

**MURRAY CITY MUNICIPAL COUNCIL
COUNCIL MEETING**

Minutes of Tuesday, March 4, 2025

Murray City Hall, 10 East 4800 South, Council Chambers, Murray, Utah 84107

Attendance:

Council Members:

Paul Pickett	District #1
Pam Cotter	District #2 – Council Chair
Scott Goodman	District #3
Diane Turner	District #4
Adam Hock	District #5 – Council Vice-Chair

Others:

Brett Hales	Mayor	Jennifer Kennedy	City Council Executive Director
Doug Hill	Chief Administrative Officer	Brooke Smith	City Recorder
G.L. Critchfield	City Attorney	Pattie Johnson	Council Administration
Craig Burnett	Police Chief	Joey Mittelman	Fire Chief
Russ Kakala	Public Works Director	Brenda Moore	Finance Director
Ben Ford	Wastewater Superintendent	Joe Goodman	Public Works
Chad Wilkinson	CED Director	Rob White	IT Director
Kim Sorensen	Parks and Recreation Director	Ben Gray	IT
Citizens & Guests		Elon Farrell	

Call to Order: 6:30 p.m. – Council Member Cotter

Approval of Minutes: Council Meeting, February 4, 2025.

MOTION: Ms. Turner moved to approve, and Mr. Pickett SECONDED the motion.

Voice vote taken, all “Ayes.” Approved 5-0

Citizen Comments: None

Public Hearings:

- **Consider a resolution approving the October 2024 Murray City Water Master Plan.** Water Superintendent Aron Frisk reviewed the October 2024 Murray City Water Master Plan, developed by City staff and Bowen Collins & Associates. He explained that the plan would serve as a guide for identifying and addressing deficiencies and estimating all project costs. He said Murray’s water system is self-sustaining, with 19 active wells, 8 natural springs, and 5 reservoirs holding 12 million gallons. He said the City never needs to purchase water and comparatively only a handful of other Salt Lake Valley water systems can make the same claim.

A water distribution map was viewed to point out system pressure zones, watermains, service connections, and hydrants. Mr. Frisk said the City’s well water supply will meet 2065 demands with a 20% reserve and reviewed water main deficiencies, necessary system improvements, pipe replacement projects, operational upgrades and budget recommendations.

The public hearing was open for public comments. No comments were given, and the public hearing was closed.

Ms. Cotter asked Mr. Frisk to explain why the City would construct a new well below 1300 West. Mr. Frisk said a well has been needed in the southwest corner of the City for years because that is where the greatest

drop in water pressure exists in the system. The drop in pressure makes it difficult to supply water to residents uphill during peak demands. The new well would support the new City park south of Winchester Park and serve as a backup to the older well at 700 West in case of malfunction. He confirmed that existing construction near 1300 West has been ongoing where much of the work was performed by Murray City.

Mr. Goodman moved to add Climate Change language to the master plan document. He felt that climate change issues are related to expanding well capacities because water is needed more for survival than for financial gain or increased user need. Mr. Frisk would add the language to the Supply and Demand section of the document.

MOTION: Mr. Hock moved to approve the resolution with the specified amendment. Mr. Pickett SECONDED the motion.

Council Roll Call Vote:

Ms. Turner	Aye
Mr. Hock	Aye
Mr. Pickett	Aye
Ms. Cotter	Aye
Mr. Goodman	Aye
Motion passed:	5-0

- **Consider a resolution adopting the December 2024 Water Impact Fee Facilities Plan and the January 2025 Water Impact Fee Analysis.** Mr. Frisk said two separate studies were combined to determine the required impact fees in the future. He explained why the Impact Fee Facilities Plan was needed that included projections of future growth related to required peak water demands. Required system improvements taken from the Master Plan were noted as capital improvement projects that would be completed between 2026 to 2030.

Mr. Frisk gave a thorough review of the Impact Fee Analysis saying that the City must use revenue sources other than impact fees to fund repair and replacement projects, rectifying existing deficiencies or increase level of service for existing users. He described a new method for assessing impact fees and explained impact fee calculations for new construction water services.

The public hearing was open for public comments. No comments were given, and the public hearing was closed.

MOTION: Ms. Turner moved to approve the resolution. Mr. Hock SECONDED the motion.

Council Roll Call Vote:

Ms. Turner	Aye
Mr. Hock	Aye
Mr. Pickett	Aye
Ms. Cotter	Aye
Mr. Goodman	Aye
Motion passed:	5-0

- **Consider an ordinance amending Section 3.14.110 of the Murray City Municipal Code relating to Water System Impact Fees.** Mr. Frisk explained the ordinance would outline the proposed schedules of Water System Impact fees from 2025 to 2034 as reviewed in the last presentation. Impact fee calculations were noted for residential units, indoor residential units, gallons per minute for single family residential and multifamily apartment complexes, as well as mixed-use projects, other nonstandard development types and new developments.

The public hearing was open for public comments. No comments were given, and the public hearing was

closed.

MOTION: Mr. Pickett moved to approve the ordinance. Ms. Cotter SECONDED the motion.

Council Roll Call Vote:

Ms. Turner	Aye
Mr. Hock	Aye
Mr. Pickett	Aye
Ms. Cotter	Aye
Mr. Goodman	Aye
Motion passed:	5-0

- **Consider an ordinance amending Section 13.08.020 of the Murray City Municipal Code relating to Metered Water rates in the City.** Mr. Frisk reviewed the Water Rate Study dated December 2024 and the Water Rate Schedule prepared by Zions Public Finance and Murray City staff. He explained that currently the City allows new developments to use existing water infrastructure on a property for construction water, but the new proposal is to charge a one-time fee of \$50 for 180 days of water use. The proposed ordinance requires that new construction users sign up for water service before water use is allowed for construction. This allows the City to meter and bill the water use just like it does for everyone else. In addition, contractors can no longer access City water meter boxes so moving forward City staff would make the connection inside of water meter boxes to protect the inside equipment.

Mr. Frisk said a sufficiency model was used to make future estimation, consisting of the base rate and the usage rate, both related to the water demand placed on the system. Because the last rate study was completed in 2018, projections were not equal to what is currently required, so the City must decide how to address a shortfall in revenue. If the City does nothing the City will have negative cash on hand by fiscal year 2026 and would fall well below its required debt service coverage ratio by fiscal year 2027. If no rate increases are made and no additional bonds are issued, the City would have to defer capital projects. As a result three options were introduced to address the matter.

He reviewed each option that suggested implementing water rate increases over time, along with issuing bonds to pay for projects and replenish cash on hand. The third option was highlighted as the best choice by City Staff, which recommended a rate increase of 20% on April 1, 2025, a rate increase of 20% on April 1, 2026, a rate increase of 10% on April 1, 2027, a rate increase of 5% on April 1, 2028, and a 2% rate increase on April 1, 2029 and thereafter. Option Three also included bonding for \$6 million in 2026 to maintain cash on hand.

Mr. Frisk said with the proposed rates, Murray would remain the affordable water in the Salt Lake Valley comparatively. The average single family home will see an increase of about \$4 per month.

The public hearing was open for public comments. No comments were given, and the public hearing was closed.

Mr. Hock asked if there was any way to avoid issuing a bond. Mr. Frisk said they would not need to bond if the City could receive grant funding for constructing the new well. Ms. Turner asked about possible leads for grant funding. Mr. Frisk said Public Works Director Russ Kakala and the Mayor's office were currently working to apply for grant funding.

MOTION: Mr. Hock moved to approve of the ordinance including Option Three. Ms. Cotter SECONDED the motion.

Council Roll Call Vote:

Ms. Turner	Aye
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Mr. Hock Aye
Mr. Pickett Aye
Ms. Cotter Aye
Mr. Goodman Aye
Motion passed: 5-0

- **Consider an ordinance amending Section 13.08.080 of the Murray City Municipal Code relating to the Minimum Size of Water Service Pipes.** Mr. Frisk reviewed the ordinance amendment saying that the City wants to allow new service lines and water meters for multi-family apartments with no irrigation responsibility to be three quarter inch pipes. Currently this is not allowed, as the minimum size this one inch. The ordinance also proposes for single family or non-residential developments to reuse an existing three quarter inch service line if it meets their plumbing demand for a development.

The public hearing was open for public comments. No comments were given, and the public hearing was closed.

MOTION: Mr. Pickett moved to approve the ordinance. Ms. Cotter SECONDED the motion.

Council Roll Call Vote:

Ms. Turner Aye
Mr. Hock Aye
Mr. Pickett Aye
Ms. Cotter Aye
Mr. Goodman Aye
Motion passed: 5-0

- **Consider an ordinance enacting Section 13.08.025 of the Murray City Municipal Code relating to a New Construction Water Meter and AMI Equipment Fee Schedule.** Mr. Frisk said the City would like to access a fee for the water meter and the automated metering equipment that will serve new developments. Currently meters are purchased within the department's operations account, which should be used only for replacing older meters of existing users.

The public hearing was open for public comments. No comments were given, and the public hearing was closed.

MOTION: Ms. Turner moved to approve the ordinance. Mr. Pickett SECONDED the motion.

Council Roll Call Vote:

Ms. Turner Aye
Mr. Hock Aye
Mr. Pickett Aye
Ms. Cotter Aye
Mr. Goodman Aye
Motion passed: 5-0

- **Consider an ordinance amending Section 13.32.060 of the Murray City Municipal Code relating to Monthly Service Charges for Users of the City's Sewer System.** Wastewater Superintendent Ben Ford reviewed how the cost of the CVW (Central Valley Water) rebuild project had significantly increased from what was originally projected in 2017, which impacted the wastewater budget. He explained that in November of 2024 CVW issued one final bond for \$87 million to complete all remaining projects affecting Murray's Wastewater Fund.

He said the CVW fee was originally initiated to keep the rate structure flat after initial bonds were purchased,

which was why the CVW fee came down slowly over the rate cycle, and base fees and the flow rate went up to accommodate CVW fee reductions. Mr. Ford explained that said if the City does not increase wastewater rates, cash on hand reserves will drop significantly putting the City in an unfavorable position as the CVW rate is scheduled to drop to \$8 in April 2025 from the current rate of \$11.

To handle construction cost increases and the loss in cash, the proposal is to put the CVW fee back to \$12 permanently in April 2025, in addition to implementing a 3% increase year over year to the flow rate beginning in FY 2026. Mr. Ford said the hope is that the continuous increase will help to avoid future rate increase requests and stabilize the financial situation. The new fee structure was displayed for analyzing.

The public hearing was open for public comments. No comments were given, and the public hearing was closed.

Mr. Hock pointed out that the Council approved a rate adjustment 2-3 years ago due to the rebuild project exceeding expected construction costs. He said rates were raised above 2017 levels and adjusted again three years ago and asked why past increases had not already covered those expenses.

Mr. Ford explained that cost projections were made before the pandemic, when pricing was different and the full impact of COVID-19 was unknown. COVID significantly increased costs, adding \$150 to \$200 million to the treatment plant upgrade project. The initial plan was to gradually reduce the fee, but rising construction costs have prevented that.

Mr. Goodman asked what the worst case scenario was if the monthly service charge was not increased at this time and how long before a more significant increase was needed. Mr. Ford explained the commitment to CVW was already in place, but if the adjustment back to \$12 is not made the City could not fund internal capital projects that also need to take place. He said internal sewer system projects could be delayed, but rising costs in the construction industry would continue to make projects more expensive.

MOTION: Mr. Pickett moved to approve the ordinance. Mr. Hock SECONDED the motion.

Council Roll Call Vote:

Ms. Turner	Aye
Mr. Hock	Aye
Mr. Pickett	Aye
Ms. Cotter	Aye
Mr. Goodman	Aye
Motion passed:	5-0

- **Consider a resolution declaring the property located at approximately 48 East 4800 South, Murray City, Salt Lake County, State of Utah, as surplus; and approving the contribution and conveyance of said property for less than appraised value based on findings pursuant to Section 10-8-2 of the Utah Code.** CED (Community and Economic Development) Director Chad Wilkinson said the proposal was the next step in the Block One discussion. He summarized that Rockworth Companies, who had presented a conceptual plan for Block One in a previous meeting to the Council, now requested the City's participation to make their project feasible.

The request was that the City contribute city-owned property for a Rockworth project. Mr. Wilkinson displayed an aerial map to show the .76 acre area appraised at \$1.2 million, proposed for surplus. He pointed out that the City's RDA (Redevelopment Agency) owns most of the Block One property except for the city-owned parcel requested by Rockworth.

He reviewed State Law to confirm specific provisions related to surplus property owned by a city and stated that the only decision needed from the Council was to consider whether the parcel qualify as surplus for less than market value. The decision would determine ongoing negotiations for a coming development agreement with Rockworth to move the proposed plan forward. He clarified what the Council would not be voting on at this time was an actual development agreement with Rockworth.

Mr. Wilkinson outlined State Law regarding the provision of city owned surplus property and explained that a required 10-8-2 Analysis study be done to prove that there was public benefit to the action. He said Zions Public Finance was commissioned to conduct the analysis who confirmed public benefits in line with objectives of the City.

Public benefits include monetary gain in the way of annual sales tax revenue of approximately \$2.1 million and property tax revenue valuing \$105,000. A parking garage with underground parking is proposed by the developer for installing 460 parking spaces, including 32 stalls allocated for direct public use. Lastly, Rockworth would construct a project below the maximum density allowed in the MCCD zone, which is in line with City goals.

Mr. Wilkinson explained that the willingness of Rockworth to construct a lower density project was important because developers typically request the maximum density. Because they are willing to meet the City's desired density goals, they have requested the City participate by offering surplus property, provide financial contributions and contribute towards constructing the parking garage. This was also due to a large gas line, that must be relocated. The participation of the City would reduce the cost of the overall lower density project for Rockworth.

In addition public benefits from the analysis study, also included enhancement and vibrancy to Murray's historic core and activation of the Town Center and provide more housing to the City. The Rockworth project would also increase housing by 150 units which meets the vision to revitalize the down town.

Mr. Wilkinson addressed parking concerns related to the proposed surplus and highlighted other various parking lots on an aerial map of City Hall. He noted the compact lot, the overflow lot to the far south and the north parking lot as areas where City employees could park in the future. He explained that before his employment parking was an important factor during the approval of the City Hall and City Code required 164 parking spaces, with a maximum of 234. He noted the south overflow lot and the east parking lot were always designated as placeholders for future development.

Mr. Wilkinson acknowledged concerns about losing the east employee parking at City Hall, by explaining how CED staff conducted a parking count to get an idea about usage. They monitored six parking areas twice daily on three weekdays, a Friday, Monday and Tuesday and calculated the vacancy rates from a total of 209 spaces. The lowest number of vacant stalls in a day was 101, while the highest was 133. Staff concluded that 64% of employee parking spots are unoccupied most of the time. Counts did not include lunch hours or after 5:00 p.m. CED staff believes City Hall has enough daily parking to meet Code requirements without the east parking lot.

Mr. Wilkinson said the decision to surplus the parcel did not bind the Council to any decision on the development agreement with Rockworth, which would come at later date. But the resolution does facilitate the decision.

The public hearing was open for public comments. No comments were given, and the public hearing was closed.

Mr. Pickett ask if counting vacancies on a Wednesday or Thursday would have made a difference in the vacancy percentage. Mr. Wilkinson said the result would have been the same but they could recount on those weekdays.

Ms. Cotter asked if future growth, including new businesses and residents, was considered for increased employee needs in various departments at City Hall. Mr. Wilkinson said parking requirements were based on building square footage, and the 64% vacancy rate would more than accommodate future needs at City Hall. Ms. Cotter thought counting vacant spots on Fridays and Mondays was not accurate because many employees use those days for vacation absences. Mr. Wilkinson said he would have a count conducted on Wednesdays and Thursdays and report back.

Economic Development Specialist Elvon Farrell said Near Maps satellite photos were taken on Wednesdays during August of 2022 and March and August of 2023 to say that those parking vacancies reflected the same result. Mr. Wilkinson said employees or visitors could also parallel park on Hanauer Street east of the City Hall building.

Ms. Cotter asked about designated parking for City employees since they would lose the east parking lot. She asked about parking for future City Hall events and parking during construction of the Rockworth parking garage. Mr. Wilkinson said Rockworth agreed to allocate 32 public parking spots at their development where City employees could park. He felt there was ample parking for visitors attending events and noted that public events do not require a parking policy. Ms. Cotter questioned whether 32 spots would be adequate for more than 50 employees and asked if the 32 designated parking spaces would be reserved specifically for City Hall or available on a first-come, first-served basis. Mr. Wilkinson said he did not have the answer.

Mr. Wilkinson said Rockworth indicated that reserving 50 spots for City Hall would make it difficult for their project to operate, as parking stalls were also needed for residential units and commercial businesses. Ms. Cotter expressed concern about safety and security for City Hall employees walking to the far south overflow parking lot late at night.

Mr. Hock asked about City fleet vehicles parking in the far south overflow parking lot. Mr. Wilkinson felt if there was a need, fleet vehicles could be moved to another location and most of them were out in the City during working hours, which would free up parking spaces.

Mr. Pickett appreciated staff's work to ensure adequate parking. He believed there would be plenty of parking for growth while accommodating City employees and other visiting patrons in the future.

Ms. Turner expressed employee safety as a concern and hoped past mistakes related to parking insufficiencies could be avoided. She said after visually analyzing the east parking lot, she supported the surplus proposal to help develop Block One that had been a challenge for years. She said the Rockworth project fits the needs of the City and would be a development citizens would be proud of.

Mr. Goodman suggested City police officers monitor employees leaving City Hall at night and asked, if approved, what was the next step to the surplus process. Mr. Wilkinson said negotiations would continue with Rockworth to complete a development agreement which would require RDA and Council consideration in the future.

MOTION: Mr. Hock moved to approve the resolution. Mr. Pickett SECONDED the motion.

Council Roll Call Vote:

Ms. Turner	Aye
Mr. Hock	Aye
Mr. Pickett	Aye
Ms. Cotter	Nay
Mr. Goodman	Aye
Motion passed:	4-1

Mayor's Report and Questions: Mayor Hales announced that Preservation Utah named Murray Mansion as the project of the year. The Equestrian Trail along the Jordan River was resurfaced between 5400 South and the Nature Center. Spring soccer sign-ups are open. He also commended Murray Police Officer and Victims Advocate Alissa Black for her KSL interview on the department's soft interview rooms, which provide a comfortable space for abuse survivors speaking with police.

Adjournment: 8:04 p.m.

Pattie Johnson
Council Office Administrator III