



MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, November 18, 2014, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray Utah.

Council Members in Attendance:

Brett Hales, Chair	Council Member, District #5
Dave Nicponski	Council Member, District #1
D. Blair Camp	Council Member, District #2
Jim Brass	Council Member, District #3
Diane Turner	Council Member, District #4

Others in Attendance:

Doug Hill	Public Services Director	Janet Towers	Exec. Asst. to the Mayor
Janet M. Lopez	Council Administrator	Darren Wightman	Resident/Fire
Jennifer Kennedy	Recorder	Steve Roberson	Resident/Fire
Jan Wells	Chief Administrative Officer	Kellie Challburg	Council Office
Ted Eyre	Mayor	Justin Zollinger	Finance Director
Phyl Warnock	Auditor	Kim Fong	Library Director
Craig Burnett	Police Chief	Frank Nakamura	Attorney
Blaine Haacke	Power General Manager	JoAnn Miller	Finance
Joe Canepari	Finance	Brenda Moore	Finance
Christy Zollinger	Resident	Jennifer Brass	Resident
Beverly Crangle	Resident		

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

Approval of Minutes

Chairman Hales asked for approval on the minutes from October 21, 2014. Mr. Brass moved approval. Ms. Turner seconded the motion. All were in favor.

Business Item #1

Discuss the Independent Audit for Fiscal Year 2013-2014- Justin Zollinger

Mr. Zollinger stated he would refer to the CAFR (Comprehensive Annual Financial Report) for the discussion. He appreciated the opportunity to speak to the Council and expressed his appreciation for Phyl Warnock of Keddington & Christensen, Certified Public Accountants, LLC.

Mr. Warnock thanked the City for the opportunity to work on the audit. He said he looks forward to working with Murray and particularly the finance staff. He commented that they do a very good job.

Mr. Warnock said his team is responsible to audit the financial statements and ensure that they are free of material misstatements. The financial statements remain the responsibility of the City. The auditors look at the internal controls, yet do not audit internal controls. The report states that they are required to look at some internal controls that are relevant to the financial statements. For example, the bank reconciliation is considered a control but is still reviewed, because it is very relevant to the financial statements. Other controls that are not considered relevant are not reviewed as closely.

Mr. Warnock referred to page 9 of the CAFR for the opinion of the auditors on the financial statements. He stated that this was considered a "clean opinion" regarding the financial statements and the respective financial position of the City. This opinion is required by the State, and Murray City passed with flying colors.

Mr. Warnock said that on page 93 the CAFR states that the auditors do not form an opinion on the effectiveness of the internal controls. If there are any findings from the controls, they usually show up, and the City did not have any findings this year. Mr. Brass commented that is a big deal not to have any findings and reflects very well on Mr. Zollinger and his staff. Mr. Warnock agreed.

Mr. Warnock read from page 95 and stated that in his opinion, Murray City complied in all material respects with the compliance requirements. Different financial areas are looked at from year to year; some are required every year, while others rotate. This year, there were no areas that were found to not be in compliance. This is typically where most of the findings come from, he noted.

Chairman Hales asked Mr. Warnock how long the audit takes. Mr. Warnock replied that typically it takes about two and a half weeks.

Mr. Zollinger restated that there were no audit adjustments this year and he was pleased with that. He stated that is an unusual thing and may not happen every year. Mr. Warnock agreed that it is very uncommon to not have any audit adjustments. He added that municipalities have a very complicated set of books. There are different rules for different grants and funds and it becomes very extensive in a municipality.

Mr. Zollinger excused Mr. Warnock. Mr. Zollinger discussed some decisions made and the impact they have had on the financial statements. He added that good financial decisions produce good results.

Last year, the City invested some money in Moreton Asset Management. There were three available choices for an investment advisor, and Moreton was selected. On page 21, there was a line added for investments, which accounts for about \$12 million. He

added that page 41 shows how the investment was broken down into different funds, such as: Money Market Mutual Funds, U.S. Agencies, Corporate Notes, U.S. Treasuries and Municipal Agencies. He noted that U.S. Agencies and U.S. Treasuries are guaranteed by the Federal Government. He added that this was a very positive thing and the investment earned \$21,000 in interest, which is more than would have been earned otherwise.

Mr. Nicponski asked about page 11. Mr. Zollinger replied that Murray City's net position exceeded its liabilities by approximately \$171,000,000. He added that the debt is substantially declining every year. This year, \$1.1 million of new debt was issued to purchase the Wright property, but the bond debt decreased by \$5.9 million, which was almost 18% of the total debt. He added that \$9.3 million dollars had been paid off in the Power Department in the last two years, cutting the debt nearly in half. Last year, the 2003 water and waste bonds were paid off also, he added.

Mr. Zollinger showed how the debt went from nearly \$33 million to \$27 million. Mr. Nicponski asked if the City had done anything to increase the debt. Mr. Zollinger replied only the purchase of the Wright property. Mr. Nicponski asked what the unrestricted net position meant. Mr. Zollinger replied that some of the money is restricted, for example state funds that could only be used on certain roads. Other funds are unrestricted, which means they can be used for various purposes.

Mr. Zollinger referred to page 27. There was a 5% positive variance in sales tax, which was approximately \$724,000. He added that the City is very dependent on auto sales tax which can be very volatile. He said that a little of that positive variance is available to use, but that figure can't be counted on yearly. Mr. Brass asked what the highest amount of annual sales tax had been. Mr. Zollinger replied that 2006 was \$13.5 million, very similar to this year's projected number. Mr. Brass noted that 2007 was \$14 million and then it dropped to \$12 million in 2009. Ms. Wells added that the City had a hold harmless policy during those years. Mr. Zollinger said the City had outgrown that, but is still part of it and is now a payer rather than a receiver.

He stated that Emergency 911 fees had no original or ending budget. The State auditor required that to be booked, so it looks a little odd.

Mr. Nicponski asked if some of the positive variance of \$724,000 could go to increasing the size of the staffing for the Police or Fire Department. Mr. Zollinger said he would not recommend using all of the variance but possibly around \$300,000 could be used for those purposes. Mr. Brass said that could hire about three employees. Mr. Zollinger said that was correct, but that money could also be used for raises for existing employees or other needs in the City. He said there needs to be a balance with this fixed amount of funds.

Mr. Brass noted that the amount budgeted for property taxes was off by a small amount. Mr. Zollinger replied that they are required to budget the full amount, not the amount that is actually collected.

Mr. Zollinger said that in the past, non-departmental expenditures have been as high as \$1 million, and this last year was \$66,000. Many things have been pulled out of that line item and made available for other departments.

All of the departments worked very hard at saving money and coming in under budget he noted. Employees have been careful with their budgets and that surplus then turns into CIP (Capital Improvement Program) money for that department.

Mr. Zollinger added that the OPEB (Other Post-Employment Benefits) liability is also very positive news. The liability in 2012 was \$3.3 million and after the difficult decision was made to discontinue OPEB benefits, the liability amount was reduced to \$658,000.

He added that there was not a single audit this year, which means that there was not more than \$500,000 in grant proceeds from the Federal Government.

There are not any assets in the Municipal Building Authority fund, so that fund will be inactivated, as far as the financial statement is concerned, he stated.

Mr. Zollinger referred to page 25, regarding reserves in the General Fund. The total revenues line is \$33,761,165, which is then multiplied by .25 to reach the allowable fund balance. The reserve amount is 25%, which is \$8.4 million. Reserves go up and down based on the revenue received. The 25% would remain the same, but the actual amount can vary.

Mr. Brass said that was one reason that the Capital Improvement Projects fund was formed so that money can be rolled into Capital Projects. Mr. Zollinger said that Capital Projects has \$13.2 million. This includes a restricted fund balance, money received from the State, in the amount of \$2.9 million. The 2015 CIP funds amount to \$2.6 million, and \$2.8 million has been set aside to pay off 2007 sales tax revenue bonds. The departments have CIP savings of \$871,000 which is rolled back to them for their future use. There is also FY (Fiscal Year) 2016 CIP money of \$2.1 million. There are two years of CIP money at the end of June 2014. The money is set aside, programmed and then used. Mr. Nicponski asked about each department allotted CIP funds, and if the departments come to the CIP committee requesting funds, and also a percentage of revenue. Mr. Zollinger replied that it is all in the CIP process and the money saved is first provided to the department and then after any additional money would be allocated. Depending on the need, more money may be allocated to various departments, he added. Mr. Zollinger clarified that the \$13.2 million is actual cash, not needs or requests.

Mr. Nicponski commented that the City is in a healthy financial position. Mr. Zollinger agreed that the City is in great shape. Cash reserves went from \$44 million to \$48 million, of which \$2.5 million, was State money that was restricted. Growth was modest, other than the State money that was received he commented.

Mr. Zollinger encouraged others to review the statistical section in the CAFR that shows a ten year track history. Mr. Brass noted that the section had a lot of interesting information.

Mr. Zollinger referred to page 80 and discussed overlapping property tax rates. The City had a tax rate of .001782 in 2014, compared to a .00318 in Salt Lake County. It also shows the tax rate for entities such as the Library, School District and Central Utah Water Conservation.

Mr. Zollinger stated that page 81 shows the top sales tax payers in the City. Mr. Zollinger clarified that it was a general report and didn't list entities by name, only business type.

Mr. Zollinger thanked the Council for their leadership in making tough decisions. Mr. Brass thanked Mr. Zollinger and his staff for their excellent work. Mr. Zollinger thanked his crew for their long and hard efforts.

Business Item #2

**Reports by Representatives to Interlocal Boards
& Commissions**

Blaine Haacke- Utah Associated Municipal Power Systems (UAMPS) & Intermountain Power Association (IPA).

Mr. Haacke thanked the Council for allowing him to serve on the boards.

The IPA Board is a seven member board and those members are chosen by the participants in the project. The board meets at least once a month. There was a participant meeting that day to update the participants on the project. The renewal and fuel replacement contracts were discussed.

The Council is invited to an open house meeting on December 2nd, which the keynote speaker will be Natalie Gochnour, a renowned economist and Murray resident.

Mr. Haacke explained that IPP is trying to get permission from the participants to change the fuel at the plant to natural gas. After 2027 coal produced energy cannot enter California. The only way to keep the plant open and viable is to change fuels. All of the Utah participants, except Monroe City, have signed off allowing IPA to pursue this option. Two of the six California entities have signed off, as well as the co-ops. They are just waiting on the four hold out entities in California that do not want to sign the agreement to make the change to natural gas. It was discovered that the reason they are delaying signing is that it is a grudge match between LADWP (Los Angeles Department of Water and Power) and the other entities. There are all kinds of favors involved in the deal between the California groups, he noted. IPA feels more comfortable knowing that it isn't an IPA issue that is causing the signing delay.

Part of the IPP project includes transmission when generation is purchased. When the transmission line was built between Delta, Utah and California, it was built to handle two and a half times the capacity of the plant. The plant was originally going to be twice the existing size, but was downsized due to economic conditions. That transmission capacity is being used by the cities in California to bring wind farm generation from Utah to California. The California cities will sign this agreement so that they can keep the transmission ability. Both parties need each other in this agreement.

Mr. Brass noted that the comment was made that the plant would be built anyway without signatures. Mr. Haacke said that if the process continues to stall for a few more years, it is possible that Los Angeles would walk away and build their own plant.

Mr. Haacke said he is on the UAMPS board with approximately 40 other cities. The different projects, such as the Hunter plant, IPP, San Juan, CRSP (Colorado River Storage Project) and other projects are discussed at the meetings. Resource exploration and government lobbying is also discussed.

The CRSP project involves Glen Canyon Dam, Flaming Gorge, Fontanelle and other small dams. Lake Powell is 97 feet below spill and is at about 49% capacity. The inflow this year was 96% of normal flow, which is better than 74% the previous year. The projected inflow for 2015 is 98%.

In the last few months, there has been a lot of flash flooding in Southern Utah, and a lot of sediment has been deposited into the river base. They have scheduled an experimental high flow, or a flush, to help rebuild the side banks of the river and scour the bottom. The usual amount of flow is 13,000 cubic feet per second during peak, and 7,000 off-peak. This past week, there have been flows of 37,000 feet for 24 hours a day for five or six days. The amount was too much for the hydro to handle, so 22,000 cubic feet of good water was bypassed around the generation. This was a loss in production of about \$2 million. The scientists have already stated that the high flow may not have been enough and may have to be done again for a longer time.

In 2015, there is a plan to increase the flow to Lake Mead from Lake Powell. That will be a benefit to the City resulting in more hydro production. There hasn't been as much flow as anticipated coming from Lake Powell and surplus energy has had to be purchased elsewhere.

Mr. Haacke reminded the Council of the IPA meeting on December 2nd at 10:00 a.m. at the Grand America Hotel, dress is suit and tie. On December 16th, the UAMPS banquet would be held downtown at the Marriott. Spouses are invited and it is suit and tie dress also. On December 17th, the following morning, Governor Herbert and others will speak at the meeting.

Mr. Nicponski asked about the five mentioned streams of energy flow: IPP, Hunter, CRSP, San Juan and methane gas. He asked how many gas generators are used. Mr. Haacke replied that there were three, and they produce 6-7% of the annual energy, almost always only in July and August. He added that there is also the small hydro in Little Cottonwood Canyon.

Ms. Turner asked about charging stations. Mr. Haacke replied that it costs about \$6,000 for an in-house charger, and a commercial one is about \$30,000. He said he would forward the information to Ms. Turner. He said it would probably be close to \$40,000 to add a charging station that takes about 20 minutes for a fast charge. The station may have to be located near the mall or something similar.

Doug Hill- Trans-Jordan Cities

Mr. Hill stated that there were two new items for Trans-Jordan. First, the board voted to approve an interlocal agreement to join a special district that decides what to do with disposal waste in Northern Utah. The district is called NUERA (Northern Utah Energy Recycling Agency). Trans-Jordan will have one representative that would sit on the NUERA board. They are looking at the big picture, including landfills, waste and where to take the waste. This vote was taken at Trans-Jordan with only one day notice and there wasn't a representative at the meeting when the vote was taken. Mr. Hill said he expressed his displeasure at the process to the landfill board members and told them he would like more time to review items in the future. He added that creating additional districts is always a concern and the extra time for review would be beneficial.

He stated that the landfill is now accepting car seats and bicycle helmets.

Mr. Nicponski asked if they were looking at additional landfill sites. Mr. Hill replied that was correct.

Doug Hill- Utah Telecommunications Open Infrastructure Agency (UTOPIA)

Mr. Hill said there is not any new news on Macquarie, as of the board meeting the previous day.

The RUS (Rural Utilities Service) settlement was finalized for \$10 million. It could take anywhere from 30 to 90 days to receive the money. Ms. Turner asked what UTOPIA will do with the money. Mr. Hill said he did not know. Chairman Hales noted that he had heard the money would not be used for operations. Mr. Hill said there had not been a decision made on the money.

Mr. Hill said he was disappointed in the recent meeting. He stated that both he and Mr. Zollinger tried to get the Murray City proposal moved forward. The Murray proposal is the proposal that Mr. Zollinger and the Mayor have been working on the past few months. Both boards decided to create a Development Review Committee that would review all future ideas, so the Murray proposal has not moved forward yet. The board stated that they would try and accelerate the review process. The committee still has to be formed with members, operating policies and procedures, before making a recommendation to the two boards. There was some opposition in the UTOPIA board meeting to the Murray proposal. Ultimately, the proposal would go through this process with the new committee and hopefully get back in front of the board within a couple of months.

Kim Fong- Murray City Library

Ms. Fong stated that they are working on an RFID (Radio Frequency Identification) project. The self-checkout will change to a different style of checkout with RFID in the materials. This new system is easier to use for the customers and also is better material management. It is hopeful that this system will also reduce some of the theft and cut back on staffing needs. This type of system is being used in other libraries in the area. The Library received a \$38,000 grant that is being used to pay for most of this new system.

The Library recently completed an inventory and discovered that 1% of the collection is missing, most likely theft. Hopefully RFID will help to eliminate some of that, added Ms. Fong.

Ms. Fong referred to page 90 of the CAFR and the total volumes borrowed. The trend shows that borrowing has gone up substantially. Every item in the library is checked out an average of eight times per year. The collection has decreased a little, due to costs and limited space.

Ms. Fong noted that the new RFID and self-checkout process should be completed in February 2015. The project involves installing an RFID tag in every item in the library.

Mr. Brass thanked Ms. Fong for the library's help with the Haunted Trails. Ms. Fong replied that the staff had a great time doing that. She commented that some of the librarians offered story telling while people drank hot chocolate and listened to the stories. She said it was a fun event and was well attended.

Ms. Fong said the library held a lock-in for the teens for Halloween. They had 97 kids attend the lock-in and 270 attended Halloween howls.

Diane Turner- Legislative Policy Committee (LPC)

Ms. Turner stated that she attends this committee meeting monthly with Jan Wells, Jan Lopez and the Mayor.

1. The LPC is focusing a great majority of its efforts on the Comprehensive Transportation Funding that will be addressed as a new business item in the Council Meeting tonight. The resolution encourages the Utah Legislature to authorize increased funding for a three-fold approach to solving the state's transportation needs:

- Enact a statewide, local option $\frac{1}{4}$ cent sales tax dedicated to transportation. It is anticipated that this amount would generate about \$3 billion dollars between now and 2040 to meet the priority needs identified in the Unified Transportation Plan.
- Expand the definition of transportation so that funding can be used for a diversity of transportation options including, transit, sidewalks, trails, bridges, signage, safety, bicycle paths, as well as, road construction and maintenance. These options are intended to result in more healthy lifestyles, decrease health care costs and improve air quality by reducing the number of vehicles on the roads.
- Raise the traditional state wide motor fuel tax and include an indexing element to keep up with inflation.

This effort was kicked off with a press conference on Monday led by the Transportation Coalition, which is a combined undertaking by government, the ULCT and private business. The Salt Lake Tribune ran an article today on the front page of the "Utah" section. Press coverage is intended to educate citizens to gain support for this legislative funding.

2. Yesterday there was discussion on the 2014 change to referendum law. The scope was expanded allowing citizens the ability to have referendums on budgets, tax rates and special service districts. Mr. Zollinger asked if that meant if there was a tax increase, could the item go to referendum and go to a future year if there wasn't a vote that year. Ms. Wells commented that it could be a special election.

3. Land Use Task Force reported that they are looking at the impact fee consulting process to determine if there is a conflict of interest when the impact fee consulting firm is also the jurisdiction's consultant on infrastructure that impact fees fund.

4. We heard from a representative of the Utah Association of Energy Users, which is made up of 38 of the state's largest energy users. This group is opposed to the current method used to calculate municipal energy tax. They would like to have a dialogue about this in an effort to keep their rates down and find a way to make this tax predictable. ULCT disagrees with their issue.

5. Not part of the agenda, however, Jan Wells brought up the topic of sales tax redistribution. Ms. Turner stated that this is a big issue for Murray City. Outgoing Representative Jim Nielson will be addressing this in the Revenue and Taxation Interim Committee tomorrow. In the last legislative session he also ran a bill proposing that, should the federal Marketplace Fairness Act be approved, new sales tax revenue would be subject to 50% distribution based on population, but would change the current 50% point of sale to a 25% point of sale and 25% based on cities property tax assessed valuation. Mr. Zollinger added that 28% of the City is non-taxable with no assessed value. No bill has been filed to date, but this is an important issue that we need to watch closely.

Ms. Turner stated that Representative Nielson would not be in the legislature this year. Ms. Wells added that there are others, such as Dan McCay and Howard Stephenson that will pick up this issue in the legislature in his absence. Ms. Wells said she will keep the Council in the loop on developments.

Mayor Eyre- Council of Governments (COG)

Mayor Eyre attends the COG meeting every month. He said they receive a quarterly update from John Morgan from VECC (Valley Emergency Communications Center). He reports on the pros and cons of the RFP (Request for Proposal) with Versaterm and Spillman.

Mayor Eyre stated that the COG agenda is driven by the Wasatch Front Regional Council (WFRC). Many of the items discussed relate to transportation, corridor preservation, clean air and active transportation needs. He said he attended the Wasatch Choice 2040 Consortium that had the theme of "Back to the Future." He stated that it was really interesting and showed the deterioration of a downtown area. The importance of a vibrant downtown area that is walkable was greatly stressed. The ideas fit right in with what Murray would like to do with the downtown area, and was a wonderful validation.

Corridor preservation was discussed also, but it doesn't really affect Murray. The ones discussed were in Herriman, West Valley City, Bluffdale and Taylorsville. Corridor preservation involves long range plans and the securing of land for future transportation needs. Mayor Eyre commented that the Utah transportation agencies are very proactive and forward thinking.

There was also a nice presentation on homeless facilities, including The Road Home, Odyssey House and others. He added that the homeless facilities offer much more than just a warm safe place to stay. There are so many contributing groups and volunteers that give to these facilities and provide bus passes, job interviews, prescription medicine, counseling and other services.

UTA (Utah Transportation Agency) also always gives an update on their transportation plans. They are very forward thinking and believe transportation needs in Utah will double in the next forty years, so they are trying to stay on top of that. It is a very expensive undertaking, noted Mayor Eyre.

Mr. Nicponski asked how much money Murray contributes to the homeless shelters. Mr. Zollinger replied that Murray gives \$16,000 annually.

Justin Zollinger- Utah Infrastructure Agency (UIA)

Mr. Zollinger commented that Mr. Hill had previously covered this subject very well. He stated that he was also discouraged about the formation of the Business Development Committee. He stated that initially he thought it might be a good thing, but realized things will take a lot more time and would not have a sense of urgency. He added that support for the Murray plan is varied. Some are still on board and some like the plan but only if the City pays the OpEx (operating expenses).

He added that one positive element is that revenue keeps increasing, but in terms of bond proceeds, the level of positivity can be looked at through different lenses.

Blair Camp- Valley Emergency Communications Center (VECC)

Mr. Camp stated that VECC is still working towards a consolidation and not much has changed. He said that John Morgan, has been impressive as a Director, as the Mayor previously mentioned. Mr. Morgan is working on a strategic plan as well as a RFP (request for proposal) for a consultant. The intent of the Board is to make this dispatch center a state of the art facility. The meeting this month was attended by Ms. Wells. He said he can get the minutes from the meeting if anyone would like. Ms. Wells commented that Mr. Camp had covered everything from the meeting.

Blair Camp- Association of Municipal Councils

Mr. Camp stated that John Bronson from Zions Bank, and David Church attended the last meeting and discussed bond options for municipalities. He added that there is no December meeting so they will begin in January with a new agenda for 2015.

Jim Brass- Central Valley Water Reclamation

Mr. Brass stated that Central Valley Water updated their interlocal agreement on the Jordan River/Farmington Bay study. This is a study that evaluates the water quality in the Jordan River and Central Valley and contributes \$150,000 towards that effort. They are evaluating ways to reduce the phosphorous without costing all the cities millions of dollars.

Currently, Central Valley is in the middle of permit renewal. Central Valley discharges into Millcreek and Millcreek is considered an impacted river. The river below the water treatment plant is actually healthier than the water above the plant. It has been an issue, and Central Valley has considered piping around Millcreek and discharging directly into the Jordan River. The Department of Water Quality doesn't really want that done but hasn't said that special testing doesn't need to be done either. The test is called a "wet test" and costs between \$1000 -\$2,000, and sometimes results in a fail but then an immediate pass. If the destination through Millcreek isn't changed then most likely the wet test would have to be routinely performed, and is a huge expense.

There was an incident with the interceptor system at Granger/Hunter. A 60" pipe was eaten away by cavitation and sulphur dioxide and actually disappeared. The ground was so well compacted that it wasn't an immediate problem until a 30 foot tree disappeared into a sink hole. They were able to divert the flow to the other pipe, so there wasn't a major spill, but they are currently operating with one pipe. That repair caused an emergency expenditure of a couple of million dollars.

The definitive agreement on the resource recovery project for the plant is still being worked on. That is a plan to find ways to use the methane gas and other relevant products that a waste treatment plant produces. One option is to sell the excess energy from the plant, which is considered "green gas." It looks like the most profitable option as the methane gas recovered, qualifies for energy credits. The transfer station is right next door and those garbage trucks run off of natural gas, he added. He noted that Mr. Nakamura is still reviewing the draft.

Central Valley is also in the budget process. He added that it is a well-run plant. It is an old facility and repairs are needed so the added revenue would be helpful.

Jim Brass- Wasatch Front Waste & Recycling District (WFWRD)

Mr. Brass noted that WFWRD is also in the middle of the budget process. The decision was made not to do a fee increase he added. There have been enough excess expenditures cut from the budget that a fee increase is not necessary. It appears that smaller increases will actually be more productive and efficient, and the citizens would prefer that. There will be a public hearing held on December 8th.

A policy was revised regarding pick-up in Big Cottonwood Canyon and winter collection. People were being charged for collection, but were unable to access their homes in the winter, so that has been corrected.

Procurement policies were adjusted to be more in line with State law. He noted that it was a good thing to set spending limits and adopt ethic policies on such things as collecting tips.

The area cleanup schedule with the large dumpsters is still being created. The citizens would like a rotating schedule to cover spring and fall cleanup times.

WFWRD is still having a cash flow problem and spending more than it makes, but that number is getting smaller, he added.

Tim Tingey- Neighborworks

Mr. Tingey has six different acquisition rehab and resale projects currently going on. There will be an open house held on 4752 Hanauer on November 20 and that property has already been listed. There have been a total of 9 acquisition/rehab projects. On 6521 South and 700 West, there is a brand new construction project that will begin in the spring.

There have been seven projects approved for home improvement loans. Some of the funding for those projects has come from the "Green and Healthy Homes Initiative" from the County. There have been seven projects already completed for a total of fourteen projects. He commented that if anyone knows of persons with limited income that could use assistance to let Mr. Tingey know.

Wells Fargo is funding \$5 million to the "Neighborhood Lift Program" that is administered by Neighborworks. He said unfortunately Wells Fargo chose to not allow the program in smaller cities such as Murray.

Mr. Tingey added that the Neighborworks annual meeting and dinner was the following day.

Business Item #3

**Proposed change to Murray City's
representative on the UTOPIA Board of
Directors- Mayor Ted Eyre**

Mayor Eyre said there are two interesting components to this change. The first component is the discussion and the second component is the actual vote. The vote will be held in the public meeting immediately following.

The situation at UTOPIA has changed a great deal he noted. It has become a very political atmosphere, because of the divisions with Macquarie. Since that time, Murray is the only city that has introduced a new comprehensive plan. Murray has presented a very well thought out and detailed plan. This has created an even more political situation. He said when the division occurred, the most important thing was to get the two groups back on a level playing field. There were people not speaking to each other and it was extremely important to rebuild those relationships. The ability for the Mayor to speak to counterparts in other cities has become increasingly important. He added that it is very difficult for Mr. Hill to find the time to work on those relationships with all of his other duties.

Mayor Eyre added that it is an urgent time. He restated the recent roadblock with the newly formed Development Review Committee. The good side of this roadblock is that it happened during December, a very busy month for everyone. He believes that the City can be on more solid footing in two months when decisions can be made.

Mayor Eyre asked for the opportunity to continue working with other Mayors and City Managers and keep strengthening those relationships. He would like to be the City representative on the UTOPIA Board and change Mr. Hill to the alternate.

Mr. Camp clarified that it was the Mayor's appointment and the Council is simply confirming the appointment. Chairman Hales stated that was correct.

Announcements

Ms. Lopez reminded the Council about reservations required for the upcoming MCEA (Murray City Employee Association) Christmas Party on December 6, 2014.

Chairman Hales adjourned the meeting.

Council Office Administrator II
Kellie Challburg