

Minutes of the meeting of the Logan Municipal Council convened in regular session on Tuesday, August 17, 2010 at 5:30 p.m. in the Logan Municipal Council Chambers, 290 North 100 West, Logan, Utah. Chairman Jay A. Monson conducting.

Council members present: Chairman Jay A. Monson, Vice Chairman Herm Olsen, Holly H. Daines, Laraine Swenson and Dean W. Quayle. Administration present: City Attorney Kymber Housley and City Recorder Teresa Harris. Excused: Mayor Randy Watts.

Chairman Monson welcomed Logan City Scout Troop 7 to the Council meeting tonight.

### **OPENING CEREMONY.**

Chairman Monson offered an opening thought/prayer and led the audience in the pledge of allegiance.

Chairman Monson welcomed those present. There were approximately 17 citizens in the audience at the beginning of the meeting.

**Meeting Minutes.** Minutes of the Council meeting from August 3, 2010 were reviewed and approved.

**Meeting Agenda.** The meeting agenda was approved. Chairman Monson announced at tonight's meeting there would be four public hearing.

### **QUESTIONS AND COMMENTS FOR MAYOR AND COUNCIL.**

No comments from the audience for the Mayor or Council.

### **MAYOR/ STAFF REPORTS.**

Councilmember Quayle reported that the *Noon Music at the Tabernacle* series has concluded. There were over 67 programs this summer and over 30,000 people attended. There will be an encore performance on Friday, August 20, 2010 beginning at 7:00 p.m. at the Logan Tabernacle. The public is invited to attend this free event.

### **COUNCIL BUSINESS.**

**Meeting Schedule.** Chairman Monson announced that regular council meetings would be held the first and third Tuesdays of the month at 5:30 p.m. The next regular council meeting is Tuesday, September 7, 2010.

Chairman Monson announced that the Logan City Municipal Council and the Cache County Council will hold a joint meeting on Tuesday August 31 at 5:30 p.m. in the Cache County Administration building.

***Community Covenant* – Utah National Guard/Military – Staff Sgt. Brock Jones.**

Staff Sgt. Brock Jones addressed the audience and Council and made a presentation of the ***Community Covenant***. This is a program designed to foster and sustain effective State and community partnerships with the Army to improve the quality of life for soldiers and their families, both at their current duty stations and as they transfer to other States. It is a formal commitment of support by State and local communities to soldiers and families of the Army, Guard and Reserve. While ***Community Covenant*** is an Army program, it extends to the other military services as well, recognizing that many community efforts support all service members and their families regardless of the uniform they wear. Additional information can be found at [www.army.mil/community](http://www.army.mil/community).

Councilmember Quayle asked how many military personnel are serving from the Cache County area at this time. He feels this program should include not only Logan City but all of Cache County.

Sgt. Jones said he did not know at this time how many are serving from our area.

Chairman Monson asked City Attorney Kymber Housley what is the next step to move the ***Community Covenant*** forward.

Mr. Housley suggested that Sgt. Jones also meet with the Cache County Council. At tonight's meeting the Council would not necessarily need to take action but rather agree to move forward in creating a committee to implement this program.

Chairman Monson said the ***Community Covenant*** will be added to the Joint City and Council Council meeting on August 31, 2010 for discussion.

**ACTION ITEMS.**

**PUBLIC HEARING - Budget Adjustment FY 2010-11 appropriating: \$7,642 for the Library Services and Technology Act Grant (LSTA); \$16,666 donation for police dog expenses – 10-47.**

Chairman Monson opened the meeting to a public hearing.

Chairman Monson closed the public hearing.

**ACTION.** Motion by Councilmember Quayle seconded by Councilmember Olsen to approve Res. 10-47 as presented. Motion carried unanimously.

**PUBLIC HEARING - Consideration of a proposed request amending the Land Development Code's sign section to allow advertising on Cache Valley Transit District (CVTD) bus shelters – 10-45.**

Chairman Monson opened the meeting to a public hearing.

Chairman Monson closed the public hearing.

Councilmember Olsen said that when this resolution was brought before the Council a few years ago, he did not approve. He now feels that we need to do everything we can to promote and encourage people to ride the bus and not drive their cars, especially during the Winter months.

Chairman Monson agreed with the comments of Councilmember Olsen and also feels it's important to promote ridership on the bus system.

Councilmember Quayle also agrees and feels it's imperative to encourage people to ride the bus.

Councilmember Swenson said if the door is opened to advertising that it will continue and more advertising will occur in the future. She referred to the current sign ordinance that lists the exceptions to signs being added. She is very complimentary and proud of the CVTD but she does feel that any number of organizations including several non-profit groups could ask for an exemption. She feels that advertising should not be placed on the bus shelters and the CVTD will only receive \$12,000 doing the advertising. She feels this is a "prostitution of the character of our community" and is the wrong choice.

**ACTION.** Motion by Councilmember Olsen seconded by Councilmember Quayle to adopt Ord. 10-45 as presented. Motion carried 4-1 (Swenson voted nay).

**PUBLIC HEARING - Consideration of a proposed ordinance adopting a zone change for Promenade Phase I Subdivision located at 2800 North Airport Road – 10-46.**

Chairman Monson opened the meeting to a public hearing.

Chairman Monson closed the public hearing.

Councilmember Quayle said this is not a very good area to grow grass because of the soil and wetland conditions, He feels this will be a challenge.

Community Development Director Jay Nielson said this area is in the General Plan as a growth area and the soil conditions are not all under water. The last test hole that was dug went 17 feet before hitting water. Based on feedback from the neighbors to the West their motives are self serving and they don't want this subdivision to be built in this area.

**ACTION.** Motion by Councilmember Swenson seconded by Councilmember Daines to adopt Ord. 10-46 as presented. Motion carried unanimously.

**PUBLIC HEARING - Golf Course Clubhouse Improvement Project – 10-48.**

Chairman Monson opened the meeting to a public hearing.

Chairman Monson closed the public hearing.

Councilmember Daines said that she has concerns and asked Finance Director Richard Anderson to get her some numbers from other golf course clubhouse areas in the Valley, which he did. What she found was these clubhouse areas are still losing money and she feels our revenue numbers are very optimistic. Logan City has been paying for the golf course for 20 years now. It is a wonderful course but she feels there are other priorities in the City that need attention more than a renovated clubhouse. She is not satisfied with the revenue projections and her counter proposal is to put the renovation off for one year and see what money can be saved over the year time and make sure the expectations can be met. She would like this money to go to trails and other projects in the City.

Councilmember Swenson said she agrees with Councilmember Daines and feels there is a long list of priorities that are higher on the citizens list than a clubhouse renovation. She also feels that the hiring of new staff would make the operational expenses go up and she feels the renovation should be delayed at this time.

Parks & Recreation Director Russ Akina addressed the Council and said the golf course staff from fiscal year 2009 to 2010 has gone to great lengths to reduce costs in the amount of \$190,000 and that is an effort in preparation for this process because they knew all along they would need to do this for the clubhouse renovation. They have also reduced their operational expenses to prepare for the renovation.

Councilmember Swenson asked does the golf course have \$190,000 in surplus for the renovation.

Mr. Akina responded no, they do not but they will use the \$190,000 to pay off a loan on an annual basis taking a 10-20 cents on the dollar on revenues they would be able to generate approximately \$80,000 on just new assessment. One of his concerns is the debt transfer and where it will go in the future. He would like to not have to look at the debt service transfer after the debt service matures but rather look at assessing an additional fee to the golf course which would go towards the construction loan so the debt service loan will then go back to the general fund. In his opinion, they are making strides to cover the debt service and assessing all of the golf courses revenue transactions from 10-20 cents on the dollar in order to support the requested loan.

Councilmember Swenson asked how much would it bring in based on the present revenue.

Mr. Akina responded if they were to assess 10-20 cents on the dollar and bring in \$843,000 dollars they would have sufficient to cover what they are requesting in the resolution.

Councilmember Daines asked about a contingency plan if the revenue is lower than projected.

Mr. Akina responded yes, they would have to go back to the Golf Advisory Board and get approval from them to increase the assessment to a larger amount or extend the length of the loan. He would first like to see what can be done with the patronage at the golf course to cover this amount. He said with an increase in fees they will take the entire fee

structure and break it up over a three year cycle. The fees would be reviewed on an annual basis. They would like to start construction as soon as possible.

Finance Director Richard Anderson said he has a concern as to whether \$100,000 of increased expenses could be sustained simply by increasing revenues. He feels that 10% is high simply to rely on increased revenues considering the economic situation we are currently in nationally and locally. As prices increase there is a point where revenues decrease. In a normal year the revenues are \$900,000 and expenditures are \$900,000. We would need to concentrate on the expenses and this year they have been successful in reducing their expenses and sustaining the debt but he feels the expense could be reduced by \$50,000 and it will be very tight for them to maintain. He feels it will very tough for the golf course to meet and sustained \$100,000 at this time.

Golf Course Supervisor Jeff John addressed the Council. He said the golf course is an investment for the City but because the golf course is not an enterprise fund it's looked at differently. He feels the golf course is the crown jewel of the Parks & Recreation Department and is the gateway to Logan City. He could do what he's been doing for many years to come and he feels it's the right thing to do. We currently do not have a facility for large tournaments and it's not about competing with other courses in Cache Valley but giving people an option. He feels that he is "putting himself out on a limb" and he said things could have gone along and no changes made. He feels it is the right time to do the renovation and is completely needed for the golf course. He appreciates the Council's consideration for the renovation.

Councilmember Olsen said that trails and other city projects are important to him and next year the golf course bond payout will be completed. He feels at that time the money can be directed to other projects. He feels we owe it to the Southwest area of Logan to create something beautiful and something to be proud of and he is grateful the golf course was built. He feels it's time to reinvest and that construction costs could go lower or higher and feels the time is right for a renovation of the clubhouse.

Councilmember Swenson asked is 1.5 million the total amount and what is the interest rate.

Mr. Anderson said the interest rate would be 3-4% and the fund would be one of the enterprise funds such as the Light & Power or Environmental Department. As the principle is paid down the amount of interest would decrease over time. The term of the loan would be for 20 years and would be approximately \$100,000 each year. By doing the loan internally, we could have the interest at whatever rate we wanted.

Councilmember Daines asked who makes the decisions on how funds are invested when there is additional money.

Mr. Anderson responded the Council passed a resolution that directs the finance department to make investments and they report this information to the Council and the audit committee. Most are short term investments of 5 years and right now there isn't anything yielding more than 3%. An internal loan would be the best and the Council decides to approve an internal loan which is what is being presented tonight either from the Light & power or Environmental Department.

**ACTION.** Motion by Councilmember Daines to request that the Parks & Recreation Department and Logan River Golf Course tighten their expenses and look at increasing their revenues and come back to the Council in one year with another proposal. During this time focus funds on other areas in the Parks & Recreation Department. Motion failed for lack of a second.

Councilmember Swenson proposed that a 5% assessment be added to the resolution bringing in an additional \$45,000 in revenues. She wants to have additional revenue coming in to pay off the bond and not an additional \$45,000 coming out.

Mr. Akina responded that the amendment is in the scope of what the golf course can do and he is not opposed to the proposed amendment from Councilmember Swenson.

Mr. Housley said the wording of the resolution will be amended to the following. *Approval of an interest bearing 20-year interfund loan in the amount of \$1.5 million for the process of pursuing the construction of a new clubhouse. It is the Council's intent that this loan will be repaid by the operating budget of the golf course.* The Council agreed to this amendment.

**ACTION.** Motion by Councilmember Olsen seconded by Councilmember Quayle to approve Res. 10-48 as amended. Motion carried 4-1 (Daines voted nay).

#### **WORKSHOP ITEMS.**

**Budget Adjustment FY 2010-11 appropriating: \$110,000 for the Juvenile Assistance Grant (JAG); \$7,500 for the State Asset Forfeiture Grant (SAFG) – 10-50 – Richard Anderson.**

Finance Director Richard Anderson explained the proposed budget adjustment.

**Budget Adjustment FY 2010-11 appropriating the following budget carry forwards: \$20,000 for aerial photo program; \$100,000 for police vehicles; \$31,965 for the General Plan code; \$20,000 for the south corridor study; \$2,000 for assessment of structures at second dam; \$5,000 for the Historical Markers grant; \$7,566 for the Youth Alcohol grant; \$3,275 for the FY10 JAG grant; \$16,761 for the 2008 CDBG grant; \$125,425 for the 2009 CDBG grant; \$297,965 for the 2010 CDBG grant; \$99,634 for the 2010 ARRA CDBG grant; \$5,000 for the EMPG grant; \$158,479 for the Energy Efficiency grant; \$700,000 for the Electric Turbine grant; \$32,497 for the 21<sup>st</sup> Century grant; \$76,759 for the RAPZ 2009 1800 South 1000 West Trail grant; \$43,840 for the RAPZ 2009 Northwest Park II grant; \$1,439 for the RAPZ 2009 1700 South Park Construction grant; \$8,789 for the RAPZ 2009 Majestic Mountain Meadows grant; \$800 for the FY10 RDA grant; \$2,000 for the RDA Economic Summit grant; \$9,095 for fire station 72 design; \$75,000 for library renovations; \$40,557 for the RDA downtown specific plan; \$29,700 for the golf course club house design; \$189,120 for electrical substation equipment – 10-51 – Richard Anderson.**

Mr. Anderson said the proposed budget carry forwards are done every year and the money is carried forward that was not expended. The 21<sup>st</sup> Century grant is designated for

after school programs and is coming from the State and Federal government. The RDA item for \$40,557 will be split out at the next Council meeting and will be held as a separate RDA Action Item.

This will come back as an Action Item on September 7, 2010.

**Review of CDBG Consolidated Annual Performance Evaluation Report (CAPER) for Program Year 2009 – Gay Jamieson.**

Community Development Block Grant Coordinator Gay Jamieson addressed the Council. She said that 13 successful projects were allocated in 2009 and expended in 2009. Prior year projects were also completed in 2009. Extensions can be given if there is a substantial reason and they are not obligated to the original program year. Some money has been reassigned because it is for the same purpose.

This will come back as an Action Item on September 7, 2010.

**Consideration of a resolution approving the Logan-Cache Airport Landside Specific Plan – 10-49 – Jay Nielson.**

Mr. Nielson said the Logan-Cache Airport Landside Specific Plan is a ten year plan and will direct growth in the area of the airport. The bottom line is that after going through all the public feedback sessions about less than 50% of the land in the study area will be developed. Residents in the town of Benson do not want their area to grow. If someone wants to be annexed into Logan the Council will refer to this plan. Next year the Southwest Specific Plan will be completed. This is very important for the development and the direction of where things will go in the future and is very pleased with the outcome of this plan.

Councilmember Swenson said the preferred plan is the conservation plan and asked if the different communities have this same plan and are they adopting this and making this part of their General Plan going through the same process we are now.

Mr. Nielson responded that in North Logan and Hyde Park most of their General Plan is integrated into this document. Logan is the only community that has a lot of growth area. We have an annexation agreement with Hyde Park for expansion on the west side and we also have a boundary agreement in place.

Councilmember Swenson said this is a very well done plan.

Chairman Monson said this is also in line with Envision Utah.

This will come back as an Action Item on September 7, 2010.

**OTHER CONSIDERATIONS.**

Councilmember Swenson said going back to the golf course clubhouse she wants a guarantee that the money will not come out of the General Fund.

Mr. Akina agreed and said that no additional money would come from the General Fund.

Mr. Housley said he can add this working to the resolution as the Council's intent but there is no guarantee.

Councilmember Swenson said there could be cuts such as layoffs if these amounts can't be met.

Mr. Anderson said his concern is that an amount should not be set.

The Council feels the golf course should accomplish this and they should meet this expectation.

Councilmember Swenson asked about Impact fees and are we still collecting them.

Mr. Anderson said we will proceed with hiring a consultant and start the process and will bring the fees back to the Council for approval. We have until September of 2011 to complete the impact fee study. Many of the fees will continue and Public Works Director Mark Nielsen will bring a resolution forward to the Council.

There being no further business to come before the Council, meeting adjourned at 7:10 p.m.

**ADJOURN.**

Teresa Harris, City Recorder