

MINUTES OF SPECIAL CALLED COUNCIL MEETING
May 7, 2015
5:00 PM

The Murray City Council met in a special session on Thursday, May 7, 2015 at 5:00 p.m. in the Council Chambers of City Hall with Mayor Jack Rose presiding.

Council Members Present: Jeremy Bell, Robert Billington, Johnny Bohannon, Linda Cherry, Danny Hudspeth, Jason Pittman, Pat Scott, Butch Seargent, Jane Shoemaker, and Greg Taylor, and Dr. Burton Young arriving at 5:01 p.m.

Council Member Absent: Dr. Dan Miller

Staff Present: City Attorney Warren Hopkins, Cathy Morris, Chaz Robinson, Chief Liles, Travis Brown, Alan Lanier, Tonya Guidry

After a moment of silence, Mr. Bohannon led the Pledge of Allegiance to the Flag.

Mayor Rose welcomed members and guests and the special meeting was called to order. He stated that since this is a Special Called Council Meeting, only items on the Agenda could be addressed.

Personnel and Finance Committee Chair, Danny Hudspeth, stated the Personnel and Finance Committee met prior to this Special Called Meeting to discuss a proposed increase in water and sewer rates of 10% every six months, effective July 2015 through December 2018. The two ordinances presented were developed to secure a loan with the Kentucky Infrastructure Authority (KIA) and provide a way to repay the loan. He said he had concerns the increase may create a hardship for those already living on a fixed income, but also stated that the minimum bill was not just for usage—it included the service provided.

Mr. Scott asked about the minimum gallon usage and expressed his concern for the ability of those on fixed incomes to pay. He also asked about a possible decrease in rates for those that use less than the minimum. Alan Lanier, Finance Director, stated the minimum gallon usage is now at 2,000 gallons.

Mayor Rose stated the Finance Committee was hoping to minimize the amount of increase and raise the minimum usage level in order to lessen the effect for those on a budget. He also stated that if everything goes right, it may be possible to reconsider the rate increases in the third or fourth year.

Mr. Pittman stated that water rates had not been raised in over 10 years. He said the KIA loan provided a good rate and that many other lenders may not be able to provide a loan of this size to the city.

Ms. Cherry asked if rates were calculated by a formula. She expressed concern about the hardship an increase might impose on people living paycheck to paycheck and hoped the city would look elsewhere for funding.

Mr. Lanier said the formula is based upon the amount of water consumed; sprinklers had no waste water charge.

Mr. Billington said the KIA loan was a great rate and a similar loan elsewhere would cost more than 1%.

Dr. Young asked if the terms of the loan could be extended and Mayor Rose stated a review might be possible after two to three years.

Mr. Taylor said he spoke with several people who understood that this needed to be fixed.

Mr. Bell said he was disappointed in himself for not asking enough questions about the disposition of the money already collected for the Waste Water Treatment Plant. He said the rates and the money raised four (4) years ago should have been a budget line item and said he would be watching going forward to make sure things were put in the right place.

Mrs. Cherry asked about incorporating more areas into the city and inviting new industries, given the current state of affairs. Mayor Rose said he believed things could continue without hindering any residential project, business or industry coming to the City of Murray.

Ordinance Number 2015-1666 (first reading) an ordinance amending the City of Murray Code of Ordinance 52.09(B) which defines the schedule of rates charged to users of the sewage treatment system was presented for approval. **Mr. Taylor moved; Seconded by Mr. Bohannon.**

Ayes: Robert Billington, Johnny Bohannon, Danny Hudspeth, Jason Pittman, Butch Seargent, Jane Shoemaker, Greg Taylor, and Burton Young
Nays: Jeremy Bell, Linda Cherry, Pat Scott

Total Ayes: 8 Total Nays: 3

Ordinance Number 2015-1667 (first reading) an ordinance amending the City of Murray Code of Ordinances 53.02, specifically subsections (A), (C), (D), and (H) relating to Water Rates and Tap on Fees was presented for approval. **Mr. Pittman moved; Seconded by Mr. Bohannon.**

Ayes: Robert Billington, Johnny Bohannon, Danny Hudspeth, Jason Pittman, Butch Seargent, Jane Shoemaker, Greg Taylor, and Burton Young
Nays: Jeremy Bell, Linda Cherry, Pat Scott

Total Ayes: 8 Total Nays: 3

With no further business before the Council, Mr. Billington made a motion to adjourn; seconded by Mr. Bohannon. All members voted Aye. The meeting adjourned at 5:34 p.m.

Jack Rose, Mayor

ATTEST:

Tonya Guidry, Deputy City Clerk