

Murray City Municipal Council Chambers Murray City, Utah

The Municipal Council of Murray City, Utah, met on Tuesday, the 5th day of December, 2017 at 6:30 p.m., for a meeting held in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

The meeting was conducted by Brett Hales

Council Members Present:

Dave Nicponski, Council District 1
Pamela Cotter, Council District 2
Jim Brass, Council District 3
Diane Turner, Council District 4/Council Chair
Brett Hales, Council District 5

City Staff Present:

Blair Camp, Mayor
Jennifer Kennedy, City Recorder
Frank Nakamura, City Attorney
Janet Lopez, Council Administrator
Janet Towers, Executive Assistant to the Mayor
Craig Burnett, Police Chief
Gil Rodriguez, Fire Chief
Jon Harris, Deputy Fire Chief
Travis Allred, Paramedic/Firefighter
Joey Mittelman, Fire Captain
Randy Hallam, Paramedic/Firefighter
Pride Alldredge, Fire Engineer
Amy Krug, Fire Engineer
Russell Sneddon, Paramedic/Firefighter
Brian MacNeil, Fire Engineer
Josh Schultz, Paramedic/Firefighter
Zac Hansen, Paramedic/Firefighter
Danielle Winters, Paramedic/Firefighter
Tad Raban, Paramedic/Firefighter
Cameron Willden, Firefighter 1
Steve Ellefsen, Fire Engineer
Steve Roberson, Paramedic/Firefighter
Doug Hill, Public Services Director

Other's in Attendance:

Citizens

Mr. Hales called the meeting to order at 6:30 p.m.

5. Opening Ceremonies

5.1 Pledge of Allegiance

The Pledge of Allegiance was led by Jackson Rose, Murray City Youth Council

5.2 Approval of Minutes

5.2.1 Council Meeting – November 14, 2017

MOTION: Ms. Turner moved to approve the minutes. The motion was
SECONDED by Mr. Brass. Voice vote taken, all “ay

5.3 Special Recognition

5.3.1 Introduction and Swearing-In Murray City Youth Government.

Staff Presentation: Sheri VanBibber, Murray City Youth Government
Jennifer Kennedy, City Recorder

Ms. VanBibber thanked the Council for their support of the Murray City Youth Government. She highlighted some of the accomplishments the Murray City Youth Government had over the past year as well as some of the activities they have coming up. She asked the members of the Murray City Youth Government to introduced themselves.

The Swearing-In Ceremony was conducted by Jennifer Kennedy.

5.3.2 Swearing-In Murray City Firefighter/Paramedic Russell Sneddon

Staff Presentation: Gil Rodriguez, Fire Chief
Jennifer Kennedy, City Recorder

Chief Rodriguez introduced Mr. Sneddon and spoke him and his work history.

The Swearing-In Ceremony was conducted by Jennifer Kennedy.

- 6. Citizen Comments** – Comments are limited to 3 minutes unless otherwise approved by the Council.
No citizen comments were given.

7. Consent Agenda

7.1 None scheduled.

8. Public Hearings

8.1 None scheduled.

9. Unfinished Business

9.1 None scheduled.

10. New Business

10.1 Consider a resolution approving a proposed fee increase for the Wasatch Front Waste and Recycling District to be effective January 1, 2018.

Presentation: Pam Roberts, Wasatch Front Waste and Recycling District
(See Attachment 1 for the slides used during Ms. Roberts' presentation)

Ms. Roberts explained that Wasatch Front Waste and Recycling District (WFWRD) services the eastside of Murray that was annexed into the city years ago. She explained about how WFWRD operates and that they only receive money from the fees they charge. She also went over some other waste management services that WFWRD provides. Ms. Roberts went over the current fees being charged by WFWRD and the new fees they are proposing.

Mr. Brass, who sits on WFWRD's Board, noted that the city subsidizes part of the cost of picking up the garbage on the eastside of Murray. The city held some public meetings with citizens on the eastside to see if they would like Murray City to collect their garbage instead of WFWRD. Many of those citizens advised the city that they wanted to stay with WFWRD and one of the main reasons for that is because of the area cleanups that WFWRD offers. ACE Disposal, who services the rest of Murray, does not offer area cleanups.

Mr. Brass explained that as things such as tipping fees at the transfer station, health insurance, and fuel costs go up, the money has to come from somewhere. He also noted that the city used to make money off of the recycling; now we have to pay for it. He feels that the increase is absolutely necessary.

Mr. Nakamura said normally there is a public hearing held for a fee increase and that the public hearing for this was held on November 16, 2017 by WFWRD.

Ms. Roberts explained that prior to the public hearing, WFWRD published two notices in the newspaper, one on November 3, 2017 and one on November 7, 2017. A notice was also put on their website and Ms. Roberts visited to each municipal council to help educate them as well. The public hearing was well attended and there were two residents that gave public comments at the meeting; neither had opposition to the increase.

MOTION: Mr. Brass moved to adopt the resolution. The motion was SECONDED by Ms. Turner.

Council roll call vote:

Mr. Nicponski	Nye
Mrs. Cotter	Aye
Mr. Brass	Aye

Ms. Turner Aye
Mr. Hales Aye

Motion Passed 4-1

11. Mayor

11.1 Report

Mayor Camp said on December 9, 2017 the Murray Library will be hosting their Holliday Palozza from 11:00 a.m.-2:00 p.m. He went over the schedule of events the Library will have on that day.

Mayor Camp stated he has filled all the positions in his office.

11.2 Questions for the Mayor

There were no questions for the Mayor.

12. Adjournment

The meeting was adjourned at 7:08 p.m.

Jennifer Kennedy, City Recorder

Attachment 1



**Administrative Control
Board Members**

Craig Tischner, Chair
Herriman City Council

Steve Gunn, Vice Chair
Holladay City Council

Jim Brass
Murray City Council

Dama Barbour
Taylorsville City Council

Scott Bracken
Cottonwood Heights City
Council

Kris Nicholl
Sandy City Council

Dwight Marchant
Millcreek City Council

Kelly Bush
Kearns Metro Township Council

Brint Peel
Magna Metro Township Council

Sean Clayton
Copperton Metro Township
Council

Robert Paine
Emigration Canyon
Metro Township Council

Kay Dickerson
White City Metro Township

Jenny Wilson
Salt Lake County Council

Jim Bradley
Salt Lake County Council

Administration

Pam Roberts, MPA
Executive Director
proberts@wasatchfrontwaste.org
385-468-6342
604 West 6960 South
Midvale UT 84047

October 27, 2017

Council Chair Diane Turner
Murray City
5025 South State Street, Floor 2
Murray, Utah 84107

RE: Request Approval for the District's 2018 Residential Fee Increase from \$14.75 per month to \$17.00 per month and a new fee for more than one recycling can in the amount of \$3.00 per can/per month. The fee for more than one garbage can will also increase from \$15.00 per month to \$17.00 per month.

Dear Honorable Chair and City Council;

I am writing to request the City Council's authorization of the implementation of a fee increase to each homeowner in the District to be effective January 1, 2018. This request and fee increase relates to the City's annexed homes that are within the District boundaries. (Approximately 2,800 Homes)

The Administrative Control Board, of which Councilmember, Jim Brass is currently serving, met on Monday, October 23, 2017 and tentatively adopted the 2018 Tentative Budget, which includes fee increases as listed above. The Board will hold a public hearing for public comment on Thursday, November 16, 2017 at 6:00 p.m. prior to the final budget adoption, which may occur that evening if there is no public comment.

As you may know, the District has in place certain measures that must be met in order to implement a fee increase to the basic service charges for our residents. Section 6.A. of the County Resolution also declares that "[a]n increase in a basic service charge will not be effective until it has been authorized by a majority of the governing bodies that have representation on the Board as reflected in letters, minutes, or other written confirmation."

Basic services are defined as weekly curbside waste and recycling collections, area cleanup, curbside Christmas Tree collections, central collections for glass and leaves, and landfill vouchers for residential loads.

Please see the following pages to illustrate the need to increase fees to our residents in order to sustain service levels and meet the waste and recycling needs of our community.

I appreciate your consideration of this request and look forward to your authorization of the basic fee proposals for 2018. If you have any questions, please do not hesitate to contact me on my cell phone, 801-550-6324, or you can discuss the questions with the City's representative, Jim Brass. I would appreciate an affirmative confirmation of authorization for increased fees for WFWRD's services from the Council.

Sincerely,

Pam Roberts,
Executive Director

cc: Blair Camp, Interim Mayor

Wasatch Front Waste and Recycling District



2018 Proposed Rate Increase

GOALS 2018

- Meet State and County mandated services.
- Manage increased Costs.
 - Landfill Expenses
 - Maintenance Fees
 - Employee Pay and Benefits
 - Capital Assets
- Remain Competitive with Fee Structures.
- Meet Sustainability Goals.
- Work with needed Truck Replacement Schedules.
- Employee Recruitment and Retention.



Overview of the needed fee increases for WFWRD Services

Currently WFWRD's revenue base is growing by about 1% per year with in new homes being built; while expenses increase about 3% per year. In addition, Capital Purchases are almost fully covered by cash reserves.

The District has several expenses that are not within staff's control, primarily fuel, landfill fees, the recycling market and related fees for processing, maintenance costs, etc.

In anticipation of inevitable increased costs and a desire to keep rates as low as possible, staff have made significant organizational changes over the past decade, and most recently the following:

- Re-structure collection routes to gain efficiencies in 2014, 2016 and 2017.
- In 2017 and going forward, decreased the Capital Replacement budget limiting replacement purchases to 6 per year and extending the life of WFWRD sideload collection trucks to 5-6 years.
- Decreased the OPEB obligation (Other Post-Employment Benefits) that were transferred to existing County employees at separation.
 - The eligibility for this benefit will not be granted to current eligible employees who retire after July 1, 2019.

The standard business practice has been to rely on cash reserves to support the capital expenses for the District. **In 2017 and going forward the fund balance is used to balance the Budget and cover operational expenses as well as capital replacement purchases.**

The District operates on user fees, the billing cycles have a lag time between rate implementation and billing time, and the actual time it takes to receive the cash.

Cash projections show that if we allow cash balances to get too low, the time it takes to replenish cash balances, puts the District in a difficult position and makes it difficult to "catch up" in terms of financial footing.

Options: Increase user rates and restructure. Reduce or eliminate services.

Review of Services Provided for the Monthly Fees. Exceptions - Subscriptions Programs, Additional Fees.



**Weekly Garbage & Recycling Collection,
Subscription Green Waste & Curbside Glass**



Moving Box Pickup



Fall Leaf Pickup



**Glass Drop Off &
Subscription Curbside**



**Broken Can
Replacement**



Trailer Rental



Curbside Collection



Area Cleanup

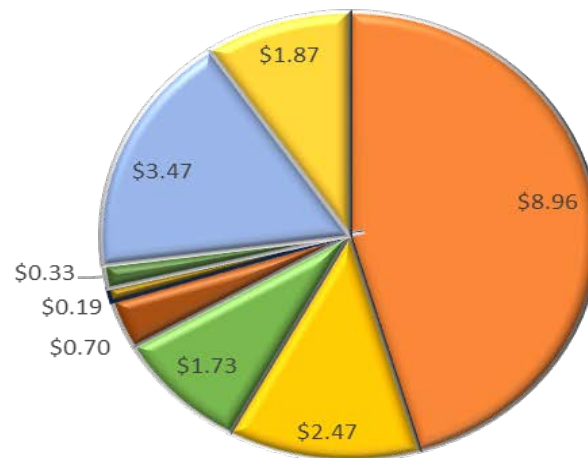


Proposed Residential Rates:

Service	Current Rate Per Month	Proposed Rate Per Month	Number of Customers	Projected Additional Revenue
Residential + \$2.25	\$14.75	\$17.00	82,600	\$2,230,200
2nd Can + \$2	\$15.00	\$17.00	6,600	\$237,600
Each 2nd Recycle Can + \$3	\$0.00	\$3.00	Pending Inventory	\$?

Increases in Proposed user rates include increases in contract HOAs. Big Cottonwood Canyon Residents would be exempt due to no curbside services provided.

Services Cost per Resident Per Month

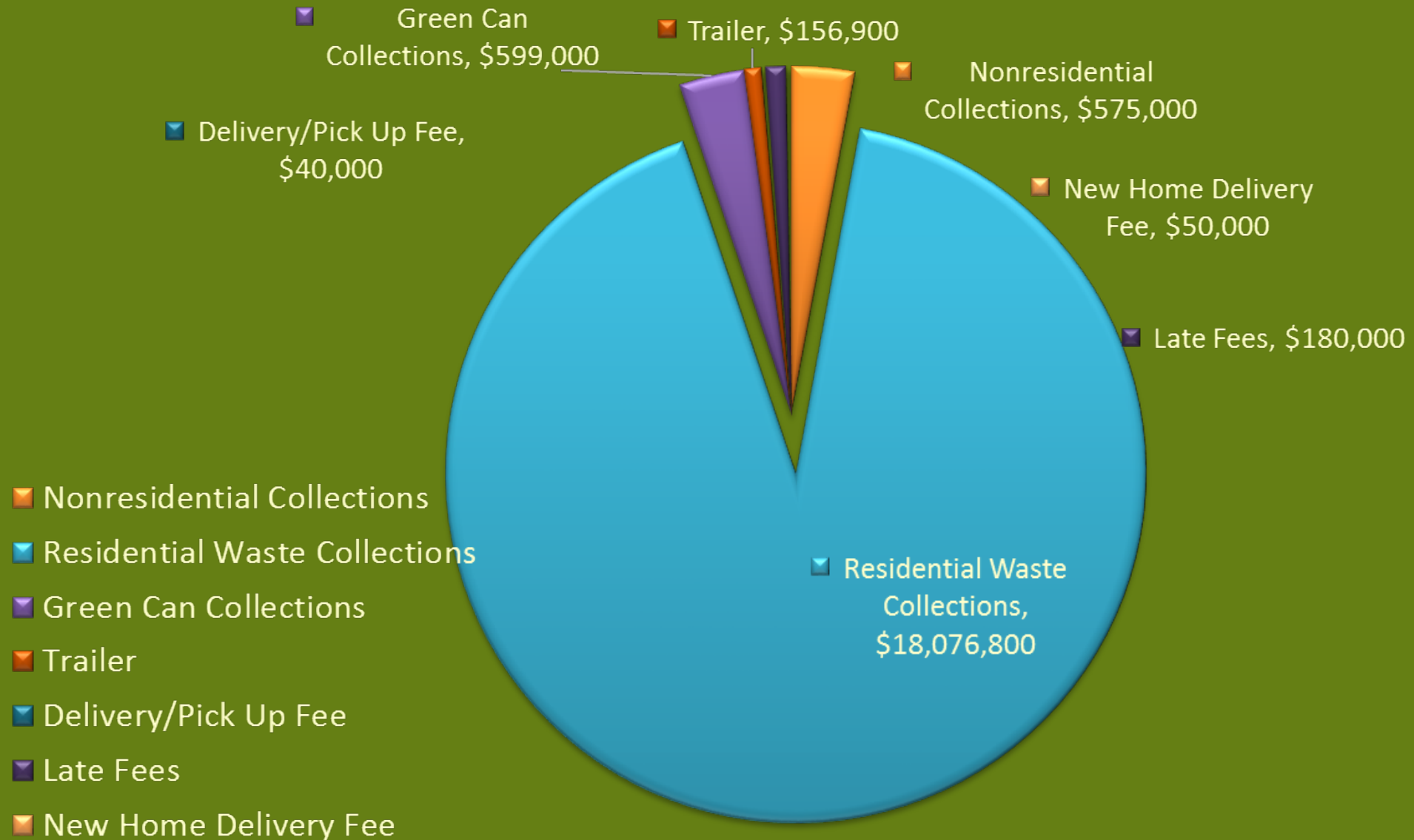


Curbside Garbage	\$ 8.96
Recycling	\$ 2.47
Area Cleanup	\$ 1.73
Cart Program	\$ 0.70
Fleet Management	\$ 0.19
Operational/Internal Services	\$ 0.33
Administrative Services	\$ 3.47
Capital	\$ 1.87
	<hr/>
	\$ 19.72

- Curbside Garbage
- Recycling
- Area Cleanup
- Cart Program
- Fleet Management
- Operational/Internal Services
- Administrative Services
- Capital

Updated to include fee increases at the SL Valley Transfer Station, \$1.50 per ton (\$31.35 to 32.85), Green Waste processing fee increase \$1.00 per ton (\$16.00 to \$17.00), and realized additional maintenance costs related to aging trucks.

REVENUES BY SERVICE



Wasatch Front Waste and Recycling District Cash Projections as of 10-26-17

DRAFT

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
\$2.25 in 2018 + Add'l Increases										
Monthly Base Rate	\$12.75	\$14.75			\$14.75	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00
	2013	2014	2015	2016	2017 (Projected)	2018	2019	2020	2021	2022
Cash Delay the First Year						-610,000				
Ending/Beginning Cash Balance	\$15,754,753	\$15,739,605	\$14,794,523	\$10,394,895	\$9,529,638	\$8,501,117	\$7,960,817	\$7,568,790	\$6,697,328	\$5,367,040
Truck Sales	941,420	1,370,289	1,100,256	1,623,109	200,000	500,000	500,000	500,000	500,000	500,000
Total Cash Revenues	16,588,933	17,886,203	15,668,419	18,141,272	18,175,702	19,911,600	20,726,816	20,934,084	21,143,426	21,354,860
Budgeted Operational Expenditures	15,451,130	17,898,830	17,271,501	18,090,033	19,258,604	22,474,500	21,765,361	22,418,470	23,090,085	23,784,305
Less Non-Cash Depreciation Less Other	(1,981,487)	(1,933,147)	(1,606,179)	(1,810,884)	(1,428,881)	(1,958,800)	(2,017,564)	(2,078,091)	(2,140,434)	(2,204,647)
Non-Cash Events (OPEB/Accruals)						(1,417,600)	(77,554)	(80,833)	(83,137)	(87,967)
Adjusted Expenses	13,469,643	15,965,683	15,665,322	16,279,149	17,829,723	19,098,100	19,670,243	20,259,546	20,866,514	21,491,691
Capital	(3,134,438)	(2,865,602)	(4,402,725)	(4,031,124)	(1,574,500)	(1,853,800)	(1,948,600)	(2,046,000)	(2,107,200)	(2,046,000)
Restricted-Annual OPEB	124,014	96,084	87,859	77,889	77,829	82,738	85,166	87,864	89,538	93,761
Accumulated Opeb as Reserve	\$544,570	\$640,654	\$640,654	\$806,528	\$884,357	\$967,095	\$1,052,261	\$1,140,125	\$1,229,663	\$1,323,424
Customers					82,600	82,600	83,426	84,260	85,103	85,954
Ending Cash Balance	\$15,739,605	\$14,794,523	\$10,394,895	\$9,529,638	\$8,501,117	\$7,960,817	\$7,568,790	\$6,697,328	\$5,367,040	\$3,684,209
Ending Working Balance (after OPEB)	\$15,195,035	\$14,153,869	\$9,754,241	\$8,723,110	\$7,616,760	\$6,993,722	\$6,516,529	\$5,557,203	\$4,137,377	\$2,360,785
Without Increases in 2018										
Monthly Base Rate	\$12.75	\$14.75			\$14.75	\$14.75	\$14.75	\$14.75	\$14.75	\$14.75
Cash Balances					Monthly Rate Increase	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	2013	2014	2015	2016	2017 (Projected)	2018	2019	2020	2021	2022
Ending/Beginning Cash Balance	\$15,754,753	\$15,739,605	\$14,794,523	\$10,394,895	\$9,529,638	\$8,501,117	\$6,103,017	\$3,218,512	-\$170,353	(\$4,043,219)
Truck Sales	941,420	1,370,289	1,100,256	1,623,109	200,000	500,000	500,000	500,000	500,000	500,000
Total Cash Revenues	16,588,933	17,886,203	15,668,419	18,141,272	18,175,702	18,053,800	18,234,338	18,416,681	18,600,848	18,786,856
Budgeted Operational Expenditures	15,451,130	17,898,830	17,271,501	18,090,033	19,258,604	(22,474,500)	(21,765,361)	(22,418,470)	(23,090,085)	(23,784,305)
Less Depreciation	(1,981,487)	(1,933,147)	(1,606,179)	(1,810,884)	(1,428,881)	1,958,800	2,017,564	2,078,091	2,140,434	2,204,647
Less Non-Cash Events						1,417,600	77,554	80,833	83,137	87,967
Adjusted Expenses	13,469,643	15,965,683	15,665,322	16,279,149	17,829,723	(19,098,100)	(19,670,243)	(20,259,546)	(20,866,514)	(21,491,691)
Capital	(3,134,438)	(2,865,602)	(4,402,725)	(4,031,124)	(1,574,500)	(1,853,800)	(1,948,600)	(2,046,000)	(2,107,200)	(2,046,000)
Projected Final Cash Balance before OPEB	15,739,605	14,794,523	10,394,895	9,529,638	8,501,117	6,103,017	3,218,512	(170,353)	(4,043,219)	(8,294,054)
Restricted-Opeb	124,014	96,084	87,859	77,889	77,829	82,738	85,166	87,864	89,538	93,761
Accumulated Opeb as Reserve	124,014	220,098	307,957	\$806,528	884,357	967,095	1,052,261	1,140,125	1,229,663	1,323,424
Revenue generated through increases						-	-	-	-	-
Customers					82,600	82,600	83,426	84,260	85,103	85,954
Ending Cash Balance	\$15,737,221	\$14,794,523	\$10,394,895	\$9,529,638	\$8,501,117	\$6,103,017	\$3,218,512	(\$170,353)	(\$4,043,219)	(\$8,294,054)
Ending Working Balance (after OPEB)	\$15,615,591	\$14,574,425	\$10,086,938	\$8,723,110	\$7,616,760	\$5,135,922	\$2,166,251	(\$1,310,478)	(\$5,272,882)	(\$9,617,478)

The District's Administrative Control Board has set a policy to have a 20% year-end cash balance. The 20% is based upon budgeted revenues and it is to ensure that the District remains solvent and sustain a debt free status.



Thank you!

Sincerely,
Future Generations