

Minutes of the meeting of the Logan Municipal Council convened in regular session on Tuesday, February 6, 2018 at 5:30 p.m. in the Logan City Municipal Council Chamber, 290 North 100 West, Logan, Utah. Chairman Tom Jensen conducting.

Councilmember's present at the beginning of the meeting: Chairman Tom Jensen, Vice Chair Jeannie Simmonds, Councilmember Amy Z. Anderson and Councilmember Jess W. Bradfield and Councilmember Herm Olsen. Administration present: Mayor Holly H. Daines, Finance Director Richard Anderson, City Attorney Kymber Housley and City Recorder Teresa Harris.

Chairman Jensen welcomed those present. There were approximately 32 citizens in the audience at the beginning of the meeting.

OPENING CEREMONY:

Wendi Hassan, Executive Director of the Cache Valley Center for the Arts gave the opening thought/prayer and led the audience in the pledge of allegiance.

Meeting Minutes. Minutes of the Council meeting from January 16, 2018 were reviewed and approved with no changes.

ACTION. Motion by Vice Chair Simmonds seconded by Councilmember Anderson to approve the January 16, 2018 minutes and approve tonight's agenda. Motion carried unanimously.

Meeting Agenda. Chairman Jensen announced there is one public hearing scheduled for tonight's Council meeting.

Meeting Schedule. Chairman Jensen announced that regular Council meetings are held the first and third Tuesdays of the month at 5:30 p.m. The next regular Council meeting is Tuesday, February 20, 2018.

QUESTIONS AND COMMENTS FOR MAYOR AND COUNCIL:

Logan resident Gail Yost addressed the Council regarding the proposed zone change to Town Center in her neighborhood. She said those living in this area are voters and the neighborhood wants the Mayor and Council to know that they do not want high density. She read an email dated February 2016 from Economic Development Director Kirk Jensen to Trent Cragun regarding a proposed development project, parking and the Garff Garden Park. Ms. Yost said that Mr. Jensen was wrong on two accounts and the staff, Council and Mayor are not the City, the voters and taxpayers are the City. The majority of those in her neighborhood do not want high density unless the Council wants to change it to a much lower density such as 25 units per acre. The neighborhood does not want to lose their park. She said the park has already been sacrificed enough and the neighborhood would like to have the asphalt removed on the East side of the park and they want their park back.

Logan resident Keith Schnare addressed the Council. He stated that several residents have written letters to the editor regarding the actions of the Planning Commission and their ongoing discussions. As an engineer, he found he was looking at symptoms and not the root of the problem. He feels the basic problem is the City Code has rules that the Planning Commission follows when evaluating projects. The only time a project is not approved is when enough citizens rally to defeat the project. His suggestion to the Mayor and Council is they review and update the Municipal Code so bad projects are not approved at the Planning Commission level. He also suggested the projects being brought forward from the Planning Commission include each Commissioners comments and their vote for or against the proposal so the Council has a better understanding and view of the Planning Commission.

Vice Chair Simmonds responded the Planning Commission votes on projects for which code has already been created. The Council votes on code changes because they are a legislative branch, they do not vote on projects.

Mr. Schnare suggested that maybe the code is too broad and doesn't give the Planning Commission the flexibility to review projects and make decisions on whether a project should move forward. He feels the Council needs to review and change the code so the Planning Commission has better tools to work with.

Councilmember Bradfield asked Mr. Schnare what part of the City Code would he change?

Mr. Schnare responded that he has not gone through the code and doesn't intend to go. He said, the City has an attorney and the Council has looked at the code and he feels they should be the ones to go through and make changes.

Councilmember Bradfield added that if anyone has suggestions regarding the code, the Council is open to listening to those suggestions.

City Attorney Kymber Housley commented that is exactly the process we are going through right now in regards to the Town Center. He suggested that if Mr. Schnare has suggestions that is what this process is all about.

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

MAYOR/STAFF REPORTS:

Board Appointments-Construction Codes Appeal Board – Mayor Daines

Mayor Daines asked for ratification of Kimball Fife, Brent Windley, Gary Olsen, Christian Wilson and Gary Knighton to serve on the Construction Codes Appeal Board. All are reappointments to the board.

Mr. Housley stated that two of the proposed board names live outside Logan City. This is a technical appeals board so those serving have technical expertise in the various issues of building codes and are not limited to the boundaries of Logan City to be eligible to

serve. The term of this board is determined by the Mayor but he suggested the terms be staggered.

ACTION. Motion by Councilmember Bradfield seconded by Councilmember Olsen to approve ratification of Kimball Fife, Brent Windley, Gary Olsen, Christian Wilson and Gary Knighton as presented. Motion carried unanimously.

Dog Parks – Russ Akina, Parks & Recreation Director

Parks & Recreation Director Russ Akina reported on the Dogs Allowed in Parks Survey. The purpose of the survey was to identify whether public agencies such as municipalities, special districts, or counties in the State of Utah allow leashed dogs in their parks, excluding any dog parks they may have. The survey was conducted in June 2017 and 39 agencies in Utah were surveyed. Of the 39 agencies, 5 do not allow dogs in parks which represent 13% of the total survey group. There were 34 agencies that allow dogs in their parks which represent 87% of the total survey group. Of the 34 agencies that do allow dogs in parks, 3 agencies do not require leashes.

Mr. Akina continued and said an interpretation of the survey data suggests that Logan City should consider additional locations in the park system where dogs are allowed. With that in mind, the Parks and Recreation Department proposed the following:

The addition of 3 designated, off-leash dog park areas:

1. Bridger Park
2. Pioneer Park
3. Lundstrom Park

The Parks and Recreation Department has estimated the construction for the Bridger site at \$20,000 and the improvements for the Pioneer and Lundstrom sites at approximately \$4,000 per site, for a total of \$28,000. The Department intends to apply for a grant to help offset construction and improvement costs. Based on current maintenance costs, the proposed sites are projected to cost \$6,500 per year to maintain and supply, or approximately \$2,165 per site. This is for staff labor, utilities, and associated equipment costs, reseeding, and supplying dispenser bags.

Mayor Daines said this is a great topic to take out to the Neighborhood Council meetings and get more input. The proposed locations will be done at a very low cost because they are existing property. Mayor Daines stated that during her time on the City Council and during her campaign, she received comments from a lot of people who expressed that Logan was very unfriendly to pets in comparison to other communities.

Vice Chair Simmonds said she didn't read any information about having dogs on-leash in the parks and she only read information about dog parks. She asked has the City considered partnering with the Cache Humane Society to improve or expand the Valley View location. She also knows from Cache Humane Society statistics there is a lot of maintenance in regards to cleaning up dog waste and asked if that is something that has been taken into consideration.

Mr. Akina responded at the current dog park located at Rendezvous Park and because this is an enclosed area and information is provided to dog owners, people are very good to clean up after their dogs. If the proposed locations are approved, there will be public outreach and education.

Mr. Akina said the proposed ordinance amendment would be that dogs would be allowed on-leash in City parks. Things that will be taken into consideration are control, education, private events in the park and other issues. Dogs in parks will be discussed at upcoming neighborhood council meetings and will come back to the Council on March 20 as a proposed ordinance amendment.

Realignment of the Bonneville Shoreline Trail – Dayton Crites, Cache County Trails Planner

Cache County Trails Planner Dayton Crites addressed the Council regarding the realignment of the Bonneville Shoreline Trail. He said the proposed trail is 2.2 miles of 3-5' wide, sinuous, sustainable and natural surface hiking, biking, and running trail from Logan Dry Canyon to Providence Canyon and could be built approximately 100-200 feet above the existing deer fence trail. This proposal is to gain Logan City approval to build a natural surface trail on Logan City property in the summer of 2019. This project preserves and enhances Logan recreational trail access, while taking advantage of public private partnerships.

The existing “Deer Fence” trail between Logan and Providence Canyon is built completely on private land. Previous development nearly severed this connection. Future development on private land could disrupt 8 miles of southern trail connections between Logan Dry and Blacksmith for Canyons. This new trail will be created on steep slopes with a permanent easement granted to the public, ensuring that no development will sever the connection.

A local trail advocate LLC has purchased the private hillside lands above the deer fence for the express purposes of building more and better trails close to Cache Valley populations. Logan’s partnership in this project ensures that these private investments in our community are well matched by public agency support.

This project is to be built by specialized recreational trail contractors, and maintained by local volunteer efforts. Cache County will be the lead agency in the development and maintenance of Bonneville Elevated. Funding for this project is anticipated to come from RAPZ and Utah Outdoor Recreation Grants and private fundraising. Anticipated project construction costs range from \$40,000 to \$60,000.

Timeline

Winter/Spring 2018 – Gain Logan City Approval for Project on City Land
Summer 2018 – Coordinate with Forest Service on permitting process for trail on small Forest Service parcel
Winter/Spring 2019 – Fundraising and write grants for construction of trail and issue RFP for construction of trail
Summer 2019 – Build Bonneville Elevated

Mr. Housley said the request from Mr. Crites for Logan City approval falls under our property disposition ordinance. It comes before the Council as information and then to Mayor Daines to grant the easement/right-of-way.

Councilmember Bradfield asked what type of liability does Logan City have with this project.

Mr. Housley responded there is a specific State statute that deals with liability for recreational trails. The trail should be listed on our trail map and other requirements need to be followed.

COUNCIL BUSINESS:

Planning Commission Update – Councilmember Simonds

Councilmember Simmonds reported she was out of town and did not attend the most recent Planning Commission meeting. From her understanding, the meeting was just over three hours long and the main topic of discussion was the Town Center rezone which, included a public hearing.

Chairman Jensen added that the meeting was well handled by the Planning Commission and well-balanced comments were made during the public hearing.

Councilmember Anderson said the meeting was well attended and she appreciated the Chair who allowed more than 3 minutes for speaking during the public hearing.

Mr. Housley said there will be another public hearing held on Thursday, February 8.

Vice Chair Simmonds reported that she recently attended a meeting regarding a proposed historical museum for Cache County, preferably located in Logan City. It became clear that we need to think about the cultural arts and historic pieces of our Valley in a broader context than a single building that is a history museum. The committee is now talking about a museum in a more broadly-based format than just a single building. The committee is hoping to acquire grants to further study this issue and a possible location.

Councilmember Olsen said at one time the new library was a proposed location for a museum.

Mayor Daines said the square footage of the proposed new library does not include space for a museum.

Board Appointments (Renewable Energy Conservation Advisory Board RECAB) – Chairman Jensen

Chairman Jensen asked for ratification of Emily Skill (new appointment) to serve on RECAB which is a four-year term.

ACTION. Motion by Vice Chair Simmonds seconded by Councilmember Olsen to approve ratification of Emily Skill as presented. Motion carried unanimously.

Air Quality Presentation – Professor Ed Stafford, Utah State University

Professor Stafford addressed the Council and said he has been working on the Utah Clean Air Poster Contest since 2015 when it started at Logan High School. The purpose of the poster contest is to engage young teens who are learning to drive to understand the air pollution implications of their new driving privilege and to learn strategies on how they can preserve air quality especially during our polluted inversion months. What they have found is teens are learning driving strategies and the program integrates art, marketing and science. With the poster contest, the students are developing public service announcements and there are 550 students participating in 7 different high schools across Cache and Grand County. There are 15 different businesses that donated \$50 gift cards for prizes and last year \$100 was donated by former Mayor Craig Petersen as the grand prize.

Professor Stafford displayed several posters that entered the 2017 contest and said that Mayor Daines is a judge for this year's contest. He feels the poster contest is very beneficial to the students, parents and helps everyone think about air quality. The winning posters are used to help with community outreach and education.

No further Council items were discussed.

ACTION ITEM:

PUBLIC HEARING - Budget Adjustment FY 2017-2018 appropriating: \$15,974 to reimburse the fire department budget for ambulance standby overtime; \$107,125 funds for federal funding the Sewer Treatment division received from the State of Utah. These funds will be used to repair damages to the wetlands caused by flooding – Resolution 18-01

At the January 16, 2018 Council meeting, Finance Director Richard Anderson addressed the Council regarding the proposed budget adjustment.

Chairman Jensen opened the meeting to a public hearing.

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

ACTION. Motion by Councilmember Olsen seconded by Vice Chair Simmonds to approve Resolution 18-01 as presented. Motion carried unanimously.

WORKSHOP ITEMS:

Budget Adjustment FY 2017-2018 appropriating: \$57,700 Public Works Rolling Stock Reserves toward the purchase of a service truck and pool vehicle – Resolution 18-05– Richard Anderson, Finance Director

Finance Director Richard Anderson addressed the Council regarding the proposed budget adjustment.

The proposed resolution will be an action item and public hearing at the February 20, 2018 Council meeting.

CDBG Priorities and Goals for Program Year 2018 Annual Action Plan – Aaron Smith, Planner II/CDBG

CDBG Coordinator Aaron Smith addressed the Council and presented the CDBG Priorities and Goals for Program Year 2018 Annual Action Plan. The 2018 Program Year has not yet been approved for funding.

Project Updates

- 100 West Golf Course Road Corners - \$35,000 - Construction Summer 2018
- Canyon Road Trail - \$135,588 – Design RFP, Construction Summer/Fall 2018
- 1400 North 200 East - \$50,000 – Summer 2018
- Park Access and Mobility - \$250,000 – 300 East Sidewalk complete and internal paths at Merlin Olsen summer 2018

Project Updates – Sub Recipients

- English Language Center Roof - \$17,500 – Complete
- Bridgerland Literacy Labs - \$2,000 – First reimbursement has been made. Expected completion February 28, 2018
- BRAG Homebuyer Education Program - \$10,000 – First reimbursement has been made, expected completion June 30, 2018
- Whittier Center Windows - \$17,000 – Early Summer 2018
- UATP Assistive Technology Demonstration and Loan - \$5,000 – June 30, 2018

Program Year 2018 Discussion

- Consolidated Plan 2014-2018 – Identifies funding priorities for the program and sets funding marks for all priorities
- Priority 1 – Contribute to at least one significant neighborhood infrastructure or facility improvement in each eligible neighborhood over the course of five years – Funding approximately 65-70% over five years
- Priority 2 – Support Social Services, nonprofit, or neighborhood initiatives that address community needs for low/moderate income residents – Funding approximately 10-15% over five years
- Priority 3 – Administration and Planning – Funding approximately 20% over five years

Estimated Funding allocations for PY2018 - \$425,000

- Priority 1 – Infrastructure and Facilities - \$300,000
- Priority 2 – Nonprofit services support - \$42,000
- Priority 3 – Administration and planning - \$82,500

All funding is subject to Congress passing a budget.

Timeline

February 20	Public Hearing
February 23	March 20 – Application Period
March 28	Steering Committee Meeting – 5:00 pm City Hall
March 30	Public Comment Period
May 1	Public Hearing – Adoption of Annual Action Plan

Cost of Service Study and Proposed Water Rate Increase – Resolution 18-04 – Mark Nielsen/Paul Lindhardt

Former Public Works Director Mark Nielsen and Interim Public Works Director Paul Lindhardt addressed the Council regarding the Cost of Service Study and Proposed Water Rate Increase.

Mr. Nielsen said the Water Division utilized the expert services of Lewis Young Robertson & Burningham, Inc to develop a Cost of Service Study and financial plan to address the financial inadequacies. This extensive process was completed over several months and included an in-depth analysis of the Division's current budget practices. Working closely with Water Division management, several rate increase scenarios were developed and presented to the Storm, Water, and Waste Water Board. Per the Board's requests, additional scenarios were presented and through several iterations, a final recommendation was made. Throughout the process, numerous factors were considered at length including the comparison of neighboring communities water rates, the history of Logan City water rate increases, and the State's recommended 1.75% of the City's Modified Adjusted Gross Income for culinary water billing rates. The final recommendation is a balance between minimizing rate increases, considering the local Modified Adjusted Gross Income and minimizing bonding while still funding the above-mentioned plans. As such, bonding will still be needed to pay for several large projects in the near future, such as the bluff storage tank and Main Street water line replacement prior to UDOT's reconstruction of Main Street. The recommendation of the Water Division and Advisory Board is to increase the base and consumptive rate by 35% as soon as possible. This will be followed by a 3% annual increase thereafter for the following four years pending Council review and approval each year. It is understood that although rate increases are unpopular, they are also necessary for the continuation of quality culinary water services. These services directly affect the health of current citizens and allow for the continued growth of the community in a safe and responsible manner.

The cost of Service Study Criteria are the following:

- Implement Master Plan Capital Improvement Plan
- Build minimum fund reserve balance
- Proactive vs. Reactive mentality
- Affordability recommendations from Division of Drinking Water

Mr. Nielsen said the timeline for a new water tank to be built is 7-8 years from now. The City is maintaining \$900,000 each year towards existing water main replacement.

Mr. Lindhardt explained that per State regulation, Logan is under our storage requirements for the State of Utah. The City is working with the State to get that reduced or an exemption and the State says we are 30-35 million gallons short and with our justification on the exemption we would be 10-15 million gallons short. The storage requirement is for fire flow and optimization storage.

PROPOSED WATER RATES

RESIDENTIAL, COMMERCIAL, AND USU MONTHLY BASE CHARGES: All residential, commercial, and USU water users shall be charged a monthly base charge based on the diameter of the water meter(s) serving the facility. This monthly base charge does not include any water allowance (zero gallons of water). For master meter installations, a 1” meter base rate will be charged to each home or unit.

	Current	2018	2019	2020	2021	2022
Meter Size (in)		35%	3% ¹	3% ¹	3% ¹	3% ¹
1	\$ 17.00	\$ 22.95	\$ 23.64	\$ 24.35	\$ 25.08	\$ 25.83
1 1/2	\$ 18.00	\$ 24.30	\$ 25.03	\$ 25.78	\$ 26.55	\$ 27.35
2	\$ 25.50	\$ 34.43	\$ 35.46	\$ 36.52	\$ 37.62	\$ 38.75
4	\$ 77.50	\$ 104.63	\$ 107.76	\$ 111.00	\$ 114.33	\$ 117.76
6	\$ 113.50	\$ 153.23	\$ 157.82	\$ 162.56	\$ 167.43	\$ 172.46
8	\$ 156.00	\$ 210.60	\$ 216.92	\$ 223.43	\$ 230.13	\$ 237.03
10	\$ 211.00	\$ 284.85	\$ 293.40	\$ 302.20	\$ 311.26	\$ 320.60
12	\$ 313.00	\$ 422.55	\$ 435.23	\$ 448.28	\$ 461.73	\$ 475.58
1. Rate change will be reviewed annually by Council for approval.						

MULTI-FAMILY MONTHLY BASE CHARGES: All multi-family water users shall be charged a monthly base charge per dwelling unit per month. This monthly base charge does not include any water allowance (zero gallons of water).

	Current	2018	2019	2020	2021	2022
		35%	3% ¹	3% ¹	3% ¹	3% ¹
Multi-Family	\$ 11.00	\$ 14.85	\$ 15.30	\$ 15.75	\$ 16.23	\$ 16.71
1. Rate change will be reviewed annually by Council for approval.						

RESIDENTIAL CONSUMPTIVE RATE CHARGES: All residential water users shall be charged monthly consumptive use charges based on the actual amount of water consumed. These charges are as follows:

Tier	Current	2018	2019	2020	2021	2022
		35%	3% ¹	3% ¹	3% ¹	3% ¹
0 to 10 kgal	\$ 1.05	\$ 1.42	\$ 1.46	\$ 1.50	\$ 1.55	\$ 1.60
Over 10 kgal	\$ 1.70	\$ 2.30	\$ 2.36	\$ 2.43	\$ 2.51	\$ 2.58
1. Rate change will be reviewed annually by Council for approval.						
2. Consumption Rates are per 1,000 gallons (kgal)						

MULTI-FAMILY CONSUMPTIVE RATE CHARGES: All multi-family water users shall be charged based on the actual amount of water consumed. The consumption charges are as follows:

Tier	Current	2018	2019	2020	2021	2022
		35%	3% ¹	3% ¹	3% ¹	3% ¹
0 to 10 kgal	\$ 1.00	\$ 1.35	\$ 1.39	\$ 1.43	\$ 1.48	\$ 1.52
10 kgal+	\$ 1.67	\$ 2.25	\$ 2.32	\$ 2.39	\$ 2.46	\$ 2.54
1. Rate change will be reviewed annually by Council for approval.						
2. Consumption Rates are per 1,000 gallons (kgal)						

COMMERCIAL AND INDUSTRIAL CONSUMPTIVE RATE CHARGES: Commercial and industrial water users shall be charged a uniform consumptive use charge based on the actual amount of water consumed. The consumptive use charges are as follows:

Tier	Current	2018	2019	2020	2021	2022
		35%	3% ¹	3% ¹	3% ¹	3% ¹
All Gallons	\$ 1.20	\$ 1.62	\$ 1.67	\$ 1.72	\$ 1.77	\$ 1.82
1. Rate change will be reviewed annually by Council for approval.						
2. Consumption Rates are per 1,000 gallons (kgal)						

USU CONSUMPTIVE RATE CHARGES: Utah State University water users shall be charged a uniform consumptive use charge based on the actual amount of water consumed. The consumptive use charges are as follows:

Tier	Current	2018	2019	2020	2021	2022
		35%	3% ¹	3% ¹	3% ¹	3% ¹
USU Wholesale						
1st 24 Mgal	\$ 0.16	\$ 0.22	\$ 0.22	\$ 0.23	\$ 0.24	\$ 0.24
24 Mgal+	\$ 0.50	\$ 0.68	\$ 0.70	\$ 0.72	\$ 0.74	\$ 0.76
USU Other						
1st 24 Mgal	\$ 0.74	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.09	\$ 1.12
24 Mgal+	\$ 1.18	\$ 1.59	\$ 1.64	\$ 1.69	\$ 1.74	\$ 1.79
1. Rate change will be reviewed annually by Council for approval.						
2. Consumption Rates are per 1,000 gallons (kgal)						

SPRINKLER ONLY RATE CHARGES

Residential and non-residential users that have installed a sprinkler only water meter shall be charged a base rate a consumptive use charge based on the actual amount of water consumed. The base rate shall be the same as described above for residential and non-residential uses. The consumptive use charges are as follows:

Tier	Current	2018	2019	2020	2021	2022
		35%	3% ¹	3% ¹	3% ¹	3% ¹
Sprinkler Only						
Residential	\$ 1.70	\$ 2.30	\$ 2.36	\$ 2.43	\$ 2.51	\$ 2.58
Multi-family	\$ 1.67	\$ 2.25	\$ 2.32	\$ 2.39	\$ 2.46	\$ 2.54
Comm/Indust	\$ 1.20	\$ 1.62	\$ 1.67	\$ 1.72	\$ 1.77	\$ 1.82
1. Rate change will be reviewed annually by Council for approval.						
2. Consumption Rates are per 1,000 gallons (kgal)						

Water measurements shall be used to determine water consumption charges for all water users.

The Proposed Rate Implementation

The Water Advisory Board recommended immediate implementation

- Avoid “kicking the can down the road”
- Head start on FY 2019 Capital Improvement Plan
- Avoid Summer Demand implementation shock for residents

Concerns for Implementation Timing

- Implement residential on/before April 1 to avoid summer demands
- Implement commercial and multi-family on July 1 to allow planning by businesses and landlords
- Implement USU on July 1, time for additional review and fiscal year coordination

Vice Chair Simmonds asked how did the consultant mitigate for water conservation measures that might be implemented statewide or community wide that would cause us to use less water per household.

Mr. Lindhardt responded the percentages would be applied across the board, base and consumption. In this new rate study, the consultant looked at where it was coming from vs. where we want it to come from. The consultant said the best they found is to give up half from the base rates and half from consumption to mitigate for the conservation, dry seasons and wet seasons, Logan City is currently 49-51%.

Mr. Nielsen said the consultant also assumed no consumption growth over five years. So, as Logan grows and uses more water, conservation will drop and this has been figured into the information provided by the consultant.

Mr. Lindhardt referred to a letter of support of the proposed rate increase written by Ben Jarvis who is the Chairman of the Logan City Storm, Water, and Waste Water Advisory Board. In the letter, Mr. Jarvis said that the current Water Master Plan recommended by the Board and approved previously by the Council addressed these shortfalls with what needs to take place to correct deficiencies, and to prepare for Logan City's water needs now, and for the foreseeable future. The 35% increase gets the City where we need to be to catch up on needed maintenance, and sets the stage for reduced bonding for our larger projects in the future. The up to 3% annual increase will only take place after review on an annual basis to determine if it is needed. The Water Advisory Board studied several scenarios, and requested more, over the course of several meetings. Discussion centered on what is best for Logan citizens and for Logan City. The Board realizes the magnitude, and are sensitive of any rate hike, especially one of this proportion, and the effects it will have on our neighbors, friends and customers. At the end of the day the Board believes it is in the best financial interest of both our citizens and City to move forward with the proposed rate increase, insuring that we can confidently continue to open our faucet and Logan City water will flow from it.

Mr. Lindhardt said the last rate increase was in 2016 and the goal of that increase was to try and keep up with inflation. Prior to that, there was an increase in 2012. Mr. Lindhardt and Mr. Nielsen met with three of the largest commercial water users and talked with them about their concerns in implementing the rate increase. There were concerns about not implementing a residential/commercial rate increase during the summer months so an April 1 increase is proposed. Other concerns from commercial and multi-family users is that as they plan their budget year, they would like to wait until July 1 to implement the increase. The fiscal year for USU is July and they are fine with the increase taking place on July 1. The commercial users they met with are Gossner, Schreiber's and TTM. The City's Parks Department is also a big water user.

Mayor Daines stated the water at the cemetery is being changed to non-culinary.

Councilmember Olsen suggested that the school district also be notified about the rate increase.

Chairman Jensen said we have the Crockett Canal Study that will bring irrigation water to a great percentage of Logan and that should offset some of the costs.

Mr. Nielsen responded yes, but that is a long way off. The study will not save the City money overall. What we save from water infrastructure, we will be paying to implement a secondary system.

Councilmember Anderson asked how water usage varies between Logan and the County.

Mr. Lindhardt said he hasn't requested water usage information from other cities. But Logan is in line with State averages for water usage.

Mr. Nielsen added that Cache County does not have a water system, they rely on wells.

Vice Chair Simmonds said that every community has to be on a rate structured system so everyone does have some sort of a base rate.

Mr. Lindhardt said as they met with the commercial users they talked about conservation and each one said they will be looking at ways to conserve. The impact on the largest commercial user would be an additional \$3,000 per month.

Councilmember Bradfield asked if an impact study has been done on the ability for consumers/residents to afford this rate increase.

Mr. Lindhardt responded the only thing they have looked at is the State's recommendation of considering the 1.75% of the City's Modified Adjusted Gross Income for a culinary water billing rate which has been done.

Councilmember Bradfield compared this to a "Band-Aid" approach in that it will hurt at first and then it levels off over time. He hopes that other departments are reviewing their rates and making changes as needed and addressing these issues so we don't have other large rate increases in the future such as the one being proposed. He would much rather prefer to approve a 3% increase year after year rather than a 30% increase in one year.

Vice Chair Simmonds commented the largest water districts in the State of Utah were required five years ago by the State Legislature to capitalize all their assets and create a capital replacement refund plan and work with their boards so that everything owned by the largest Water Conservancy District now has a plan for replacement. She feels there will come a time when every single city in the State is going to have to do the same thing for all the sewer, water, roads, connections, etc. They will have to address all these capital assets they own. As the Council considers the rate increase, they need to be carefully thinking that as a City, we are attempting to make that a reality today and are not doing it because the Council wants a rate increase. The Council is doing it because they want to be responsible citizens today so when our children and grandchildren who

live in Logan, have water. She feels we need to have a rate increase before the State comes and tells us we need an increase.

Consideration of adopting new water rates will be an action item/public hearing at the March 20, 2018 Council meeting.

OTHER CONSIDERATIONS:

No further considerations were addressed by the Council.

ADJOURNED. There being no further business to come before the Council, the meeting of the Logan Municipal Council adjourned at 7:20 p.m.

Teresa Harris, City Recorder