

CALL TO ORDER:

Mayor Shawn Logan called the workshop to order at 6:30 p.m. and led a silent invocation and the Pledge of Allegiance.

Present: Mayor Shawn Logan; Councilmembers: Corey Everett, Genna Dorow, Larry McCourtie, John Lallas, and Mark Snyder.
Also Present: City Administrator Wade Farris; Department Heads: Public Works Director Terry Clements, Finance Officer Spencer Williams, Police Chief Phil Schenck, Community Development Director Travis Goddard, and City Clerk Debbie Kudrna.
Absent Was: Councilmembers Eugene Bain and Angel Garza.

Council carried a motion to approve the absence of Councilmembers Bain and Garza. M/S Snyder/Dorow.

CITIZEN INPUT

There was none.

APPROVAL OF AGENDA

Council carried a motion to approve the agenda. M/S Dorow/Everett.

PUBLIC HEARING FOR THE ADAMS COUNTY WATER DISTRICT #1 UTILITY RATES

Mayor Logan opened the public hearing at 6:32 p.m. He advised that we have a Spanish interpreter and asked if anyone needed this service. There was no one that required interpretation. Finance Officer Spencer Williams advised that the City Council is required to conduct a public hearing before adoption of resolutions for the rate section of the agreements between the City and Adams County Water District #1 (ACWD). He noted that this public hearing is for the water and sewer rate increases for ACWD.

Mr. Williams advised that the ACWD water & sewer rates follow the City ordinances for services outside the city limits. He reviewed the water rates for 2017, 2018, and 2019 and the sewer rates for 2017 and 2018.

Mayor Logan asked for comments in support of the rate proposals. There was none.
Mayor Logan asked for comments neutral to the rate proposals. There was none.
Mayor Logan asked for comments in opposition to the rate proposals. There was none.
Mayor Logan closed the public testimony.
Mayor Logan asked Council for questions. There was none.
Mayor Logan closed the public hearing at 6:35 p.m.

ORDINANCE TO ADOPT THE AD VALOREM PROPERTY TAX

Finance Officer Spencer Williams explained that annually, the Council must pass an ordinance fixing the amount provided by property taxes for collection in the following year as part of the budget process. He reviewed the 2016 levy for collection in 2017, in the amount of \$1,650,000.

Council carried a motion to approve the Ad Valorem Tax Ordinance for fiscal year 2017. M/S Dorow/McCourtie. This shall be known as Ordinance No. 1483.

RESOLUTION TO SET THE GENERAL FUND MINIMUM FUND BALANCE

Finance Officer Spencer Williams presented the resolution that will reduce the general fund minimum balance from \$500,000 to \$400,000 for one year.

Council carried a motion to approve the Resolution to establish a new minimum fund balance for the general fund. M/S McCourtie/Dorow. This shall be known as Resolution No. 2016-31.

UTILITY TAX ORDINANCE

Finance Officer Spencer Williams explained that Council had decided to increase the utility tax on water services and establish a tax on sewer services as follows:

- Increase the utility tax on gross revenues of water service from 2% to 10%.
- Establish a 15% tax on gross revenues of sewer service.

Mr. Williams advised that the use of the utility tax dollars is governed by two chapters in the municipal code. The Council recently decided to use more utility tax dollars for capital and operational needs. Based upon that direction, we will transfer 88% of the water and sewer revenues to the general fund in 2017.

Mr. Williams explained that many cities utilize the utility tax only in their general fund. It was decided to track the utility tax dollars separately and it adds another level of transparency. The percent of tax on water and sewer will become permanent and the Council can then address the amount of transfer into the general fund annually.

Council carried a motion to approve the ordinance amending OMC chapters 3.02 and 3.03 of the OMC. M/S Lallas/Snyder. This shall be known as Ordinance No. 1484.

ORDINANCE TO ADOPT THE CAPITAL FACILITY PLAN 2017-2022

Finance Officer Spencer Williams explained that we had a public hearing on the capital facility plan and some changes were made.

Council carried a motion to approve the 2017-2022 Capital Facility Plan Ordinance. M/S Lallas/Dorow. This shall be known as Ordinance No. 1485.

PUBLIC HEARING ON THE FINAL 2017 BUDGET

Mayor Logan opened the public hearing at 6:45 p.m. Finance Officer Spencer Williams explained this is the final public hearing on the 2017 budget. The budget is the same as discussed at the last meeting, except he changed the amount for the fire department reserves and added the tourism funding.

Mayor Logan asked for comments in support of the rate proposals. There was none.

Mayor Logan asked for comments neutral to the rate proposals. There was none.

Mayor Logan asked for comments in opposition to the rate proposals. There was none.

Mayor Logan closed the public testimony.

Mayor Logan closed the public hearing at 6:46 p.m.

ORDINANCE TO ADOPT THE CITY OF OTHELLO 2017 BUDGET

Finance Officer Spencer Williams reviewed the appropriations for the 2017 budget. This budget includes all of the discussions and decisions made with the department heads; council committees and budget meetings. Mayor Logan thanked everyone for helping with the budget process.

Council carried a motion to adopt the 2017 budget ordinance as presented. M/S Snyder/Dorow. This shall be known as Ordinance No. 1485.

COMMITTEE REPORTS

There was none.

Councilmember Lallas mentioned that current business owner is finding it difficult to improve his parking lot. The property owner would like to remove the blacktop and put new blacktop in; however there are requirements by the city codes. He mentioned that the property owner should ask the Council for a variance from the requirements of our code. Community Development Director Travis Goddard has also discussed this with the property owner and he would like to work with them to discuss their options. City Administrator Wade Farris advised that if a citizen

asks a Councilmember about an issue, it would be best to have them talk to the City Administrator or a department head about their issue. Mr. Farris advised that 14th Avenue is complete; however, weather is prohibiting completion of some striping and crosswalks. Public Works has ordered some flashing lights for the crosswalks.

ADJOURNMENT

With no further items to discuss, Mayor Logan adjourned the workshop at 6:55 p.m.

By: _____
SHAWN LOGAN, Mayor

ATTEST:

By: _____
DEBBIE L. KUDRNA, City Clerk