



SHERWOOD BUDGET COMMITTEE MEETING May 12, 2016 MINUTES

1. CALL TO ORDER – Chair Andy McConnell, Andy McConnell called to order the regular meeting of the SHERWOOD BUDGET COMMITTEE at 6:06 pm on May 12, 2016.

2. ROLL CALL – Cathy Brucker, Interim Finance Director

COMMITTEE MEMBERS AND COUNCIL PRESENT: Mayor Clark, Council President Harris, Councilor Brouse, Councilor Henderson, Councilor Robinson, Councilor Kuiper, Councilor King, Chair Andy McConnell, Vice Chair Meerta Meyer, Amy Kutzkey, Paul Mayer, Susan Claus and Kurt Studer.

COMMITTEE MEMBERS ABSENT: Andy Jensen

CITY STAFF PRESENT: City Manager Joe Gall, Assistant City Manager Tom Pessemier, Interim Finance Director Cathy Brucker, Community Development Director Julia Hajduk, Community Services Director Kristen Switzer, Police Chief Jeff Groth, Public Works Director Craig Sheldon, IT Director Brad Crawford, Administrative Assistant II Jean Macaulay

MEETING INSTRUCTIONS – Chair McConnell: Chair Andy McConnell read a statement regarding the meeting format and public comment instructions; Tonight's meeting will be a working and listening session with line by line detail. Towards the end we will have the meeting open for public comment, if you wish to speak please fill out the public comment form and give it to the Finance Administrative Assistant. The Committee Chair will recognize those persons wishing to speak and any questions should be addressed through the Committee Chair.

3. APPROVE April 7, 2016 CITY OF SHERWOOD URA BUDGET COMMITTEE MINUTES
Paul Mayer motioned to approve all minutes, Seconded by Vice Chair Meerta Meyer. Minutes approved by all in attendance.

4. NEW BUSINESS

A. Election of Committee Chair – Joseph Gall, City Manager/Budget Officer

Joe Gall read a statement per ORS 294.414(9) the Budget Committee is required to elect the presiding officer at the first meeting when they receive the budget message. I would like to request Chair McConnell to open the floor for nominations of the Chair position for the FY2016-17 budget cycle.

Chair Andy McConnell opened the floor for nominations, Mayor Clark nominates Andrew McConnell, Councilor Brouse 2nd nominates Andrew McConnell. Councilor Harris nominates Meerta Meyer, Mayor Clark withdraws her original motion for Andrew McConnell. Meerta Meyer declines the nomination. Mayor Clark re-nominates Andrew McConnell, Councilor Brouse "seconds" the motion, the committee votes with Jennifer Harris abstaining, the motion passes, Andrew McConnell is the Chair.

B. Election of Committee Vice Chair – Joseph Gall, City Manager/Budget Officer – Joe requests Chair McConnell to open the floor for Vice Chair nominations. Chair McConnell nominates Meerta Meyer as the Vice Chair, Paul Mayer seconds, Jennifer Harris abstains, and the motion passes, Meerta Meyer is the Vice Chair.

C. OVERALL BUDGET OVERVIEW (Exhibit A) – Cathy Brucker and Joe Gall –

Joe stated this will be a different budget committee meeting than we've had in the past, Cathy and I will be leading the discussion and we will be looking deeper into the budget. We have provided more detail than we have in the past.

Cathy reviewed the corrected pages for the proposed budget binders with the committee. These changes did not change the budget, the changes are typographical errors or line item detail for the previous year.

Joe discussed the budget message and reviewed the memo dated May 12, 2016 "General Fund Budget Overview", Exhibit A.

Cathy reviewed the first few pages of the line item section regarding the legal level of authority that the budget committee has to work within the City of Sherwood budget. The contingency is calculated based on 5% of operating revenues, it is set aside for emergencies or unforeseen expenditures. There are guidelines and strong stipulations within budget laws as to when you can use your contingency. The reserve for future years, that is your leftover money, if you are not wanting to restrict the money for a specific thing you put it into your reserves. General fund reserve is unrestricted, most of the other funds will have restrictions.

Councilor Robinson asked that on the contingency is the number listed here exactly 5%? **Cathy** confirmed it is 5% per fund or of funds that carry a contingency.

Councilor Kuiper asked if this is the same as the 20% contingency, **Joe** answered, no the 20% is for the General fund, this is how much you have left over in each fund.

Susan Claus asked for the reserve for future years, only the general fund is unrestricted, for the ones that are restricted are there earmarks within those restrictions where the money is specifically set aside for something? **Joe** responded depending on the funds, when we review specific funds we will go over that. **Susan** asked for the \$1.9 million in general fund is any of that earmarked? **Joe** replied no.

Cathy reviewed the General Fund Budget Overview, Exhibit A.

Councilor Robinson asked what the budget proposed by the department heads was before the initial cut. Cathy responded approximately \$11,644,303.00. **Joe** responded the items I cut are listed on page 3 and total to \$257,000.00.

Councilor Henderson asked if someone picks something off of this list to add back would the money come out of contingency. **Joe** responded only if it's not a one-time expense.

Councilor Kuiper asked how does a one-time expenditure does eat away at the fund balance if you haven't spent it. **Joe** answered it's projected in next year's budget.

Vice Chair Meyer asked where the \$11,644,000 in operating revenue aligns within the budget. **Cathy** responded we will review once we get into the budget.

Paul Mayer asked the implementation with Navigator software, is that the training of staff to use it? **Cathy** it's the actual purchase of the Navigator overlay of Navision.

Susan Claus asked about the Senior Planner listed, is this the same Planner from last year that we are carrying over? **Joe** responded no, we've eliminated last year's Planning position which was an Associate Planner, this is a Senior Planner level for the comp plan update. This is a one-time cost as it's a limited duration position. **Susan** asked if it's a PERS employee, **Tom Pessemier** responded yes it is temporary PERS, if it's over 600 hours per year it is. **Susan** asked if it costs less then we will have more left over in savings **Joe** responded correct.

Kurt Studer asked regarding the Navigator software, is this the replacement of the current enterprise system which is manufacturing based? **Joe** responded yes, it's on hold now until after the budget is complete.

Vice Chair Meyer asked has the amount of money that was a goal for wrapping up the Navigator project in the 2015/16 budget been rolled over to 2016-17. **Joe** responded yes.

Cathy continued to review Exhibit A page 3.

Susan asked when you are talking about the PERS commitment you're just talking about the minimum rate that we have to pay each year that goes into our budget, not the 2 million plus liability that we have. **Cathy** responded yes, the rate that we are assessed through PERS that we are required to pay each year. **Susan** asked does this budget at all deal with the 2 million plus liability that we have. **Cathy** responded no. **Joe** responded this chart is important it shows we are getting closer to that 20% contingency.

Councilor King confirmed that our goal is 20% with a 10% minimum correct. **Joe** responded yes, we look at that 20% as a hard rule.

Chair McConnell asked on the graph after 2018/2019 for the following 3 years it looks like a downward trend, are we expecting that downward trend to continue or have you not looked further out. **Joe** responded we haven't looked further out, however, in 2022-2023 when the URA goes away we will get a \$500,000.00 to \$600,000.00 bump to our general fund. **Chair McConnell** in the 5 future years in this chart does that include the long term projects forecast from the asset management plan. **Cathy** responded no, there are averages used. **Joe** responded we can review the projects to make sure there aren't any significant ones that are not factored into this forecast. **Cathy** responded this is specifically the general fund, many of those projects would be coming out of other funds.

Councilor Henderson asked does your forecast include the beginning of the retirement of the Urban Renewal District when we have to go into revenue sharing, it was part of the compromise when you were allowed to modify your maximum indebtedness so that you would start cost sharing with the adjoining districts including the city. **Tom Pessemier** yes it was, the numbers will have to be refined.

Chair McConnell asked the items not included that are \$5,000.00 or under, were there a significant number of those or just enough to not include here. **Cathy** responded no not a significant number.

Councilor King asked out of these items that you cut the Code Compliance was the only reoccurring one of those items. **Cathy** responded yes, that is the only reoccurring.

Councilor Kuiper asked if the items under \$5000.00 that were cut are included in the budget or not presented. **Cathy** responded not presented. **Joe** responded when we get to the departmental budgets you can see the specific line item details and we will discuss it.

Paul Mayer asked if the City had discussions with the Robin Hood Festival regarding this cut. **Joe** responded yes we had some conversations. This is the third time I've proposed to cut this funding. There is a potential solution where the Robin Hood Festival can request up to \$10,000.00 or more if they want more. There is a current grant application process through the Metro Community Enhancement Grant. There is \$80,000.00 to \$81,000.00 projected that we would have from Metro next year-that's the route that I would encourage them to apply for that resource which does not come out of property taxes. **Councilor Kuiper** asked is that the same process for the Community Garden? **Joe** responded yes, that application process is open now, applications are due June 3rd. **Councilor Henderson** what we wanted to do was to partner with them or help them to wean their reliability on the city. We were going to encourage them to write grants and go from \$10,000.00 to \$5,000.00 eventually help them replace that. To give them other tools and suggestions because they need that money to make it happen. **Councilor Kuiper** Agreed, I think giving them other tools and suggestions is a great idea but to go from \$10,000.00 expectation to zero isn't in the best interest of that relationship. I would prefer a step down rather than a cut.

Councilor Henderson asked where was the flag pole replacement? **Joe** responded The Police Station, flag poles are a luxury not a necessity so that's why it was cut. **Councilor Henderson** asked if the City would be open to a community group doing it? **Joe** responded yes.

Joe reviewed the Revenue, line item detail section pages 1 and 2.

Councilor Henderson commented on line 4058 – electricity, notice the trend, 14/15 \$305,000.00 look at next year, that's because the PGE franchise fee went from 3.5% to 5%. That was allowed to go to 5% because someone failed to take action, not staff. So we are all paying more in franchise fees because that was not addressed. **Councilor Robinson** and **Kuiper** responded that it's consistent with all the other utilities. **Councilor Henderson** stated that we had the opportunity to keep it at 3.5%. **Councilor Kuiper** commented that other franchises would have come to us and requested the same percentage. **Councilor Robinson** asked what's city utilities, **Joe** responded franchises paid for by the City utilities, we charge our utilities a franchise fee.

Councilor Kuiper asked with regards to the transfer from the water fund into the general fund, normally that can't happen? I'm assuming this transfer is related to capital that is related directly to water? **Cathy** responded yes it's for the fleet, all vehicles and equipment are taken care of within the fleet department but they are attributable out to these various operations. **Councilor Kuiper** stated by percentage? **Cathy** responded yes percentage and direct usage.

Joe discussed that we have less revenue this coming year and that our expenditures are down as well. We will end the year \$47,000.00 for the good.

Vice Chair Meyer asked on the overview on page 1, the change in the general fund balance is broken down with the operating revenue is listed at \$11,644,000 but that doesn't align with this number, why is that? **Cathy** responded there was a \$90,000.00 grant which was a one-time operating revenue.

Paul Mayer asked Julia Hadjuk would it be helpful if the Budget Committee were to adopt a 2 year budget cycle, easier for projecting when funds are going to come in and sometimes roll over to the next budget year. **Julia** responded it could be helpful. **Joe** responded that with the need for a Finance Director the possible implementation of a 2 year budget cycle has been pushed back for now.

Chair Andy McConnell – recessed for a break until 7:30 pm

Susan Claus asked about page 2 of the revenues on the Rent of Building and Facilities line, we had adopted for 15/16 at \$216,000.00 we are now projecting \$157,000.00, is that the Arts Center and is it because the space is not rented? **Joe** responded yes, largely the Arts Center lease space.

Joe reviewed the City Recorders budget stating that this is not a revenue generating department.

Susan Claus asked how many FTE in this department, **Cathy** responded 1.5 FTE.

Vice Chair Meyer asked if we separated the budgets for the City Recorder and City Council, **Joe** responded yes we have taken City Council out and separated it, that's the change in expenditures. It is much easier to track this way.

Councilor Brouse asked about line 6130, the legal expense, is that the difference between having the law firm? **Joe** answered yes, we are no longer charging ourselves or budgeting for legal line item as we have the in house attorney. There are still some departments that have some money budgeted for outside counsel.

Vice Chair Meyer moved to the City Council budget there has been discussion on considering a stipend for the City Council. I would like for the Budget Committee to talk about that and possibly make a recommendation to Council that that be considered. **Joe** responded that currently the Charter does not allow it. The Council will have to ask the city voters to allow a stipend for their city counselors.

Councilor Robinson asked why do we pay tax on the City Council budget, **Cathy** responded the \$960.00 is for the Mayor's cell phone, it's a taxable fringe benefit.

Joe reviewed the City Manager's budget, also not a revenue generating department.

Vice Chair Meyer commented with all due respect, it's really frustrating to see the strategic plan being put on the back burner. As I see it that is a major priority issue for the city of Sherwood. When I look at 15/16 highlights and see the dog park and community garden are completed, and the strategic plan was put on the back burner. **Joe** responded the community garden was not a competing priority; didn't impact my time. The Police staffing study competed more with my and Tom's time, that wasn't really planned for ahead of time. The feasibility study for the YMCA, which is an important project. I agree and am disappointed that the strategic plan hasn't been completed but I want to be realistic and plan for it accordingly.

Councilor Harris asked Joe to explain in more detail the Strategic Plan versus Comp Plan, I think it's confusing and a lot of people might assume that they are the same thing. **Joe** responded a strategic plan for the city of Sherwood is optional, it looks 3 to 5 years out as an organization/business. The comp plan is legally required because of Oregon Land Use Law. It's really a blue print for this community and it's vastly outdated. That is a priority because it's the basis for decision making, for making changes in your zoning code. The strategic plan doesn't have a lot of community engagement, it's more of a business plan. **Mayor Clark** also wanted to clarify as to where the funds come from, to be very clear the community gardens and the recycle program were both paid for by a grant from Metro not from City funds. Those funds must be used for very specific guidelines under the Community Enhancement Grant. **Joe** confirmed that he could not have used \$25,000.00 from the CE Grant to fund the strategic plan. The \$25,000.00 is really to hire a consultant/facilitator to help us get through the process. **Councilor Kuiper** asked is the Metro grant something the City is guaranteed to receive? **Joe** responded we have an IGA, an agreement with Metro, because we host a transfer/recycling station, Pride. **Councilor Kuiper** stated that she was under the impression that the comprehensive plan does include some community engagement. **Joe** responded it will have community involvement, it's just a vision more than land use, the comp plan is really land use focused. **Councilor Harris** wanted to confirm that if the Committee in general thinks that the strategic plan is important we do have that \$47,000.00 that if they really wanted to do that and felt that it was imperative that it get done then we could instigate that from there. **Joe** responded yes you could.

Mayor Clark asked under your expenditures, personal services, when we did your contract I remember that under the YMCA reimbursement we gave you and other staff more flexibility and made it a fitness reimbursement, is that correct? **Joe** responded yes, the term should be fitness not YMCA.

Brad Crawford reviewed the Information and Technology budget.

Susan Claus asked how many FTE are in the department, **Brad** replied 4

Chair Andy McConnell asked if hiring a Senior Network Engineer would be a net change to the FTE. **Brad** replied that is not in the general fund it is funded by Broadband. **Cathy** responded that then potential hiring of this position has reduced some of the expenditures. **Chair Andy McConnell** responded similar to having an in house attorney your outside services will go down because you won't have to pay for that.

Councilor Robinson stated that on line 6428 Internet Access we're going from \$1,200.00 to \$6,500.00, what's that difference? **Brad** replied that is air cards for the City's laptops and mobile devices such as I pads.

Susan Claus have we had any major attacks on our systems? **Brad** replied nothing that has been caused by us, we are increasing the budget for security. We are finishing a formal security audit this year, we have money that will cover the findings, possibly for new antivirus software. **Susan** responded I'm asking how are we protecting ourselves and school district. **Brad** replied we sent all of our City staff through security awareness training this year all of my staff went through some advance computer security training this year. I feel confident that we are secure, it's always on the forefront of our project list and what we are keeping up on. **Chair Andy McConnell** asked if the other security projects that you mentioned are in the other professional and technical services. **Brad** replied that is on line 6705 computer software.

Councilor Robinson stated that at their Council Visioning session, they had discussed putting more content on our cable access channel, is the addition of that extra person or rehire going to allow you to do that or is that more a function of getting content from the high school students that volunteer/intern with us? **Brad** replied all of us share roles to some degree so it gives us more people to record meetings. We had looked at possibly hiring a part time person to be exclusively video producer but determined that it would not be feasible so we did not put that in the budget. We continue to work with the school district. **Councilor Robinson** responded part of your wish list would have been an additional person to help with that. **Brad** replied yes, I reached out to another City who hired a consulting service to come out and record their meetings. **Joe** responded there were a lot of positions that were not asked for because the team knows what the revenue situation is.

Assistant City Manager Tom Pessemier reviewed the Human Resources budget.

Joe Gall asked about the increase on line 6190 from \$3,000.00 to \$12,000.00 can you explain what that increase is for. **Tom** responded that is for the compensation study, this will be City wide including the enterprise funds. **Joe** responded this is more important than the strategic plan.

Chair Andy McConnell asked Cathy where does that grant funding come from. **Cathy** responded Line 4990 \$7,500.00 is for the stairs, the balance is anticipated SAIF dividend from Workman's Comp. **Tom** replied that is highly variable, we've assumed \$15,000.00 in revenue for this year, if it doesn't come in it will affect what we are able to do. **Susan Claus** asked where is the \$7,500.00 grant from. **Tom** replied comes from CIS, our insurance provider.

Kurt Studer asked how many FTE, **Cathy** replied 1 full time HR Analyst and then approximately 5% of Tom's time is there as well.

Councilor Robinson asked on line 6660 what's the change from \$2,500.00 to \$5,000.00? **Tom** replied we had some overlapping of events the City barbecue and year end party between the City Manager budget and the HR budget we have changed that so it's all in one budget now.

City Attorney Josh Soper reviewed the City Attorney budget

Councilor Henderson asked if the Legal Assistant position in the proposed budget and is it a full time position. **Josh** responded yes for 12 months, we did a salary survey for this position and the range came in lower than what had been previously estimated. This is based on step 1 if we don't hire at that step this number will likely change after we have a finalized amount.

Joe Gall reviewed the Finance Department budget.

Councilor Kuiper asked how many FTE **Cathy** replied 5 FTE. **Vice Chair Meerta Meyer** stated that in the adopted 15/16 budget we talked about Julie bringing in a part time person to work on procurement and contract management that person was never hired correct? **Cathy** responded no, Jean's position was half time and is now full time. **Susan Claus** asked that includes when we have a permanent Finance Director? **Cathy** replied yes.

Councilor Robinson asked if line 6010 includes the new Finance Director's salary **Joe** responded yes.

Chair McConnell asked about line 6190 for \$42,450.00 is that for your position, do we expect some of that to carry over into the next fiscal year as we do transition? **Cathy** replied if there is a delay in getting the Finance Director on there will be a savings on that line Personnel item that will help offset.

Amy Kutzkey asked on the audit fees did they go up because we had the new auditor and because she had all the extra questions. **Cathy** replied no, TKW has a cost of living increase of 3 to 5% built in to their contract. **Amy Kutzkey** asked how many years are left on that contract again. **Joe** replied Council just extended it 1 year, Council will be revisiting what you want to do.

Joe Gall reviewed the Court budget.

Chair Andy McConnell asked if there were any significant changes, **Joe** replied no it's a small reduction, we generated an additional \$35,000.00 in revenue through the Amnesty program that finishes May 15. We will probably do that every 3 to 5 years.

Councilor Henderson asked do you have any statistics as to the makeup of fines and fees, how many of them are planning or inspection related versus traffic. **Cathy** responded the fines and fees within Court are all traffic related. **Councilor Henderson** confirmed that Court is all generated by public safety. **Cathy** confirmed yes.

Councilor Robinson asked on the photo red light which is 6188 is that pursuant to a contract that we are required to pay the same amount and when is that up? **Chief Groth** replied that it has auto renewals as well as a termination clause. **Councilor Robinson** asked over time does that ever go down **Chief Groth** responded on the most recent update to the contract we went from a complicated formula to a flat fee for services, it has nothing to do with volume.

Mayor Clark on the fiscal year 13/14 the actual was \$18,000.00 and it went to \$216,000.00, can you explain that? **Chief Groth** the contract was renegotiated around 3 years ago so that may be when that happened. That \$18,000.00 is a remnant of the old contract and beginning in fiscal 14/15 was the first full fiscal year where the new fee was in place. **Joe** replied if you look at line item 6190 the red light program was charged to that line item in previous years and then it was moved up, we may have

created 6188 to account for that. **Chief Groth** replied the \$18,000.00 is one month of the \$216,000.00 so we payed 1 month on that new system, it was the overlap year.

Kurt Studer asked has the volume of citations stabilized, increased or decreased. **Chief Groth** replied we are still trending downwards, it has stabilized some, we are still seeing the results we want to see. **Councilor Kuiper** stated which is behavior change.

Joe asked when those intersections get redesigned how does that work in terms of working with ODOT, **Chief Groth** responded RedFlex owns the system and we're leasing their services and the system. They have newer technology that they are implementing as systems get replaced, when those projects do happen. If the system has to be modified in any way RedFlex is involved in the project. The system will be replaced when those projects are complete.

Councilor Brouse asked on line 6010 the increase in salary, it's more than the .7% increase, what is that attributed to, **Cathy** replied A new clerk was brought on in 15/16, it was a replacement position, she may have been hired at a higher grade.

Councilor Harris I noticed in line 6450 and 6472 I'm assuming the software maintenance fee didn't happen and we hope that it will happen, I'm wondering what software that is for the court and also assuming travel and training is maybe related to that. **Cathy** replied in travel and training, they did not attend any conferences in the 15/16 fiscal year. Software maintenance fees may have been paid out of another IT line.

Councilor Henderson In court is there a separate revenue center for RedFlex? Everyone is always focused on RedFlex. **Cathy** replied we can find out the statistics.

Chair McConnell states in order to stay within the time limits we will skip over the Long Term Debt Review and go to the Public Hearing

D. PUBLIC HEARING ON STATE SHARED REVENUE

Public Hearing opened at 8:35 pm

Chair McConnell stated that we have no requests for public comment

Cathy Brucker stated for the fiscal year 2016-17, State shared revenues are estimated to be \$210,000.00. These funds are considered unrestricted and accounted for within the General Fund of the City. A resolution will be taken to the City Council at the time of budget adoption requesting a share of said revenues from the State.

Councilor Henderson asked how does that compare to last year, **Cathy** replied up from \$188,000.00 budgeted last year.

Councilor Kuiper asked where that is in the General Fund budget, **Cathy** replied page 5, listed as 4340, \$188,000.00 adopted in 15/16, anticipate receiving \$197,000.00 and we budgeted \$210,000.00 for 2016/17.

Councilor Kuiper asked is this where we can expect to see the State revenue sharing for marijuana under this line if in fact it passes, **Cathy** replied no it will be a separate tax.

Chair McConnell officially closed the Public Hearing at 8:41 pm

E. PUBLIC COMMENT – Opened at 8:41pm

- a. Susan Danz - citizen of Sherwood and elected secretary of the Robin Hood Festival Association
- This 63rd annual Robin Hood Festival is a significant cultural tradition for Sherwood
 - The Sherwood Robin Hood Festival association conducts the Winter Festival
 - At both events we support all of the community organizations who chose to participate in the parades
 - We support the Mr. Bowmen competition at the Winter Festival
 - The Robin Hood Festival was featured in Money Magazine
 - We need to continue to support this festival in a predictable fashion
 - The Maid Marion court serve as ambassadors to other communities
 - We have 100 booths at the summer festival
 - We are investing funds into the mini float this year
 - We do an annual scholarship as well
- b. Tony Bevel – citizen of Sherwood
- Would like to present a \$5000.00 addition to the budget under the street capital fund by adding traffic calming devices
 - There has been a lot of resistance from the top down
 - We are going to see more traffic between Roy Rogers and Edy Road with the development
 - There are a number of citizens that agree, people need to slow down on Lindley street
 - We've seen police presence on Sunset and that helps
 - Add a traffic calming device then you have something permanent that will control the speeding traffic

Chair Andy McConnell closed the public comment section at 8:48 pm

F. LONG TERM DEBT REVIEW

Cathy Brucker reviewed the Long Term Debt Memo, Exhibit B

Councilor Robinson asked who pays for the remaining portion of the Teen's Center, **Cathy** replied General Construction.

Susan Claus asked about the PERS problem, how are we proposing to handle the long term obligation and liability, **Cathy** replied it's a GAAP issue not a budgetary issue that's why it's not on the long term debt. **Susan Claus** stated that we are paying attention to the minimum payment but we have a long term liability and it's not in the budget, we have to manage that somehow. **Joe** responded we can start next week with PERS and we will talk to our auditor about what we should be doing.

Vice Chair Meerta Meyer the YMCA, is there an option for them to terminate their lease agreement **Joe** replied it's not a lease, it's an operating agreement they can terminate, and both parties have to give a year's notice to terminate. **Councilor King** stated the notice would have to be by next October 1 on either party.

G. 9:01 PM WE ARE RECESSED UNTIL THURSDAY MAY 19, 2016 AT 6:00 PM – 9:00 PM, CITY HALL COMMUNITY ROOM

Submitted by: Jean Macaulay, Administrative Assistant Minutes approved on: November 15, 2016