

Minutes of the meeting of the Logan Municipal Council convened in regular session on Tuesday, February 21, 2017 at 5:30 p.m. in the Logan City Municipal Council Chamber, 290 North 100 West, Logan, Utah. Chairman Holly H. Daines conducting.

Councilmember's present at the beginning of the meeting: Chairman Holly H. Daines, Vice Chairman Tom Jensen, Councilmember S. Eugene Needham and Councilmember Jeannie F. Simmonds. Administration present: Mayor H. Craig Petersen, Finance Director Richard Anderson, City Attorney Kymber Housley and City Recorder Teresa Harris. Excused: Councilmember Herm Olsen.

Chairman Daines welcomed those present. There were approximately 10 citizens in the audience at the beginning of the meeting.

OPENING CEREMONY:

Finance Director Richard Anderson gave the opening prayer and led the audience in the pledge of allegiance.

Meeting Minutes. Minutes of the Council meeting from February 7, 2017 were reviewed and approved with minor changes.

ACTION. Motion by Vice Chairman Jensen seconded by Councilmember Needham to **approve the February 7, 2017 minutes and approve tonight's agenda.** Motion carried unanimously.

Meeting Agenda. Chairman Daines announced there are four public hearings scheduled for tonight's Council meeting.

Meeting Schedule. Chairman Daines 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, March 7, 2017.

QUESTIONS AND COMMENTS FOR MAYOR AND COUNCIL:

USU Student Joshua Hortin addressed the Council regarding air quality. He distributed a handout with graphs showing air quality percentages. He feels the Council has a good opportunity to encourage the legislature to pass bills that will help improve air quality. He also suggested that the Council consider timing the lights on Main Street, especially on 1400 North. He feels doing this will also help improve air quality.

Chairman Daines said that our local legislators meet each Saturday morning at the Cache County Administration building and she invited Mr. Hortin to attend this meeting and voice his concerns about air quality directly to the legislators.

Councilmember Simmonds added that starting March 27 and again in April and May, the last Monday of each month there will be a lecture series on air quality issues will be held

and the public is invited to attend. The lectures will be held in the City Hall Conference Room.

There were no further comments or questions for the Mayor or Council.

MAYOR/STAFF REPORTS:

Updates on Projects/Issues – Mayor Petersen

Mayor Craig Petersen gave an update on HB 164 regarding transfers. He said the City has been concerned about this because it would affect our ability to make transfers in our enterprise funds. At this time the bill is not under active consideration and the final language is being drafted at this time. He feels the bill will be modified so that cities will need to provide additional notification and this is something we will do. He feels there will be an acceptable outcome in regards to this bill.

Mayor Petersen read the following prepared Press Release titled: **Mayor Proposes New Logan Library/Community Center at the Emporium Location.**

PRESS RELEASE FEBRUARY 21, 2017

MAYOR PROPOSES NEW LOGAN LIBRARY/COMMUNITY CENTER AT THE EMPORIUM LOCATION

On May 9, 2016, with the goal of stimulating economic development in the downtown area, Logan City purchased the Emporium Building and two adjacent properties--Plaza 45, and Poco Loco. These properties are situated in the heart of the business district, across from the historic Tabernacle, and are key locations for a vibrant downtown Logan. At the time of the purchase, the City's intent was either to locate a new library at that location or to pursue a private retail/residential development.

Since it was remodeled in the 1970s, the Emporium has never fulfilled its potential as an anchor to draw people to the downtown area. Before it closed in December, 2014, the Coppermill Restaurant in the Emporium was a popular venue for lunch, dinner, and banquets, but the configuration of the other spaces caused much of the remainder of the building to be greatly under-utilized. Since the closure of the Coppermill, the Emporium has been essentially empty space in the middle of the downtown area.

Over the last ten months, the city aggressively pursued private development of the properties. A Request for Proposal was issued last summer and the City offered financial incentives for a project that would stimulate downtown business activity. No responses were received that adequately met the City's economic development objective. In addition, several developers and businesses were individually contacted to ascertain their interest. Again, nothing materialized that was considered to be a good use of the properties.

A parallel effort was the search for a location for a new library. The existing library

building is an inefficient conglomeration of six structures that date back to the 1930s. It is one of the oldest library facilities in the state. Analysis by an architectural firm specializing in library design concluded that remodeling the existing library would not be a prudent option. Moreover, with a new hotel soon to be built on the Southeast corner of the block, the space now occupied by the Logan Library can be better used for commercial development.

Based on these considerations, I propose that the Emporium and Poco Loco buildings be demolished and a new library/community center be constructed on that site. Extensive analysis has been completed to determine the technical feasibility of the demolition and construction project. That analysis indicates that building a library on the site will not result in any cost-prohibitive problems.

A primary advantage of a new library/community center at this location is that it provides many years of certainty for the use of these properties. Commercial development, especially if it involved just a renovation of the existing buildings, would be much more subject to fluctuating market factors and less predictable in terms of appearance and maintenance of the structures.

Accordingly, I submit the following concept to the Council and to Logan citizens for discussion:

1. The new library/community center will occupy the space now used by the Emporium and Poco Loco. It will occupy two stories and a basement, with 35,000 to 40,000 square feet of usable space.
2. The facility will be designed as a 21st Century library and will be much more than just a book repository. There will be flexibly-designed public meeting rooms, state-of-the-art technology, and spaces for learning new skills and working on crafts.
3. The Main Street façade of the new library will be creatively designed to give the block an energizing “facelift” while remaining consistent with historic downtown Logan. A breezeway will be constructed to allow pedestrian passage from Main Street to the center of the block.
4. A small food venue will be included as part of the library. Most new libraries built in Utah in the last 15 years have this component.
5. To the west of the library building an outdoor green space will be constructed. The purpose of this amenity will be to provide a convenient gathering space for downtown events and other cultural and recreational uses.
6. Currently, non-Logan residents can use the Logan Library, but are not allowed to check-out books. The new library/community center will be made available to non-Logan residents for a nominal annual fee. This policy will attract additional people into the Logan’s downtown area.

Currently, an average of about 750 people visit the old Logan Library each day. With a new, state-of-the-art facility and with the patronage of non-Logan residents, it is anticipated that the daily number will exceed 1300 visitors to the library. This influx will assist existing businesses and incentivize new business to locate downtown.

This is an important decision that will affect Logan City's future for many years. It has been carefully considered during the last ten months. Next week, I will provide a financing plan for the new library/community center and also a tentative sketch of what the Main Street facade and the outside gathering area to the West might look like. As we move forward, the next step will be to engage a firm specializing in library design and to charge them to solicit public input as they refine the concept.

Craig Petersen, Mayor, Logan City

COUNCIL BUSINESS:

There was no Council business discussed at this time.

ACTION ITEMS:

PUBLIC HEARING - Budget Adjustment FY 2016-2017 appropriating: \$33,713 funds received from an insurance recovery toward the purchase of a replacement Electric Utility Truck; \$9,500 CCEMS funds to be passed through to North Logan City for ambulance services; \$5,200 for additional funding that the Drug Task Force was awarded. These funds will be used to purchase equipment to help reduce and prevent drug use; \$56,171 funds to replace a bucket truck destroyed by fire; \$15,000 for repairs at the Recreation Center - Resolution 17-06 – Richard Anderson, Finance Director

At the February 7, 2017 Council meeting, Finance Director Richard Anderson addressed the Council regarding the proposed budget adjustments. The budget adjustment was amended increasing the CCEMS funds amount from \$9,500 to \$10,000.

Chairman Daines opened the meeting to a public hearing.

There were no comments and Chairman Daines closed the public hearing.

ACTION. Motion by Councilmember Simmonds seconded by Vice Chairman Jensen to **approve Resolution 17-06** as amended. Motion carried unanimously.

PUBLIC HEARING - Rezone – Consideration of a proposed rezone. The City of Logan is requesting to rezone approximately 65 acres in the Cliffside area. The proposed rezone from NR-6 to NR-4 includes the Johnson Property, Canterbury, Eastridge (South) and the Orchard Heights area – Ordinance 17-03 – Russ Holley, Planner

At the February 7, 2017 Council meeting, Russ Holley addressed the Council regarding the proposed rezone. He explained the request is to rezone approximately 60 acres in the

Wilson neighborhood from the current zoning designation of Traditional Neighborhood Residential (NR-6) to Suburban Neighborhood Residential (NR-4). This area is mostly already developed into single family residential homes with the exception of the LDS church building on Eastridge Drive and the recently approved Johnson Cove subdivision South of Canterbury Drive. The Johnson Cove subdivision was approved with 40 lots on approximately 20 acres. Existing lots range from approximately 0.75 to 0.20 acres. Typically the larger lots are located near the Orchard Heights area with the Canterbury area typically containing the smaller lots. Although difficult to perfectly match land development patterns, the NR-4 zoning district should better reflect the layout of this area.

Staff recommended that the Planning Commission recommend approval to the Municipal Council for a rezone from NR-6 to NR-4, the Cliffside NR-4 Rezone, for 107 properties located in the Cliffside area of the Wilson neighborhood.

On January 26, 2017, the Planning Commission recommended that the Municipal Council approve the Rezone.

Chairman Daines opened the meeting to a public hearing.

There were no comments and Chairman Daines closed the public hearing.

ACTION. Motion by Councilmember Simmonds seconded by Councilmember Needham to **adopt Ordinance 17-03** as presented. Motion carried unanimously.

PUBLIC HEARING - Consideration of a proposed resolution for approval of, and authorization to execute and deliver the agreement for sale of renewable excess power – Resolution 17-05 – Mark Montgomery, Light & Power Director

At the February 7, 2017 Council meeting, Light & Power Director Mark Montgomery addressed the Council regarding the proposed resolution. He stated that the Intermountain Power Agency (IPA) is renewing their contracts and repower from coal fired generation to natural gas fired generation. The last thing that needs to be completed is if the City does not want to call the power back from the Intermountain Power Project (IPP) then, we can resell it to California. If we were to need the power back we would have to give a year notice to call it back. We can withdraw from that under certain conditions. The proposed agreement will authorize the City of Logan to sell excess power. If we don't sell it, we would be obligated to purchase and use the entire power percentage share.

Chairman Daines opened the meeting to a public hearing.

There were no comments and Chairman Daines closed the public hearing.

Councilmember Simmonds asked is this an annual agreement?

Light & Power Director Mark Montgomery responded no, this agreement will not be renewed again for 50 years.

Chairman Daines added this is an agreement that Logan City has with California purchasers. We produce the power, California then purchases the power at a rate that we essentially make money. If we ever choose to call this back, they are very specific in their contract and we have to give a one year notice.

Mr. Montgomery clarified that we don't actually make money and we don't get paid. But, we aren't exposed to any of the financing costs if they build a new plant.

ACTION. Motion by Councilmember Simmonds seconded by Vice Chairman Jensen to **approve Resolution 17-05** as presented. Motion carried unanimously.

PUBLIC HEARING - Consideration of a proposed resolution adopting a Revised Logan Light & Power Net Metering Policy, Rate Schedule and Electric Fees Schedule – Resolution 17-07 – Mark Montgomery

At the February 7, 2017 Council meeting, Logan City Light & Power Director Mark Montgomery addressed the Council regarding the proposed resolution. He said a Logan City Light & Power Policy is needed setting forth requirements for the interconnection of customer electric generation facilities, including those that generate renewable energy within the Logan City electric distribution system. Some adjustments need to be made to fees to reflect current costs to Logan City Light & Power. An accompanying rate schedule is necessary for customers who generate electric energy from renewable sources that they would otherwise purchase from the City utility.

Mr. Montgomery said Logan City is the only utility that he knows of that pays for net meters. This is growing in popularity and the Light and Power Department is getting to the point where they don't have the funding to purchase that many meters, especially in apartment complexes. He has encouraged installers to put a production meter on their systems as well.

The proposed costs are the following:

Connection (meter charges)

Single Residence	\$71
Single Residence bi-directional meter	\$300
Residential Multi Family per banked meter	\$435
Commercial Multi Meter per banked meter regular or bi-directional	\$435

Distributed Generation Related

Mandatory Installer Orientation	\$50
Net Metering Application Fee	\$271
Additional Site Visits	\$50

Chairman Daines stated there is a constituent in Logan City that has contacted the Council regarding net metering. This person has a solar business on the national level and he's made some suggestions that he feels will be beneficial both to Logan City in terms of reduced costs for our staff and also to solar customers in terms of reducing their costs.

Chairman Daines proposed that the Council continue a decision regarding net metering and that further discussion be held at the next City Council meeting scheduled for March 7, 2017. Councilmember Herm Olsen will also be in attendance at this meeting.

Vice Chairman Jensen said at the February 7 Council meeting there was a concern about someone coming in before this resolution was approved. He asked if anyone came in and submitted an application?

Mr. Montgomery responded no, not to his knowledge.

Chairman Daines opened the meeting to a public hearing.

There were no comments and Chairman Daines closed the public hearing.

Councilmember Simmonds stated that she has not seen the suggested changes from the constituent that Chairman Daines referred to earlier. She feels this is the beginning of a broader net metering discussion but the proposed resolution is specific to the meters themselves and fees associated with solar dealers to help safeguard residents in terms of them knowing what is associated with solar costs. She does not see any reason why these items could not go forward at this time and have a broader net metering discussion at a future Council meeting.

Chairman Daines said if the Council moves forward and approves the proposed resolution tonight as written, some of the suggestions mentioned would mean the Council would have to make changes to the resolution and it would have to come back to the Council. She will forward the suggested changes from the constituent to the entire Council so they can be reviewed prior to the March 7, 2017 Council meeting and another discussion be held at that time regarding the proposed resolution and another public hearing will also be held.

ACTION. Motion by Vice Chairman Jensen seconded by Councilmember Needham to **continue Resolution 17-07 until the March 7, 2017 Council meeting** as presented. Motion carried 3-1 (Simmonds voted nay).

WORKSHOP ITEMS:

Budget Adjustment FY 2016-2017 appropriating: \$1,460,000 to properly account for the transfer of Communication Center 911 fees charged as a garbage can fee from the Environmental Health Fund to the Communication Center Fund - Resolution 17-09 – Richard Anderson, Finance Director

Finance Director Richard Anderson addressed the Council regarding the proposed budget adjustment. He explained this is to properly account for the transfer of 911 fees from the Environmental Health Fund. This is the technical authority we use in order to charge the 911 fees. In the past he has recorded those as a charge for services so what this does is allows him to correctly account for services. It does not increase the budget, but changing the category from which those funds come in to the 911 fund. It has been noticed appropriately with our transfers and it always has been noticed in the past. We have been

doing it this way for the last 20 years and he hasn't changed anything. He noticed it appropriately so that it could be changed if needed. With the recent issue of transfers in the legislature, he thought it best that as we account for this that we also notice it.

He also stated that funding of the 911 system is currently being discussed in this year's legislative session and will be a future topic of discussion with the Council. The 911 fee is an additional fee added to the garbage can fee.

Chairman Daines said the reason for adding the 911 fee to the garbage can fee is because every household in the County has a garbage can. This was the mechanism chosen to equitably charge for the 911 fee.

Mr. Anderson stated that is correct. The code allows for certain ways of funding in the 911 Center. The preferred method is through property tax if additional funds are needed in addition to the telecom taxes that are collected. It also allows for other general fund revenue. The only fee that Logan City is able to collect from the entire County is the garbage fee.

The proposed resolution will be an action item and public hearing at the March 7, 2017 Council meeting.

OTHER CONSIDERATIONS:

There were no further items discussed by the Council.

ADJOURNED. There being no further business to come before the Council, the meeting of the Logan Municipal Council adjourned at 6:00 p.m.

Teresa Harris, City Recorder