

Minutes of the meeting of the Logan Municipal Council convened in regular session on Tuesday, March 18, 2008 at 6:15 p.m. in the Logan Municipal Council Chambers, 255 North Main, Logan, Utah, Chairman Tami W. Pyfer conducting.

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

OPENING CEREMONY. Dean Quayle, a member of Cache Community Connections, offered a prayer and led the audience in the Pledge of Allegiance.

Chairman Pyfer welcomed those present. There were about thirty-five citizens in the audience at the beginning of the meeting.

Meeting Minutes. Minutes of the Municipal Council and Redevelopment Agency meetings of March 4, 2008 were approved.

Meeting Agenda. The agenda was approved. Chairman Pyfer announced public comment would be accepted later in the meeting on a budget adjustment and F/Y 2008-09 budget priorities.

QUESTIONS AND COMMENTS FOR MAYOR AND COUNCIL. There were no comments from the audience.

MAYOR/STAFF REPORTS.

BOARD APPOINTMENT. Mayor Watts requested ratification of Justin Hamilton, a local restaurant owner, as a member of the Business License Review Board. He apologized no resume was available for Council review and said he would wait for approval if this was a problem.

ACTION. Motion by Councilmember Monson, seconded by Councilmember Olsen to ratify the appointment of Justin Hamilton to the Business License Review Board. Motion carried unanimously.

LIGHT & POWER DIRECTOR APPOINTED. Mayor Watts introduced Jeff White, 95 South 100 West, as the city's new Light & Power Director replacing Jay Larsen. He asked for Council ratification of Mr. White's appointment.

ACTION. Motion by Councilmember Thompson, seconded by Councilmember Monson to ratify the appointment of Jeff White as Logan Light & Power Director. Motion carried 4-0, Swenson abstained. She said she had received Mr. White's resume just two hours before the meeting and had not had time to adequately review it. She said this was no reflection on Mr. White.

Community Development Block Grant (CDBG) Projects F/Y 2008-09.

Chairman Pyfer said a public hearing would be held April 1 to receive input on projects recommended for funding. She said she was inadvertently left out of the CDBG steering committee process and wanted the Council to have copies of all applications as soon as possible. She also asked for a list of both City and County CDBG funding recipients for the last several years. Community Development Director Jay Nielsen agreed to provide the information.

COUNCIL BUSINESS. Meeting Schedule. Chairman Pyfer announced that regular Council meetings were held the first and third Tuesdays in the Council Chambers at 255 North Main at 5:30 p.m. The next regular meeting is Tuesday, April 1, 2008.

Council Site Visit. A Council bus tour to discuss residential parking strip issues was scheduled at 4:30 p.m. on Tuesday, April 1.

ACTION ITEMS:

PUBLIC HEARING: Budget Adjustment F/Y 2007-08 appropriating: (1) \$6,000 misc. golf course revenue for golf course salaries and supplies; (2) \$90,000 sales tax revenue for ultraviolet filtration system at Aquatic Center – 08-16.

Finance Director Rich Anderson reviewed the proposed adjustments to the budget. Chairman Pyfer opened the meeting to a public hearing. There was no comment and the hearing was closed.

ACTION. Motion by Councilmember Monson, seconded by Councilmember Swenson to approve Res. 08-16, Budget Adjustments, as presented. Motion carried unanimously.

ST. GEORGE WIND POWER – Consideration of a resolution of assignment and assumption of two (2) megawatts of St. George wind power – 08-17.

Garth Turley of the Light & Power Department reviewed the proposal to purchase two megawatts of wind power from the City of St. George at a cost of \$200,000. The city had previously acquired two megawatts of wind power from the same project.

On another matter, Chairman Pyfer asked about giving citizens the opportunity to help offset costs of renewable energy by “checking a box” on the city utility bill. Councilmember Thompson said he would like ratepayers to have an opportunity to voluntarily assist in the higher cost of renewable energy resources.

ACTION. Motion by Councilmember Swenson, seconded by Councilmember Monson to approve Res. 08-17, St. George Wind Power, authorizing Mayor Watts to execute an agreement for transfer to Logan of St. George’s portion of the PPM Wind Power Project. Motion carried unanimously.

DANIEL C. RUSSELL ANNEXATION – Consideration of an ordinance annexing 2.75 acres at 1180 Eastridge Drive as requested by Daniel C. Russell – 08-18.

Attorney Housley explained the public hearing on the Daniel C. Russell Annexation was held February 19, 2008. No protests to the annexation were received. Action was not taken at that time pursuant to an agreement with the Logan School District to give written notice sixty days prior to adoption of annexations. That notice was provided by letter dated January 10, 2008.

ACTION. Motion by Councilmember Swenson, seconded by Councilmember Monson to adopt Ord. 08-18, Daniel C. Russell Annexation, as presented. Motion carried 4-0, Olsen abstained. He struggled with the concept of annexing property into Logan with no mechanism to provide the school district with funding through property tax for costs of educating children in a newly annexed area. He felt this was “unfairness being perpetrated by the Cache County School District,” and he did not like it.

Attorney Housley responded that this was an issue for the State Legislature. Mr. Olsen said if Logan City annexed property, it was unfair for the County School District to retain the property tax money associated with that annexation.

The Council talked about writing a letter on the issue to State Legislators. Councilmember Olsen agreed to draft the letter.

F/Y 2008-09 BUDGET OVERVIEW AND PUBLIC HEARING – Budget information and priorities.

The Council invited Logan residents and taxpayers to provide feedback on priorities for the FY 2008-09 budget prior to beginning the budget process. A flyer entitled “Logan City General Government Report” had been prepared as an insert in the March 9 issue of The Herald Journal advertising tonight’s hearing and providing an overview of the city’s General Fund.

Information was presented by Finance Director Rich Anderson on the general operating fund, past and future priorities and the current economic conditions. He said past budget priorities had been:

- *Rebuilding fund balance;
- *Right-sizing general fund budget;
- *Investing in rolling stock;
- *Investing in capital improvement projects;
- * Investing in salaries of existing employees.

Mr. Anderson explained the city had been able to make necessary improvements in its financial condition because of:

- *Economy. Contracted services during a time of economic expansion;
- *Conservative revenue projections (and thus expenditures)

*Constant evaluation of all city positions and services.

He continued by explaining the city's financial condition had improved from a General Fund deficit in F/Y 2003 of \$1 million to a positive position in F/Y 2008 of \$5 million, the statutory fund balance maximum allowed by law. Investments in capital and rolling stock had increased from \$850,000 in F/Y 2003 to \$1.6 million in FY 2008.

Mr. Anderson was very concerned about adequately funding General Fund infrastructure. He said, in addition to Class "C" road funds received from the state, the city should be investing \$12 million annually for road, curb and gutter and sidewalk projects. He said roads were not adequately funded because "they will always last another year," but there was a critical need in this area.

Mr. Anderson's cautious economic outlook was for slower economic growth overall with general concern for revenues, including:

- *Flattening sales tax growth (the city's largest revenue source);
- *Lower interest rates;
- *Uncertainty in charges for services;
- *Uncertainty in building permits revenue

Future budgeting priorities, according to Mr. Anderson, should be:

- *Preparations for a slower economy;
- *Staying the course. (Invest in rolling stock, capital improvements, existing employees);
- *Put all new requests in the context of how we are funding existing services;
- *Committing to incremental infrastructure improvement.

Mr. Anderson's advice was to maintain the budget as best we can during this time of economic downturn. "If we can dial back what we want to do just a little, we will come out of it in good shape," he said.

Chairman Pyfer opened the meeting to public comment.

Wendy Hassan urged the Council to continue support of arts organizations. She said the arts grant funding was a very small allotment that supported art education and outreach, but arts organizations could also be the city's economic partner. "There is nothing worse than a road that leads out of town—give people a place to go," she said. "As a city we need to maintain our leadership role in support the arts," Ms. Hassan concluded.

Lucille Peterson Watkins asked why arts support was on such a "shoestring." She said government was "missing the boat in Cache Valley" because a great resource was not being promoted properly. She said Logan should be promoted as an art buyer's location. "Don't shut the door on the arts—and AVA (Alliance for Varied Arts). Please promote Logan as an arts destination," Ms. Watkins said.

Gail Knapp, President of the Board of Trustees of the Alliance for the Varied Arts spoke in support of funding the arts and AVA. “When you talk of investing in infrastructure, think of investing in our children’s minds. . . When you retain Logan arts funding, you are retaining an essential of training young minds. Please don’t eliminate our tiny slice of the budget,” she said.

As a participator and volunteer, Deanna Hulme supported arts funding. She said Logan is the heart of Cache Valley and funding both visual and cultural arts was important.

David Sidwell of the American West Heritage Center supported enhancing opportunities for cultural arts in Logan. He said the city would do a disservice in terms of tourist dollars if the arts funding was undermined. He encouraged the city to promote the idea that Logan was an art destination.

Trent Gudmundsen, a professional artist, said he lived here but sold his work outside Cache Valley. He felt the community supported the arts, especially downtown arts organizations, including the AVA. He asked that the Council consider reinstating funding AVA as a line item in the budget at \$10,000.

Amanda Castillo appreciated that the Cache Valley Center for the Arts, managing organization of the Eccles Theatre and Bullen Center, provided educational workshops and student matinees. She asked that the Council continue to support the arts in the city budget.

Mary Ann Sidwell said she had been involved in arts organizations her entire life. She appreciated the important role arts played in the quality of life in Logan and hoped the city would continue financial support.

Scott Wakefield, Executive Director of AVA, said in 2001 the city had invested in restoring the Thatcher-Young Mansion, the home of AVA, but the move created additional operational expenses that in the past had been subsidized by the city. He said at one point \$10,000 was provided as a line item for AVA operational expenses (20% of AVA’s operational budget). Last year there was no budget line item for AVA, and arts grant funding was increased. Allocation of these funds was recommended to the Mayor by the Fine Arts Committee. In this process, the amount received by AVA for operating expenses was \$1,000. Mr. Wakefield requested restoration of a \$10,000 AVA budget line item.

Matt Hall, AVA Financial Director, said operations had been streamlined in the last two years with more volunteers and a strong board of directors. He asked that the city fund AVA with \$10,000 in the budget.

Chairman Pyfer said the Council had received emails regarding budget priorities that included:

*Air quality issues;

- *Achieve acceptable air quality through educational outreach and development of a strategic plan;
- *Sustain funding for the arts;
- *Open space and funding for critical lands;
- *Sidewalks and road improvements;
- *More police in schools;
- *Recreation Center--maintain adequately and provide good access
- *Promote bus ridership, smart clean growth and long-range planning
- *Fund neighborhood pocket parks.

Councilmember Pyfer turned the time to the Council to present their priorities.

Councilmember Swenson:

- *Conservation program funding
- *Demand side management programs and conservation incentives
- *Critical lands reserve fund
- *Corridor improvement top priority as part of road budget. (Highway 89-91 south, with a goal to keeping this an open viable transportation corridor.)
- *Conservation easements--planning to keep development off the Highway 89-91 southern corridor, including participating in a valley-wide planning effort.
- *Funding a downtown plan. "We should not be building downtown municipal buildings without that plan," Swenson said.
- *Corridor and "Gateway" plan
- *Double street tree budget to \$20,000 for purchase of trees

Councilmember Olsen:

- *Addressing air quality issues, tied indirectly to bike paths.
- *Move toward to protect critical lands and southern corridor access
- *Do our best to protect our community arts resource.

Councilmember Thompson:

- *Reduce government spending;
- *Balance funding of wants and needs.
- *Reduce services if we can't afford them;
- *Sidewalk improvements, upgrading and replacing.
- *Additional money for street tree planting
- *Conserve our resources
- *ADA improvements to city buildings.

Attorney Housley said the city had an ADA (Americans for Disabilities Act) audit two years ago and since then had established a program to fund ADA improvements to city buildings.

Councilmember Monson:

- *Library issues and evaluation of the current building.
- *Sidewalks, especially where there are no sidewalks

- *More funding for cultural arts grants and art organizations
- *Open space/critical lands

Rich. Anderson said in the current budget there was \$250,000 toward a \$750,000 maximum endowment for Cache Valley Center for the Arts capital operations. This included the Bullen Center, Eccles Theatre and Thatcher-Young Mansion. The city pledged \$250,000 for the next two fiscal years toward that endowment. In addition, the 2007-08 budget included \$20,000 for cultural arts grants that had been distributed to local arts organizations.

Councilmember Monson said the library was an important issue with him and citizens need to know why construction of a new city library building was necessary. He said an unbiased evaluation of the costs associated with remodeling of the current building was necessary before we proceeded with a general obligation bond. Mayor Watts said an independent analysis was planned.

Councilmember Thompson asked if the independent analysis would be through Architectural Nexus, consultants on the proposed new library. After discussion, Mayor Watts said the analysis would be by independent consultants with Nexus not being part of this process.

Mayor Watts pointed out that support of arts organizations was a valley-wide issue. Rich Anderson said the RAPZ tax was the best avenue of support for the arts.

Councilmember Swenson suggested an amount of \$250,000 for open space/critical lands issues, with about \$60,000 of that funding a corridor preservation plan.

Councilmember Pyfer:

- *Increase funding for building and repairing sidewalks
- *Sustain support of neighborhood improvement, especially in dealing with dwelling and over-occupancy issues
- *Address water improvements, specifically dealing with pressure reducers and fire protection flows.
- *Maintain funding of 200 East transportation corridor projects, especially intersection improvements at 500 North and by the middle school.
- *Fund improvement of 600 East 1000 North intersection
- *Increased funding for roads.

History was provided in response to a question by Councilmember Monson on the length of time the 200 East transportation corridor had been discussed.

Mayor Watts:

- *Continue to support past priorities as outlined by the Finance Dept. earlier in the meeting.

- *Support of Light & Power Dept. conservation measures and incentivizing energy savings
- *Support of employees through fair and equitable pay plans and health management incentives.
- *Move ahead with Justice Building remodel. Funding to address finishing the construction.
- *Continue to address rolling stock issues.

Mayor Watts aid he had attempted to consider and to meet Council priorities and demands in past budgets.

Councilmember Swenson estimated annual budget savings of well over \$1 million through reductions in city work force, cuts in services, paying off bonds, and taking care of agreements that were disadvantageous to the city. She maintained there should be money that could be reallocated to new needs.

Gary Joy asked that the Council remember that Logan and the services provided had developed over many years. "We have a better library system than we did have when the county was in charge. . . I hope we don't try to reinvent the wheel on this," he said. Mr. Joy wanted Logan to remain the "crown jewel in Cache Valley." He asked the Council to work with what we have, and keep the good things we have. "It's these good things that make Logan what it is," he said. Mr. Joy supported funding for arts organizations. He was frustrated with both the Dugway and 200 East projects that he had worked on for many years. "It seems that as we have input, then priorities are swayed by different groups. Let's not forget those other things that keep Logan the place we want to be," Mr. Joy concluded.

Chairman Pyfer closed the public hearing.

OTHER CONSIDERATIONS. Mayor Watts requested Council workshop on Tuesday, March 25 so that Architectural Nexus could present conceptual plans for the proposed library building. He also wanted to discuss timing of the general obligation bond election at that time.

Chairman Pyfer and Councilmember Thompson said they would not support a June 2008 bond election. Councilmembers Olsen and Monson said they would support a June election.

After discussion the Council agreed to meet March 25 at 7:30 p.m. for a forty-five minute meeting.

There being no further business to come before the Council, meeting adjourned at 8:00 p.m.

Lois Price, City Recorder