R-1-8 to C-D-C for the property addressed 5 E. 6100 s.

II. BACKGROUND AND ANALYSIS

Site Location/Detail: The subject property has frontage on 6100 south as well as Main Street.

Surrounding Land Use & Zoning

<u>Direction</u>	<u>Land Use</u>	<u>Zoning</u>
North	Single Family Residential	R-1-8
South	Single Family Residential	R-1-8
East	Single Family Residential	R-1-8
West	Single Family Residential	R-1-8

Allowed Land Uses

Existing: The existing R-1-8 zoning allows for single family residential dwellings along with their accessory uses, as well as a number of conditional uses including cemeteries, schools, churches, libraries, parks, etc.

Proposed: The proposed C-D-C zoning allows for a large variety of commercial uses. Typical uses include retail, office, restaurant, etc.

III. PUBLIC INPUT

A public notice was sent to surrounding property owners on January 4, 2012. As of the date of this report, we have received one letter in opposition to the proposed change, which is attached to this report.

IV. GENERAL PLAN ANALYSIS

The purpose of the General Plan is to provide overall goal and policy guidance related to planning issues in the community. The plan provides for flexibility in the implementation of the goals and policies depending on individual situations and characteristics of a particular site. Chapter 2 of the Murray City General Plan identifies the goals and objectives for land use in the community. The plan also identifies future land use as depicted in Map 2-4. The general plan designates the subject properties as commercial which includes a range of commercial uses. The property is surrounded by R-1-8 zoning. The goals and policies of the General Plan call for replacement of existing single-family residential zoning with commercial zoning in this area. Commercial zoning to the north extends from State Street to Main Street. The proposed change would continue this pattern. The proposed zone change to C-D-C is consistent with the goals and policies of the General Plan.

V. FINDINGS

A. Is there need for change in the General Plan and the proposed zoning at the subject location for the neighborhood or community?

The property is designated for commercial land use in the General Plan. The plan calls for the transition of the single family residential land use in this area to commercial. The proposed zone map amendment would carry out a change that is specifically identified on map 2-4 in the General Plan.

B. If approved, how would the range of uses allowed by the Zoning Ordinance blend with surrounding uses?

The neighborhood is a mixture of single family residences (R-1-8) and commercial uses (C-D-C). The range of uses proposed is consistent with existing land uses in the area. The code requires buffering when commercial zoning abuts residential zoning including construction of a six (6) foot buffer wall along with ten (10) feet of landscaping. These improvements will be required as new uses are established on the property. Other concerns related to parking, landscaping and lighting will be addressed at the time of approval of a specific use for the property.

C. What utilities, public services, and facilities are available at the proposed location? What are or will be the probable effects the variety of uses may have on such services?

There have been no comments to reflect a negative impact on the utilities in the area.

VI. CONCLUSION

- i. The General Plan provides for flexibility in implementation and execution of the goals and policies based on individual circumstances.
- ii. The requested change has been carefully considered based on characteristics of the site and surrounding area and policies of the General Plan.
- iii. The proposed C-D-C zoning is consistent with the commercial designation as shown on the Murray General Plan Future Land Use Map.

VII. STAFF RECOMMENDATION

Based on the above findings, staff recommends that the Planning Commission forward a recommendation of approval to the City Council for the requested Murray General Plan Amendment and Zone Change.

Site Information



5 E. 6100 South



MURRAY
COMMUNITY AND
ECONOMIC
DEVELOPMENT

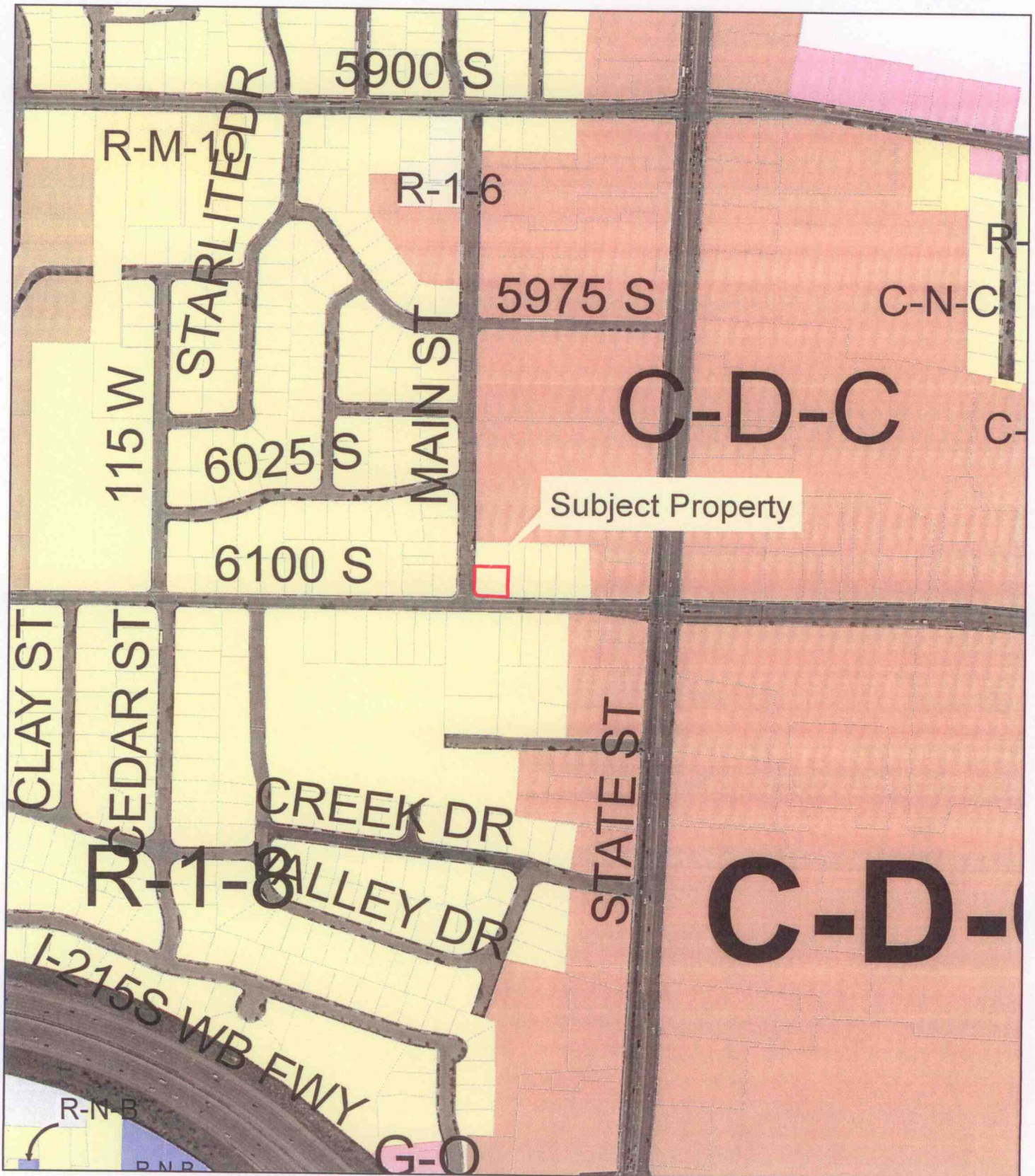




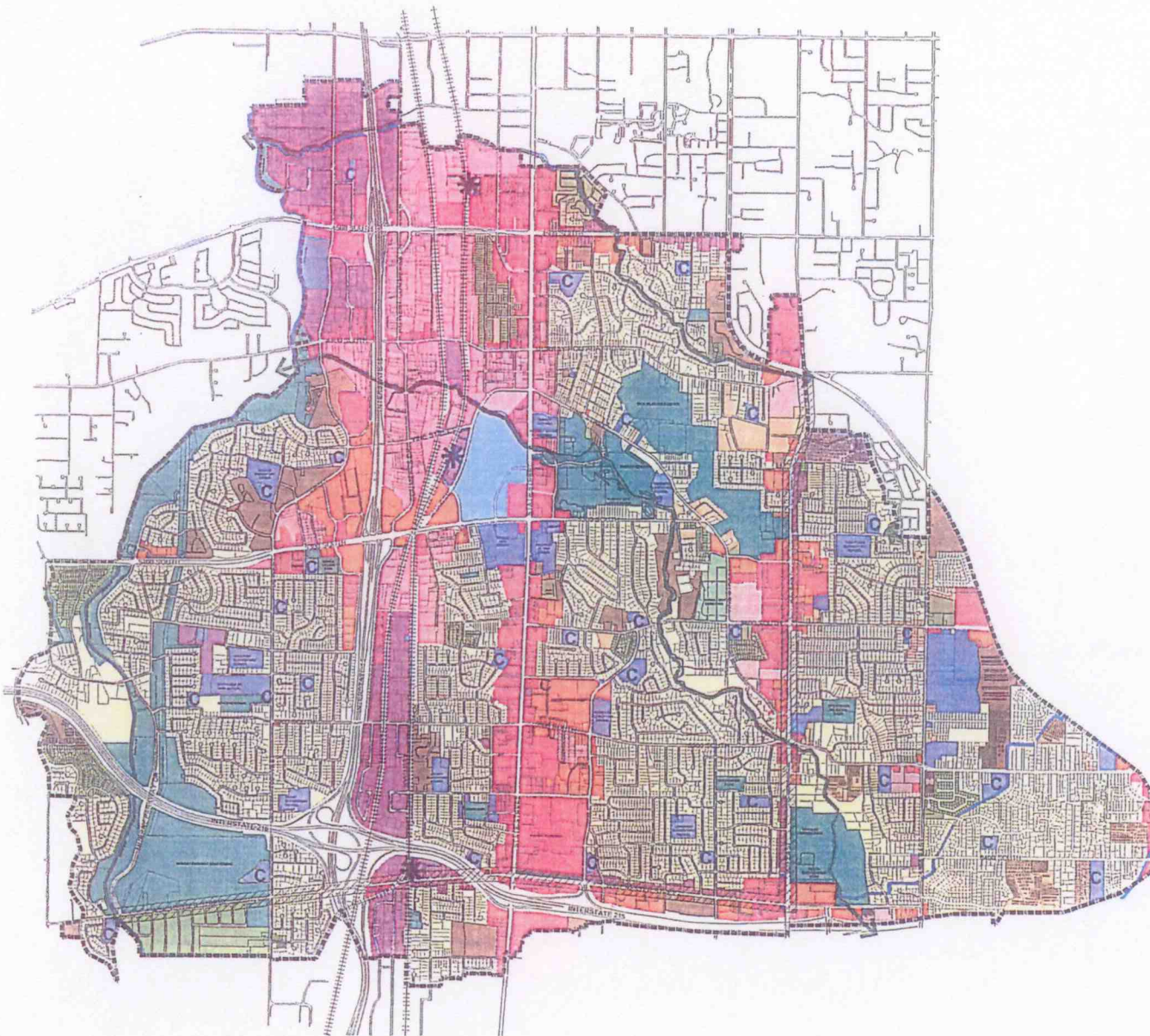
Existing Zoning



MURRAY
COMMUNITY AND
ECONOMIC
DEVELOPMENT



Murray City General Plan Future Land Use



- RESIDENTIAL SINGLE FAMILY LOW DENSITY
- RESIDENTIAL SINGLE FAMILY MEDIUM DENSITY
- RESIDENTIAL MULTI-FAMILY LOW DENSITY
- RESIDENTIAL MULTI-FAMILY MEDIUM DENSITY
- RESIDENTIAL MULTI-FAMILY HIGH DENSITY
- MIXED USE
- RESIDENTIAL BUSINESS
- COMMERCIAL RETAIL
- OFFICE
- INDUSTRIAL
- PUBLIC- QUASI-PUBLIC (CHURCHES, SCHOOLS, GOVT.)
- MEDICAL
- PARKS AND OPEN SPACE
- CEMETERY
- TRANSPORTATION / UTILITY
- WATER PATH
- CHURCH
- SPECIAL PARKWAY DEVELOPMENT AREA (WINCHESTER/900 EAST)
- OPEN SPACE TRAIL CORRIDOR

UTA Trax Station
 Rail Line
 Municipal Boundary

0' 600' 1200' 2400'



Map 2-4
JUNE 2003



LARDNAK DESIGN
 LANDSCAPE ARCHITECTURE
 1000 SOUTH 1000 WEST
 SUITE 1000
 SALT LAKE CITY, UT 84119
 (801) 466-1000



MURRAY CITY CORPORATION
COMMUNITY & ECONOMIC DEVELOPMENT

Daniel C. Snarr, Mayor

Tim Tingey, Director

801-270-2420 FAX 801-270-2414

January 4, 2012

NOTICE OF PUBLIC HEARING

This notice is to inform you of a Planning Commission Hearing scheduled for Thursday, January 19, 2012, at 6:30 p.m., in the Murray City Municipal Council Chambers, 5025 South State Street.

Marcelo Occon is requesting a zoning map amendment from R-1-8 (Residential Single Family) to C-D-C (Commercial Development) located at the property addressed 5 East 6100 South. See the attached plan. This notice is being sent to you since you own property within the near vicinity. Comments at the meeting will be limited to 3 minutes per person per item. A spokesman who has been asked by a group to summarize their concerns will be allowed 5 minutes to speak. Comments which cannot be made within these limits should be submitted in writing to the Community & Economic Development Department at least one day prior to the day of the meeting.

If you have questions or comments concerning this proposal, please call Joshua Beach with the Murray City Community Development Department., at 801-270-2420, or e-mail to jbeach@murray.utah.gov.

SPECIAL ACCOMMODATIONS FOR THE HEARING OR VISUALLY IMPAIRED WILL BE MADE UPON A REQUEST TO THE OFFICE OF THE MURRAY CITY RECORDER (264-2660). WE WOULD APPRECIATE NOTIFICATION TWO WORKING DAYS PRIOR TO THE MEETING. TDD NUMBER IS 801-270-2425 OR CALL RELAY UTAH AT #711.



Application Materials

#1205

ZONING AMENDMENT APPLICATION

Type of Application (check all that apply):

- ☒ Zoning Map Amendment
☐ Text Amendment
☐ Complies with General Plan
☐ Yes ☐ No

Subject Property Address: 5 EAST 6100 SOUTH

Parcel Identification (Sidwell) Number: 22-18-352-024

Parcel Area: 0.22 acres Current Use: Home business / Residential

Existing Zone: R-1-8 Proposed Zone: C-D-C

Applicant Name: MARCELO A. OCCON

Mailing Address: 5 EAST 6100 SOUTH

City, State, ZIP: MURRAY, UT 84107

Daytime Phone #: (435) 649-4919 Fax #: (801) 993-1120

Business Name (If applicable): SURE SYSTEMS / ENLIGHTENED DAYS

Property Owner's Name (If different): MARCELO A. OCCON

Property Owner's Mailing Address: P.O. BOX 57325

City, State, Zip: MURRAY, UT 84325

Daytime Phone #: (435) 649-4919 Fax #: (801) 993-1120

Describe your reasons for a zone change (use additional page if necessary):

AS OF NOW WE HAVE A HOME OCCUP. BUSINESS
OPERATING ON THE LOCATION. WE WOULD LIKE TO
HAVE THE OPPORTUNITY TO EXPAND THE BUS. OPERATION

Authorized Signature: _____ Date: _____

Property Owners Affidavit

I (we) MARCELO A. OCCON, being first duly sworn, depose and say that I (we) am (are) the current owner of the property involved in this application: that I (we) have read the application and attached plans and other exhibits and are familiar with its contents; and that said contents are in all respects true and correct based upon my personal knowledge.

[Signature]
Owner's Signature

Owner's Signature (co-owner if any)

Subscribed and sworn to before me this 29th day of December, 2011.



Notary Public
SHELLEY J. CLUFF
Commission #580845
My Commission Expires
November 12, 2013
State of Utah

[Signature]
Notary Public

Residing in 6060 Fashion Blvd Murray, Utah 84107
My commission expires: November 12, 2013

Agent Authorization

I (we), _____, the owner(s) of the real property located at _____, in Murray City, Utah, do hereby appoint

_____, as my (our) agent to represent me (us) with regard to this application affecting the above described real property, and authorize

_____ to appear on my (our) behalf before any City board or commission considering this application.

Owner's Signature

Owner's Signature (co-owner if any)

On the _____ day of _____, 20____, personally appeared before me

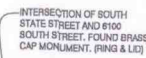
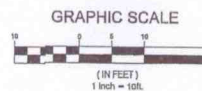
_____ the signer(s) of the above Agent Authorization who duly acknowledge to me that they executed the same.

Notary Public

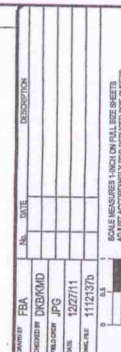
Residing in _____

My commission expires: _____

LOCATED IN THE SOUTH HALF OF SECTION 18,
TOWNSHIP 2 SOUTH, RANGE 1 EAST, AND NORTH HALF OF
SECTION 19, TOWNSHIP 2 SOUTH, RANGE 1 EAST
SALT LAKE BASE AND MERIDIAN



I, DALE K. BENNETT, SALT LAKE CITY, UTAH, DO HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR AND THAT I HOLD LICENSE NO. 103381 AS PRESCRIBED BY THE LAWS OF THE STATE OF UTAH; THAT I HAVE MADE A SURVEY OF THE FOLLOWING DESCRIBED PROPERTY; THAT THIS PLAT CORRECTLY SHOWS THE TRUE DIMENSIONS OF THE BOUNDARIES SURVEYED AND OF THE VISIBLE IMPROVEMENTS AFFECTING THE BOUNDARIES AND THEIR POSITION IN RELATIONSHIP TO SAID BOUNDARIES;



DEED DESCRIPTION
BEGINNING NORTH 82 FEET FROM THE SOUTHWEST CORNER OF SECTION 18, TOWNSHIP 2
SOUTH, RANGE 1 EAST, SALT LAKE MERIDIAN; THENCE EAST 100 FEET; THENCE SOUTH
95.00 FEET; THENCE WEST 100.00 FEET; THENCE NORTH 95.00 FEET TO BEGINNING

SCOPE
BENCHMARK ENGINEERING & LAND SURVEYING, LLC WAS RETAINED BY MARCELO OCCON, ENLIGHTENED DAYS, LLC TO PERFORM A BOUNDARY AND TOPOGRAPHIC SURVEY OF SUBJECT PROPERTY AS SHOWN HEREON.

BASIS OF BEARINGS
THE BASIS OF BEARINGS FOR THIS SURVEY IS NORTH 89°59'37" WEST ALONG THE MONUMENT LINE ON 6100 SOUTH STREET AS SHOWN HEREON.

LIST OF REFERENCED DOCUMENTS
R1) FULL RECONVEYANCE DEED AS ENTRY NO. 11080946 IN BOOK NO. 0681 AT PAGE 4089
FILED AT THE SALT LAKE COUNTY RECORDER'S OFFICE.
R2) SURVEY CONDUCTED BY BUSH AND GUGDEL, INC AS DOCUMENT S85-00-0470 ON FILE
WITH THE SALT LAKE COUNTY SURVEYORS OFFICE

SECTION CHIEF AND LIAISON (NAME)		STREET MONUMENT (FOOD)	
WITNESS MOUL (FOOD)		IRRIGATION BOX	
PROPERTY LINE		STORM DRAIN INLET BOX	
FOUND PL. MARKER (PLAY NOTES)		WATER VALVE	
DEFINITION POINT			
ADJACENT PL. or LOT LINES			
CURB & GUTTER			
EDGE OF EXISTING ASPHALT			
SAVANT SEWER MANHOLE & PIP.		FOR	DATCH BASIN
		FOUND	IF
		AC	ACRES
		PL	PROPERTY LINE
		BAR	BAR AND CAP
		HEAT	SQUARE FOOT
			WATER FLOWING

**BENCHMARK
ENGINEERING &
LAND SURVEYING**
8130 SOUTH STATE STREET SUITE # 100
SANDY, UTAH 84070 (801) 542-7192
www.benchmarkutah.com



ENLIGHTENED DAYS
5 EAST 6100 SOUTH
MURRAY, UTAH

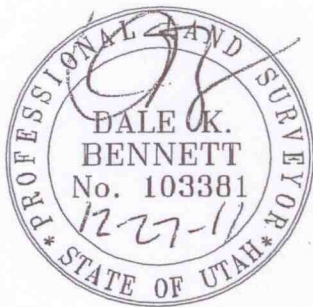
PROJECT NO. 1112137

BOUNDARY
SURVEY

SVB.01
1 OF 1

SURVEYOR'S CERTIFICATE:

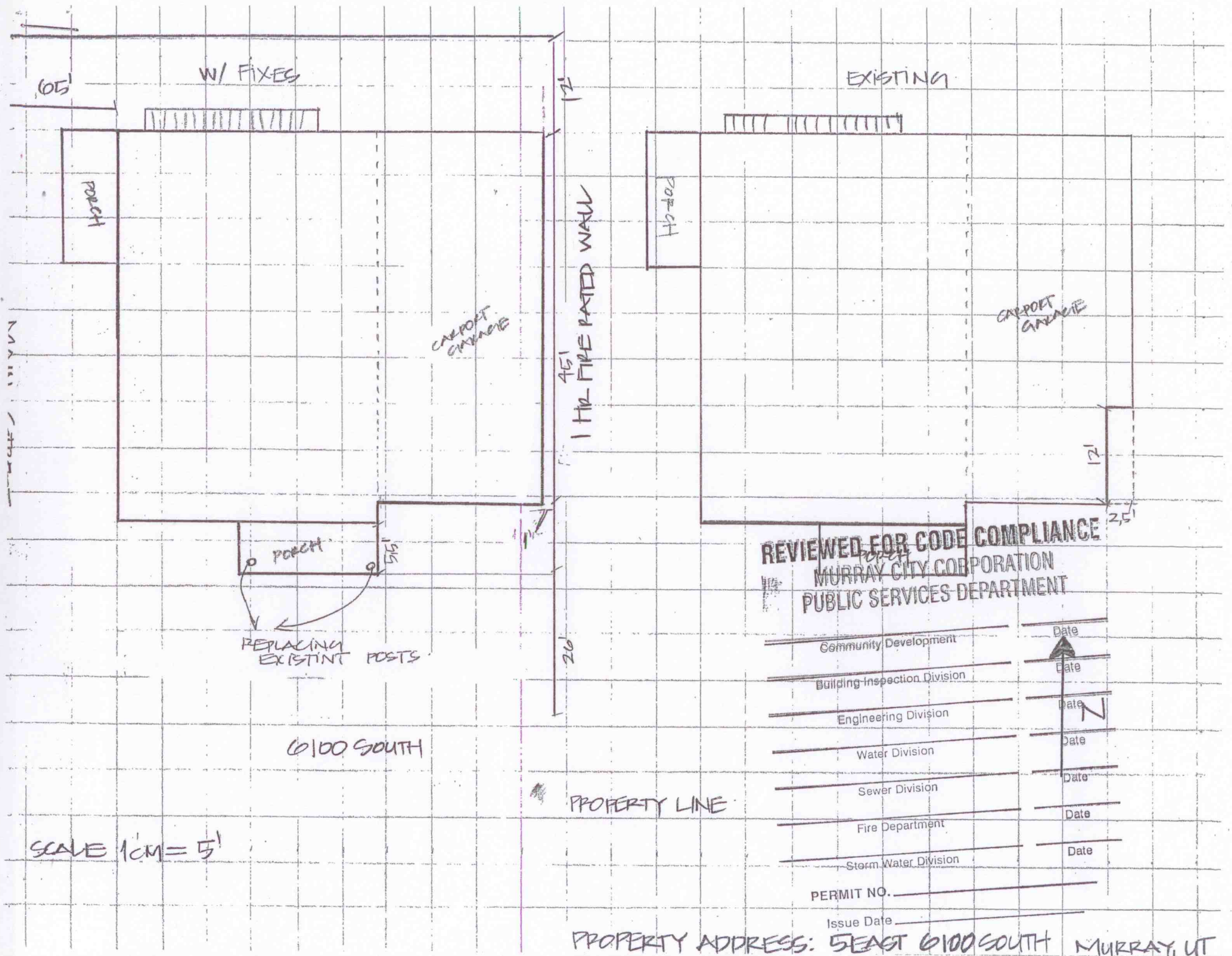
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BOUNDARY DESCRIPTIONS:

DEED DESCRIPTION

BEGINNING NORTH 62 FEET FROM THE SOUTHWEST CORNER OF SECITON 18, TOWNSHIP 2 SOUTH, RANGE 1 EAST, SALT LAKE MERIDIAN; THENCE EAST 100 FEET; THENCE SOUTH 95.00 FEET; THENCE WEST 100.00 FEET; THENCE NORHT 95.00 FEET TO BEGINNING



P/c 1/19/12

Ocean Rezone
SE 6100 So
300' Radius
+ A.E.

DAINES, RAY D &
184 E 3300 S
MURRAY UT 84107

LEWIS, RANDY
15 W 6100 S
MURRAY UT 84107

WILLIAMSEN RAINBOW INC
655 E 400 S # 200
SALT LAKE CITY UT 84102

COX, LINDA J
6052 S MAIN ST
MURRAY UT 84107

LEFEVRE, LESLIE A; ET AL
26 W 6100 S
MURRAY UT 84107

WALKER, CAROL D
56 E 6100 S
MURRAY UT 84107

C.R. RADCLIFFE INVESTMENTS
2400 E WALKER LN
HOLLADAY UT 84117

JB STATE LLC
433 N CAMDEN DR #800
BEVERLY HILLS CA 90210

UPCHURCH, MICHELLE
6095 S MAIN ST
MURRAY UT 84107

BUSH, GLORIA J
27 E 6100 S
MURRAY UT 84107

INLAY, FLOYD B & DIXIE L
19 W 6025 S
MURRAY UT 84107

TARASCO PROPERTIES LLC
506 E SOUTHFORK DR
DRAPER UT 84020

BROTHERS, MARJORIE L &
6082 S MAIN ST
MURRAY UT 84107

HOFFMAN, WILLIAM P &
6032 S MAIN ST
MURRAY UT 84107

RICHARD, LINDA M
33 W 6025 S
MURRAY UT 84107

BROTHERS, EDWARD &
6082 S MAIN ST
MURRAY UT 84107

GONZALEZ, JOSE A
55 E 6100 S
MURRAY UT 84107

OCCON, MARCELO A &
7693 NORTH WHILEAWAY RD
PARK CITY UT 84098

BRIMHALL, LARRY D; ET AL
1787 E FORT UNION # 110A
COTTONWOOD HTS UT 84121

FULTON, JOSEPH A
59 E 6150 S
MURRAY UT 84107

NEBEKER, JACQUELYN
23 E 6100 S
MURRAY UT 84107

BEER, SCOTT &
19 W 6100 S
MURRAY UT 84107

ELSEA, VANICE B
30 W 6100 S
MURRAY UT 84107

MURRAY CITY CORPORATION
5025 S STATE ST
MURRAY UT 84107

ALDERMAN, TERRY L
27 W 6100 S
MURRAY UT 84107

DALTON, DAVID H &
3680 S 2140 E
SALT LAKE CITY UT 84109

MURRAY CITY CORP.
5025 S STATE ST
MURRAY UT 84107

ALDERMAN, TERRY L
21 W 6100 S
MURRAY UT 84107

DAINES, TERRY R &
10853 S PRESCOTT DR
SANDY UT 84092

MORRISON, MARVIN J
25 E 6100 S
MURRAY UT 84107

ZZ PROPERTY MANAGEMENT LLC

6197 S 1250 W
MURRAY UT 84123

P/C AGENDA MAILINGS

"AFFECTED ENTITIES"

Updated 5/16/11

UDOT - REGION 2

ATTN: MARK VELASQUEZ

2010 S 2760 W

SLC UT 84104

UTAH TRANSIT AUTHORITY

ATTN: PLANNING DEPT

PO BOX 30810

SLC UT 84130-0810

TAYLORSVILLE CITY

PLANNING & ZONING DEPT

2600 W TAYLORSVILLE BLVD

TAYLORSVILLE UT 84118

WEST JORDAN CITY

PLANNING DIVISION

8000 S 1700 W

WEST JORDAN UT 84088

CHAMBER OF COMMERCE

ATTN: SCOTT BAKER

5250 S COMMERCE DR #180

MURRAY UT 84107

MURRAY SCHOOL DIST

ATTN: PAT O'HARA

147 E 5065 S

MURRAY UT 84107

MIDVALE CITY

PLANNING DEPT

655 W CENTER ST

MIDVALE UT 84047

SALT LAKE COUNTY

PLANNING DEPT

2001 S STATE ST

SLC UT 84190

GRANITE SCHOOL DIST

ATTN: KIETH BRADSHAW

2500 S STATE ST

SALT LAKE CITY UT 84115

UTAH POWER & LIGHT

ATTN: KIM FELICE

12840 PONY EXPRESS ROAD

DRAPER UT 84020

QUESTAR GAS

ATTN: KIM BLAIR

P O BOX 45360

SLC UT 84145-0360

COTTONWOOD IMPRVMT

ATTN: LONN RASMUSSEN

8620 S HIGHLAND DR

SANDY UT 84093

JORDAN VALLEY WATER

ATTN: LORI FOX

8125 S 1300 W

WEST JORDAN UT 84084

CENTRAL UTAH WATER DIST

355 W UNIVERSITY PARKWAY

OREM UT 84058

HOLLADAY CITY

PLANNING DEPT

4580 S 2300 E

HOLLADAY UT84117

COTTONWOOD HEIGHTS CITY

ATTN: PLANNING & ZONING

1265 E FT UNION BLVD #250

CTNWD HEIGHTS UT 84047

SANDY CITY

PLANNING & ZONING

10000 CENTENNIAL PRKWY

SANDY UT 84070

UTOPIA

Attn: TOM MARRIOTT

2175 S REDWOOD RD

WEST VALLEY CITY UT 84119

UTOPIA

Attn: JARED PANTIER

2175 S REDWOOD RD

WEST VALLEY UT 84119

GENERAL PLAN MAILINGS:

(in addition to above)

UTAH AGRC

STATE OFFICE BLDG #5130

SLC UT 84114

GOVERNORS OFFICE OF PLANNING
& BUDGET

ATTN: RICHARD ELLIS, DIR

STATE CAPITOL, E210

SLC UT 84114-2210

WASATCH FRONT REG CNCL

PLANNING DEPT

295 N JIMMY DOOLITTLE RD

SLC UT 84116



STATE STREET

20 EAST

MOLENER

KING

STARLITE DRIVE

MOON RIDGE DR.

NOVA DR.

MAIN STREET

115 WEST

5965 S.

6020 S

6025

SOUTH

6000 S.

5975 SOUTH

6100

SOUTH

6100

6150 SOUTH

CEDAR STREET

VALLEY DRIVE

CREEK DRIVE

VALLEY DRIVE

CLAY PARK DR.

4770 S. 5600 W.
P.O. BOX 704005
WEST VALLEY CITY, UTAH 84170
FED.TAX I.D.# 87-0217663

The Salt Lake Tribune
WWW.SLTTRIB.COM

MEDIAOne
A NEWSPAPER AGENCY COMPANY
WWW.MEDIAONEUTAH.COM

Deseret News
WWW.DESERETNEWS.COM

PROOF OF PUBLICATION

CUSTOMER'S COPY

CUSTOMER NAME AND ADDRESS	ACCOUNT NUMBER	DATE
MURRAY CITY CORP., BRENT DAVIDSON 5025 SOUTH STATE STREET ROOM 113 MURRAY UT 84107	9001344649	1/9/2012

ACCOUNT NAME	
MURRAY CITY CORP.,	
TELEPHONE	ADORDER# / INVOICE NUMBER
8012642662	0000756611 /
SCHEDULE	
Start 01/08/2012	End 01/08/2012
CUST. REF. NO.	
Legal Notice	
CAPTION	
MURRAY CITY CORPORATION NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN	
SIZE	
29 Lines	1.00 COLUMN
TIMES	RATE
4	
MISC. CHARGES	AD CHARGES
TOTAL COST	
53.72	

Marcel
Ocon
Rezone

MURRAY CITY CORPORATION
NOTICE OF PUBLIC HEARING
NOTICE IS HEREBY GIVEN that on the 19th day of January, 2012, at the hour of 6:30 p.m. of said day in the Council Chambers of Murray City Center, 5025 South State Street, Murray, Utah, the Murray City Planning Commission will hold and conduct a Public Hearing on and pertaining to Zoning Map Amendment from R-1-8 (residential single family) to C-D-C (commercial development) for the property located at 5 E 6100 S, in Murray City, Salt Lake County, State of Utah. The purpose of this public hearing is to receive public comment concerning the above application.
MURRAY CITY CORPORATION
Chad Wilkinson,
Community & Economic Development Manager
756611 UPAXLP

AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY COMPANY, LLC dba MEDIAONE OF UTAH LEGAL BOOKER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF **MURRAY CITY CORPORATION NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that on the 19th day of January, 2012, at the hour of 6:30 p.m. of said day in the Coun** FOR **MURRAY CITY CORP.,** WAS PUBLISHED BY THE NEWSPAPER AGENCY COMPANY, LLC dba MEDIAONE OF UTAH, AGENT FOR THE SALT LAKE TRIBUNE AND DESERET NEWS, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH, AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH. NOTICE IS ALSO POSTED ON UTAHLEGALS.COM ON THE SAME DAY AS THE FIRST NEWSPAPER PUBLICATION DATE AND REMAINS ON UTAHLEGALS.COM INDEFINATELY.

PUBLISHED ON Start 01/08/2012 End 01/08/2012

SIGNATURE

DATE 1/9/2012

VIRGINIA CRAFT
Notary Public, State of Utah
Commission # 581469
My Commission Expires
January 12, 2014

THIS IS NOT A STATEMENT BUT A "PROOF OF PUBLICATION"
PLEASE PAY FROM BILLING STATEMENT



Hello Joshua,

I own the property that is north of Mr Occon's, and I have some serious concerns about his intent to change zoning on his property from single-family to commercial.

- 1) What is the intended commercial use?
- 2) What are the hours of operation?
- 3) What is the anticipated increase in the level of traffic?
- 4) How will parking be addressed?
- 5) How much construction/ what type is anticipated to complete the project?
- 6) What is the start and end date for construction?
- 7) I am concerned about the increase in noise.
- 8) If Mr Occon is granted the zoning change, he could then immediately sell the property to a new commercial owner and they would change the business to a potentially even less desirable business.
- 9) I am concerned about an increase in crime. Since Mr Occon has owned the property (and rented it out) there have been less than desirable individuals inhabiting the property and visiting. Resulting in a burglary of his property on November 24, 2011.
- 10) Since purchasing the property Mr Occon began to make repairs to the property, these repairs have been at a standstill for quite sometime, leaving the property looking "unfinished". I have concerns that Mr Occon will leave the project 1/2 finished and the property will be an eyesore.
- 11) I believe that there will be an increase of people parking in front of my house.
- 12) I have concerns that the increase in traffic will compromise the safety of my child and other children in the neighborhood at play
- 13) I am also concerned that the increase in traffic will negatively affect the safety of the Senior Center and Murray Early Childhood Education Center (this preschool serves small children with disabilities)
- 14) Last and NOT least, I am sure that this change in zoning will result in a decrease of my property value.

I have a right to quiet enjoyment of my property. When I purchased my home five years ago, I purchased a home that my child could grow up in. Somewhere that I could have privacy and enjoy a quiet morning on my back deck or garden. I carefully selected my property within the Murray boundaries, because there is pride in ownership in Murray. I am not willing to allow Mr Occon to change my dream.

I will be at the public hearing on January 19, 2012 so that I can voice my concerns. I would appreciate a response from you if you have the answers to my above questions.

Thank you for your timely response,
Michelle Upchurch
801-647-9521
michelleupchurch@live.com



STATE STREET

STATE STREET

20 EAST

5975 SOUTH

MAIN STREET

KING

MOLNER

STARLITE DRIVE

MOON RIDGE DR.

NOVA DR.

6000 S.

6025

SOUTH

6100

SOUTH

6150 SOUTH

6100

115 WEST

CEDAR STREET

VALLEY DRIVE

CREEK DRIVE

VALLEY DRIVE

CLAY PARK DR.

5965 S.

6020 S

RULES OF THE MURRAY CITY MUNICIPAL COUNCIL
MURRAY CITY CORPORATION

IV. AGENDA

J. Public Hearings. This section will be used for all public hearings. The presiding officer shall conduct the public hearing in the following manner:

1. Introduction. The presiding officer informs those attending of the procedure and order of business for the hearing.
2. Staff presentation. City staff briefly summarizes the request that prompted the public hearing. This presentation shall not exceed five minutes.
3. Sponsor presentation. If desired, the sponsor of the request may also make a presentation. This presentation shall not exceed fifteen minutes.
4. Public Comment. The presiding officer asks for public comment on the matter before the Council. Comments are limited three minutes, unless otherwise approved by a majority vote of Council members, and each speaker shall be allowed to speak only once, unless otherwise approved by a majority of Council members. Speakers are requested to:
 - (a) Complete the appropriate form.
 - (b) Wait to be recognized before speaking.
 - (c) Come to the microphone.
 - (d) Be brief and to the point.
 - (e) Not restate points made by other speakers
 - (f) Address questions through the presiding officer.
 - (g) Confine remarks to the topic, avoiding personalities.

After all citizens who wish to comment have spoken, Council members may ask additional questions of participants before the presiding officer closes the hearing.

5. Sponsor summation/response. Following citizen comment and questions by the Council, the sponsor shall be given the opportunity to give a fifteen minute summation and/or response prior to closing of the public hearing.
6. Closing the hearing. If there is no further public comment, questions by Council members, or final response by the sponsor, the presiding officer declares the hearing closed. The Council shall conclude the public hearing ten minutes in advance of subsequently scheduled public hearing. The Council may, by majority vote, extend a public hearing past the starting time of a subsequent public hearing.
7. Consideration of item. At the close of the public hearing, the Council shall consider the item as a special order

New Business Item #1

Murray City Municipal Council

Request for Council Action

INSTRUCTIONS: The City Council considers new business items in Council meeting. All new business items for the Council must be submitted to the Council office, Room, 112, no later than 5:00 p.m. on the Wednesday two weeks before the Council meeting in which they are to be considered. This form must accompany all such business items. If you need additional space for any item below, attach additional pages with corresponding number and label.

1. TITLE: (Similar wording will be used on the Council meeting agenda)

A RESOLUTION OF THE MUNICIPAL COUNCIL OF MURRAY CITY, UTAH (THE "ISSUER"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$5,200,000 AGGREGATE PRINCIPAL AMOUNT OF WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2012; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED AND THE RUNNING OF A CONTEST PERIOD; AUTHORIZING AND APPROVING THE EXECUTION OF A SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

2. MEETING, DATE & ACTION: (Check all that apply)

☒ Council Meeting OR ☐ Committee of the Whole
☒ Date requested MARCH 6, 2012
☐ Discussion Only
☐ Ordinance (attach copy)
Has the Attorney reviewed the attached copy? ☐
☒ Resolution (attach copy)
Has the Attorney reviewed the attached copy? YES
☐ Public Hearing (attach copy of legal notice)
Has the Attorney reviewed the attached copy? ☐
☐ Appeal (explain) _____
☐ Other (explain) _____

4. FUNDING: (Explain budget impact of proposal, including amount and source of funds.)

ESTIMATED \$530,000 NET PRESENT VALUE SAVINGS TO WATER AND WASTE WATER FUNDS

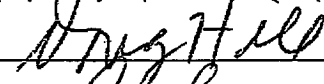
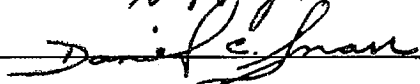
5. RELATED DOCUMENTS: (Attach and describe all accompanying exhibits, minutes, maps, plats, etc.)

MEMO, RESOLUTION

6. REQUESTOR:

Name:	<u>DOUG HILL</u>	Title:	<u>PUBLIC SERVICES DIRECTOR</u>
Presenter:	<u>DUSTIN MATSUMORI</u>	Title:	<u>FINANCIAL ADVISOR</u>
Agency:	<u>PUBLIC SERVICES DIRECTOR</u>	Phone:	<u>801-270-2404</u>
Date:	<u>FEBRUARY 22, 2012</u>	Time:	_____

7. APPROVALS: (If submitted by City personnel, the following signatures indicate, the proposal has been reviewed and approved by Department Director, all preparatory steps have been completed, and the item is ready for Council action)

Department Director:  Date: 2/22/12
Mayor:  Date: 2/22/12

8. COUNCIL STAFF: (For Council use only)

Number of pages: _____ Received by: _____ Date: _____ Time: _____
Recommendation: _____

9. NOTES:



MEMO

To: Mayor Daniel C. Snarr
From: Doug Hill, Public Services Director
Cc: Jan Wells, Chief-of-Staff
Frank Nakamura, City Attorney
Justin Zollinger, Finance Director
Date: February 22, 2012
Subject: Bond Parameters Resolution

Attached is the Bond Resolution establishing the not-to-exceed parameters for issuing the refunding of the Series 2003 water and sewer revenue bonds. I am also including the handout prepared by Dustin Matsumori, Financial Advisor, summarizing the refunding.

I am requesting that this be presented to the City Council at their March 6 meeting for consideration.

RESOLUTION NO. _____

A RESOLUTION OF THE MUNICIPAL COUNCIL OF MURRAY CITY, UTAH (THE "ISSUER"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$5,200,000 AGGREGATE PRINCIPAL AMOUNT OF WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2012; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED AND THE RUNNING OF A CONTEST PERIOD; AUTHORIZING AND APPROVING THE EXECUTION OF A SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the "Act"), the Municipal Council (the "Council") of the Issuer has the authority to issue its Water and Sewer Revenue Refunding Bonds, Series 2012 (or with such other series or title designation as may be determined by the Issuer) (the "Series 2012 Bonds"), payable from the net revenues of its existing water and sewer system (the "System"), to achieve a debt service savings; and

WHEREAS, the Issuer has previously issued certain outstanding water and sewer revenue bonds (the "Refunded Bonds") pursuant to a General Indenture of Trust dated as of October 1, 2003, as heretofore amended and supplemented (the "General Indenture"), by and between the Issuer and Zions First National Bank, as trustee (the "Trustee"),; and

WHEREAS, subject to the limitations set forth herein, the Issuer desires to issue its Series 2012 Bonds to (a) refund all or a portion of the outstanding Refunded Bonds, (b) fund a debt service reserve fund, if necessary, and (c) pay costs of issuance of the Series 2012 Bonds, pursuant to this Resolution and a General Indenture of Trust, as supplemented and amended by a Supplemental Indenture of Trust (the "Supplemental Indenture" and together with the General Indenture, the "Indenture"), by and between the Issuer and the Trustee, in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit A; and

WHEREAS, there has been presented to the Council at this meeting a form of a bond purchase agreement (the "Bond Purchase Agreement") to be entered into between the Issuer and the purchaser selected by the Issuer for the Series 2012 Bonds (the "Purchaser"), in substantially the form attached hereto as Exhibit B; and

WHEREAS, in order to allow the Issuer (with the consultation and approval of the Issuer's Financial Advisor, George K. Baum & Company (the "Financial Advisor")) flexibility in setting the pricing date of the Series 2012 Bonds to optimize debt service savings to the Issuer, the Council desires to grant to [the Mayor or Mayor pro tem (collectively, the "Mayor") and Finance Director of the Issuer (the "Finance Director") of the Issuer] (the "Designed Officers") the authority to select the Trustee, the Purchaser, and approve the final interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2012 Bonds shall be sold, to determine whether the Series 2012 Bonds should be sold, and any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "Parameters");

NOW, THEREFORE, it is hereby resolved by the Municipal Council of Murray City, Utah, as follows:

Section 1. For the purpose of (a) refunding the Refunded Bonds, (b) funding a deposit to a debt service reserve fund, if necessary, and (c) paying costs of issuance, the Issuer hereby authorizes the issuance of the Series 2012 Bonds which shall be designated "Murray City, Utah Water and Sewer Revenue Refunding Bonds, Series 2012" (or with such other series or title designation as may be determined by the Issuer) in the initial aggregate principal amount of not to exceed \$5,200,000. The Series 2012 Bonds shall mature in not more than thirteen (13) years from their date or dates, shall be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, shall bear interest at a maximum net effective rate or rates of not to exceed five percent (5.0%) per annum, as shall be approved by any two of the Designated Officers, all within the Parameters set forth herein. The issuance of the Series 2012 Bonds shall be subject to the final approval of Bond Counsel and to the approval of the City Attorney for the Issuer.

Section 2. The Indenture and the Bond Purchase Agreement, in substantially the forms presented to this meeting and attached hereto as Exhibits A and B respectively, are hereby authorized, approved, and confirmed. The Mayor and the City Recorder are hereby authorized to execute and deliver the Indenture and the Bond Purchase Agreement, in substantially the forms and with substantially the content as the forms presented at this meeting for and on behalf of the Issuer, with final terms as may be established by the Designated Officers, in consultation with the Financial Advisor, within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 3 hereof. The Designated Officers are each hereby authorized to select the Trustee and the Purchaser to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2012 Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution.

Rondi Knowlton

From: Doug Hill
Sent: Wednesday, February 22, 2012 8:56 AM
To: Rondi Knowlton
Cc: Jan Wells; Frank Nakamura; Justin Zollinger
Subject: Bond Resolution
Attachments: PublicWorksOperations@murray.utah.gov_20120222_104244.pdf

Rondi,
Attached is a 'Request for Council Action Form' for the March 6 meeting.

Section 3. The appropriate officials of the Issuer are authorized to make any alterations, changes or additions to the Indenture, the Series 2012 Bonds, the Bond Purchase Agreement, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2012 Bonds (within the Parameters set by this Resolution), to conform to any applicable bond insurance or reserve instrument or to remove the same, to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States.

Section 4. The form, terms, and provisions of the Series 2012 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor or Mayor pro tem and the City Recorder are hereby authorized and directed to execute and seal the Series 2012 Bonds and to deliver said Series 2012 Bonds to the Trustee for authentication. The signatures of the Mayor or Mayor pro tem and the City Recorder may be by facsimile or manual execution.

Section 5. The appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2012 Bonds in accordance with the provisions of the Indenture.

Section 6. Upon their issuance, the Series 2012 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2012 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2012 Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 7. The appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents (including, but not limited to, tax compliance procedures and an escrow deposit agreement) and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 8. After the Series 2012 Bonds are delivered by the Trustee to the Purchaser, and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2012 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 9. In accordance with the provisions of the Act, the City Recorder will cause a "Notice of Bonds to be Issued" to be (i) published one (1) time in The Salt

Lake Tribune, a newspaper of general circulation in the Issuer, (ii) posted on the Utah Public Notice Website (<http://pmn.utah.gov>) and (iii) posted on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, and shall cause a copy of this Resolution and the Indenture to be kept on file in the City Recorder's office in Murray City, Utah, for public examination during the regular business hours of the Council until at least thirty (30) days after the date of publication thereof. The "Notice of Bonds to be Issued" shall be in substantially the following form:

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, that on March 6, 2012, the Municipal Council (the "Council") of Murray City, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Water and Sewer Revenue Refunding Bonds, Series 2012 (or with such other series or title designation as may be determined by the Issuer) (the "Series 2012 Bonds") in the aggregate principal amount of not more than Five Million Two Hundred Thousand Dollars (\$5,200,000), to mature in not more than thirteen (13) years from their date or dates, to be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, and to bear interest at a maximum net effective rate or rates of not to exceed five percent (5.0%) per annum, plus accrued interest to the date of delivery. No deposit is currently contemplated in connection with the sale of the Series 2012 Bonds.

The Series 2012 Bonds will be issued for the purpose of (a) refinancing certain outstanding water and sewer revenue bonds of the Issuer, (b) funding a debt service reserve fund, if necessary, and (c) paying costs of issuance of the Series 2012 Bonds.

The Series 2012 Bonds are to be issued and sold by the Issuer pursuant to a General Indenture of Trust dated as of October 1, 2003, as previously amended and supplemented (the "General Indenture"), the Resolution, including as part of said Resolution, a form of a Supplemental Indenture of Trust (collectively with the General Indenture, the "Indenture"), which were before the Council and attached to the Resolution in substantially final form at the time of adoption of the Resolution.

The Series 2012 Bonds are special limited obligations of the Issuer payable from the net revenues of the Issuer's water and sewer system.

A copy of the Resolution and the Indenture are on file in the office of the City Recorder, 5025 South State Street, Murray City, Utah, where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture (only as it relates to the Series 2012 Bonds), or the Series 2012 Bonds, or any provision made for the security and payment of the Series 2012 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this March 6, 2012

/s/ Jennifer Kennedy
City Recorder

Section 10. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

APPROVED AND ADOPTED this March 6, 2012.

(SEAL)

By: _____
Chair

ATTEST:

By: _____
City Recorder

Murray City Municipal Council

Refunding Opportunity Discussion

Tuesday, February 21, 2012

Dustin J. Matsumori
First Vice President
matsumorid@gkbaum.com
(801) 538-0351



George K. Baum & Company
INVESTMENT BANKERS SINCE 1928

Water & Sewer Debt Profile

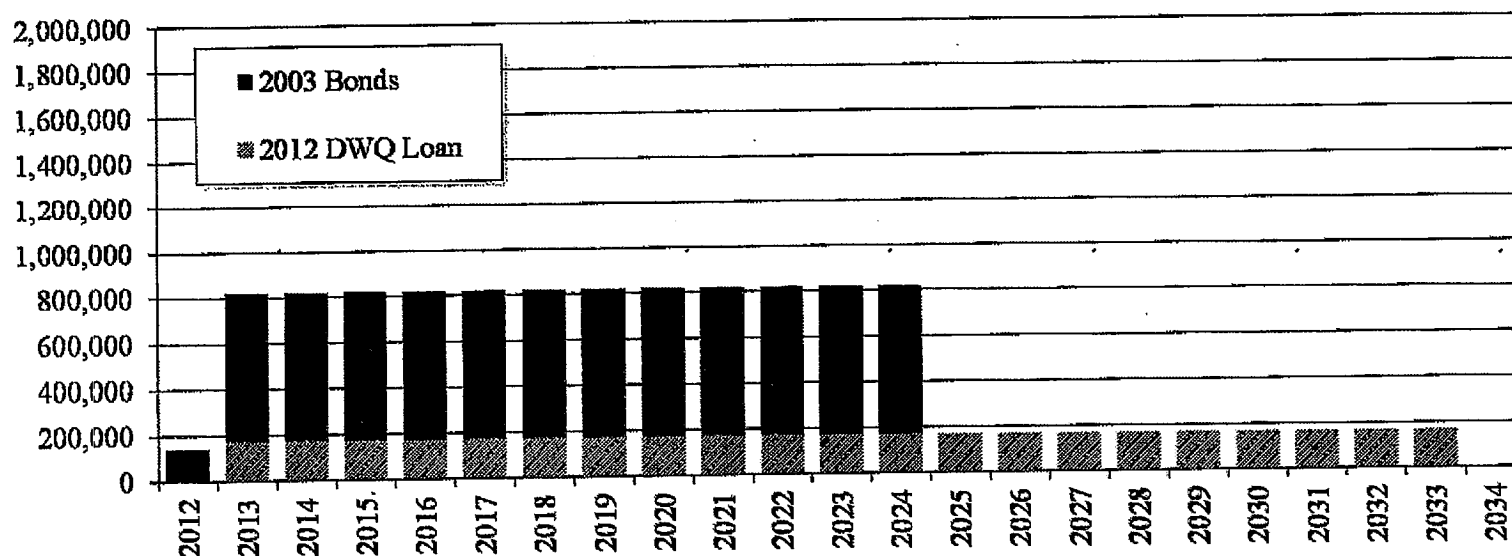
Series 2003. In October 2003 Murray City issued \$8,500,000 in water and sewer revenue bonds to finance "the cost of design, acquisition and construction of (a) fluoridation improvements, a pump station, a reservoir, certain wells and water rights and related additions and improvements to the [City's] water facilities, and (b) a west side sewer line, a lift station and related additions and improvements to the [City's] sewer facilities."

\$5,860,000 of the original Series 2003 Bonds remains outstanding:

- Interest rate: 5.04%
- Annual debt service: ~\$650,000
- Final maturity date: October 1, 2023 (FY 2024)

Series 2012. Additionally, in May 2012 the City will close on a \$2,626,000 low interest loan from the Division of Water Quality, the proceeds of which will be used to replace aging sewer lines and upsize inadequate lines to meet current and future demand.

- Interest rate: 2.50%
- Annual debt service: ~169,000
- Final maturity date: October 1, 2032 (FY 2033)



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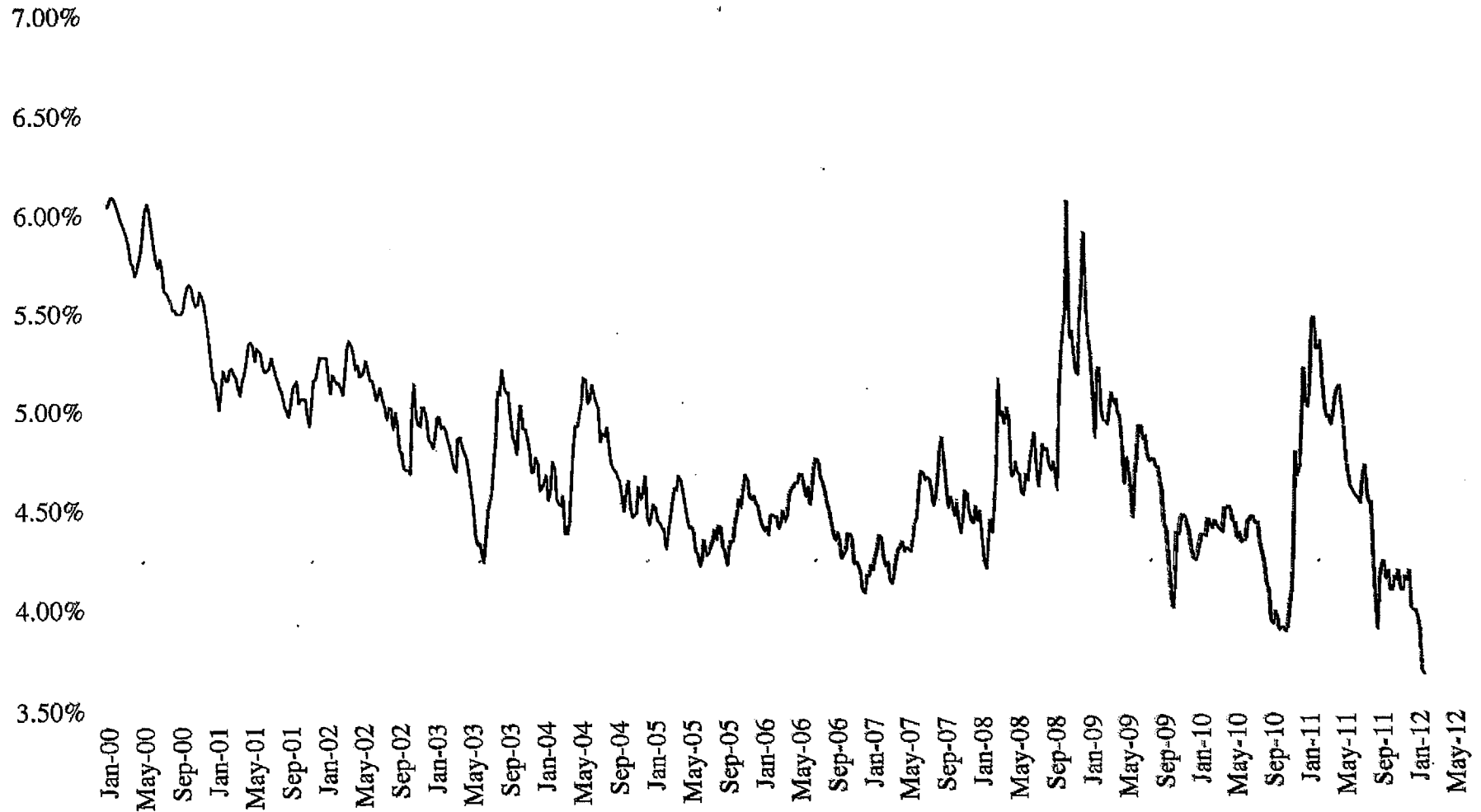
INVESTMENT BANKERS SINCE 1928

Market Update

Bond Buyer Index (BBI)

Historical Perspective

January 1, 2000 - February 16, 2012



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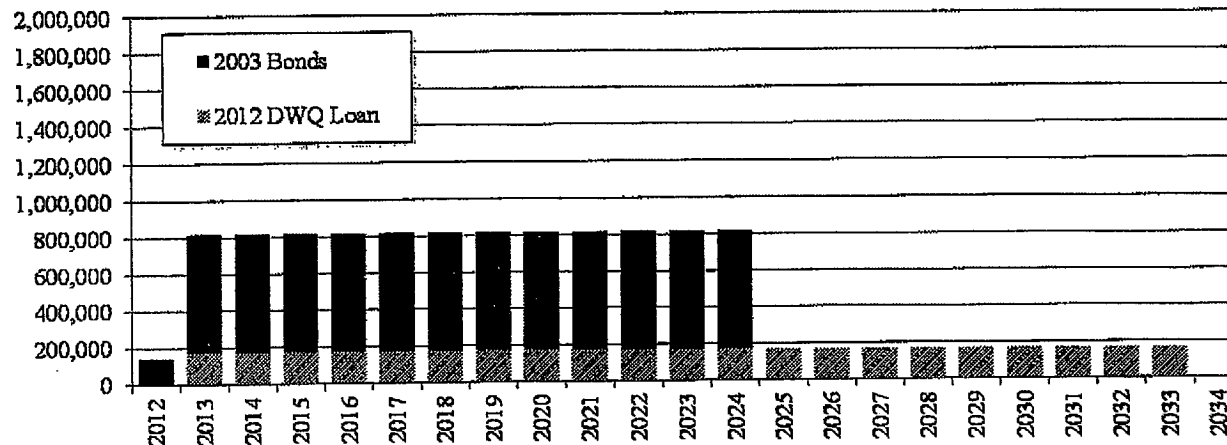
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Refunding Opportunity

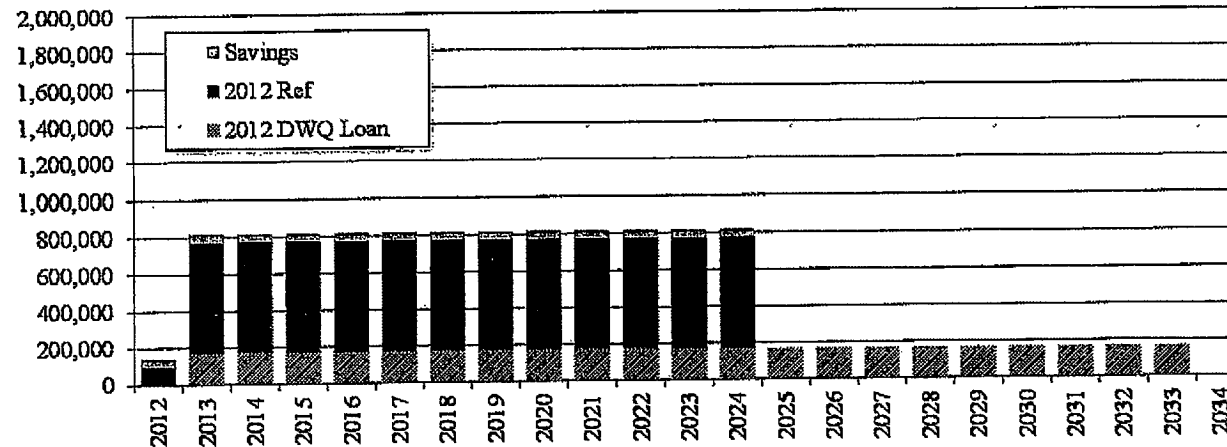
Due to favorable market conditions, the City has the opportunity to refund (refinance) a portion of the outstanding Series 2003 Bonds for debt service savings.

- Estimated new refunding rate: 2.09%
- Estimated refunding debt service: ~\$605,000
- Gross annual debt service savings: ~\$45,000
- Total net present value savings: ~\$530,000 (net of all costs)

**City W&S Debt
Prior to Refunding**



**City W&S Debt
After Refunding**



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Next Steps

Tuesday, March 6th Regular City Council Meeting. The City Council will meet to adopt a Bond Resolution that

- (i) establishes the not-to-exceed parameters for issuing the refunding bonds,
- (ii) authorizes a pricing committee to work with the finance professionals to determine the final pricing terms and structure of the refunding bonds,
- (ii) authorizes the publication of a Notice of Bonds to be Issued in the newspaper, initiating a contest period, and
- (iv) authorizing the execution of all bond documentation necessary to successfully close the transaction.

Month of March. Finance professionals work with City staff to draft and distribute materials to potential purchasers of the refunding bonds.

April 11th Transaction Closing. All bond documents are signed and refunding proceeds are delivered to the bond trustee.



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Mayor's Report and Questions

Adjournment