



## MURRAY CITY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, April 17, 2012, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray Utah.

### Members in Attendance:

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

### Others in Attendance:

Michael D. Wagstaff	Council Executive Director	Dan Snarr	Mayor
Janet M. Lopez	Council Office	Jan Wells	Mayor's COS
Frank Nakamura	City Attorney	Doug Hill	Public Service Director
Tim Tingey	ADS Director	Russ Kakala	Public Services
Justin Zollinger	Finance Director	Angela Price	CDBG Coordinator
Peri Kinder	Valley Journals	Dwayne Woolley	Trans-Jordan Landfill

Chairman Brass called the Committee of the Whole meeting to order at 5:30 p.m. and welcomed those in attendance.

### Minutes:

Mr. Brass asked for corrections or action on the minutes from the Committee of the Whole meeting held on March 20, 2012. Mr. Stam moved approval as written. Mr. Shaver seconded and the motion was approved 5-0.

### Business Item #1: Trans-Jordan Landfill Fee Increase Presentation – Doug Hill and Dwayne Woolley

Mr. Hill introduced Dwayne Woolley General Manager of Trans-Jordan Landfill and pointed out that Murray City is a part owner of the Landfill. A few issues are forthcoming that he felt would be important for the Council to know of regarding future plans of Trans-Jordan.

Mr. Woolley said that Council members are always invited to visit the Landfill for a personal or group tour of the facility. There is a lot more to garbage than people realize. Most people just know that they put a garbage can out in front of the house and it is gone. It shows up at the landfill and is pushed out of the back of the truck that actually compacts the garbage to about twice its density to what it was in the can. Compactors at Trans-Jordan then go over it five times to make sure it is adequately crushed and shredded because landfill airspace is important.

Trans-Jordan started in 1958 without Murray. There are currently seven city members and all have active curbside recycling programs. This was a requirement for membership. Murray was the last to come on with curbside; although the City did have another reasonable recycling program. Current life expectancy is 20+ years and does depend on how much garbage is coming in. The prior 15 year life expectancy was increased due to lower than 3% growth rate. The last four years have not seen any growth. Additional recycling compensates for the growth of Daybreak and other areas. Current estimates are set at a 1% growth rate.

Mr. Woolley showed an aerial view of the facility, which covers 325 acres. Forty five acres are active with seven cells and six in lateral expansion, an EPA designation meeting all standards. The north area or old cell was prior to EPA requirements and is completed. The current area is in the center with a future mega cell in cell six. It will last a lot longer and is beginning to be dug now.

Mr. Shaver asked why cell six is so much larger. It is part of a design issue because the very first one comes in on an angle, shaped like a parallelogram; although, by the last cell you have both sides and is a function of an operating issue that works well.

The green waste area is 12.5 acres leased from South Valley Sewer and Murray is the only city not in it. The six other members are all part of the South Valley Sewer District. Because of location, Murray is part of Central Valley Sewer. This property is just south of Trans-Jordan where we had a composting program in conjunction with them composting bio-solids for about ten years. The smell in composting bio-solids is a challenge. It is difficult to keep people happy. Because of Daybreak construction, the entire south end of the valley pays higher sewer rates. Two thousand people live in that community and did not like the smell that was already there; therefore, now 400,000 pay higher sewer rates because the alternative to composting was a more expensive option. They physically dry it on site and then haul it out to different locations. Some of the wet sludge is still being buried in the Wasatch Regional Landfill, because they want three choices. Mayor Snarr noted that Central Valley composts most of their bio-solids. Mr. Woolley added that Central Valley has digesters in their sewer plant; it is a different product and cannot be compared by smell issues. It is easier to compost digested sludge. South Valley is one of only seven sewer plants in the nation under the old fashioned way, which is a little cheaper but with disadvantages. The new plant is a membrane technology that is different from their current plan.

Mr. Woolley showed a cross section of how landfills look. The bottom is lined to protect ground water, the garbage is added in layers called cells, the wide area at the top is the active area and when it is filled, the entire top is capped. To protect the environment a GCL liner is put down, which is a clay blanket equivalent to three feet of compacted clay. A 60 mil HDPE liner is put over it, following that two feet of dirt goes on the bottom and then the cell is ready. The dirt protects the liner from the garbage. Six feet of "good garbage" goes in first that is garbage only from a house so that nothing can puncture the liner. That creates an eight foot barrier before just anything goes in the cell. Mr. Woolley showed schematics of this process with photos of the HDPE that comes in 22 foot wide rolls and crosses each other, is sealed and covered with a drain net. It is similar to turtle tile that you see in recreation centers to keep your feet out of the water with a plastic layer for water to drain and a fabric over the top to keep garbage from going into that area. The entire landfill is built on side slopes that are 3 to 1 but the bottom slope is 2%. All the water that makes it through the landfill stops at the liner, flows to the low spot and is pumped out. This is called landfill coffee because it is a percolation process, the water picking up whatever is in the garbage. The landfill is designed to keep the water from going into ground water and then it is collected and taken out.

Mr. Woolley presented figures on how many vehicles visited the Landfill. A graph showed the number of member cities, commercial, green waste and residential vehicles. There

are more residential visits, almost 25%, which is mom and pop. There were 120,000 total vehicles. The interesting thing is a comparison to the tonnage equivalent. The member cities garbage comes in the large trucks after being compacted with more tons per visit amounting to greater than 50% of the total annual tonnage. Residential accounts for 30% of the traffic and only a very small percentage of the volume. Trans-Jordan provides all the services, where commercial facilities provide only the garbage. Allowing residential is a lost leader with lots of work for a small amount of money.

A graph of tonnage received over the last eleven years shows a spike in two years, which was from Kennecott's construction of Daybreak. They found 80,000 tons of garbage that had been dropped in a ravine and covered with dirt in the 1950s. It was put in Trans-Jordan over a two-year period. The tonnage is going down slightly even though there is growth in numbers. It is a concern when you try to balance with the fixed costs. Compactors are a must and cost \$885,000 each and lasting three years.

Mr. Woolley explained a graph that indicated the tonnage that comes in from different sources. The member city amounts are holding even, going up just slightly. The commercial tonnage is going down, with those close to Trans-Jordan still coming to them; however, there are other options.

Trans-Jordan offers the lowest member tipping fees in the area. Murray City pays \$12 per ton. The tipping fee is \$26 per ton at the gate. The operating costs are about \$15 to \$16 per ton, so the commercial subsidizes the cities. It is a great formula and works well. If the commercial receipts are going down then the subsidy is slowly disappearing. Several years ago the price was tied to 50% of the gate rate for the member cities. A couple of years ago, there was a gate rate increase; but no raise in rates was passed on to the cities. One of the reasons for the increase now is because it is necessary to break even, Mr. Woolley stated.

Mr. Shaver asked what is anticipated in five to ten years, knowing that the commercial tonnage is dropping. Mr. Woolley said he expects a similar drop. Garbage is changing and population is growing. The commercial is finding alternatives, such as private landfills. They are going to go to the cheapest location. Mr. Shaver asked how that will impact the 20 year life expectancy of the landfill. Mr. Woolley said it has been taken into account. Mayor Snarr commented that the commercial has a formula, looking at rising fuel costs versus the location and tipping charges.

Mr. Woolley said there is a judgment call. Two years ago when the \$2 increase in commercial tipping rates was proposed the Salt Lake landfill followed with the same increase in their rates. The fees have matched, not being in collusion. If commercial rates are too low then more tonnage would come to Trans-Jordan, filling it faster and creating a lost benefit to member cities. It is a trade off. They would like to stay there a reasonable period of time, and yet they have promised South Jordan City that they would not expand. If a transfer station is added then you will double the cost due to the additional expense. It would cost \$5 per ton to build, \$5 per ton to operate and \$5 per ton to get it from the transfer station to the disposal site. There is a desire not to close early; although, it will close someday.

Mr. Woolley pointed out the other tipping fees in the area:

Trans-Jordan	\$12.00
Salt Lake Valley	\$24.25
Bountiful	\$25.00
Wasatch Energy	\$16.00
Logan	\$29.00
Weber County	\$29.50

Northe Point \$31.00  
Southern Utah Valley \$33.00 (they have a transfer station)

Mr. Woolley pointed out that \$12 is substantially less than the others and his proposal is to raise it to \$13. The gate fee of \$26 would remain the same.

The state looks at Trans-Jordan as the model. The public Convenience Center has been replicated at three other locations. The benefits of the landfill include participation in service projects, litter control and enforcement of the state tarping laws. Trans-Jordan was instrumental in getting that legislation passed as a state ordinance.

The Public Convenience Center (PCC) was developed to prevent individual citizens from entering the landfill and being subject to accidents with the big trucks. They have an area where people can push their garbage out the back of a truck and then a machine pushes it into bins and the bins are hauled down. It is double handling but the liability makes it worthwhile. There is also an area for household waste and electronic recycling as a partnership with the County Health Department. Tires cost \$1 off the rim and \$2 on the rim. That is what it costs them to get rid of tires to a private company. Tires migrate to the surface, just like rocks in the garden. They cannot effectively be buried.

Over 23,000 tons of green waste was diverted last year. Murray does not bring in much because it has its own program. The fee for that is half the regular tipping fee. Compost and wood chips are available for purchase. There is a horizontal grinder that operates 1 to 1.5 days a week. The cost of this machine is \$500,000.

Trans-Jordan does have a recycling program taking metals, carpet pad, paper, cardboard, tires and batteries. They take refrigerators at \$8. They then remove the Freon. Every city has curbside recycling so they do not get a lot of that.

Mr. Woolley explained that household hazardous waste is taken, including acids, and there are two technicians that process it. Legally it could be put in the landfill, but the more we keep out the less chance there is to contaminate the ground water. Murray takes hazardous waste called ABOP, antifreeze, batteries, oil and paint.

Trans-Jordan does tours constantly with a lot of school groups. They have a float in the Murray parade each year.

Mr. Woolley noted that they have a gas recovery system. There are 100 wells with a flare and three generators and Murray gets the benefit from that. He met with a carbon credit group for verification of their process.

They do recycle glass and green waste. This is not bad to have in the landfill because it makes gas.

The final matter is the transfer station. Someday it will be necessary to build a transfer station. Currently, Sandy City wants to break away and build their own transfer station. Trans-Jordan does not think it is needed today. It is felt that when the landfill is closing would be the time to build.

Mr. Brass confirmed that the rate increase will be from \$12 to \$13 per ton. He said he had taken a tour to look at the generating plant and it is fascinating. The cells do fill up quickly. They look huge.

The increase would be on July 1, 2012, Mr. Woolley added.

Mr. Hill thanked Mr. Woolley for the presentation and informed the Council that the \$1 fee increase equates to about \$15,000 per year of a million dollar budget. They are seeing other issues and cost increases related to the solid waste program. The garbage cans ordered five years ago are wearing out and more are being replaced; therefore, they are seeing higher expenditures and anticipate going into reserves the next year. He has been working with Mr. Zollinger on the budget and he feels the City will likely have to recommend a rate increase if the Council would like to do that. Otherwise the reserves will continue to be utilized.

Mr. Brass said that could be brought up as a discussion item. He noted that Murray does benefit from the power that is generated and seeing the plumbing that goes into that on the capped part of the landfill is amazing.

**Business Item #2: Discuss Proposed Amendment to the Fiscal Year 2011-2012 City Budget – Justin Zollinger**

Mr. Zollinger mentioned three items that would be included in the Budget amendment: the Library, Capital Projects Fund and use of General Fund reserves for unanticipated professional fees in the Retained Risk Fund.

The Library has a restricted endowment of \$20,000. The endowment has been amended to allow \$10,000 to be spent for a stained glass window in the library. It will be paid for out of the Library budget.

The \$3 million transfer is the amount over the allowed reserves in the General Fund and will help get that in line and fund the Fiscal Year 2012-2013 Capital Improvement Project. The balance changes daily as revenues come in; however, after this transfer reserves will still be a little above where they should be.

Mr. Stam asked about some expenses that had been paid from the wrong fund. He wondered if that had been corrected. Mr. Zollinger responded that it had been taken care of and the reserves are still a little above. He hopes that this happens each year so that extra money can be transferred to the Capital Projects for the CIP money. It is a goal he would like to achieve.

The third issue involves fund reserves for professional fees in the retained risk fund, which Mr. Nakamura informed the Council of earlier. The amount is \$100,000.

**Business Item #3: Capital Improvement Program (CIP) Recommendations and Vehicle Policy Discussion – Brett Hales and Justin Zollinger**

Mr. Zollinger stated that the committee was pleased with the recommendations for the CIP. Ideas from all members have been pooled and it is a good start at getting back on the road to replacing capital needs. It obviously will not fill all the needs.

The Capital Projects category will have \$739,000, which is about 25.5%. The Information Technology (IT) Capital Maintenance is \$131,000, amounting to 4.5%. The Vehicles and Equipment group has \$957,000 planned for approximately 33%. Buildings and Facilities Maintenance will be appropriated \$552,000 making 19%. Capital Maintenance for Streets will be funded at \$500,000 in addition to the Class C funds in the General Fund. Personally, he feels that is a victory to keep funding the roads and not fall behind to incur really big costs later.

The Attorneys office will have \$2,500 and some money is being moved into the Golf Fund for future funding of the sprinkler system. Because they paid for part of the Parkway this is

a gesture to help build up golf reserves to fund that without going into a substantial amount of debt.

To show the allocations by department:

ADS is receiving \$157,000, 5% of the total;  
Police receives \$518,000, 18%;  
Parks gets 29%; and  
Public Service funding is 35%.

Vehicle Policy – Mr. Hill reviewed that the consultants recommended that the City adopt a vehicle replacement policy. This could be used as a guideline on when vehicles would be replaced. Mr. Hill met with the Fleet Manager, George Hamer and they looked at various cities' vehicle policies within the state and outside. They found one from Wyoming that they really liked. Some policies were very simple, for example, every five years you replace the vehicle. They did not feel that was a good guideline particularly in Murray City, because many of the vehicles do not have high mileage on them with use just around the City. We feel our vehicles can be kept much longer, even over 10 years on some.

The policy that they liked and recommended to the Mayor and the CIP Committee for adoption has a combination of years, miles or hours and the condition. City vehicles were placed in categories based on whether it was an emergency vehicle, car pool vehicle or personal vehicle (like police which is assigned to an individual). Then a point system was created taking into consideration the category, age and other criteria. Each vehicle is rated based on the point system. When the vehicle reaches a certain level in the point system, then it becomes eligible for replacement. We felt this was an objective way to judge the vehicle taking into consideration the various factors. They did receive feedback from the departments and have made adjustments based on that. To his knowledge the department heads agreed this was a fair way of doing it, Mr. Hill commented. It may make some keep their vehicles a little longer than perhaps they wanted to. It was his understanding that the CIP Committee used this policy to evaluate and make their recommendations on vehicle replacement. Because a vehicle meets the point system doesn't mean it must be replaced, it just means it is eligible. For example, the power department said that they have a couple of bucket trucks that meet the point system but they want to keep them. Mr. Shaver confirmed that replacement is not forced or compelled.

Mr. Hill advised that, on the other hand, there may be some vehicles that don't meet the point system but the purpose of the vehicle is changing. For example, in power, a big bucket truck doesn't meet the point system but they would like to purchase a smaller bucket truck to work in tighter neighborhood areas. The large bucket was not serving the purpose and they made a case for getting rid of the vehicle and replacing it with the smaller one. The CIP committee would take that into consideration and the department could make an argument for replacement.

Mr. Shaver noted that the department would have a voice in the process with the CIP. He asked if personal vehicles have a limit on mileage. Mr. Hill used the example of a police officer's patrol vehicle, which has to have 100,000 miles to be considered for replacement. Once a vehicle reaches that mileage, regardless of condition, it would be eligible for replacement; however, it could be replaced sooner if it has had major repairs making the point system elevated. Mr. Shaver said that he knows none of the department heads or people assigned vehicles would ever do such a thing, but if one wanted to get rid of a vehicle they could just run up mileage and beat it up and it would meet the point system. Mr. Hill said he supposed that could happen. If a vehicle is assigned to someone, is there a limitation to how many miles they could put on a vehicle every year, Mr. Shaver asked. Mr. Hill responded that there is no limit

under the policy. Mayor Snarr added that police officers are charged a monthly fee for the use of their vehicles. Mr. Shaver said that because some vehicles are not aged based on mileage, it may be done by hours and kind of usage. One used harshly will wear out faster than others. Is that a consideration in the point system, he asked. Mr. Hill said that it is for vehicles such as backhoes, which must reach a minimum number of hours for the category it fits into to be eligible for replacement.

Mr. Shaver is concerned about fuel costs and vehicle use. He detailed that possibly one trip can be made rather than three trips to the same location. He said that the policy recommendation says that usage over years shows that a particular vehicle is used 12,000 or 22,000 miles per year; therefore, we are conserving energy and conserving vehicle replacement as a part of the policy. He said we are trying to find a way to conserve fuel and one of the best things that happened is that the Crown Victorias are gone. This will help conserve fuel because those costs are going up. This would be a measure we would want to look at. Mr. Hill said that is something that could be discussed by the CIP committee or the Council when this comes forward to adoption. He said some policies did go beyond replacement and addressed energy usage. It is a different policy even though it is vehicle related. Many cities had policies that said they would convert all vehicles over to natural gas or hybrid type systems. Murray has not gone that far yet, but is something the Mayor and Council could talk about. We found that conversion has not been cost effective yet, but you don't always do things because it costs less. Sometimes the City may want to send a message that we want to use clean fuels and set an example for the community. That is something the Council could talk about, Mr. Hill stated.

Mr. Shaver asked if he recommends fuel conservation to be a separate policy from the replacement policy. Mr. Hill agreed. Mr. Shaver inquired if the City bids vehicles. Mr. Hill responded that they do bid vehicles and many are purchased off the state bid list. Specialty vehicles like the sewer TV camera vehicle that was just purchased was done on our own bid. Vehicles like police and pickups are done off the state list. Mayor Snarr said that sometimes vehicles on the lot may be purchased at a high discount and save a lot of money.

Mr. Shaver suggested that used vehicles could be put into a group and sold as a whole for someone to turn around and resell. Mr. Hill said that when a vehicle is no longer functional for one department, they first see if another department could benefit by using it. Mr. Shaver asked if that is part of the policy. Yes, Mr. Hill responded. When the City decides they can no longer use the vehicle it is surplussed by the Recorder's office. They have a company that comes in and takes all the vehicles and equipment to an auction. In turn the City gets a portion of the proceeds.

Mr. Zollinger said that if it is a fixed asset then the revenue goes into the fixed asset account. On other items the revenue from the sale goes back to the appropriate fund depending on which fund the vehicle or equipment was purchased from.

Mr. Shaver referred to a conversation that took place regarding saving and if we are a wise manager of our money then a portion of that could go back in. Mr. Zollinger said that would be part of the pool, going back into the CIP. Mr. Zollinger said that going forward that would be easier because purchases came from the CIP and resale money will go there; but until all of our equipment has transitioned and been purchased there, it needs to go into the General Fund or whichever fund purchased it.

Mr. Stam said that another discussion in the CIP committee was instead of selecting the vehicles for replacement individually, a lump sum would be given to Fleet and let them decide which vehicles needed replacement or movement to another department to extend the life.

Mr. Zollinger asked if the Council would like to see the CIP list included in the budget document or broken up into the accounts for presentation. Mr. Shaver indicated that he preferred this list. Mr. Zollinger pointed out this list includes just the governmental funds and he would do the same type of list for the proprietary funds.

Mr. Nicponski asked if the City looks at leasing. Mr. Hill said that George Hamer has looked at leasing from time to time; although, it has not been done as a general practice. Some leasing has been done on golf carts and a lease purchase on large vehicles, such as a street sweeper and road paver, when the City did not have the money up front to purchase. The City has found it is less expensive to purchase rather than lease. It can be beneficial for government if you want to flatten out the dollar expense from year to year. Mr. Hill thinks it is better not to lease if you have the money. Mr. Zollinger might have another opinion. Mr. Hales said that we do have our own repair shop and that is one of the advantages for ownership. In leasing, because items are new, the maintenance costs are not as high. Mr. Zollinger said that there are limits in mileage. Mr. Nicponski said the numbers would have to be run but it might be considered. Mr. Hill said very few leases are done because the City keeps vehicles so long. Mr. Nicponski added that you run into a bubble where they have all been kept so long that they all need replacement at once. Mr. Zollinger commented that one of the goals of the CIP is to replace part of the fleet each year.

Mr. Zollinger explained that on the CIP list the departments prioritized in one column and the CIP committee prioritization can be seen according to what was funded.

Mr. Stam commented that it was discussed for the Council to hold a CIW (Council Initiative Workshop) or some other format to review the recommendations of the CIP committee. Others suggested it would be done during the budget meetings. Mr. Hales said the process had been impressive and he gave much credit to Mr. Stam for his insight.

With no further questions or business, Mr. Brass adjourned the meeting at 6:23 p.m.

Janet M. Lopez  
Council Office Administrator