

Minutes of the meeting of the Logan Municipal Council convened in regular session on Tuesday, September 7, 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.

### **OPENING CEREMONY.**

Community Development Director Jay Nielson offered an opening prayer and led the audience in the pledge of allegiance.

Chairman Monson welcomed those present. There were approximately 5 citizens in the audience at the beginning of the meeting.

**Meeting Minutes.** Minutes of the Council meeting from August 17, 2010 were reviewed and approved with minor corrections.

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

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

No questions or comments for the Mayor or Council.

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

#### **Light & Power Hydro Mitigation – Jeff White.**

Light & Power Director Jeff White gave a presentation of the Hydro Mitigation Plan.

Mr. White said that the three of the four alternatives being proposed by the NRCS with regard to the canal reconstruction are specifying that the water that was being diverted below First Dam will now be diverted at Second Dam and the water will bypass Logan's hydro plan and flow in the canal above the Country Club Golf Course. Since the water will no longer go through the power plant, it will decrease hydro –power output throughout the irrigation year. Most of the impact to the power production would come at the end of the year with after springtime runoff has subsided.

Mr. White also said that a proposed solar farm could be placed on one of the water tanks on the East hillside. The area meets the criteria and is fully fenced. We would like to make this more than just a solar farm and perhaps turn it into something along the lines of a Renewable Energy Park and could potentially include the future installation of a wind turbine, along with the Dewitt hydro turbine that is now under construction at the same

site. Access would be along the Bonneville Shoreline Hiking Trail and the Renewable Energy Park would be open to the public for tours and demonstrations.

Hydro Plant II is located at First Dam and takes its water out of Second Dam. This facility was built in 1983 at a cost of around 25 million dollars and has two generators on site. Graphs indicate that historically the diversions into the upper canal at Second Dam have historically never exceeded 80 Cubic Feet per Second. He said there would need to be another study completed to identify how much energy would be lost and then we can estimate the value or cost to Logan City because renewable energy will be worth a lot more in the future.

Councilmember Olsen asked is it correct that three of the four proposed alternatives jeopardize our hydro capacity and the fourth does not?

Mr. White responded this is correct, alternative three which is to rebuild the pipeline down Canyon Road is the alternative that will not impact the hydro.

Public Works Director Mark Nielsen said a canal scoping meeting is scheduled to collect feedback on the canal and the options proposed. He believes alternative three is a lower cost than the 26 million dollar project the NRCS has talked about. This project will impact utilities on Canyon Road. There are other options such as to bore or drill pipe beneath the utilities but again this is a cost impact. He said the NRCS deals in cost benefit ratios and going down Canyon Road and restoring the service has fewer benefits, but we haven't seen the numbers yet from the NRCS.

Councilmember Swenson said there are also benefits for upper canal shareholders which has nothing to do with the landslide or the hydro project.

Councilmember Daines said this will also give more storm water capacity for Logan City.

Mr. Nielsen said this will also eliminate pumping on the North end of the County. The NRCS is looking at the benefits for the entire County and most do not apply to Logan City other than storm water. He agrees with spending emergency money to complete the upper canal because Logan City is over 10% of the canal and when the bill comes due, Logan will have a big part in making the payment along with USU and Smithfield City. He said that part of the complexity of this mitigation is that currently the canal company feels they are losing 40-50% of what they divert and it comes back into the aquifer. When they pipe the water, it will eliminate the seepage and part of the canals diverted water in the past, included this seepage. They are proposing that we should hold to the historical level going forward. This request is being considered, the initial proposal did not include this request and Logan will be compensated for every cost.

Councilmember Olsen said that we currently don't know the loss of what is going into the aquifer.

Mr. Nielsen agreed and said the entire diversion is based on river flow. If the flow decreases the percentages also decrease. The question needs to be asked should the canal receive historical flows from Logan City.

Councilmember Swenson said if they increase their flow, then should we not increase our flow because the pipe is being diverted through the Canyon Road Canal.

Mr. Nielsen said everything is still up for discussion and nothing has been decided. The feeling from the NRCS is they should be held harmless for the maximum diversions that have occurred in the past.

Councilmember Swenson said this is not acceptable.

Mr. Nielsen said the benefit to them is seepage becomes available in the future for many uses many of which are culinary and the North would benefit.

Councilmember Olsen said he wants to support the water users and the canal company within reason but that should not include damaging our alternative energy and hydro capacity. He doesn't think they can afford to pay the shortfall year after year in perpetuity for diverting water.

Councilmember Swenson said we might need to look at the cost today of developing, locating and paying for a new hydro resource and add 10% per year on a renewable source. She sees this as an annual cost rather than a real time cost and not a lump sum payment.

Mr. Nielsen said the canal company agrees, they cannot afford to pay. They are considering stating that when we need water they will give a portion and would limit the irrigation during certain times of the year. This is their philosophy and they are trying to come to some kind of agreement.

City Attorney Kymber Housley said it's more than a philosophy, we have a priority water right and at any time we can make the call to keep our flows high. Based on what the State Water Engineer is saying we have a strong position, unless we contractually give it away. By the canal company changing their point of diversion, their priority is subsequent to ours and at any time we can call it back because it's Logan City's water.

Mr. Nielsen said the upper canal's right is dated back to 1860 and our date of right is 1983. They have the same option if they can show how much water they need for only the upper canal. The canal rights are all based on irrigated acreages and it all depends on how much of that water is being used to irrigate the upper canal portion.

Councilmember Swenson asked about the cost of the hydro value.

Mr. White responded the cost is around 11 cents per kilowatt hour. This is just an estimate which is from recent hydro purchases. He referred to a recent article from Public Power Weekly that said electricity from new power plants will cost roughly double what it costs today. New hydro is a hard to find and large hydro plants are being removed because of damage to the environment. The goal of the Emergency Watershed Protection Program (EWP) where the \$19.35 million dollar grant is coming from, is to remove threats to life and property following a natural disaster. There are still people living on Canyon Road that feel threatened and he feels the focus should be on correcting the problem on Canyon Road. He thinks there is just as much risk of a landslide in the upper

canal because of the steepness along the hillside at the mouth of the canyon. Our power plant would be at risk and possibly one home owned by Logan City still located just below the power plant.

Councilmember Swenson said the open canal on Canyon Road also has a significant amount of runoff along the hillside. We should be putting in something along this area to protect and collect runoff.

Mr. Nielsen said the funding from Senator Bennett was targeted to come up with a solution to this problem. At this time this is just information for the Council and he and Jeff White will continue working with the NRCS.

Chairman Monson said we all want to do what we can to protect the power we have now.

Mr. Nielsen said the Canal Company has provided a draft letter of understanding that Mr. White is reviewing and the Council is welcome to make comments. At the September 21 Council meeting Mr. Nielsen will present the topic of the City/Canal Match Determination.

## **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 21, 2010.

### **Follow-up: *Community Covenant* – Jay Monson.**

Chairman Monson said in a recent joint City/County Council meeting, the County Council said they support the Community Covenant and moving this forward. At this time he is not sure of the cost of the project. It was suggested that Councilmember Dean Quayle serve on the Community Covenant Committee which Dean is willing to do. Councilmember Quayle will meet with Mayor Watts and discuss a possible name from the community to serve on the committee. The County Council will also provide two names for the committee.

Mr. Housley said this is not a statutory or an ordinance committee and would be a sub-committee for the Community Covenant.

### **Council Report of Board and Committee Assignments – Jay Monson.**

Chairman Monson said he would like to have a schedule to hear updates and reports from the various boards and committees throughout that we have in the City. He suggested the Council does one report per meeting.

Councilmember Swenson suggested that rather than doing a report during a Council meeting to have the minutes emailed to the Council members and they can read the minutes if they are interested.

Councilmember Quayle feels it would be interesting to hear from committee members or the Chair of the committee rather than the Council. They could report on what they do and what they are discussing during their committee meetings.

Chairman Monson agreed and feels it would be good to hear this information. He would like to try this for a one year time period.

**ACTION ITEMS.**

**PUBLIC HEARING: 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.**

Chairman Monson opened the meeting to a public hearing.

Chairman Monson closed the public hearing.

**ACTION.** Motion by Councilmember Swenson seconded by Councilmember Quayle to approve Res. 10-50 as presented. Motion carried unanimously.

**PUBLIC HEARING - Budget Adjustment FY 2010-11 appropriating the following budget carry forwards: \$20,000 for aerial photo program; \$100,000 for police vehicles; \$17,673 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; \$125,854 for the 2009 CDBG grant; \$235,767 for the 2010 CDBG grant; \$22,421 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; \$8,968 for fire station 72 design; \$70,447 for State liquor law money; \$75,000 for library renovations; \$29,700 for the golf course club house design; \$189,120 for electrical substation equipment – 10-51**

Chairman Monson opened the meeting to a public hearing.

Chairman Monson closed the public hearing.

**ACTION.** Motion by Councilmember Olsen seconded by Councilmember Quayle to approve Res. 10-51 as presented. Motion carried unanimously.

**PUBLIC HEARING: Review of CDBG Consolidated Annual Performance Evaluation Report (CAPER) for Program Year 2009 – 10-54.**

Chairman Monson opened the meeting to a public hearing.

Chairman Monson closed the public hearing.

**ACTION.** Motion by Councilmember Olsen seconded by Councilmember Quayle to approve Res. 10-54 as presented. Motion carried unanimously.

Chairman Monson announced that CDBG Coordinator Gay Jamieson will be leaving the City of Logan after 16 years of service. She will be moving to California to be closer to family. He thanked Ms. Jamieson for her dedicated service.

Ms. Jamieson addressed the Council and expressed her appreciation and thanks to the City of Logan, City administration, City Council and all those she has worked with over the years.

Community Development Director Jay Nielson also thanked Ms. Jamieson for her service and wished her the very best.

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

Chairman Monson opened the meeting to a public hearing.

Chairman Monson closed the public hearing.

**ACTION.** Motion by Councilmember Swenson seconded by Councilmember Olsen to approve Res. 10-49 as presented. Motion carried unanimously.

**WORKSHOP ITEMS.**

**Budget Adjustment FY 2010-11 appropriating: \$16,315 for the Justice Court grant; \$26,409 for the Safety grant; \$10,282 for the Byrne JAG grant; \$7,000 for the youth tackle football program; \$275,000 for the creation of Assessment Area #1 – 10-55 – Richard Anderson.**

Finance Director Richard Anderson explained the proposed budget adjustment.

Mr. Jay Nielson said the Assessment Area will be completed before this Winter season and the Downtown Alliance is already planning to install historical lighting on the side streets in addition to the Main Street lighting project.

This will come back as a public hearing and Action Item at the September 21, 2010 Council meeting.

**Consideration of an ordinance prohibiting the possession and use of a substance commonly known as Spice – City Attorney Kymber Housley.**

Mr. Housley stated at the recent joint Logan City and Cache County Council meeting, both Councils heard a presentation on Spice. The proposed Logan City resolution would be similar to what the County is proposing. He raised a concern that the Council needs to be aware; there is a price tag with this that is unique. With a controlled substance there is testing involved and experts that testify in court and the State of Utah pays for this to happen. In the proposed Spice resolution, Logan City will have to pay for the testing and

experts to testify and this can be very costly. Logan City charges the fees under the State statute. He feels the State will pass a Spice ordinance during the upcoming legislative session.

Councilmember Olsen suggested changing the language in the resolution that if the State acts they may preempt any local legislation anyway and could alter what we adopt. He feels that just because the State legislature adopts this ordinance doesn't mean that we can't review the ordinance and we need to do what's best for Logan City.

This will come back as a public hearing and Action Item at the September 21, 2010 Council meeting.

### **OTHER CONSIDERATIONS.**

Councilmember Olsen asked if the City is planning to complete 200 East this construction season.

Mr. Nielsen responded that the bridge on 200 East is not completed and if it's not done by mid October they will stop construction because of the changing weather. His understanding is that it will be completed this construction season. He said projects were ranked and 200 East was listed in the top four projects that need to be completed. He said we should have definitive plans by the end of this fiscal year and construction will begin in 2011 on 200 East.

Councilmember Daines asked if we can borrow money for a Golf Course Clubhouse can we borrow money to complete the 200 East project and get it done sooner.

Mr. Nielsen responded the only issue is they could only approve one project. He is trying to move multiple projects forward by identifying what pieces he will do and next year he will go through another approval process. Currently, Logan City is waiting for the County to approve the recommendations. Four different projects were submitted.

Councilmember Daines feels the completion of the 200 East project would be a big boost for the community and she would like it completed as soon as possible.

Mr. Nielsen said in the Class C funds there is a reserve of 1 million dollars which is targeted for the 200 East project. This is match money for the federal funds.

Mr. Anderson said we could do things to make 200 East happen sooner and then be reimbursed by the County. He feels we could pressure the County to bond for 5 to 10 million dollars.

Mr. Nielsen said at a recent meeting with the Cache County, Mayor Watts recommended to the County they consider a bond and the other Mayor's were not receptive to this idea. Mr. Nielsen said that once the County Council gives permission we can move forward with the Class C Road funds which are set aside for the match. We do not have a Transportation Engineer position at Logan City and with the economy the way it is, he doesn't see this position being filled for several years but is a position he would like to

fill in the future. He would rather see Logan City have its own engineer than pay for an engineer from UDOT.

Councilmember Daines said we have the transportation master plan in place and she asked if it's being used

Mr. Nielsen responded the transportation master plan has not been approved and he will be going out and meeting with the Neighborhoods Councils this Fall to gather comments regarding the master plan. He will also complete a more in depth study of couplets and other things that have not yet gone to a consultant.

Chairman Monson asked about 10<sup>th</sup> West and when this project will begin.

Mr. Nielson responded that UDOT will not wait until all the properties have been purchased before they proceed. They will bid this October and will begin construction on the bridge this Winter. They will complete the bridge in December of 2011 from 200 North to the Highway South and 2500 North from Main Street to 600 West.

Councilmember Olsen asked if the parking notice to residents on 300 East and 200 North has been sent.

Mr. Nielson responded the notice has not gone out but will send in the next two weeks.

**ADJOURN to meeting of the Logan Redevelopment Agency.**

**PUBLIC HEARING: Budget Adjustment FY 2010-11 appropriating the following RDA budget carry forward: \$38,143 for the RDA Downtown Specific Plan – 10-52 RDA.**

Chairman Monson opened the meeting to a public hearing.

Chairman Monson closed the public hearing.

**ACTION.** Motion by Councilmember Swenson seconded by Councilmember Olsen to approve Res. 10-52 RDA as presented. Motion carried unanimously.

There being no further business to come before the Council, meeting adjourned at 7:00 p.m.

**ADJOURN.**

Teresa Harris, City Recorder