

Minutes of the meeting of the Logan Municipal Council convened in budget workshop session on Wednesday, May 21, 2008 at 6:00 p.m. in the Justice Building Public Meeting Room, 290 North 100 West, Logan, Utah, Chairman Tami W. Pyfer, conducting.

Council members present: Tami W. Pyfer, Laraine Swenson and Herm Olsen. Stephen C. Thompson. Jay A. Monson and Stephen C. Thompson were excused. Administration present: Mayor Randy Watts, City Attorney Kymber Housley, and Recorder Lois Price.

Other members of the administrative staff were present: Finance Director Richard Anderson, Budget Analyst Tyson Griffin, Environmental Director Issa Hamud, Police Chief Russ Roper, Water Division Manager Lance Houser, Public Works Director Mark Nielsen, Assistant Fire Chief Jeff Peterson, Fire Marshal Liz Hunsaker, Street Division Manager Jed Al-Imari, Community Development Director Jay Nielson, Human Resource Director Bruce Adams, Police Captain Eric Collins, Building Official Paul Taylor, Neighborhood Improvement Coordinator James Geier, Planner Tavis Austin, Will Lusk

Chairman Pyfer called the meeting to order and welcomed those present. Departments scheduled for presentations were: Public Works, Police, Fire, Environmental, Community Development, Light and Power, Finance, and Legal.

PUBLIC WORKS.

CAPITAL PROJECTS FUNDING AND PRIORITIES – STREETS. Mark Nielsen focused on unfunded capital projects and the need for prioritization. Mr. Nielsen said capital projects using federal funds that increased the capacity of streets (i.e., 100 East, 200 East and the Dugway) would become much more difficult to construct beginning April 2010 due to revised air quality standards. Highlights from the presentation were:

*F/Y 09 street budget available for capital projects is \$600,000.

* Class "C" Road Funds have been flat over the past five years, and may decrease slightly in the future.

*County road tax funds amounts are unknown at this time but could have a major impact on future budgets. Projects must be regionally significant and recommended to the County Council by a board of elected officials. Assumed maximum could be \$2 million per year. Projects that could be submitted for this funding (not in priority order after the first two) are:

-100 East (CMPO project): \$2 million shortfall;

-200 East (CMPO project): \$1 million match;

-600 West/Park Avenue bridge widening: \$5-\$10 million

-200 East, 500 N to 1500 N: \$3-\$10 million

-Western bypass road (1400 or 1900 West): \$1 million for environmental study;

- 1700 S, SR 165 to railroad tracks
- 200 East, 300 S to 800 S
- 1000 N, 1200 E to 1000 W

Mr. Nielsen mentioned the possibility of funding the short dugway project, if county road tax funds were available to help with others on the priority list.

Top priority projects:

1. 100 East: \$2 million
2. 200 East (CMPO): \$1 million
3. 200 East (Logan): \$2,300,000
4. City block infrastructure: \$430,000
5. 600 South improvements: \$300-\$900,000
6. 600 West SID, 4 blocks, Center to 200 S: \$200,000
7. 1000 N 600 E intersection: \$300,000
8. 1400 N 600 W traffic signal: \$800,000
9. Bin walls reconstruction (Island area)

Funding options with no County tax road funding available:

1. 100 E, if Short Dugway funding is used to meet the shortfall
2. Save this year to perform 200 East CMPO project in FY 2010 (Center Street to 300 South)
3. City block infrastructure
4. 600 South improvements
5. 1000 N 600 E intersection and 600 West SID or sidewalk
6. 1400 N 600 W traffic signal
7. Bin walls

Public Works recommendation was 100 East as the top priority, but Council input was requested on other projects. He said 100 East would be bid November 2008, and the city would have to provide the entire match to UDOT in order for the job to be bid.

Councilmember Swenson asked when County road tax money would be available. Mayor Watts said he was on the committee that would make recommendations to the County Council and he would keep the City Council informed.

Mr. Nielsen said another issue was UDOT 1000 West construction project summer 2009 which would involve new sewer and water lines from 1800 North to 2500 North and replacement of existing sewer and water lines.

WATER CAPITAL PROJECTS. At the present time, Mr. Nielsen noted, Dewitt Springs was the only funded water capital project. Other projects in need of funding soon:

- Water line upsizing in many portions of the city for adequate fire line flow;
- Sewer collection improvements at west regional lift station and force main – possible moratorium;

Growth-related gravity sewer and water main.

Recommended projects:

River flood control: \$400,000

750 East 50 North drainage: \$80,000

Service Center salt runoff basin: \$450,000

800 North regional detention: \$570,000

Wish list: 1400 N, 600 W to 1200 W: \$1.8 million

Master plans needed: Transportation; Water Distribution; Sewer; Stormwater (under development).

Cost of Service—Rate Increases (Cities that are impacted have been informed rate increases are contemplated):

Sewer collection rates;

Water and sewer connection fees;

Stormwater rates - \$0.50 per ERU per month (no rate increase for three years)

Blue Stake Information. Mr. Nielsen reported there were currently two utility blue stake employees, one in the Public Works Department and one in the Light and Power Department. Because of growth and demand, Public Works would need two Blue Stake employees in the near future.

Other Information: Mr. Nielsen agreed to provide the Council, by email, a list of division managers' unfunded items. He said he would provide information, by email, on rolling stock.

POLICE. Police Chief Russ Roper spoke about the department goal to control crime through prevention. He said Logan had the lowest crime rate and the highest quality of life of any metropolitan area, and the goal was to present and maintain it. He said to be effective officers needed to take preventative, proactive steps in crime prevention, criminal apprehension and service calls. He said there had been no increase in personnel in six years and no new officers were requested this year. In order to maintain citizens' trust and confidence in law enforcement and to continue successful programs, a personnel increase would be needed in the future. Chief Roper said supplemental grant funding generated by the police department in the amount of \$294,000 allowed the hiring of five FTE officers at no cost to the city. He said there were no plans to discontinue police officers in schools.

Chief Roper expressed appreciation for support to the Mayor and Council. He hoped that in the future the city would be able to fund additional officers.

Chairman Pyfer said she had received an email expressing appreciation for police officers in schools and wanting that program to continue.

FIRE. Fire Chief Mark Meaker spoke about the exemplary work the Fire Department was doing. He said the central part of Logan and the Hillcrest area were the highest call areas. He reviewed response times for various calls, which he said was very good and at a high level of service. Chief Meaker said firefighters received an average of 161 hours of training annually. One goal was to continue to make incremental improvements to the training facility.

Chief Meaker addressed fire prevention measures. He said business inspections had doubled in the past four years, while the number of inspectors had remained at two. He said another inspector would be needed in three-five years. He said that other than increase for fuel, the budget was flat.

Unfunded needs included:

Station 70 infrastructure

Additional fire inspector

Additional suppression/EMS staffing

Chief Meaker said eventually there would be a fire station needed in the northwest area of the city, requiring staffing by 12 new employees at a cost of \$600-\$700,000 annually.

ENVIRONMENTAL. Environmental Director Issa Hamud said there were no unfunded needs at this time. Major points were:

*Fuel increase of 20-40% over the past two years

*Rate increase may be needed due to increasing fuel prices

*Capacity challenges at landfill;

*There are challenges to overcome in acquiring Box Elder County Landfill

*Recycling is doing very well.

Wastewater treatment.

*Water quality assessment on Cutler Reservoir is being conducted by the state.

*New federal requirements may force a mechanical treatment plan.

*New technologies are being evaluated in an attempt to avoid or delay this.

*Cost of a mechanical plant is estimated at \$188 million.

*Are cooperating with USU to evaluate new technologies to maintain our current lagoon system for wastewater treatment.

*Possibility of filtering algae from lagoon to create biodiesel fuel.

Mr. Hamud explained \$10 million was needed in this fund, and wastewater treatment carried a significant loan. He said rates to Logan and other cities would need to be increased. Mr. Hamud said the rate increase would be presented to the City Council in the near future. He said there was no way to avoid this increase, and the funds were needed as quickly as possible.

Councilmember Olsen asked about the cost of recycling v. economic benefit. Mr. Hamud said he could provide specific information but estimated a savings of \$29/ton

disposal at the landfill due to recycling efforts. He said that by the expected landfill closure date, an estimated \$8 million would be saved.

The Council requested a wastewater treatment research report at a Council meeting workshop in June.

COMMUNITY DEVELOPMENT. Community Development Director Jay Nielson provided an update on department projects and goals.

- *General Plan is complete and will be printed for distribution.
- *A draft of the new Land Development Code was received from consultants today.
- *Work on specific plans is underway: Airport, Downtown, South Corridor Preservation and Development.
- *Neighborhood revitalization - Parking implementation plan work is underway thru the month of June and will begin again in August-September following completion of the chip-seal program.
- *Occupancy enforcement
- *Landlord licensing will be an upcoming effort.
- *Permitting will be streamlined for better efficiency.

Mr. Nielson outlined a few of department accomplishments:

- *Continue to stabilize department by retaining employees
- *Continue to work on stabilizing neighborhoods
- *Advance planning on specific plans
- *No staff increase in basic services of planning, zoning and building inspection in past 12 year;
- *Have dealt with 150 grandfathering requests per year.
- *Wrote General Plan independently
- *Absorbed new responsibilities: CDBG program and Business Licensing
- *Created citywide filing system and compiled into an archive system that is being digitized.
- *Cross-trained building inspectors.

Mr. Nielson said one concern was unanswered phone calls because staff was so busy. He said there were less residential building permits being issued but more commercial permits. Mr. Nielson said as the economy improved staff would be faced with an increasingly load. He said if apartment inspections were required on a regular basis, funding would be needed to cover costs.

LIGHT AND POWER DEPARTMENT.

Light and Power Director Jeff White reviewed department highlights.

- *Meter changeout program is successful. \$2 million additional net assets in contributions is projected due to the program, which should be completed by July 1.
- *F/Y 09 budget is \$36.6 million
- *Alternatives to the proposed 138kV system in the form of a 46 kV loop are being explored that will meet 15-20 year growth at less cost and less impact on city residents.

More information will be supplied later. Mayor Watts said he was “totally committed” to this change in direction. Mr. White felt this would be a “good thing all around, and we may not need to bond to do it.”

*Renewables budget proposed \$175,000 increase and projects are being explored with the Renewables Board. (Finance Director Rich Anderson informed the Council that \$100,000 was proposed in the FY 09 mayor’s budget, which could be increased by \$50,000 from reserves with the approval of the Council. Mr. Anderson said he could support this increase, but next year results would need to be demonstrated to retain the funding level.)

*Existing 146kv at 600 West 300 South is a small conductor that needs to be changed to protect our loop system. \$5.5 million would address this issue.

The Council thanked Mr. White for exploring alternatives to the proposed 138 kV loop system and hoped the 46 kV line would prove to be a great alternative. Mr. White said the city was negotiating with Murray City to purchase equipment for the project at a greatly reduced cost.

FINANCE DEPARTMENT.

Finance Director Richard Anderson reviewed accomplishments and goals. He explained to be able to fund capital needs, programs and additional employees, the city overall will need to become more efficient. “We can all do better, and we are committed to do it,” he said. He said the Finance Department was determined to improve financial services. During the past year his staff had worked toward implementation of a “paperless” office and had also reduced two fulltime positions.

Mr. Anderson said the city had come a tremendous distance in five years. His goal was to have the very best Finance Department for the least dollar amount per capita. He believed that as a city we should all commit to provide the very best service at the very least cost.

LEGAL.

City Attorney Kymber Housley explained that the large increase in the legal budget was for insurance premiums for all funds, including utility funds. He said his commitment was that next fiscal year the city would save \$100,000 on insurance premiums. The city, he said was working incrementally toward self-insured status in this area. To accomplish this goal, a minimum \$2 million was needed in reserves which he hoped could be acquired as quickly as possible through premium savings. His goal was better liability and property insurance coverage for less money.

Attorney Housley said to help accomplish the goal of self-insured, a risk manager was added last year as a consultant and in October he would be a half-time benefitted

employee. An experienced safety officer had also been hired this year to help manage our risk. Departments have created safety management committees.

Workers compensation costs, he said, can also be reduced. The goal is, with the help of a safety officer, to eliminate abuses.

Chairman Pyfer closed the meeting, and thanked all for coming. She planned to communicate with Councilmembers to set the next budget workshop date, preferably prior to June 3.

There being no further business to come before the Council meeting adjourned at 9:00 p.m.

Lois Price, City Recorder