



MURRAY  
CITY COUNCIL

## MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

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The Murray City Municipal Council met as a Committee of the Whole on Tuesday, June 4, 2013, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray Utah.

### Members in Attendance:

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

### Others in Attendance:

Janet M. Lopez	Council Office	Jan Wells	Mayor's COS
Frank Nakamura	City Attorney	Doug Hill	Public Service Director
Blair Camp	Resident	Diane Turner	Resident
Dave Stewart	Lobbyist	Kellie Challburg	Council Office
Jennifer Brass	Resident	George Katz	Resident
Sally Hoffelmeyer-Katz	Resident	Cami Hamilton	LYRB
Captain Simmons	Army National Guard	Ted Eyre	Resident
Chad Wilkinson	Community Ed	Jennifer Kennedy	Recorder
Peri Kinder	Murray Journal		

Chairman Hales called the Committee of the Whole meeting to order and welcomed those in attendance.

### Minutes

There were no minutes scheduled for approval.

### Business Item 2.1

### Canal Task Force Committee Selection- Brett Hales

Mr. Stam stated that the Council Chair should have the first option to attend the meetings, because of the strong possibility that the media would attend. Secondly, he believes Mr. Nicponski should be on the committee because the canal breach was in his district. Mr. Stam said he would give preference to Mr. Hales and Mr. Nicponski to be on the committee. Mr. Hales said he would be happy to be on the committee. Mr. Stam volunteered to be on the

committee, if one of the two Council Members mentioned above did not want to be on the committee. Mr. Stam said the area of the canal breach used to be in his district. Mr. Brass and Mr. Nicponski said they were both comfortable with that idea, and suggested that Mr. Stam act as an alternate member. Mr. Nakamura stated that if all three Council Members decided to attend at once, the meeting would have to be noticed.

Mr. Stam suggested that if either Mr. Nicponski or Mr. Hales couldn't attend, to let him know and he would fill in for them.

Mr. Hales asked about the selection of the committee from the residents. Mr. Nicponski said that could be done later, with the help of Ms. Lopez. Mr. Shaver suggested getting Mr. John Dye involved in the committee. He commented that there were several residents already quite involved and having discussions with the insurance company.

Mr. Nicponski said that probably only one representative from each family would be needed. He believes five residents would be a good number to have on the committee. Mr. Stam suggested choosing the committee chair in the first meeting. He said to keep the number of residents on the committee to a small number.

Mr. Nicponski noted there would be staff present at the meeting also. Mr. Shaver asked if staff would be on the committee or simply taking recommendations from the committee. Mr. Nicponski said he would speak to Ms. Wells about that. Mr. Brass said that the Council involvement had been covered. Mr. Shaver mentioned that there may be other people involved that would like to be on the committee. Ms. Wells suggested that if there are specific needs, then possibly sending staff to that meeting to help on that topic, but not having staff be committee members. Mr. Nicponski thanked Ms. Wells for the advice.

**Business Item 2.3**

**Lobbyist Report- Dave Stewart**

Mr. Stewart mentioned that he met earlier with Mr. Hales and Mr. Nicponski, and gave a history of his efforts and the efforts on the Hill. They asked Mr. Stewart to come and give a full report to the Council.

Mr. Stewart stated that in 2008, he was involved in drafting a transportation bill, House Bill 242. There are a lot of different transportation buckets of money. There are TIP (Transportation Improvement Program) funds and SHEF funds for different state projects. In Salt Lake County, the sales tax rate is made up of the following: 1% of City sales tax, .25 cents is the County sales tax, 4.75 is the State tax, and also the Legislature has imposed three different .25 cent taxes for transportation, and a ZAP (Zoo, Arts & Park) tax also.

Mr. Stewart said he would refer to three different quarters: the first quarter was put in a long time ago, the second quarter was put in when Craig Moody was the Speaker of the House. Mr. Moody didn't like the fact that the bill was going to pass, therefore he captured a quarter of a quarter into a restricted account. It was voted on and imposed by some of the different counties.

This amount went into a specific fund and that fund could only be used for specific projects inside of Salt Lake County. Those projects were prioritized at the State level. Those people that purchase inside of Salt Lake County are paying this quarter of a quarter that goes to regional roads.

The third quarter was done under Speaker Greg Curtis, he liked the same idea that Mr. Moody had established. Mostly these quarters are consumed by transit. Both Speakers mentioned were big fans of transportation. Mr. Curtis championed grabbing another quarter of a quarter for transit and to help solve some of the road needs in the County. Now, there are two quarters of a quarter going into this fund.

In 2005, a \$10 registration fee was authorized for each County to impose. Salt Lake County imposed this fee and was given \$3 of the \$10, and the other \$7 stayed with the State and was prioritized by the State for projects within the County. The Registration fee went into the same fund as the two quarters of a quarter.

There was a transportation bill that Mr. Stewart worked on in 2008 regarding the transit line going to the Salt Lake City Airport. The option of using PFC charges, which are small facility charges that the airlines are charged, was discussed. Delta and other airline companies disagreed about the use of the PFC funds and ran a bill to stop that. Mr. Stewart went and made a pitch and grabbed \$2 of this and sent it to Salt Lake City directly to offset and bridge that gap to get light rail to the airport. Each dollar raised is about \$800,000 a year in Salt Lake County. The registration fee originated in 2005, and the \$2 increase was in 2008, Mr. Stewart clarified. Of the \$10 registration fee, \$5 remained with the state, \$2 went to the airport expenditures to get light rail there, and \$3 to the County for corridor preservation. That created a fund that kicks in a little over \$20 million a year.

Different projects have been funded through this registration fee. In 2008, HB 242 was introduced. Mr. Stewart said if he wanted to get money for Murray City, he would package the bill with a strong ally or supporter so that everybody gets something that would benefit their community. That is the way that one gets the votes, stand- alone bills don't get much support without a coalition. He put this together for a few other cities also, but in 2008 Murray received \$1 million from this fund that was to go towards Cottonwood Street.

In 2009, Mr. Stewart was hired largely to protect that \$1 million, due to the downturn of the economy. One thought was that the \$1 million could get reallocated and used elsewhere because it had not been bonded. The language was broadened to the City's needs and the \$1 million stayed with Murray.

In 2010, the economy was still struggling, but another bill SB 215 was introduced. That bill was run by Senator Niederhauser and Senator Harper. That bill enabled \$1.5 million to go to Murray City and other amounts to other cities. Ultimately, one thing that required him to be creative was to work with the County and use their bonding, because the limit at the State was tapped out.

In 2011, there was no money dedicated to transportation. There were several other issues that he worked with the City on. He worked closely with Ms. Wells and Mr. Fountain. The City essentially managed the relationships of the representatives. Whenever a bill would come up that could involve Murray, he would contact either Ms. Wells or Mr. Fountain and ask them to contact their representatives and let them know that this would be good for Murray, and make sure they were supportive. Mr. Stewart worked on his relationships with leaders and others to get bills passed. The first draft of another bill did not have anything in it for Murray City. Mr. Stewart was able to use his relationship with Mr. Kevin Garn to insert Murray City into the bill. Some of the broader issues that affect the League of Cities and Murray City, the staff has been able to work on, but Mr. Stewart has always been there for questions. At times, he has been farmed out on billboard issues and other issues important to the League, as a representative for Murray City.

Mr. Stewart is willing to do as much or as little as Murray would like, especially now with the absence of Mr. Fountain. He understands that position would not be filled until the new Mayor is elected. He is happy to work with staff during this interim. Some of these bills require hundreds of hours behind the scene working on these issues. The first thing needed is to find a strong sponsor willing to carry the bill. The sponsor often doesn't have time to do a lot of the legwork, so it takes support from many different people.

In 2012, another bill, similar to others secured some money for Murray from the County. This bill was HB 173, and was for 5900 South State Street. This bill gave Murray \$1.2 million and was carried by Majority Leader Brad Dee.

Over the last few years, with the rebuild of I-15 in Utah County and large projects such as SR 92 in Utah County, 2100 North, and other large projects in Washington County; there was almost \$3 billion worth of projects funded. A nice thing about the dip in the economy was that UDOT was able to do these projects cheaper and came in about \$250-\$300 million under budget.

In 2012, the bonding authorization was reduced by about \$200 million and then spent a chunk of that for other different projects. Every time that Murray has received money, it has come from this fund. It is usually packaged in with other state projects. Some of the sponsors, like Brad Dee that represents Weber, may not seem to care about Murray or Salt Lake County. He may not, but he does care about his district and there was a few million for Riverdale Road, which is in his district. That was something that he championed and helped bring support to. This fund is able to support a lot of different projects in the County.

The State is all about building hundreds of millions worth of projects. Often, the smaller road fixes and expansions are too expensive at the municipal level but get overlooked at the State level. This fund has been able to help a lot of those smaller projects that are critical to the cities and the constituents but do not rise to the level of the State. Mr. Shaver noted that the focus may not be on Murray, but would impact a lot of different places and get a lot of support.

Mr. Stewart said his focus is on Murray. He works for Murray, West Valley City, Park City, and Salt Lake City. One thing that all these cities have in common is that niche that he fills of having a supporter on the Hill. This agreement utilizes Mr. Stewart's relationships with leaders, combined with the City's efforts to get the final deal put together. Certainly, leaders that are not in this room are important in getting the votes; which is 38 in the House and 15 in the Senate and of course, the Governor's signature, but they are not the ones negotiating the deal. The value that Mr. Stewart brings is the fact that he is in the room during negotiation.

In 2013, \$2 million was requested, the end result was \$1.8 million from the bill. This bill was supported by Brad Dee and Stuart Adams. That bill generated enough money, but mostly geared for regionally significant projects. It also helped with medium projects that UDOT had not been able to fund. There have been nearly \$220 million of projects on State roads inside the County that were funded by this tax. Essentially, what UDOT normally would have spent State dollars on, this fund allowed UDOT to do immediate renovations, such as the critical interchange on Bangerter. This fund is largely bonded against. In this bill, similar to 2012, the bonding authority at the State level was reduced even more; the coalition was organized and several projects were done around the State. Later, \$50 million was taken from State dollars and a portion of the \$220 million fund that had subsidized State roads was paid back. That was largely misunderstood, but the rationale was to pay that back. Of that \$50 million, there was \$35 million prioritized for many different jurisdictions, including Murray. There was an opportunity with the remaining \$15 million to get the additional \$200,000 to the full \$2 million so that a full project could be done.

There still remains \$5 at the State of that fee, which \$5 goes back to the County. So the \$3 goes to corridor preservation, and this \$5 could be spent on transportation and other roads that the County would like it to go towards. That is about \$800,000 to \$850,000 additional money. The total per year flowing to the County is \$4 million to \$4.5 million to be spent on projects.

Mr. Stewart stated that he has a great relationship with Ben McAdams and Salt Lake County, and feels confident in his ability to get the \$200,000 from this revenue stream to bridge that gap. Mr. Hales asked if that applied to this year. Mr. Stewart responded yes. He believes that sometime early next year, the County would bond against this. If a bond is taken out, over 10 to 15 years, many projects could be done. This fund was somewhat bonded against, so in order to release the \$5 that was paying the bond, the State had to kick in \$15 million.

Ms. Wells asked if the COG (Council of Governments) had to approve the County pot, or if it was just Salt Lake County money. Mr. Stewart replied that this was just Salt Lake County money. She thought that there was a percentage that the cities had a part in, and with the \$5 left, it seemed like the cities should have a say in where those dollars go. Mr. Stewart said he would check into that. He confirmed that the \$3 flows to the COG, and Ms. Wells stated that she agreed, but that this was different. She doesn't see why it would be just for Salt Lake County projects, and why the cities wouldn't weigh in on those decisions. Mr. Stewart said the cities can always weigh in, but the decisions would be made by the County Council. COG doesn't have

official authority. Certainly COG could make recommendations, but the County Council would make the determination of how the money is to be spent. Ms. Wells stated that something seems wrong with that. Mr. Stewart said it comes down to perspective and the reality is that if it went to COG, there would be other projects higher on the priority list.

Mr. Stewart said there are still two quarters of a quarter at the State level. In a nutshell, that is the transportations game. There are also other pockets of money.

In 2011, Mr. Stewart worked on SB229. This was a transportation bill that got vetoed by the Governor, and his veto was overridden. This captured the growth percentage as the sales tax comes back and puts it into a specific fund marked for State transportation. It should be looked into to see if any State road projects inside of Murray City are in need of repair, and advocate for those projects to be paid out of this fund. This bill was passed in 2011, so there is money there now from the growing sales tax.

Mr. Stewart also worked on billboards. A year or two ago, there was a fight with Reagan Billboards. Ultimately, the bill died and nothing happened. He is sure there will be another billboard bill this next session.

Mr. Stewart worked with Mr. Fountain on other issues, including guns. He said it is up to Murray to decide where else they would like to see his efforts. He would hope that there would continue to be a couple million dollars for transportation every year.

Mr. Stewart believes there are other important issues coming down the pipe. There is the Main Street fairness tax, where Congress keeps entertaining the idea of taxing internet sales. This could be the year for that. The State passed a bill that sequesters the money if it comes to Utah; it could be about \$100 million to Utah if it happens. Obviously, that could have a big impact on Murray. This money wouldn't flow directly like regular sales tax does. It would go to the State and then have to be farmed out back to the cities.

The discussion of distribution always comes up also. He said it is up to one's perspective when discussing policies. There is no right or wrong, or black or white answer. He has yet to see a key member in leadership dig in and address the issue. Until that happens, there will be posturing and hearings. The second part is that the State would need to have a new pot of money to help with the creations of winners and losers. Perhaps, if the Main Street Fairness Act passed and brought millions to the table that would help bridge that gap, then the topic could get more support. Mr. Shaver said that Murray has had a huge positive impact in retail sales of the City with the mall and auto dealerships; the retail tax should be flowing greater, and that seems to make the State get interested in that also. Mr. Stewart said that under the current formula, Murray is a big winner. Ms. Wells mentioned that the ULCT is reconstituting the tax team that they had a few years ago. The distribution is always going to be an issue. Murray needs to have a seat at the table to help with those discussions; Murray has a lot to lose.

Mr. Stewart said that the same task force is looking into taxes in general; whether or not to pursue a local option gas tax. There was strong support for that, but some people got squeamish and it isn't going to happen this year. A year from now, that local option gas tax has the highest rate of success if cities and counties can get on board and decide how it would be shared then come to the Legislature as a unified body. The latest thing that has been discussed is a 5 or 10 cent gas tax, and have the County impose it; of that amount a percentage would go to the County for them to prioritize and at least half of it would go into a formula to be dispersed that way. The other portion would probably go through the COG. The County is saying that if they are taking the hit to push this bill, then they want to be able to prioritize the money. The key would be whether everyone could work together on this. If there is another 5 cent County imposed tax it would nearly double all of the money that the cities receive. There would be additional resources prioritized by COG, as well. That would be the biggest potential winner for transportation funding in the near future.

Mr. Stam noted that cars are getting better gas mileage and the addition of hybrid cars mean less tax money. Mr. Stewart said there is always the debate of a vehicle- miles traveled tax. Part of the issue is that the general fear in Utah is that the government would actually be able to track your vehicle and the distances traveled. The technology is there to do it, but there is the hurdle of letting big government track personal vehicles. He stated that the gas tax still raises a lot of money, but it is declining. It is still the best resource and the bill most likely to pass. Mr. Stam suggested a tax on the tires instead of the gas. Mr. Stewart said he doesn't see the State raising the tax in the near future. He does see a lot of support for this if the cities were unified. The likelihood for tax increases for funding would most likely be at the local level. Mr. Shaver said that part of the challenge is that if it is not run by the County, you have problems similar to those Oregon faces. When driving in to Oregon and purchase diesel at the outside border, you are charged for the amount that you would have paid if you had purchased within the state. Mr. Stewart said that if the 5 or 10 cent tax is authorized and if some counties impose it and some do not, it will cause similar issues. There was talk about how to encourage counties to impose this tax. He doesn't think it will happen this year, because it is an election year. The next year should be a great window of opportunity and hopefully the cities and counties will have worked out the details by then. There will be the new leadership team elected at that point.

Mr. Hales said he appreciated Mr. Stewart's explanations of the bills and where the money is spent. Mr. Stewart stated that he thinks the amount is around \$5.5 million dollars that he has gotten for Murray transportation. Mr. Nicponski noted that Mr. Stewart would be available for other projects also. Mr. Stewart said that a shorter contract is probably the right thing to do. The original contract was right before a session, so the timing made sense. Mr. Stewart has worked with other cities and changed the contract terms because it is a fast 45 day session at the legislature. Still, a lot of the work needs to be done now to build things up for the Legislature. It doesn't make sense to do the work leading up, and then have the contract end in January. It doesn't put the City in a good position. The contract should really follow the fiscal year, he noted. That is when the City should be engaged and working the issues, if the City waits until January it would be too late.

Mr. Shaver said part of the challenge for Murray is that the new administration would need to catch up. The timing of the contract puts the City in a much better situation to help bridge that gap. As far as the Legislature goes, there won't be any leadership elections, noted Mr. Stewart. Everyone has been following the Swallow/Shurtleff happenings, and that will be a big discussion item this month. He would be surprised if there ever was actually an impeachment. If the House Majority Caucus decides that is what they are going to do; he assumes Swallow would probably resign. He could also see the House in favor, but the Senate not in favor. There are constituents on both sides, and there are already three to four entities investigating the issues. Nothing moves very fast, unfortunately. This topic will probably dominate the summer, and not much will be done in the interim. It will be interesting to see, and may put the other issues largely behind the ball. Mr. Nicponski and Mr. Hales thanked Mr. Stewart for his presentation.

Mr. Nicponski commented that if the Council is in favor, he is in favor of renewing Mr. Stewart's contract and asked Mr. Nakamura how that needs to happen. Mr. Nakamura said that the decision could be made in the Intent Document on June 19<sup>th</sup> and staff could prepare any necessary documents. Mr. Nakamura said to first make sure the funding is in the budget and then move forward. Mr. Stam noted that the money would not be available until after the first of the fiscal year anyway. Mr. Nakamura mentioned that it should be stated in the Council Meeting for the public to hear.

Ms. Wells noted that staff is still tracking legislation and staying on top of it, even in the absence of Mr. Fountain.

**Business Item 2.2**

**Community Covenant Program of the Utah Army  
National Guard- Captain Joseph Simmons**

Captain Simmons passed out copies of his slide presentation. He works with the Utah National Guard, specifically with the Family Programs Department.

He would like to establish a military liaison at Murray City, if this is something that the Council and Mayor would like to be involved in. This person would work with his office to establish the Community Covenant Program in Murray.

The Community Covenant Program was started in 2008 by the Secretary of the Army. The Country had been at war for a few years at that time, at there was the need to communicate with City leaders much better than was currently happening. The Secretary of the Army created this program for the Community leaders that surrounded large military installations. He felt like if he communicated better, he could serve those and their families' better, especially while in deployment.

In 2010, the National Guard saw the program and decided to adopt the program, largely based on the success that it was having. Utah was one of the states that adopted the program at that time. The first governing body here in Utah to sign a Community Covenant was the Utah

State Legislature. The goal of their office became to approach every city, town, county and even universities and ask them to join in this program.

The program is designed to bridge that gap and make communication better between the military and community leaders. This program is run and facilitated by the National Guard but the goal is to help all veterans regardless of the branch of service or when they served. As a former Marine, Capt. Simmons noted that he really appreciates that and that the work he is doing is benefitting his Marine brothers and sisters.

One of the main things that this accomplishes is to educate community leaders. The military is facing many problems, such as suicide, sexual assault, and unemployment. There is a uniqueness that the military members have in those areas.

There have been very positive impacts in the last 18 months especially. The program has evolved and they have been able to find veterans that weren't previously being helped. There have been opportunities to help family members that have loved ones overseas. Richfield City was nominated for a National Award because they took this program and became the poster child for it. This is a good way to share the "best practices" that other cities are doing and lessen the stress that deployment has on military members and families.

This program doesn't require any monetary funds from the communities. It is basically an idea sharing program. It shouldn't put any pressure on the cities to do something that they do not want to do.

The important thing is to establish a person as the military liaison, usually this is a member of the City Council or a full time employee of the City. Some of the smaller cities have a representative that is possibly a veteran that attends the Council Meetings. It is recommended in the larger cities to have a Council Member be the liaison. It should only take a couple hours a month, but more importantly they would be the point of contact to disseminate information at any meetings. Training is also provided. Some of the successes that come are from the military liaison coming to the National Guard with names of veterans in the community that are in need of assistance. There are resources available to help those military members.

There is a quarterly training meeting that the liaison would be invited to; as well as quarterly newsletters distribution. The training meeting has been at Utah State Extension Centers in the past and is also available as a webinar. This training initiative came from the efforts of Michelle Obama and Jill Biden that originated about a year ago. It trains the liaisons on current issues the military may be facing, and makes them aware of different resources available.

After a city agrees to do this program, there is typically a signing ceremony. Sometimes it is done at City Council Meeting, or a larger function, it is up to the city. The National Guard does offer its services, such as Honor Guards, or anything to help and create excitement about the program. The cities are encouraged to create an 11x16 document that is signed by the

community leaders showing their support. Sometimes it is signed by the Mayor and City Council and sometimes by Chiefs of Police and even ecclesiastical leaders. There is a template provided for that. The National Guard is also willing to create the form, and print copies and get it framed. There are no promises asked of the City, just a pledge to support the military members in the community. Community leaders would be invited to the signing ceremony. It often takes place at city festivals, or patriotic events.

Mr. Nicponski asked for clarification on the program. Capt. Simmons said it is a program created to help educate and improve communication with city leaders and the military. Mr. Nicponski asked if the City was a conveyance between the military and such organizations as United Way or the Boys and Girls Club. Capt. Simmons said they are trying to invite those organizations also. He replied that it is mainly a conveyance between the military and the citizens of Murray. There is no funding required just a time requirement. The cost of producing the documents could be the only possible expense, and the National Guard could help offset that.

Mr. Stam asked if this provides resources to those families that have someone who is deployed. Capt. Simmons replied yes. Mr. Stam said that is a big problem when one is deployed because of the loss of income and other things. Mr. Shaver said that it would help with those that have come back from deployment in finding employment. Mr. Hales asked if there was any involvement with a military spouse for example and intervention with financial institutions. Capt. Simmons agreed and said the military has the ESGR (Employer support of the Guard and Reserve). Mr. Hales commented that he has worked with some veterans that possibly weren't aware of the resources available to them. Capt. Simmons said he often directs them to the proper departments. Mr. Brass asked how this compares to the ESGR and if that was still around. Capt. Simmons said they still have an office in the Draper headquarters building. The ESGR is doing a lot with the H2H (Hiring our Heroes) program. They are holding a lot of job fairs and trying to get the employers in there to hire veterans. Capt. Simmons stated that they do work with the ESGR when a military liaison notifies them of a veteran with work-related issues or unemployment. There are also 13 family assistance centers across the state. The closest to Murray would be in Draper and West Jordan. They are a great asset and have wonderful people working there. There are food pantries available for military members in distress. Mr. Shaver asked if counseling was available there. Capt. Simmons said they are not counselors but can still help out.

Mr. Shaver stated his support but asked if it needed to take place in a Council Meeting. Mr. Nakamura questioned if it was an administrative decision. Mr. Stam asked if this would become part of the assignment distribution that takes place in January. Mr. Shaver said that it may be a discussion for the Mayor, staff and Council Chairman to have. Mr. Nicponski asked who the contact was for Capt. Simmons. He replied that it was Ms. Lopez and thanked the Council for their time.

**Current Land Use Issues Discussion-**

**Tim Tingey**

Mr. Tingey said currently there are four existing issues. Three of the four have been previously discussed. This is mostly a status report on those issues. The variety of topics is very wide. They include: chickens, bees, planter strips, and e-cigarettes.

There have been multiple public open houses to discuss planter strips, chickens and bees. There has been a lot of input, as well as an online survey. Mr. Wilkinson would discuss the results of the survey later. There was not a clear consensus on those issues in the community. There are people strongly in favor of chickens, and those who are not. There are continual enforcement issues. As far as bees, there is a lot of support to allow bees in residential neighborhoods, but also those residents that have concerns. Planter strips and what they should contain are all across the board.

Mr. Wilkinson said the public open houses were very successful. The first one at City Hall had over 100 people attend. The second one was held at Murray High and over 60 people attended that one. It was a very good turnout for that type of an effort. A number of people filled out the paper survey and staff is in the process of digitizing that information so that statistical work could be done. There have been a few key staff in the department leave the City for other opportunities so there has been an unanticipated delay. The hope is to get back on schedule within the next few weeks. Some new people have been hired that will start within the next few weeks.

The results are in from the online surveys. Of the three topics, 194 people responded online to the chicken survey, 114 for the bee survey and 106 for the planter strips. The level of interest was a little higher for chicken and bees. As the results were reviewed, there are a variety of different opinions in the community. For the most part regarding chickens and bees, most were in support of allowing them. This is just the result from the online survey. Yet, there were quite a few against them also. Mr. Tingey noted that this wasn't a scientific survey; there wasn't a random sample and those that responded are passionate about these issues.

Some of the comments included statements such as:

- "I believe allowing chickens and bees within the Murray City limits would cause property values to go down."
- "Chickens are great, and should be allowed. Hens should not be allowed; they are aggressive. They promote self-reliance and sustainability."
- "Disease, smell, noise, and attraction of other pets are a distraction from enjoying the yard in peace after a long day at work. That is why we don't live on a farm."
- "In case of disaster, I would rather my neighbors have chickens than dogs."
- "Lettuce raised chickens are quiet and clean when taken care of properly. They produce eggs to help out with food costs and should be allowed."
- "No chickens at all. They stink, attract rodents, are farm animals and don't belong in subdivisions."

- “My neighbors have chickens, they are interesting and keep the bugs down. They did have to get rid of some roosters as they were obnoxious to a few of the neighbors.”
- “People who own houses in Murray should be allowed to have chickens if they desire.”

These are a few of the cross sections of comments. In the last few days, there have been several complaints about people that have chickens without any kind of authorization from the City. Neighbors have complained about residents having chickens in neighborhoods that are not currently zoned for them. In one of those cases, a resident had 15 to 20 chickens in their backyard, very close to the adjacent neighbor's property. There are strong feelings on both sides of this issue. He believes that those strong feelings will be apparent in the next steps of the process also.

The chickens and bees survey clearly showed support for them to be added to the ordinance. The park strip survey showed no clear consensus; possibly the only clear consensus was that residents didn't want the government in their lives. There are a wide variety of opinions. There are those that believe park strips should be tree lined with grass, some believe just vegetation, or also anything goes. This is a much more complicated issue than the chickens and bees. There is such a wide array of opinions about what should be done in those areas. The subject of park strips came up as a result of a complaint. Whereas, chickens and bees came about as part of a request. The complaint came from a neighbor not pleased with what his neighbor had done with his park strip, and wondered what the Murray rules were.

In terms of chickens and bees, it is apparent that the residents want to attend the meetings and be involved in this process. All of the results are not in yet, but residents have expressed their desire to be at the meeting when the City Council makes a decision on this topic. Hopefully, within the next few weeks, all the results would be digitized and staff can prepare some graphs that would help visualize the results. Mr. Wilkinson would like to come to this kind of setting or a public workshop with the Council Members and the interested residents, possibly in July and let them hear what the Council has to say on the subject. After that the decision could be made about going forward with an ordinance, or whatever the next steps would be. Mr. Tingey thanked Mr. Wilkinson and his staff for this process. It wasn't the intent to persuade people one way or the other, simply just to give out the information and educate them on the issue. The staff has put in a lot of time and effort and it is appreciated.

Mr. Brass said he would like to see some experts in the field involved in this. Some people have expressed fear about bees in the neighborhood. People that are interested will have their opinion, but he would like to see an expert discuss chickens and bees. Other cities could be looked at also, to see what their experiences have been. Mr. Wilkinson replied that volunteers from the Salt Lake County Health Organization, as well as a state beekeeping organization have agreed to come and talk about the topics. Mr. Brass said it is his understanding that beekeeping is a difficult process and hives can be easily lost. Philosophically, bees pollinate 30% of the food crops, if he remembers his numbers right, noted

Mr. Brass. That is a little different than chickens. Either way, because of the passion, he would like facts interjected into this discussion.

Mr. Shaver said that part of the challenge is inviting them to a Committee of the Whole, instead of a public forum. He suggested having a public forum where the experts speak that is publicly noticed and a process is followed. Then, it could be brought back to a Committee of the Whole. Mr. Brass noted that you can never go wrong when communicating with the citizens. He believes that an expert needs to give the facts or there may be regrets. Mr. Wilkinson said there has been a lot of dialog between residents and staff, but they would like to talk to the elected officials. Staff is not trying to advocate either way, but just asking the residents for their opinions.

Mr. Hales said that his opinion changed after seeing the video showing a resident that had 15 chickens and they were all over the place. Mr. Stam said he has received 4 calls on the topic; one was adamant about not allowing chickens, and 3 were in favor of chickens. He hasn't received any calls on bees or park strips, except one complaint about a specific park strip. He is very interested to see the results. Mr. Shaver said his experience is the opposite. He hasn't heard anything about chickens, but has heard a lot about bees. Mr. Brass noted that this would be a land use decision that will make some happy and some unhappy, so it would be best to get recommendations. Mr. Shaver mentioned that a Cottonwood Heights Council Member raises chickens and he talked to him about the subject at a ULCT meeting. Mr. Wilkinson said that a comprehensive survey of surrounding cities has been done, and they have a good idea of what other cities are doing. That information was available at the public open houses and would continue to be available. Mr. Tingey said they would proceed on working on having a public forum.

Mr. Wilkinson said there is an existing ordinance that limits the number of tobacco retailers in the City. The tobacco retail ordinance is very specific to tobacco. In the last two weeks, there have been about three dozen requests or inquiries about opening an e-cigarette location in Murray City. The question is whether it is the Council's intent to limit those type of facilities also. The existing tobacco ordinance limits are based on the City's population, but it does not mention these e-cigarettes. The e-cigarettes are a vapor instead of smoke. It isn't tobacco, but it does contain nicotine.

It is anticipated that a large number of these facilities would be established in the City in the next few weeks. There has been one application so far, but right now the number of e-cigarette retailers is not limited by the ordinance. Staff would like to know if the Council would like to add e-cigarette retailers to the existing tobacco ordinance. Mr. Hales asked if they were considered the same as cigarettes in public places, for example. Mr. Wilkinson said they are subject to the same clean air act as tobacco. The Legislature voted to include e-cigarettes in the same limitations as tobacco in the last session.

Mr. Shaver said he raised the issue in a conversation with Police Chief Fondaco questioning some of the drugs that contain an herbal element. People are changing substances, taking the drug outside of what the ordinance actually states. The difficult part is finding

language that would encompass all of the drugs. There is no way to do that when looking at the chemical composition.

Mr. Wilkinson said the existing ordinance only affects the number of retailers. Mr. Shaver asked if Mr. Wilkinson had spoken with any other communities about the subject. He said they have only heard from the applicants and have been told that every other city has had a different approach to this. The tobacco ordinance was instituted because of proliferation of these types of uses within the City.

Mr. Shaver asked if the State taxes them similar to the tax on tobacco. Mr. Wilkinson said he didn't know that answer. Mr. Brass said he feels it is important to see how the State views them within the law. If the State is treating them like tobacco, it may not be a big stretch to include them in the existing ordinance.

Mr. Brass asked Mr. Nakamura his opinion. Mr. Nakamura said he believes that more information is needed and is concerned that this forum may not have the information they need to make a decision. Mr. Shaver said it is important to look at how the State is taxing e-cigarettes and that would be a guide for them. Mr. Nakamura said that it should be looked into further. Mr. Tingey said that they would get more information and bring it back. Mr. Stam said that they need to know what the state recognizes them as, and also what other cities are doing, then a discussion could be scheduled.

Mr. Wilkinson said that they are issuing licenses right now without any restrictions so a decision would be helpful. Mr. Nicponski clarified that the ordinance regulated the number of smoke shops, and the question is whether these e-cigarettes should be regulated in a similar fashion. Mr. Nakamura said the City has the authority to issue a moratorium pending legislation to prevent applications from being accepted while the subject is being researched. That may be a possible approach, he stated. Mr. Wilkinson said that once the application has been submitted, it is hard to go back. Mr. Brass said it is a gray area, and this wasn't an item that was openly agendaed. Mr. Wilkinson said he wants direction to do further research. Mr. Tingey said that his staff would do some research and come back. Mr. Nicponski asked about a possible run for the licenses in the meantime. Mr. Tingey said that they are experiencing a run, and another purpose of this discussion was to make the Council Members aware because they may receive phone calls. Mr. Stam asked if the State is treating them like tobacco, should the City temporarily treat them as tobacco as well. Mr. Tingey said that the ordinance is very specific on tobacco, and doesn't include e-cigarettes which are not tobacco. Mr. Shaver recognizes that the City would have to deal with any licenses being granted in the meantime.

**Business License Fee Discussion-**

**Tim Tingey**

Mr. Tingey introduced Cami Hamilton from Lewis Young Robertson & Burningham, Inc. who would present on the development of a business license fee study, and the possibility of introducing new fees.

Mr. Wilkinson explained that this was the second part of the business license fee study. The first part looked at whether or not to pursue a good landlord program and whether or not there was a disproportionate service fee for multi-family residential. As a side note to that, there were some areas discovered of disproportionate service in the commercial side, as well. Murray asked Lewis Young to engage in the second step of the process that looked into the disproportionate services that are provided to commercial uses. There may be a desire to look at an ordinance changing the fees to a more equitable rate based on the services that the City actually provides to the businesses, rather than a flat regulatory fee. That was the purpose of the study that Ms. Hamilton introduced.

Ms. Hamilton mentioned that some of the power point presentation would look similar to the first study done. This study was for commercial businesses. There are three major cost components:

- Base Services
- Disproportionate Services
- Enhanced Services

The Utah Code states that fees charged should reflect the amount necessary to reasonably regulate business activity. That includes any disproportionate regulatory or disproportionate service call costs, including police and fire service calls.

Base services would be the administrative services of processing the license, and taking it through the different steps before the license is given.

Disproportionate service costs would be any additional regulatory requirements that are involved, such as, alcohol licensing that requires additional regulation by either fire inspections or business licensing. Mr. Shaver clarified that disproportionate literally means that the City has to do something additional to regulate some ordinance or statute. Mr. Wilkinson stated that in this case disproportionate would mean the number of service calls that the City provides to a certain business. It is disproportionate in the number when comparing it to a single family unit, as far as police or fire calls.

Enhanced services is any higher level of service that is being provided. Some cities have areas that are provided snow removal, or planter boxes for example. Murray City doesn't currently have any of these enhanced service properties. Mr. Shaver noted that if the City was to provide snow removal to a neighborhood that wasn't currently receiving snow removal that would be an enhanced service. Mr. Wilkinson said it would be similar to using City snow plows to plow a private parking lot, not streets.

Ms. Hamilton said she had been working with the Police and Fire Departments to get the number of service calls to different businesses, so that number could be analyzed. All of that information was looked at and the businesses were grouped into different categories. According to Utah Code, all the businesses in the same class must be charged the same fee. Certain businesses can't be charged more than a similar business, such as restaurants.

The Base Cost Analysis is made up direct and indirect costs. The direct costs would be the salary, benefits and an allocation of department overhead for the different departments. Indirect costs would be an allocation of the overall administrative and legislative costs that the City pays for services allocated to the different departments. Ms. Hamilton presented a table which breaks down the cost by the individuals involved in the licensing process. It was important to discover how much time each individual spent in the business license process. This gave a cost per minute for each employee that was involved. For a new license, a temporary rental cost about \$107. A home occupation license cost about \$100, and to renew the license was approximately \$30.

If the City were to enact some new fees and change the fee structure, these would be the proposed based fees. The fee structure would be the base fee plus any disproportionate regulatory costs plus disproportionate service costs. Depending on the type of business, it could be a combination of those three costs. Mr. Shaver asked if the resident would see the fee split up like that. Mr. Wilkinson said yes. Ms. Hamilton said that some cities choose to average some of those together to make it easier. The purpose of this study is to show the residents the actual costs that the City pays to set up a business license. That is different from the current fee structure in place.

Business license fees have two disproportionate aspects: regulatory and service calls.

Regulatory are any additional services required by administration. For example, alcohol licenses take more time to process. Also, any license requiring a background check, a sexually oriented business, on premise alcohol, and automotive repair and auto body shops would fall under disproportionate regulatory costs. These businesses would pay the base fee plus this regulatory fee.

Service calls include any disproportionate service calls to the business. There was a sampling taken of the calls from a single family home. There were 359 units looked at and the fire calls and the law enforcement calls were compared. Any number above this would be considered disproportionate and the call ratio would be multiplied by the cost per call. The number of annual calls that the City receives for fire, medical and police were compared to the City's budget for 2012, and the cost of the call was calculated. A map was shown of the City indicating all the calls for last year, linking them to a business or a house.

Mr. Wilkinson assisted with categorizing all of the businesses, and putting them into categories. Then, the number of police and fire calls were looked at and compared to the number of a single family home. That number was multiplied by the cost per call. Some businesses that stand out with higher service calls were convenience stores and drinking establishments. Maverick gas stations for example have a higher number of service calls because the customers aren't required to pre pay for their gas. Mr. Shaver asked how the service calls for Murray businesses compared to other cities. Ms. Hamilton could not recall any major differences.

Also, there were a number of businesses that drove this list, the ones with the really high call volumes were removed. They didn't want to penalize all the businesses by the extreme businesses that had an unusually high number of calls.

One other aspect of the study was separating out an inspection fee. Cities do this differently; some roll the inspection fee in with the license fee, and others charge a separate inspection fee. Murray does have businesses that require inspections but are exempt from business license fees. Staff asked Ernst and Young to analyze possibly charging an inspection fee but not a business license fee. That would allow the City to capture the cost of doing inspections, even though they are not collecting a business license fee. The study removed all the inspections and put them into the separate fee. If it was decided to leave the inspection fee as part of the business license fee, then it would have to be pulled back into the analysis so the numbers would change.

A general business license requires an inspection every other year, about \$17, and that fee would be charged every year. This could be done a number of different ways, but most cities prefer to do it every year for administrative purposes. If it was charged only during the year of the inspection, then the \$17 cost would double. Some businesses, such as childcare, healthcare, and education require annual inspections. Those would have a \$70 charge because these inspections by the fire personnel take more time, typically over an hour versus an average 30 minute inspection. Automotive repair shops typically cost around \$30 for inspections due to hazardous material inspections. Some cities charge a one-time inspection fee, while others charge it every year.

A revenue analysis was done showing the difference in revenue if the City were to adopt this fee structure. The City can always choose to adopt lower fees than are recommended. If the City were to adopt this fee schedule, the revenue for licenses, including new, renewals, and inspection costs would be a total of \$637,331 compared to approximately \$625,000 budgeted for this year. Mr. Stam asked if this included the inspection fees, and Ms. Hamilton said that it did. Mr. Wilkinson added that the renewal fee would go down substantially for those businesses that didn't have disproportionate fees. Currently, they pay the same fee as a new business each year. The current rate is \$100 for both a renewal and a new license. This study would take the base fee of a renewal to about \$30. That is one significant difference. The new license fee would remain the same due to the processing costs.

Mr. Wilkinson noted that the existing fee structure is similar and does include regulatory fees. The difficult aspect was knowing what those regulatory fees were based on. This study gives the City the information that they need to explain the costs to residents. Mr. Wilkinson looked at a typical convenience store and currently they pay approximately \$900 for a renewal when the different regulatory fees were added in. That includes regulatory fees such as alcohol, and tobacco. Mr. Shaver commented that the difference in revenue is only about \$12,000 but this explains the fees and different costs. Mr. Wilkinson said if the Council chooses to change these fees, it would have to go through a public process.

He also noted that these are revenue producing businesses outside of the business license fee with sales tax revenues coming in and that needs to be balanced also. The City doesn't ever want to discourage new businesses from coming to Murray because of an overly high regulatory business license fee. Mr. Brass said he was curious to see the different business classes and the ones that would go down in cost. Mr. Wilkinson said some of those would include construction.

Mr. Stam commented that the big difference is found in renewal fees, and if you didn't lower the renewal fee, it would be a substantial increase in revenue. Mr. Wilkinson agreed but said the fee is based on the amount of time it takes to process the renewal. Mr. Brass reiterated that the City doesn't want to discourage the businesses that help the City. Mr. Wilkinson asked if the Council would like to go forward with the process and come back with a potential ordinance. The Council stated that they would like to see more information. Mr. Wilkinson said he appreciated the efforts from all the departments involved in the study.

Mr. Hales adjourned the meeting.

Kellie Challburg  
Council Office Administrator II