

**CITY OF JOHN DAY  
CITY COUNCIL MINUTES  
JOHN DAY, OREGON**

**December 8, 2015**

**Adjourned Meeting**

**COUNCILORS PRESENT:**

Ron Lundbom, Mayor  
Steve Schuette, Council President  
Paul Smith, Councilor  
Louis Provencher, Councilor  
Lisa Weigum, Councilor

**COUNCILORS ABSENT:**

Gregg Haberly, Councilor  
Donn Willey, Councilor

**STAFF PRESENT:**

Peggy Gray, City Manager  
Lance Woodcock, Public Works Director  
Richard Gray, Police Chief

**GUESTS PRESENT:**

Anna Bass, Oster Professional Group  
Amy Walker, Oster Professional Group  
Kent Bailey, Guyer & Associates  
Sean Hart, Blue Mountain Eagle

**Agenda Item No. 1 – Open and Note Attendance**

The John Day City Council meeting opened at 7:00 p.m. Mayor Ron Lundbom noted that all Councilors were present with the exception of Councilors Gregg Haberly and Donn Willey, who were absent and excused.

**Agenda Item No. 2 – Approval of City Council Minutes of November 10, 2015**

The minutes of the November 10, 2015 adjourned meeting were included in the agenda packets and were presented for the Council's approval.

**Councilor Louis Provencher made a motion to approve the minutes of November 10, 2015 as presented. Councilor Steve Schuette seconded the motion, the motion passed unanimously.**

**Agenda Item No. 3 - Appearance of Interested Citizens**

Mayor Lundbom welcomed those in attendance and asked everyone to please sign in.

**Agenda Item No. 4 – Presentation of Employee Recognition Certificate**

Mayor Lundbom presented an Employee Recognition Certificate for 10 years of Service to Public Works Utility II Worker Fred Ostberg. Mayor Lundbom congratulated Mr. Ostberg and thanked him for his service to the City of John Day.

**Agenda Item No. 5 – Discuss for Approval the Fiscal Year 2015 Audit by Guyer & Associates**

City Manager Gray introduced Kent Bailey of Guyer & Associates, who was here to present the City of John Day's Audit Report.

Mr. Bailey referred to page 1 of the audit report. He stated they have audited the City of John Day's financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the City of John Day, Oregon for the year ended June 30, 2015. Mr. Bailey noted that these are the City of John Day's financial statements and that they have audited them and have expressed an opinion on them. Mr. Kent stated in their opinion, the financial statements referred to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund, and the aggregate remaining fund information of the City of John Day, Oregon, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Page 4 – Management's Discussion and Analysis – Mr. Bailey highlighted the following:

- The assets of the City exceeded its liabilities at the close of the fiscal year by \$6,651,876 (net position). Of this amount, \$2,137,775 is unrestricted and may be used to meet the City's ongoing obligations and pay for day to day operations. Mr. Bailey noted in that number are a couple of significant numbers that caused the increase, \$682,000 is the current year increase, \$673,000 relates to money that we sold to build the fire hall and we didn't get the fire hall built this year.
- The total net position increased \$1,610,778 during the year, and the majority of this increase is due an Oregon Department of Transportation grant for a street project and from the net pension asset resulting from the implementation of GASB 68. (\$1,045,000 of in kind contribution from ODOT for our downtown improvements project)
- Governmental funds reported combined ending fund balances at year-end of \$1,086,595, an Increase of \$724,122 as compared to last year. Mr. Bailey noted that again, in that increase, it includes the \$673,000 bond money for the fire hall.
- The General Fund's unassigned fund balance at the end of the current year was \$135,376, or approximately 20.7% of total General Fund expenditures and transfers. Mr. Bailey noted that in fact that was a \$44,000 decrease due to the transfer the City had to make to fund the 911 Dispatch fund. Mr. Bailey also noted that 20.7% reflects about 2 ½ months to run the City or 20% of the year.

Page 12 – Statement of Net Position:

Mr. Bailey presented a condensed statement of changes in net position as follows:

City of John Day  
Condensed Statement of Changes in Net Position  
For the Years Ended June 30, 2015, 2014 and 2013

	Government Activities		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Revenues:			
Program Revenues			
Charges for Services	\$ 408,310	\$ 369,170	\$ 356,943
Operating Grants	637,109	472,046	375,643
Capital Grants	1,067,388	—	—
General Revenues			
Property Taxes	279,143	276,879	273,288
Interest	3,673	6,725	3,833
Other Revenue	<u>136,132</u>	<u>85,961</u>	<u>74,977</u>
Total Revenues:	<u>2,531,755</u>	<u>1,210,781</u>	<u>1,084,684</u>
Expenses:			
General Government	\$ 114,832(4)	\$ 160,365	\$ 161,563
Streets	234,314(5)	247,280	233,872
Public Safety	<u>776,775(6)</u>	<u>856,889</u>	<u>936,341</u>
Total Expenses:	<u>1,125,921(2)</u>	<u>1,264,534</u>	<u>1,331,776</u>
Changes in Net Position:	<u>\$1,405,834(3)</u>	<u>\$ (53,753)</u>	<u>\$(247,092)</u>

- (1) Total revenues of \$2,531,755 exclusive of \$1,067,388 in capital grants, were up \$225,959. The \$225,959 increase is comprised of an increase in grants for streets of \$125,736 and \$100,223 for general government or 8.3%.
- (2) Total expenses were down \$138,613 or 10.9%. The GASB 68 PERS Adjustments accounted for \$139,325 of the decrease so there was an actual increase of \$712 or .05%.
- (3) The net position on a modified accrual basis increased by \$1,405,834.

The Changes in Expenses:

- (4) Actual expenses were down \$30,983 or 19.3% before the \$14,550. Adjustment for GASB 68 related to PERS. Legal fees were down \$11,112 in the general fund and labor costs in the 911 fund were down \$12,986.
- (5) Actual expenses were up \$4,484 or 1.8% before the \$17,450 adjustment for GASB 68 related to PERS.
- (6) Actual expenses were up \$27,211 or 3.2% before the \$107,325 adjustment for GASB 68 related to PERS.

City of John Day  
 Condensed Statement of Changes in Net Position  
 For the Years Ended June 30, 2015, 2014 and 2013

	Business-Type Activities		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Revenues:			
Program Revenues			
Charges for Services	\$1,174,227	\$ 1,144,267	\$1,111,678
Property Taxes	---	---	(75)
Other Revenue (Expense)	<u>25,878</u>	<u>(6,482)</u>	<u>(12,149)</u>
Total Revenue:	<u>1,200,105(1)</u>	<u>1,137,785</u>	<u>1,099,454</u>
Expenses:			
Utility	<u>955,161(2)</u>	<u>1,007,870</u>	<u>1,065,462</u>
Change in Net Position	<u>\$ 204,994</u>	<u>\$ 129,915</u>	<u>\$ 33,992</u>

- (1) Revenues increased by \$62,320. This was a 5.5% increase. The rate increase last year raised approximately \$30,212. The balance was due to an increase in miscellaneous revenues of \$32,108.
- (2) Actual expenses were up \$22,315 or 2.2% before an adjustment of \$75,024 for GASB 68 related to PERS. Some of the significant increases in expenses for the fiscal year were:

Accrued Unpaid Compensation	\$ 6,433
New Hook Ups	4,583
Lab Tests	4,387
Reservoir Cleaning	5,375
Water Maintenance	4,355
Audit Fees Allocated to J.S.	3,841
Other Professional Fees	<u>5,447</u>
Total	<u>\$34,421</u>

These increases were partially offset by numerous accounts that were less than the prior year.

City of John Day  
 Information for Water & Sewer Rates  
 For the Years Ended June 30, 2015, 2014 and 2013

	<u>Water Net Income</u>	<u>Sewer Net Income</u>	<u>Water Depr. Expense</u>	<u>Sewer Depr. Expense</u>
2013	\$ 6,632	\$ 34,974	\$ 131,145	\$ 60,297
2014	52,949	79,236	130,186	60,249
2015	95,507	90,546	129,083	60,140
Cash Position June 30, 2013	\$ 262,335	\$ 486,984		
Cash Position June 30, 2014	338,135	587,659		
Cash Position June 30, 2015	400,917 (1)	644,611 (2)		

(1) This represents 16.2% of Accumulated Depreciation at June 30, 2015

(2) This represents 33.9% of Accumulated Depreciation at June 30, 2015

- There have been no Capital improvements in 2013, 2014 or 2015.
- In 10 years or less Sewer will need \$6-\$8 million to pay for a treatment plant.
- Average Increase in water cash is \$46,194 per year.
- Average increase in Sewer cash is \$52,542 per year.

Mr. Bailey stated you want to keep making an effort to gradually increase water/sewer rates in small increments in order to fund your depreciation and be in a position to be able to replace what's in the ground. The Council also needs to look at funding a new wastewater treatment plant in the future. In order to be able to receive a loan/grant; your sewer rates have to be at a certain level. Mr. Bailey stated you will never be able to save \$6 – \$8 million; however, we could have a significant down payment in order to borrow less in the future. Mr. Bailey stated you can see that a \$2.00 increase per year has made a difference, from \$262,335 from three years ago to \$400,917 in the current year.

Councilor Louis Provencher had concerns that the City hadn't been raising rates high enough in the previous years and wondered if \$2.00 rate increases for the utilities was enough for down the road. He asked if the Council should be looking at raising the rates a little higher. Mr. Bailey stated that would be a policy decision, whether \$2.00 is enough or if \$3.00 would be a better decision is up to the Council.

Councilor Paul Smith stated he appreciated Mr. Bailey's candidness for our decision. However, he wondered if raising the water/sewer rates \$10 per year for the next four or five years, would we even come close to reaching that accumulated depreciation; it would be very difficult for the community. Mr. Bailey stated increasing the rates \$4.00 per year for the last two years has given us about \$60,000. So another \$4.00 will give us another \$60,000 on an annual basis. \$60,000 times ten is \$600,000; he explained that isn't \$6 million. If you double that, it would be \$1.2 million (still not \$6 million) and you're already up to \$8.00 a month increase and that's a pretty hefty increase. There's no perfect answer and he guaranteed that in ten years when you build that new treatment plant, you will borrow money. By raising more money now, we will borrow less money in the future.

Councilor Paul Smith asked if making repairs such as the installation of a bar screen at the treatment plant impacts that number. Mr. Bailey stated yes, because any repairs made will reduce your cash available for the future.

Public Works Director Lance Woodcock stated he just attended training and stated everyone is in the same situation. The talk around their table was having their councils set a certain percentage rate and it would go up each year and the council wouldn't have to discuss this each year. It was stated that percentage could change with each new council. Mr. Bailey felt the Council has made progress by raising rates for the past three years and is doing the right thing, but the question is – is it enough? He stated your job is to make policy decisions; his job is to give the Council the information.

Page 44 – PERS. Mr. Bailey stated The City's contribution to PERS was \$51,296 for the year ended June 30, 2015.

Page 45 – Mr. Bailey stated PERS base their rates on assumptions also. They assume an inflation rate of 2.75%; an investment rate of return of 7.75% and projected salary increases of 3.75%. If anything goes wrong then that changes the numbers. At the bottom of this page they give one new piece of information call the "Sensitivity of the City's Proportionate Share of Net Pension Liability to Changes in the Discount Rate." City's proportionate share of the system net pension liability (or asset); they set the discount rate at 7.75%, is what they are currently using as an assumption rate (making 7.75% on their money), using that rate the City of John Day has a \$173,920 asset. However, if they have a 1% decrease or 6.75% rate of return; instead of having an asset, we would have a liability of \$368,301. With a 1% drop in the rate of return on the PERS assets, we go from \$173,920 to the good to \$368,301 to the bad. So if that happens, the City would see a substantial increase in our PERS rate because that's how they make it up. Mr. Bailey explained that the reverse is true if they make more than 7.75%; if they make 8.75% (1% increase)

we go from a \$173,920 asset to a \$632,512 asset which would reduce our PERS rates. That's how sensitive a 1% rate is, it's significant.

Page 46 – Mr. Bailey explained the net difference between projected and actual earnings on investments. He stated PERS has a “hedge account” where they can pull money from that account in order to reach the assumed 7.75% rate when the investments don't quite reach the assumed percentage rate.

Page 47 – Mr. Bailey explained the Oregon Supreme Court on April 30, 2015, ruled in the Moro decision, that the provisions of Senate Bill 861, signed into law in October 2013; that limited the post-retirement COLA on benefit accrued prior to the signing of the law were unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. PERS will make restoration payments to those benefit recipients.

The consequence of the Moro decision, instead of the City of John Day having a \$173,920 asset; we will have a \$203,329 liability next year. This \$203,329 liability will hit the City for the year ended June 30, 2016. The rate change will hit for the year ending June 30, 2017 (assuming no other changes). Mr. Bailey stated the City has made a rainy day fund by putting the excess that didn't go into effect from the last two years into the Unpaid Compensation Fund in order to reduce impact of the future rate increase. Mr. Bailey explained the difference between the Defined Benefit Plan and the Defined Contribution Plan.

Page 48 – Note 4. Changes in Long-Term Debt. Mr. Bailey pointed out the addition of our Fire Hall Bonds Payable debt of \$655,000. Interest expense of \$124,542 on long-term debt has been included in the direct expense of individual functions on the government-wide Statement of Activities.

Page 92 – Schedule of Property Tax Transactions. The amount we collected in property taxes this year was \$264,765 leaving an uncollected amount of \$12,203. The amount we collected this year was 95.6% of the amount of the assessed value; that is 1.1% higher than last year at 94.5%. That is unusually high and is a good indicator that the economy is doing well. Mr. Bailey pointed out that from 2001 and earlier there are no collections on the receivables.

Page 94 – Compliance. There were no problems; the City was in compliance with state law regulations.

Page 98 – Internal Controls. They determined the City's internal controls are appropriate for our City. That means reasonable assurance that the City's financial statements are free from material misstatement and properly represent the City's financial position.

Mr. Bailey presented a management letter to the City Council. There are two comments on the letter with one comment that was also included in last year's management letter - which is the inventory in the Public Works Department. Mr. Bailey stated it isn't critical right now because we don't have that much activity going on in the Public Works Department. However, in the future, we will be spending a lot of money and the City should have an inventory system set up to provide proper accountability over the City's assets and to reduce the risk of loss due to an unauthorized use.

The second comment refers to the Schedule of Property Tax Transactions on page 92 of the financial statements which shows old outstanding amounts due to the Water Fund dating back to 1984. No collections were received during the current year attributable to these prior years. The only activity in the account before July 1, 2002 were write-off adjustments; Mr. Bailey stated the City could suggest that the

County Treasurer write-off these old taxes receivable as uncollectible. Mr. Bailey stated statutory law states that with assessments like taxes, when they are more than four years old, you file a lien and you sell the property for the back taxes. That is not happening in Grant County, and that is money that we are not getting. Mr. Bailey suggested having a conversation with the tax assessor.

Mayor Lundbom thanked Mr. Bailey for the information and for the excellent job of conveying the message to us.

**Councilor Steve Schuette moved to accept the Independent Auditors' Report and Financial Statements for the year ended June 30, 2015. Councilor Louis Provencher seconded the motion, the motion passed unanimously.**

**Agenda Item No. 6 – Discuss for Adoption Resolution No. 15-747-12, a Resolution of the John Day City Council of the City of John Day, Oregon Encouraging the State of Oregon to address Comprehensive Transportation Funding**

City Manager Gray gave a brief background on the resolution stating council discussion began originally on October 13, 2015 and was tabled and again discussed on November 10, 2015. At that time the Council agreed to the following eight items:

1. An increase in the state gas tax of up to five cents per gallon;
2. Indexing of the state gas tax to the consumer price index or another relevant economic index;
3. Maintaining the dedication of the state's Highway Trust Fund dollars to highway, road and street projects;
4. Continued allocation of Highway Trust fund dollars between the state, counties and cities at 50%-30%-20%, respectively;
5. An increase in the statutory "Small City Allotment" fund from \$1 million to \$5 million annually, split evenly between the Oregon Department of Transportation and the cities share of the trust fund;
6. No preemption of local government ability to generate their own transportation revenues;
7. Funding for the jurisdictional transfer and maintenance of orphan highways (state highways or county roads that function as city streets).
8. License plates fees for All-Terrain Vehicles (Class I, Class II, and Class IV All Terrain Vehicles); bicycles; and all road users.

Councilor Schuette noted a typo on item no. 6; the word "and" at the end of the sentence on the resolution was incorrect. City Manager Gray stated the "and" should be at the end of item no. 7 and she would correct it in the resolution.

**Councilor Louis Provencher moved to adopt Resolution No. 15-747-12. Councilor Lisa Weigum seconded the motion, the motion passed unanimously.**



**Agenda Item No. 7 – Discuss for Adoption Resolution No. 15-750-15, a Resolution to authorize expenditures of the Collins Foundation Grant**

City Manager Gray stated at our last council meeting the Council was informed that the City received a \$40,000 grant from The Collins Foundation for the new fire station's community/training room. The City of John Day received a total of \$470,170 in grants for the community/training room. This places the City \$20,170 over the budgeted amount of \$450,000 for this project. In order to expend the \$20,170, the Council will need to adopt Resolution No. 15-750-15.

This grant was applied for in June 2015; at that time we anticipated receiving \$450,000 in grants from funders for the community room part of the fire station project. ORS 294.326(3) allows the governing body to declare the existence of an unforeseen occurrence or condition that could not have been foreseen at the time of the preparation of the budget.

**Councilor Steve Schuette moved to adopt Resolution No. 15-750-15. Councilor Louis Provencher seconded the motion, the motion passed unanimously.**

**Agenda Item No. 8 – Discuss for Adoption Resolution No. 15-751-16, a Resolution establishing water rates, deposits, and other related charges**

City Manager Gray stated Resolution No. 15-751-16 is a resolution establishing water rates, deposits, and other related charges proposes to raise our current water rates for residential customers from \$33.00 to \$35.00, a \$2.00 rate increase per month beginning January 1, 2016.

City's Auditor Kent Bailey of Guyer & Associates stated in his audit report to the Council that it is necessary to raise water/sewer rates each year in order to keep up with the cost of inflation and to put funds into our reserve account for future repairs and improvements.

The City of John Day had a net increase in water of approximately \$29,000 in 2013; \$75,000 in 2014; and \$62,000 in 2015. However, depreciation expense for the water averaged \$130,000 for the past three years. The City needs to think about having enough money to take care of our fixed assets; one way of doing that is to fund the City's depreciation. In our water fund, we haven't been funding our depreciation by about half. This is the basis for a rate increase, when equipment wears out in the water department; we don't have the money to replace it.

City Manager Gray stated this resolution also proposes increasing our Industrial (Bulk) Rate for Nondomestic Use (Section I. D) to \$0.00533 per gallon (currently \$0.00470 per gallon). As you can see from the attached spreadsheet prepared by Anna Bass of Oster Professional Group, last fiscal year it cost the City \$5.33 to produce 1,000 gallons of water. The City is producing less water compared to the previous year which leads to higher production costs.

Mayor Lundbom and Councilor Steve Schuette stated they believed the City should be making money selling bulk water not just breaking even. Public Works Director Lance Woodcock informed the council that during the fire season there were several incidents of water being taken from the City's fire hydrants that weren't being billed for because we didn't know who was taking it. Since it was an emergency situation and we had a lot of people from out of town to help us with the fires; it was a difficult situation to cite people that were here to assist us.

Councilor Steve Schuette stated he thinks we should be making more than what it costs us. Mayor Lundbom stated we should be able to add at least 20% to the cost of producing the water. Mayor Lundbom stated selling the water at our costs is not putting anything into the reserve accounts. Councilor Steve Schuette stated our residents are paying \$33.00 for the first 4,000 gallons which comes out to about \$8.00/1,000 gallons; he stated we should be at least charging \$8.00. City Manager Gray stated the people who come to get the water live outside the city limits and we double the water cost for the people who live outside the city limits. Public Works Director Lance Woodcock stated that also doesn't include SDC (System Development Charges); Councilor Schuette stated he did not think \$10.00 is unreasonable and thought we should increase it to \$10.00 per 1,000 gallons.

Councilor Louis Provencher stated he was concerned that the \$2.00 per month increase was not enough; however, he felt that since the people who are living on social security are not receiving a cost of living increase this year - it would be ok to just raise the rates \$2.00 each this year. He also suggested we follow City Auditor's Kent Bailey's advice and work up a spreadsheet showing the effects of raising rates over the next 5 - 10 years and discuss this more during budget time to see how much we really should be charging.

Mayor Lundbom suggested holding a public hearing to inform the citizens and asked for the local paper's assistance in getting the word out. Councilor Lisa Weigum stated she did not think the City was doing a good job in getting the word out every time we raise the rates, Mayor Lundbom stated a city newsletter goes out every time we raise the rates. It was the consensus of the City Council to try to do a better job of informing the public explaining why rates have to be increased annually (fund depreciation and put money in reserves to replace the existing wastewater treatment plant).

**Councilor Steve Schuette moved to adopt Resolution No. 15-751-16 and increasing the bulk water rate to \$10.00 per 1,000 gallons (amending staff's recommendation of \$5.33 per 1,000). Councilor Paul Smith seconded the motion, the motion passed unanimously.**

**Agenda Item No. 9 – Discuss for Adoption Resolution No. 15-752-17, a Resolution to establish sewer service and connection charges**

City Manager Gray stated this Resolution No. 15-752-17 proposes a \$2.00 increase to the base sewer rate. This is basically the same scenario as in the water fund. However, the sewer fund had a net increase of approximately \$46,000 in 2013; \$100,000 in 2014; and \$56,000 in 2015. Our depreciation expense for sewer averaged about \$60,000 for that period. So we are covering our depreciation costs within the sewer fund; but the problem is when you look at our total accumulated depreciation in the sewer fund which was \$1,839,093 last year with approximately \$600,000 in cash to replace those depleted assets. So we're about \$1.2 million short; not even taking into account that we need to replace our wastewater treatment plant.

Last year our City Auditor Kent Bailey stated in his audit report to the Council that you could wait to raise the sewer rates until you start to build the treatment plant or you could start building up some reserves. We will probably have to borrow money to build a new treatment facility; however, for every dollar that we have available to put down towards the project, Mr. Bailey stated, will save us \$2.00 - \$2.50 in interest as you pay for the project. Basically what we save now; saves us money in the future.

The decision the Council needs to make is - now or later; the longer you put it off the more it's going to cost in the future. Mr. Bailey informed the Council that even if we weren't going to build anything in the

future, he suggested raising the sewer rates because we're about \$1.2 million behind the curve in just replacing what we have in the ground right now.

This resolution also includes an increase in Commercial Septic Tank or Port-A-Potty Dumping (Section I. 2. D). The City has not increased the commercial dumping rate since 2003, when we increased it to \$0.10 per gallon. We are proposing increasing the rate to \$0.30 per gallon. With the cost of PERS, insurance, depreciation, it is easily justifiable.

Public Works Director Lance Woodcock stated everything else is going up, the cost of chlorine, SDCs, and they use our system and have not paid into it. With the rates not being raised since 2003, this increase is justifiable. He informed the Council that he spoke with both Baker City and Vale. Baker charges \$0.21 per gallon, Vale charges \$0.09 per gallon and they're both on a lagoon system. They both said if you're on a treatment system you should charge more. He talked about having a separate contract with the government agencies for their individual use (i.e. for fires etc.).

Mayor Lundbom suggested we go to \$0.30 per gallon for the port-a potty dumping this year and review it again next year at this time.

**Councilor Louis Provencher moved to adopt Resolution No. 15-752-17. Councilor Steve Schuette seconded the motion, the motion passed unanimously.**

**Agenda Item No. 10 – Other Business and Upcoming Meetings**

1. LOC Bulletins were included in the Council packets.
2. The quarterly staff report was included in the Council packets.
3. City Manager Gray presented a letter to Louis A. Yost, Executive Secretary for the councilor's signatures supporting replacing the redundant use of the word "squaw" on creeks, meadows and springs in Grant County.
4. The November 2015 financial reports were included in the City Council packets.
5. Mayor Lundbom informed the council that city hall closes at noon on December 24<sup>th</sup> and will be closed on December 25<sup>th</sup> for the Christmas holiday. City Hall will be also be closed on January 1<sup>st</sup> for the New Year's holiday.
6. Mayor Lundbom asked Public Works Director Lance Woodcock why the City plowed the snow during the last snowfall when we informed the public last year that we weren't going to plow until the snow reached a certain level. Public Works Director Lance Woodcock stated the streets were really slick and it was a safety concern, he decided to plow as he was on call that weekend.

**Adjourn**

**There being no further business before the Council, Councilor Steve Schuette made a motion to adjourn the meeting. Councilor Paul Smith seconded the motion and the motion passed unanimously. The meeting was adjourned at 9:09 p.m.**

Respectfully Submitted:

Peggy Gray  
City Manager

ACCEPTED BY THE CITY COUNCIL, JANUARY 12, 2016

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Mayor Ron Lundbom