

**Minutes of the North Logan City
Local Building Authority (LBA) Meeting
Held on August 17, 2022
At the North Logan City Library, North Logan, Utah**

Buzzy Mullahkhel made a motion to adjourn the City Council meeting and convene as the North Logan Local Building Authority. Emily Schmidt seconded the motion. A vote was called and the motion passed unanimously with Roger Anderson, Buzzy Mullahkhel, Joni Kartchner and Emily Schmidt voting in favor.

The meeting was called to order by Mayor Lyndsay Peterson at 6:45 p.m.

Local Building Authority members present were: Roger Anderson, Craig Humphreys, Buzzy Mullahkhel, Joni Kartchner and Emily Schmidt. (Craig Humphreys was excused.)

Others present were: Russell Goodwin, Debbie Murray, Neil Murray, Linda Young, Alex Buxton, Lt. Justin Olsen, Jordan Oldham, Scott Bennett, Alan Luce and Marie Power.

Adoption of Agenda

Roger Anderson made a motion to adopt the agenda. Emily Schmidt seconded the motion. A vote was called and the motion passed unanimously with Roger Anderson, Buzzy Mullahkhel, Joni Kartchner and Emily Schmidt voting in favor.

New Business

6:35 Public Hearing: Convene as the Local Building Authority (LBA) to hold a public hearing to receive input from the public with respect to the issuance of lease revenue bonds to finance the acquisition and construction of a civic center expansion.

Mayor Peterson read aloud the guidelines for speaking at a public hearing, and opened the public hearing at 6:47 p.m.

Debbie Murray who read most of her statement, said after a lot of time and money pushing the 400 East City Center property, you're moving back to the original site of the City Center, and building a library addition and two new buildings, all of which are "free" to the citizens of North Logan. She said if they are in fact free, why is the City taking out a \$6 million dollar bond? She said according to an October 20, 2021 Herald Journal article, Dell Loy Hansen is stepping up to help North Logan fund a municipal complex that includes new City offices, a community building, and an expansion of the town's library. She said the Hansen Family Foundation and City administration announced a pledge of \$2 million from the foundation for the first phase of the project. She said the foundation is also pledging to give up to \$500,000 in matching grant money toward the remainder of the complex, as the City seeks to raise funds for the second phase. She said that's in addition to an increased annual contribution to the James P. Thorne Endowment sponsored by the Hansen family, to support the library. She said the added endowment funds will help pay a potential bond on their project. She said according to a July 20th article in the Cache Valley Daily of this year, the City office and expansion of the library will be about 18,000 square feet, at a cost of \$1.6 million, and the 20,000 square foot community center is estimated to cost in the neighborhood of \$8 million. She said the Dell Loy Hansen Family Foundation donated \$2 million for the new City building; and the James P. Thorne Endowment sponsored by the Hansen family, will increase its annual contribution to cover a bond supporting the core cost of the library expansion. She asked what is in the legal document stating the agreement between the foundation and the City for the payment of the bond; and asked if someone could please read the document before you vote, so we as citizens can know what the contract entails, [that] you are obliging the City to. She said, well wait, you've already voted; before giving out details, that we, as citizens should be privy to. She said she realizes that standing here is a moot point; you've already made the decision to indebt the City with a revenue bond for the City building, and

the cost of the library expansion and the City Center. She said this meeting is just a formality before you rubber-stamp the loan. She said as a revenue bond is not backed by the full faith and credit of the issuing government; it does not require voter approval. She said all you have revealed to the citizens is that they are getting three free buildings. She said really? If they were free, North Logan City would not need to take out a bond; a bond for \$6 million; and interest must be paid on \$6 million, whether it is used or not. She said if the investments to the Thorne Endowment go south, are you going to tax the citizens, or let the bank take the buildings? Although this isn't your problem, you're leaving that to later administration.

Mayor Peterson let Mrs. Murray know that her time was up and thanked her for her comments.

Neil Murray said he agreed with his wife. He said he would keep this simple, because he likes numbers and likes to know where they're coming from, and "I like to know what they're doing with them." He said \$6.1 million for the library, \$8 million for the Civic Center, comes out to \$14.1 million. He said we're getting \$2 million for the donation from Hansens. He said \$6 million for the revenue bonds. He said that leaves us with about \$6 million floating around somewhere that, apparently these revenue bonds are supposed to pay for, but...[he trailed off]. He said the problem we have is, over the last three years, you can't make any guarantees about anything. He said going forward, if there's investments in this endowment that go south, the citizens of North Logan do not need another tax to pay for these revenue bonds. He said what his opinion is, is that do we really need the City Center right now; building costs are at an all-time high in the history of the world. He said if you want to do your City offices, do your library expansions; do that, use the rest for water improvements, cause that is much more important, the way he sees things, than a City Center is; because we've got three schools, we've got five churches, that people can meet in during the time the weather is good; we got endless parks. He said down the road when maybe construction costs are a little bit more reasonable; that can be looked at again. He thanked the [Local Building Authority] for their time.

Russell Goodwin said he took some [copies of his] comments in to the City offices earlier that day, but said the Mayor told him that they're not appropriate; so, he's there in response to a notice that appeared in the newsletter, talking about this public hearing about the Civic Center. He said he shares the concerns that have previously been voiced. He said he's not aware of when the public hearings have been held where the citizen input would have been required up front, before you get to this point. He said if we build a new Civic Center or a City office building, then this room reverts to the library; and said he would suggest, let the library take over this space. He said what needs of theirs are then met; live with it for some time, some years, and if they still need more room or remodeling, we could move ahead with that. He said also, with a new City office building, which is probably needed, just the design and location. He said at such time, our current City offices will become available. He said there would be a thought to sell that property; but would suggest as a temporary measure, that our current City offices could become a community center. He said that was originally an open floorplan, and he's sure we could take out the partitions and open that up again, and make a lot of that to be sort of a short-term or a temporary community center, and see how that meets needs. He discussed 2100 North and 1200 East being our City Center, historically and explained this further in terms of the historic homes in this area; and asked them to keep that area in mind as the historical epicenter of North Logan. He said he also wondered when is the proper time that he might address the council on design, location and accoutrements of a new Civic Center. He thanked the council.

As there were no further public comments, Mayor Peterson closed the public hearing at 6:55 p.m.

Mayor Peterson asked Alan to address some of the comments regarding the funding differences between the City offices and the Community Center, which Alan did.

Alan and Mayor Peterson explained in detail the funding and revenue sources, including the interest on the Thorne Endowment monies that come in, for these projects that allow for a very positive financial situation for this; as well as explaining the extremely low interest loan we obtained for the bond as a government entity, which terms she said, you cannot get on the open market.

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113 The situation was explained further, and the Local Building Authority discussed various, related
114 items further.

115 Alex Buxton from Zion's Bank, Public Finance, explained the financial situation with the bond in
116 detail.

117 The Local Building Authority discussed various items further. Mayor Peterson explained related
118 items and addressed questions from the attendees and the LBA members.

119 Alan discussed the next steps in this process. The discussion continued.

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123 *Emily Schmidt made a motion to adjourn the North Logan Local Building Authority meeting and*
124 *return to the regular portion of the City Council meeting. Buzzy Mullahkhel seconded the motion.*
125 *A vote was called and the motion passed unanimously with Roger Anderson, Buzzy Mullahkhel,*
126 *Joni Kartchner and Emily Schmidt voting in favor.*

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129 The meeting adjourned at 7:14 p.m.

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131 Approved by Local Building Authority:

November 2, 2022

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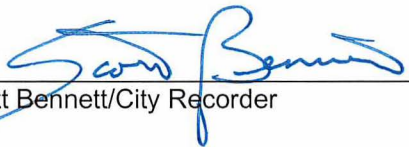
133 Transcribed by Marie Power

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135 Recorded by

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Scott Bennett/City Recorder