

Minutes of the meeting of the Logan Municipal Council convened in regular session on Tuesday, June 15, 2021, in the Logan Municipal Council Chambers located at 290 North 100 West, Logan, Utah 84321 at 5:30 pm. Logan Municipal Council Meetings are televised live as a public service on Channel 17 and the City of Logan YouTube channel at: https://www.youtube.com/channel/UCFLPAOK5eawKS_RDBU0stRQ

Council Members present at the beginning of the meeting: Chairman Mark A. Anderson, Vice Chair Jeannie F. Simmonds, Councilmember Ernesto López, Councilmember Amy Z. Anderson, and Councilmember Tom Jensen. Administration present: Mayor Holly H. Daines, City Attorney Kymber Housley, Finance Director Richard Anderson, City Recorder Teresa Harris, and Deputy City Recorder Esli Morales.

Chairman M. Anderson welcomed those present. There were approximately 15 in attendance at the beginning of the meeting.

OPENING CEREMONY:

Encircle, a nonprofit organization that provides support and counseling for LGBTQ+ students and their families at multiple locations in Utah including a new location here in Logan provided the opening ceremony with their representative Jacob addressing the Council. Jacob thanked Mayor Daines and the Council for the opportunity and introduced fellow colleagues. He thanked the community for embracing Encircle, Utah State University, and others. As part of Pride Month, Jacob shared his coming out experience and the support that he received from his parents. He said that every member of the LGBTQ community deserves to have someone walk the path with them and be in their corner. “No sides only love,” is the entire philosophy of Encircle to bring people together and unite communities.

Councilmember Jensen led the audience in the pledge of allegiance.

Meeting Minutes. Minutes of the Council meeting held on June 1, 2021, were reviewed and approved with no corrections.

Meeting Agenda. Chairman M. Anderson announced there are eleven public hearings scheduled for tonight’s Council meeting.

ACTION. Motion by Councilmember A. Anderson seconded by Councilmember Jensen to approve the June 1, 2021, minutes and approve tonight’s agenda. Motion carried unanimously.

Meeting Schedule. Chairman M. Anderson announced that regular Council meetings are held on the first and third Tuesdays of the month at 5:30 pm. The next regular Council meeting is Tuesday, July 20, 2021. The Council meeting on July 6, 2021, has been cancelled.

QUESTIONS AND COMMENTS FOR MAYOR AND COUNCIL:

Chairman M. Anderson explained that any person wishing to comment on any item not otherwise on the agenda may address the City Council at this point by stepping to the microphone and giving his or her name and address for the record. Comments should be limited to not more than three (3) minutes unless additional time is authorized by the Council Chair. Citizen groups will be asked to appoint a spokesperson. This is the time and place for any person who wishes to comment on non-agenda items. Some items brought forward to the attention of the City Council will be turned over to staff to respond outside of the City Council meeting.

Frank Stewart representing the Logan City School Board addressed the Council. On behalf of the School District, he thanked the City and Downtown businesses for supporting the senior graduation ceremonies. The Logan City School District is grateful for all the support received.

Gail Yost, a member of the Wilson Neighborhood Council, invited the public to attend the tree planting of a Linden Tree that will take place at the Merlin Olsen Park. Refreshments will be provided.

MAYOR/STAFF REPORTS:

No Mayor/Staff Reports were presented.

COUNCIL BUSINESS:

Planning Commission Update – Vice-Chair Simmonds

Vice Chair Simmonds reported that the Planning Commission had three items on the agenda. The first is a new daycare that will have 16 students on East Center Street. The second item, the Compost Facility was approved 6-0. Lastly, the Mountainside Estates located in what is now called the “gravel pit” area will be single-family residences. There were slight alterations made to the submitted plan and they will be further discussed at the next Planning Commission meeting.

Councilmember Jensen asked for further details on the location.

Mayor Daines replied that the location is 1200 East 1400 North with NR-4 zoning.

City Attorney Kymber Housley confirmed that the area for NR-4 is 10,000 square feet or larger.

Mayor Daines confirmed that zoning was what the neighborhood desired as well. Furthermore, there are conditions in the code determining on how to handle the slope.

Vice Chair Simmonds said that there were concerns expressed by the neighborhood determining the stability of the slope and requested that precautions be taken.

No further Council Business items were presented.

ACTION ITEMS:

PUBLIC HEARING - CODE AMENDMENTS – Consideration of proposed amendments to the Land Development Code Tale 17.11.030 in Chapter 17.11 “District and Corridor Zone Uses” to Permit Financial Institutions, General Sales & Services, and Sales & Services in Buildings with a footprint exceeding 100,000 square feet as a Conditional Use in the Industrial Zone – Ordinance 21-12 – Russ Holley, Planner

At the June 1, 2021, Council meeting, Planner Russ Holley addressed the Council regarding the proposed code amendments.

RECOMMENDATION

Staff recommends that the Planning Commission recommend **approval** to the Municipal Council of these minor amendments to the Land Development Code.

REQUEST

This is a proposal for a minor amendment to the Land Development Code (LDC) modifying the Commercial & Industrial Use Table (17.11.030) in Chapter 17.11 by expanding the range of uses conditionally permitted in the Industrial zone. The proposed amendment to LDC Chapter 17.11 is attached and summarized below:

Allowed Uses in District and Corridor Zones - 17.11.030: Amend the Commercial & Industrial Use Table by changing “Banks, Savings & Loans, Credit Unions”, “General Sales/Service” and “Sales and Service, Footprint Greater than 100,000 sq. ft. (Big Box)” from not permitted to conditionally permitted in the Industrial zone.

The purpose of these changes is to encourage the transition of “big box” retailers from Main Street locations to the westside of Logan where large, undeveloped tracts are available. The proposed amendment would expand the range of uses permitted in the Industrial zone by including financial institutions as well as other general sales & services similar to the range of uses permitted in the Commercial Services zone. The purpose for considering these as conditional uses (C) rather than permitted uses (P) is to utilize the conditional use review and permitting criteria to adequately evaluate the compatibility of land uses while also mitigating for any potential impacts to the site, surrounding properties, uses, or adjacent roadways.

The nature of big-box types of construction and uses are very similar to industrial warehouses in their sizing, scale, uses, and functionality, while also being very land consumptive with large parking areas that sit vacant for a significant portion of the day/night. The one primary difference will be volumes of traffic. These types of uses

have a need for clear and accessible semi-truck loading/unloading areas, wide drive aisles, outdoor storage, and significant amounts of shipping (both in/out). They are not conducive to pedestrian or bike traffic and create very large "void" areas that are difficult and/or uncomfortable to move through unless in a vehicle. Other than the amount of retail traffic, the typical big box establishment is a large warehouse. In addition, the transportation system of Logan's west side has seen significant improvements in the road network, and by pushing new big-box types of activities further west, it will be possible to shift and disperse some of the traffic demand off Main Street.

STAFF RECOMMENDATION AND SUMMARY

The proposed changes to the Land Development Code would expand the range of uses in the Industrial zone to include financial institutions, general sales/service, and big-box types of sales & service. The nature of these amendments provides additional flexibility in locating additional land uses on the west side of Logan in order to move large, warehouse types of projects off Main Street along with the traffic generated by it. Staff would recommend that the Planning Commission forwarded a recommendation of approval to the Council for their consideration.

GENERAL PLAN

The Land Development Code was prepared and adopted to implement the vision expressed in the General Plan. The proposed amendments are minor in nature and are consistent with the General Plan.

PUBLIC COMMENTS

As of the time the staff report was prepared, no public comments had been received.

PUBLIC NOTIFICATION

Legal notices were published in the Herald Journal on 5/15/21, posted on the City's website and the Utah Public Meeting website on 5/20/21, and noticed in a quarter-page ad on 5/8/21.

AGENCY AND CITY DEPARTMENT COMMENTS

As of the time the staff report was prepared, no comments have been received.

RECOMMENDED FINDINGS FOR APPROVAL

The Planning Commission bases its decisions on the following findings:

1. Utah State Law authorizes the local Planning Commission to recommend ordinance changes to the legislative body (Municipal Council).
2. The Code Amendments are done in conformance with the requirements of Title 17.51 of the Logan Municipal Code.
3. The proposed Code Amendments are consistent with the Logan City General Plan.
4. The proposed Code Amendments will provide additional flexibility in setting new land uses in Logan.
5. No public comment has been received regarding the proposed amendments.

On May 27, 2021, the Planning Commission had a **tie** recommendation for the Municipal Council on the Land Development Code Amendment Chapter 17.11

Planning Commissioners vote (2-2):

Motion: Goodlander

Second: Croshaw

Vote to recommend approval to City Council:

Yea: Croshaw, Goodlander

Nay: Dickinson, Lewis

Abstain: None

Chairman M. Anderson opened the meeting to a public hearing.

Logan resident Tony Nielson addressed the Council. He stated that he owns two properties near the proposed location at 1305 North and 1325 North and his concern is the increased traffic in this area. Although Costco may be good on a tax basis, local businesses may go down or be directly impacted as a result. If that is the case, he just cannot see a return on investment especially if a national food chain is put in that location. Based on the RDA incentive offered, he wondered why studies in other areas or other locations have not been considered. He requested that Council consider looking at this further.

Logan resident Dee Jones addressed the Council and said he finds Mr. Nielson's arguments valid regarding the construction of a Costco in that location. He also expressed to the Council that Mr. Nielson's concerns be considered.

There were no further comments and Chairman M. Anderson closed the public hearing.

Finance Director Richard Anderson commented that the incentive portion will be discussed later as part of the RDA hearing. He said that as the Finance Director of the City of Logan, there is no one more conservative in regard to the budget than he is and he feels comfortable with the projected return on investment.

Vice Chair Simmonds asked Planner Russ Holley if the request was a zone change or table change.

Mr. Holley answered that Ordinance 21-12 is not a zone nor spot zone change, but rather a use table change. The zoning will remain the same, what will change is what the allowed uses within the Industrial zoning area will be. Currently, the Industrial Zone does not allow big box general stores. The proposal tonight is to change that to conditionally allow big box, general sales, and banks.

Vice Chair Simmonds said that the Planning Commissions' concerns centered on allowing banks to be built in this zone.

Mr. Holley said that was correct.

Vice Chair Simmonds explained that she understood the concerns, but it is difficult presently to find a piece of property within the City to accommodate such use. Blue Springs Park has worked hard to make the opportunity occur and clarified that it was Blue Springs Park, not Costco that was requesting the RDA funding.

Councilmember A. Anderson expressed understanding regarding traffic and speeding in that area.

Councilmember Jensen said that the change in the zoning table is not a bother considering the Industrial areas in Salt Lake, Weber, and other counties. He reminded the Council that these areas are far larger, and as a result have to provide certain services within the vicinity of these Industrial areas. Though he would not mind more information on potential traffic impact in that area.

Councilmember López stated that he supported the change in removing obstacles from business development. He acknowledged the input from Mr. Neilson and Mr. Jones, but in this instance felt that the change was far more beneficial than the risk.

Councilmember A. Anderson mentioned that two emails of support were received in favor of the proposal from Lee Brackley and Seth Johnson.

ACTION. Motion by Councilmember A. Anderson seconded by Councilmember López to adopt Ordinance 21-12 as presented. Motion carried unanimously.

PUBLIC HEARING - Budget Adjustment FY 2020-2021 appropriating: \$11,000 increased funds to be used at the Logan River Golf Course for part-time wages and credit card fees; \$5,000 a grant the Parks & Recreation After School Program was awarded this fiscal year from the Logan City School District – Resolution 21-32 – Richard Anderson

At the June 1, 2021 Council meeting, Finance Director Richard Anderson addressed the Council regarding the proposed budget adjustments.

Mayor Daines asked how many after-school programs are available during the summer.

Russ Akina, Parks & Recreation Director replied that there are only three.

Mayor Daines asked for further clarification.

Mr. Akina answered that the after-school program is at six locations, (at all elementary schools). During the summer, they are located at three parks.

Vice Chair Simmonds specifically asked which grant application this was for.

Mr. Akina explained that this is the school year grant that is provided to Bridger Elementary for the after-school program.

Chairman M. Anderson opened the meeting to a public hearing.

Gail B. Yost resides in Logan on 100 East. She said it is important that there are safe places for children to be able to go and be involved especially after-school if both parents are working. She feels there has been an increase in predator's especially during the last few years and there needs to be a place where children can be safe after-school and during the summer.

There were no further comments and Chairman M. Anderson closed the public hearing.

ACTION. Motion by Vice Chair Simmonds seconded by Councilmember Jensen to approve Resolution 21-32 as presented. Motion carried unanimously.

PUBLIC HEARING – Budget Adjustment FY 2020-2021 appropriating: \$12,129 funds for police overtime reimbursements – Resolution 21-33 – Richard Anderson

Finance Director Richard Anderson addressed the Council and explained that this is reimbursement for police overtime shifts that have occurred during the last quarter.

Chairman M. Anderson opened the meeting to a public hearing.

There were no comments and Chairman M. Anderson closed the public hearing.

ACTION. Motion by Councilmember Jensen seconded by Vice Chair Simmonds to approve Resolution 21-33 as presented. Motion carried unanimously.

PUBLIC HEARING - Consideration of a proposed resolution approving a Telecommunications Franchise Agreement between the City of Logan and First Digital Telecom, LLC – Resolution 21-29 – Bill Young, City Engineer

At the June 1, 2021 Council meeting City Engineer Bill Young addressed the Council regarding the proposed resolution. The franchise agreement is between the City and First Digital Telecom, LLC. First Digital is a fiber-based carrier in the Western United States providing a full suite of business services including local voice, long-distance internet, DOIP, and CO-locations. They began work in the City, before realizing that they did not possess a franchise agreement with the City. The franchise agreement was drafted thanks to the efforts of the City Attorneys. Assistant City Attorney Craig Carlston and Mr. Young congregated prior to the Council and will make one final edit to article 9.2 dealing with indemnification. As previously mentioned First Digital commenced work without a franchise agreement and the edit will cover the previous work which has already begun.

Vice Chair Simmonds asked if Mr. Young would give the Council an estimate to the extent of the project.

Mr. Young replied that the drilling project would not be any bigger than that of Comcast, Centurylink, Dominion Energy or Syringa. Currently, various companies are drilling throughout the City. He further explained that the infrastructure portion is called handholds, a piece of equipment to allow them to pull in fiber or make splices, etc.

Vice Chair Simmonds asked, who was liable if an accident occurred in regard to handholds.

Mr. Young replied that it would be First Digital Telcom as part of the franchise and indemnification agreement.

Chairman M. Anderson opened the meeting to a public hearing.

There were no comments and Chairman M. Anderson closed the public hearing.

Councilmember A. Anderson interjected if the citizen complaint or penalty clause is part of the agreement or not.

Mr. Housley replied that enforcement provisions are part of Title 12, Chapter 36 that lists the entire regulatory process.

ACTION. Motion by Vice Chair Simmonds seconded by Councilmember Jensen to approve Resolution 21-29 as presented. Motion carried unanimously.

PUBLIC HEARING - Consideration of a proposed resolution approving Member Contributions to the Utah Retirement Systems Contributory Retirement Plan FY 2021-2022 – Resolution 21-30 – Ambrie Darley, Human Resource Director

At the June 1, 2021 Council meeting, Human Resource Director Ambrie Darley addressed the Council regarding the proposed resolution. Two annual resolutions are presented to the Council every upcoming fiscal year. The first is the Member Contributions to the Utah Retirement System. The City agrees to fund the tier-one employees, and tier-two employees are responsible to contribute their own funds.

Chairman M. Anderson opened the meeting to a public hearing.

There were no comments and Chairman M. Anderson closed the public hearing.

ACTION. Motion by Councilmember A. Anderson seconded by Councilmember López to approve Resolution 21-30 as presented. Motion carried unanimously.

PUBLIC HEARING - Consideration of a proposed resolution approving Elected Official's Wages FY 2021-2022 – Resolution 21-31 – Ambrie Darley

At the June 1, 2021 Council meeting, Human Resource Director Ambrie Darley addressed the Council regarding the proposed resolution which is to increase elected

official wages for the Mayor and Councilmembers by 3%. She stated that for approximately ten years, the City Council and Mayor did not accept any increase in wages. The proposal now is to increase these wages to the State average. She is aware that most of the time the Mayor and Councilmember's are serving the community and not for compensation. However, there is the possibility that in the future, someone will seek out the position as a job rather than a service. It would be appropriate to compensate them for their time.

Councilmember Jensen asked what the Council's current salary is at this time.

Ms. Darley replied that currently, the Council salary is \$15,000. Mayor Daines explained that the recommendation is a 3% wage increase to match those of City employees.

Finance Director Richard Anderson said that for many years of not increasing Mayor and Council salaries it was discussed this year that salaries be increased to receive the same increase as employees. From a budgetary standpoint, it is important to increase those amounts incrementally rather than suddenly having to find a large amount to match wages that we see throughout the State.

Mrs. Darley reminded the Council that it has been 10 years since there was a Mayor and City Council wage increase and hence why the wages are far behind.

Chairman M. Anderson opened the meeting to a public hearing.

There were no comments and Chairman M. Anderson closed the public hearing.

ACTION. Motion by Vice Chair Simmonds seconded by Councilmember López to approve Resolution 21-31 as presented. Motion carried 4-0 (A. Anderson abstained).

PUBLIC HEARING – Logan City Budget Transfers Fiscal Year 2021

Finance Director Richard Anderson addressed the Council and explained the proposed Budget Transfers for the Fiscal Year 2021. He provided the following information to the Council:

In accordance with Utah State Law and Logan City budgeting practices, Logan City will hold a public hearing on June 15, 2021, at 5:30 pm in the Logan City Council Chambers located at 290 North 100 West, Logan Utah, to discuss proposed transfers from and administrative fees charged to enterprise funds. Anyone desiring to address the Logan Municipal Council on this issue is invited to this public hearing.

A transfer is the movement of cash or other resources from one fund to another. Logan City has utilized transfers from enterprise funds as a General Fund financing mechanism for many years. If budgeted and planned for correctly, transfers from enterprise funds can help to defray the cost of services such as public safety, public works, parks and recreation, and general governmental services, and consequently, keep property taxes low. But for

transfers, Logan City would either need to raise property taxes significantly or cut services significantly. Where private sector utility companies are in business to provide a return on investment to its shareholders, Logan City's shareholders, its taxpayers, and citizens receive this return on investment as a transfer to the General Fund.

The transfer from the Environmental Health Fund to the 911 Fund is composed of the garbage can fees used to fund the 911 system and radio equipment. The transfer is simply the legal justification used to obtain the funding needed for the 911 system.

Administrative fees are not the same as transfers. While transfers are a movement of cash or resources without compensation, administrative fees are charges for centralized services provided by the general fund to the other funds of the City. Such services include but are not limited to utility billing, accounting, payroll, legal, human resources, shops and garage, and facility management. Administrative fees are allocated by the finance department in a reasonable and rational manner.

The following are the proposed Fiscal Year 2022 transfers and administrative fees:

Fund	Proposed Expenditures	Transfer To	Transfer	% of Expenditures	Admin Fees	% of Expenditures
Golf Course	1,239,421	General Fund	-	0.0%	28,421	2.3%
Water & Sewer	15,461,000	General Fund	1,082,095	7.0%	1,466,555	9.5%
Sewer Treatment	10,820,000	General Fund	595,100	5.5%	295,228	2.7%
Electric	36,086,000	General Fund	2,877,120	8.0%	1,446,858	4.0%
Environmental Health	18,164,500	General Fund	1,362,760	7.5%	1,620,343	8.9%
Environmental Health	18,164,500	911 Fund	825,000	4.5%	-	0.0%
Storm Water Management	2,400,000	General Fund	-	0.0%	557,272	23.2%
Emergency Medical Services	4,180,825	General Fund	-	0.0%	239,057	5.7%

Mr. Anderson explained that the only transfer not discussed is from the Environmental fund to the 911 fund. It is a preexisting transfer which was put in place to fund the 911 system via the garbage can fee in the amount of \$3.00. After discussing with City Attorney Kymber Housley, he felt there is no justification by State law to fund emergency services via the garbage can 911 fee. There is a justification for a transfer and so in this instance, it is simply the accounting mechanism for putting the dollars and cents in the right place.

Councilmember Jensen commented in the past citizens have inquired about the usage of transfers, and it has been explained each time that it is a system that benefits the public.

Mr. Anderson replied that transfers would not be a system that he would recommend to every City in the State. However, it is estimated that 40% to 60% of the City's property is non-taxable. This prime property is held by non-taxable entities such as State, Federal, City, County, etc. If the tax base is reduced by 60% then property taxes would have to increase by \$2.40 for every \$1.

Vice Chair Simmonds commented that Providence City had the highest property tax increase in the State last year as a result of needing to fund and pay for services.

Mr. Anderson explained that transfers could be done away with, but the magnitude of that cut is \$5.9 million dollars. That budget would be equivalent to most of the Police department or Fire department services. Or the entire Parks & Rec department and the Finance department would need to be eliminated. The cut is simply not viable.

Vice Chair Simmonds interjected that the new EMS services will not have transfers as it is such a new fund.

Mr. Anderson said that is correct, but it would be unlikely in the future much like the storm-water fund.

Councilmember López asked if the process is not popular, then what keeps the finances of the City from adopting or changing the funding for EMS services.

Mr. Anderson replied that the alternative is to increase property tax and at some point, they will transition to that format, but for the time being it is an acceptable funding source.

Mr. Housley added that EMS service taxes can only be used in a certain manner and there are simply not enough funds to provide for the services in that manner or the consequence is to fund from the general fund.

Chairman M. Anderson opened the meeting to a public hearing.

Logan resident Gail B. Yost inquired if any of the transfers have anything to do with the library fund.

Logan resident John Shivik thanked the Mayor, Council, and the Finance Director for their time and willingness to listen and have a conversation. His concern is regarding if the utility billing proceeds under the table. He wonders about the fairness of setting a fee on progressive tax or rather the billing of proportional vs. flat fee usage.

There were no further comments and Chairman M. Anderson closed the public hearing.

Vice Chair Simmonds explained that electric flat fees were instituted to lower the kilowatt charge. The change was to create a fairer fee amount to the public that uses electricity rather than having a large fluctuation.

Chairman M. Anderson asked if that correlated with the water treatment facility.

Mr. Anderson replied that over the last six years the water treatment fund has raised 10% compounding to pay for a \$150 million plant. The sewer treatment is a flat fee for

residential usage. Garbage fees were raised 17% two years ago to fund the new landfill and all costs associated with moving to the new landfill.

Vice Chair Simmonds asked for further clarification if that increase applies to all residents including those in the County, who use City's services.

Mr. Anderson responded that a flat fee is for all, who use these services. Water fees increased 30% per year. Some of the increased fees are related to specific projects. Others like the water fees have not been raised in so long that they have to be raised dramatically to match the cost of services. It is best to raise fees in small increments rather than a large amount. And as the cost of living goes up, so do the costs of providing these services.

Councilmember Jensen mentioned that the water fee increase was due to the Bluff Tank project that the State is requiring.

Mayor Daines stated that there is aging infrastructure throughout the City that will need to be replaced which costs money. There are impact fees to aid, but much of the replacing infrastructure is expensive yet it is required to maintain the growing City.

Mr. Anderson remarked that fees will be reviewed not just for residential but for commercial fees as well on how they are administered. Flat fees play a role in the fee structure as it reduces the amount of volatility that can be experienced. The best example is the present year with the drought, preserving water can wreak havoc on a municipality like the City's. A flat fee aids but can be an aspect that can be reviewed to verify if it is at the correct standing. In the next year or two, water, sewer, and electricity will be reviewed as well.

PUBLIC HEARING – Consideration of a proposed resolution approving the Certified Property Tax Rate (Not a Tax Increase) of 0.001290 for Calendar Year 2021 and Fiscal Year 2021-2022 – Resolution 21-34 – Richard Anderson, Finance Director

Finance Director Richard Anderson addressed the Council regarding the proposed resolution. It is a tax rate calculated by the State and County, but he stated there is no proposed tax increase.

Chairman M. Anderson opened the meeting to a public hearing.

There were no comments and Chairman M. Anderson closed the public hearing.

ACTION. Motion by Councilmember Jensen seconded by Vice Chair Simmonds to approve Resolution 21-34 as presented. Motion carried unanimously.

PUBLIC HEARING – Consideration of a proposed resolution approving the Final Revenue and Expenditures Budget for Fiscal year 2021-2022 in the amount of \$196,329,748 – Resolution 21-35 – Richard Anderson, Finance Director

Finance Director Richard Anderson addressed the Council regarding the proposed resolution. The expenditures are 18.2% higher than the prior-year due to one-time items. Removing the one-item items, the budget increase is only 9% to the prior year. The change does seem large but was proposed amid a pandemic and had been cut as much as possible. If the prior year had been normal, the current increase would be between 4 to 6% overall.

Councilmember A. Anderson asked about the salary increased portion of the budget.

Mr. Anderson replied that salary costs are 45.9 million. In the general fund, it is about 50%, but some of the funds skew that number such as the electric fund and a few other funds where the personnel cost is rather small.

Chairman M. Anderson opened the meeting to a public hearing.

There were no comments and Chairman M. Anderson closed the public hearing.

ACTION. Motion by Vice Chair Simmonds seconded by Councilmember Jensen to approve Resolution 21-35 as presented. Motion carried unanimously.

WORKSHOP ITEMS:

Consideration of a proposed resolution approving a lease agreement with USU to locate a Logan City substation on USU property – Resolution 21-38 – Mark Montgomery, Light & Power Director

Light & Power Director Mark Montgomery addressed the Council regarding the proposed resolution. The City desires to place a Substation on USU property and any lease that is over 5 years must be approved by the Council. The City desires to lease the area as long as possible, but the longest term USU would grant is 40 years with a 10-year option.

Councilmember Jensen asked if there were any substations that were 40 years old.

Mr. Montgomery responded there are several and some that are much older such as the substation located at Third Dam that is roughly 90 years old.

Vice Chair Simmonds asked when construction would commence and end.

Mr. Montgomery replied that USU will not permit construction until the lease is signed. Theoretically, the first portion could be built by the first part of the year. Everything has been ordered or has arrived.

Councilmember A. Anderson inquired if the price is set or if there are other anticipated issues with the contract.

Mr. Montgomery responded that the price of the substation completion should not move much, but the request from USU for a gravel grid surrounding the substation may increase the cost.

Councilmember A. Anderson requested a physical description for the public's knowledge.

Mr. Montgomery replied that the location would be just north of 1200 East across the street from the gravel pit area.

Councilmember Jensen inquired as to the reason for electing to lease rather than purchasing the land for the substation,

Mr. Montgomery answered that ideally the land would have been purchased, but USU preferred to lease the area as they only have so much land available.

Mayor Daines further clarified the fact that a substation must be adjacent to a transmission line and limits the location for potential substations.

The proposed resolution will be an action item at the July 20, 2021 council meeting.

Budget Adjustment FY 2021-2022 appropriating: \$309,474 funds for a 40-year land lease for an electric substation – Resolution 21-39 – Richard Anderson, Finance Director

Finance Director Richard Anderson addressed the Council regarding the proposed resolution.

Vice Chair Simmonds asked as to the reason why leases were suddenly being capitalized.

Mr. Anderson replied that he has been requested to do so. This is not only a government application, but all businesses will have to account similarly. Many terms will change on leases to avoid the necessity of capitalization and depreciation.

The proposed resolution will be an action item and public hearing at the July 20, 2021 council meeting.

OTHER CONSIDERATIONS:

Vice Chair Simmonds commented that the Ellis neighborhood meeting was very well attended. There were various questions including that of the project on 600 West 200 North and Mr. Bracken did an excellent job of explaining the project. A Facebook page was established for the Ellis Neighborhood, and they encouraged everyone to be active and engaged.

Councilmember López reported that the Wilson neighborhood meeting discussed the watershed project. It was well attended with an excellent presentation by Public Works Director, Paul Lindhardt.

Mayor Daines interjected that there is a lot of misinformation about the watershed project. There is no project as of now merely a watershed study. Then potential alternatives will be presented again permitting for public comment.

Councilmember López remarked that he was approached by several neighbors with concerns if the City will impose any sort of water restrictions.

Mayor Daines replied that at present the City water usage and reserves are being carefully observed. The early hot weather could change the state of springs and underwater resources. It is recommended that the public be cautious about water usage. An email was received from a concerned citizen as to why the cemetery sprinklers are on in the middle of the day. The reply is that the cemetery and USU use water shares, there is not enough volume for both of them to use at the same time. The City has an old irrigation system and money from the Deer Pen sales will fund a new irrigation system. Currently, the cemetery sprinkler system must be manually turned on by putting heads into each coupler. For the entire cemetery to be irrigated, it takes 4 to 6 hours every day of the week. The couplers are difficult to see in the dark and there is not enough flow, all watering must be done in the daytime. It is not culinary water, and it is the only option available at this time.

Councilmember A. Anderson asked if the entire cemetery is being irrigated or only the portion that is occupied.

Mayor Daines answered that all portions of the cemetery are currently being irrigated.

Councilmember Jensen reported that the Cache Valley Center for the Art's and Ellen Eccles Theatre is up and running with wonderful productions. He encouraged the public to support the local arts.

Vice Chair Simmonds reported that various things are ongoing at the library. With prices increasing, the design was reevaluated by the process of engineering. The design was changed considerably, but not negatively. Various finishes and expensive roof lining were removed from the design. There will be more information forthcoming. However, there will be a temporary library location so that services will be available in a limited quantity much like during the pandemic.

Mayor Daines interjected that demolition was originally intended to start in December but will instead commence at the start of the new year either in January or February 2022.

Councilmember A. Anderson remarked that she was able to attend the BRAG Housing Affordability Summit. An abundance of information was provided in regard to affordability, and it was a wonderful opportunity for the public and private sector to be

able to problem-solve together. A tidbit of information is that fifty percent of the average median income is short 563 units in the County, for needing AMI 4,883 units, and for 100% 1,385 units are short of housing. It is not just Logan City's issue but the entire County to ensure there is affordable housing for the public. It is an issue to seriously consider as a shortage of housing will increase prices and impact future economic development.

There were no further considerations discussed by the Council.

ADJOURNED. There being no further business, the Logan Municipal Council adjourned to a meeting of the Logan Redevelopment Agency.

Council Members present at the beginning of the meeting: Chairman Mark A. Anderson, Vice Chair Jeannie F. Simmonds, Councilmember Ernesto López, Councilmember Amy Z. Anderson, and Councilmember Tom Jensen. Administration present: Mayor Holly H. Daines, City Attorney Kymber Housley, Finance Director Richard Anderson, Economic Development Director Kirk Jensen, City Recorder Teresa Harris, and Deputy City Recorder Esli Morales.

Chairman M. Anderson welcomed those present. There were approximately 10 in attendance at the beginning of the meeting.

ACTION ITEMS:

PUBLIC HEARING – Consideration of a proposed resolution approving the Final Redevelopment Agency Budget for Fiscal Year 2021-2022 in the amount of \$3,230,000 – Resolution 21-36 RDA – Richard Anderson, Finance Director

Finance Director Richard Anderson addressed the Council regarding the proposed resolution.

Chairman M. Anderson opened the meeting to a public hearing.

There were no comments and Chairman M. Anderson closed the public hearing.

ACTION. Motion by Vice Chair Simmonds seconded by Councilmember A. Anderson to approve Resolution 21-36 RDA as presented. Motion carried unanimously.

PUBLIC HEARING – Consideration of a proposed resolution approving Agency Assistance to Blue Springs Business Park, LLC for infrastructure improvements associated with its commercial development project in the 600 West Economic Development Project Area (EDA) – Resolution 21-37 RDA – Kirk Jensen, Economic Development Director

Economic Development Director Kirk Jensen addressed the Council regarding the proposed resolution. He stated that the City of Logan has adopted policies for assistance

in projects and improvements in Redevelopment and Economic Development Project Areas and stated that the Blue Spring Business Park, LLC's commercial development, will include a Costco Wholesale membership warehouse store and business pads located on approximately 23 acres located at 1000 West between 1000 North and 1200 North, within and adjacent to the 600 West Economic Development Project Area (EDA). He said this project contributes significantly to the achievement of the City's economic goals, including: the expansion and enhancement of road and utility infrastructure, strengthening the City's tax base through the construction of an approximately 165,000 square foot Costco and adjacent business pad sites, estimated to generate more than \$160 million in gross annual sales, generate more than 150 new jobs and be a catalyst for additional development in the area.

Mr. Jensen added that the proposed project would require the installation of 1200 North between 1000 West and 800 West, certain improvements to 1000 North, and the extension of 800 West to 1200 North from 1000 North, with the said extension being one of the stated goals of the EDA. Blue Spring Business Park, LLC will receive reimbursement for up to \$1,400,000 for costs incurred for its construction of the street and utility improvements associated with 1200 North, 1000 North, and 800 West as outlined in the attachments, contingent upon constructing an approximately 165,000 square-foot Costco Wholesale membership warehouse store and fueling facility, with associated parking, and business pad sites.

The Agency agrees to be responsible for the following fees as they relate to the Costco and fueling station facilities: Water impact fee, Sewer, Wastewater impact fee, Transportation/Road impact fee, Light and Power impact fee, and Water Rights fee. All construction plans are to be approved by the City of Logan Planning Commission. Additionally, the Redevelopment Agency encourages Blue Spring Business Park, LLC to utilize local contractors and vendors whenever possible.

Chairman M. Anderson asked what building was located on the northeast corner.

Mr. Jensen answered that the building is Cache High School.

Vice Chair Simmonds inquired if 1200 North will continue beyond 1000 West.

Mr. Jensen replied that may very well be the case, but he cannot say for certain that would be a better question for Public Works Director, Paul Lindhardt.

Mr. Housley interjected that the road went to 1200 North, but with Gossner's expansion of the campus, the road is projected at 1300 North instead.

Vice Chair Simmonds expressed confusion at the road and requested further clarification.

Mr. Housley clarified that the road was planned for 1200 North, but the Gossner facilities are in the middle of the road. The road is not ideal, but it will maintain the preexisting gridlock pattern.

Councilmember Jensen asked if additional traffic lights will be installed.

Mr. Jensen responded that he is not aware of any additional traffic lights at this time, but there are traffic lights located at 1000 N and 1400 N. However, none are currently requested at 1200 North.

Chairman M. Anderson opened the meeting to a public hearing.

Tony Nielson repeated the same concerns he previously expressed in regard to the impact of traffic in the area and the center median.

Logan resident Frank Stewart addressed the Council and said he did not necessarily oppose the resolution but did wish to draw attention to the 1200 North crossroad with students driving and crossing into that area from the nearby Cache High School.

Lisa Wilson, owner of Café Ibis is searching to relocate the roasting facility. Although she is a fan of Costco, she is concerned about RDA fund usage. She would like for more funds to be considered for the small, local business owners.

Jason Larsen, a partner of Blue Springs Business Park thanked the public for their input. He is only here to represent Blue Spring Business Park and not the retailer, Costco, though Costco does create traffic and sales. He explained that the property was purchased less than a year ago by himself and his father, Kris Larsen. The intent of the purchase is to promote growth on the West side of Logan since the west side does not have the public infrastructure that the East or center of Logan has. They are dedicating approximately 6 acres to the City of Logan for the benefit of a public right-of-way, roads, etc. The financial assistance that is being requested is not for Costco, but rather to build a system of roads for the benefit of the community to continue to grow. He also addressed the question made by Vice Chair Simmonds regarding 1300 North. If 1300 North continued as is, it would go approximately right through the BATC facility or in the direction which would impact Gossner. He clarified that the building of a road is infrastructure and the money that will be spent is for the public's use to help create and fuel growth in the valley.

Keegan Garrity lives off 1000 West of Logan. He stated that a guiding principle to allocate RDA money is what the vision is for the future. He stated that Costco hotdogs alone out sale all major league stands combined. When he thinks about the gold standard for RDA funds, he considers figures such as the average Costco member has an annual household income of over \$90,000 a year. The cities median income is under \$45,000 per household. The gold standard would be professional jobs that can pay professional salaries. As far as cooperate incentives this would be bronze standard, Costco is an excellent employer with benefits. On the other hand, it is an excellent addition to road infrastructure and there is a need for more east to west roads.

There were no further comments and Chairman M. Anderson closed the public hearing.

Vice Chair Simmonds asked if the allocation negatively impacted any projects that are being worked on.

Mr. Jensen replied that was not the case at present, but possibly in the future for an unknown project. should an opportunity arise for example if the Downtown development had a second phase, the Council has the prerogative to create another project area.

Vice Chair Simmonds stated that information on the RDA's for the City is difficult to find if at all, the City can certainly improve on ensuring transparency.

Councilmember A. Anderson reiterated the fact that the funding is not for Costco but is being requested by Blue Springs Business Park for the creation of public infrastructure. Though she certainly sympathized with Mr. Nielson and Ms. Wilson's concerns about local businesses, it is the Council's fiscal responsibility to capture the tax base for the City. And the RDA is for the benefit of the creation of an infrastructure which is appropriate usage of the RDA fund.

Vice Chair Simmonds queried for further information on possible safety concerns on 1200 North and 1000 West and 1000 N and 800 West.

Mayor Daines replied that there is a corridor agreement with UDOT stating that lights must be spaced at a certain distance. In regard to traffic only Mr. Lindhardt, the Public Works Director would be able to answer that question. Currently, half of the road is being built and the other half of the road will be further improved as more development continues.

Mr. Housley clarified that the roads will be built to city standards.

Mr. Jensen interjected that 1000 North will be 101 feet and 1200 N will ultimately be 80 feet with 800 West being much the same.

Councilmember A. Anderson asked if there is an official number for the total value of impact fees.

Mr. Housley replied that there is no estimate until there is a specific proposal from Costco. The initial estimate is \$800,000 or even higher.

Mr. Anderson further clarified that an official amount is required for the water and electric fees to be tabulated that is based on the meters. Before an accurate estimate can even be calculated, all these factors must be known.

Councilmember López asked how many employees on average does Costco employees.

Mr. Jensen said he cannot answer the question for certain, but more or less 150.

ACTION. Motion by Councilmember Jensen seconded by Councilmember López to approve Resolution 21-37 RDA as presented. Motion carried unanimously.

ADJOURNED. There being no further business to come before the Logan Redevelopment Agency, the meeting adjourned at 7:58 pm.

Esli Morales, Deputy City Recorder