

## MINUTES OF COUNCIL

July 27, 2017

6:30 P.M.

The Murray City Council met in regular session Thursday, July 27, 2017, at 6:30 p.m. in the Council Chambers of City Hall with Mayor Jack Rose presiding.

**Council Members Present:** Jeremy Bell, Robert Billington, Johnny Bohannon, Wesley Bolin, Linda Cherry, Danny Hudspeth, Dan Miller, Jason Pittman, John Mark Roberts, Pat Scott, Jane Shoemaker, Burton Young

**Council Member Absent:** None

**Staff Present:** Ron Allbritten, City Attorney Warren Hopkins, Tom Kutcher, Chief Jeff Liles, Bennett Moore, Cathy Morris, Jim Osborne, David Roberts, and Zachary Warren

After a moment of silence, Pat Scott led the Pledge of Allegiance to the Flag.

Mayor Rose welcomed Council members and guests and called the meeting to order.

The Minutes of the Council Meeting of July 13, 2017 were presented for approval. **Mr. Bohannon moved; seconded by Ms. Shoemaker.** All present voted aye.

Mayor Rose recognized Chairman Dan Miller who presented the final report of the Mayors Committee to Review Needs, Expenditures, and Revenue Sources. Dr. Miller explained to the Council how the Committee was formed, and what the original goals were. He went on to state that his goal was to get factual information to the Council this evening.

Dr. Miller then recognized James Gallimore who reported the police department and fire department findings. Mr. Gallimore listed police retention issues, and salary deficiencies as the major problems facing the department. He reported that the Committee recommends that the City of Murray increase the budget to implement a structured pay scale plan within the police department to give officers incentives to continue serving the City of Murray.

Mr. Gallimore then addressed the Committee findings regarding the Murray Fire Department. Mr. Gallimore reported that the Committee found that facility issues were the major problem at the fire department. He went on to state that the Committee recommends increasing the fire department budget to address renovation of these facilities.

Dr. Miller then recognized Don Elias to report the Committee findings on infrastructure within the City of Murray. Mr. Elias spoke about the Committee findings on the City of Murray needs regarding the street department, traffic alleviation, sidewalks, Murray Calloway County Park, code enforcement and street lights. Mr. Elias reported that the Committee recommended budget increases in each of these areas including adding additional personnel to the street department to assist in sidewalk maintenance. The Committee also recommended a traffic alleviation fund be set up to address traffic needs within the City as well as a park enhancement fund to help with capital expenditures at the park.

Dr. Miller then reported the steps that the City had taken to cut expenditures. He went on to address past attempts by the City to address revenue stream issues. These included elevated property tax rates, increased city sticker costs, and the alcohol regulatory tax. Dr. Miller advised the Council as a body, that in order to address the current revenue issues, they had utilized all options available other than an occupational tax. Dr. Miller closed by reporting the Committee recommends a 1% Occupational tax and a 1% Net Profits tax be implemented in conjunction with abolishing the city sticker requirement and lowering ad valorem tax rates.

**Public Comment** Mayor Rose reported that he had received 4 requests for public comment but one of those had withdrawn the request.

Mayor Rose recognized Greg Taylor who presented the Council with information regarding a petition against the occupational tax. Mr. Taylor advised the Council that there were 2,854 signatures on the petition and the community did

not want the tax. He closed by stating that it was his belief that other solutions were available and the tax would not be a benefit to the community.

Mayor Rose recognized Whitney Bryant. Ms. Bryant advised the Council that she was a resident of the State of Tennessee. Ms. Bryant reported to the Council that the United States Supreme Court had ruled that the occupational tax was unconstitutional. She discussed intrastate and interstate commerce and provided the Council with written information for their review.

Mayor Rose closed the public comment by recognizing Ray Conklin. Mr. Conklin addressed the Council and asked them to consider the concerns of the businesses and residents in the community. Mr. Conklin then reviewed a list of questions that he provided in written format to the Council.

After closing the public comment, Mayor Rose addressed the Committee recommendation. He advised the Council that the City of Murray wanted to be business friendly and he also understood that the net profits tax could prevent businesses from giving employees raises each year. Mayor Rose then recommended that the net profits tax of 1% not be included in the ordinance if drafted.

**Mr. Bohannon moved; seconded by Ms. Shoemaker** that an ordinance be drafted to implement a 1% occupational tax in the City of Murray. After discussion Mayor Rose called for a roll call vote.

**Ayes:** Mr. Billington, Mr. Bohannon, Mr. Bolin, Dr. Miller, Mr. Pittman, Ms. Shoemaker

**Nays:** Mr. Bell, Ms. Cherry, Mr. Hudspeth, Mr. Roberts, Mr. Scott, Dr. Young

**Mayor Rose cast a tie breaking vote in favor of the motion**

**Mr. Pittman moved; seconded by Mr. Bolin** that an ordinance be drafted to repeal Chapter 71 of the City of Murray Code of Ordinances which addresses city sticker requirements. During discussion, Dr. Young requested to amend the motion to direct that the proposed tax be put on a ballot referendum. Mayor Rose advised Dr. Young that was not legally possible under Kentucky law. City Attorney Warren Hopkins concurred. After discussion, Mayor Rose called for a roll call vote.

**Ayes:** Mr. Bell, Mr. Billington, Mr. Bohannon, Mr. Bolin, Dr. Miller, Mr. Pittman, Mr. Scott, Ms. Shoemaker

**Nays:** Ms. Cherry, Mr. Hudspeth, Mr. Roberts, Dr. Young

**Mr. Billington moved; Ms. Shoemaker seconded** that a resolution be drafted to express the Council's intention to reduce ad valorem taxes as recommended by the Mayors Committee to Review Needs, Expenditures and Revenue Sources. Mr. Billington clarified that this resolution would reflect the intent of the Council provided the occupational tax proposal passed. After discussion, Mayor Rose called for a roll call vote.

**Ayes:** Mr. Bell, Mr. Billington, Mr. Bohannon, Mr. Bolin, Dr. Miller, Mr. Pittman, Ms. Shoemaker

**Nays:** Ms. Cherry, Mr. Hudspeth, Mr. Roberts, Mr. Scott, Dr. Young

**Mayor Rose then declared at 8:15 p.m. that Council would recess for 10 minutes.**

**Mayor Rose called Council back to order at 8:25 p.m.**

Mayor Rose recognized Tom Kutcher who gave a brief presentation on the progress of the Wastewater Treatment Plant and the clearwell project at the Water Plant.

Mayor Rose then recognized Personnel and Finance Committee Chairman Johnny Bohannon who reported on the Committee's approval of two bids at the new City Hall. Mr. Bohannon recognized David Roberts who reported that bids were received for construction at the new Murray City Hall for Council Chambers construction. Mr. Roberts advised that the low bidder was W.D. Steele Construction at \$106,400.00. Mr. Roberts advised the Council that the City was

negotiating to get that price more in line with Architect Josh Vernon's estimate. **Motion Mr. Roberts; seconded by Ms. Shoemaker.** Mr. Bohannon called for a voice vote.

All present voted Aye.

Mr. Roberts then discussed the Information Technology bid for the new City Hall. Mr. Roberts reported that the low bidder was System Solutions of Paducah, KY with a bid of \$54,132.32. Mr. Roberts also advised the Council that their was an addendum regarding existing wiring that could prove to be unusable. Mr. Roberts reported to the Council that System Solutions had capped their bid at a cost of \$60,000.00 if wiring was found to be faulty. **Moved by Mr. Roberts; seconded by Ms. Shoemaker**

All present voted aye

**Ordinance Number 2017-1741** (second reading) an ordinance amending Ordinance Number 2016-1705, an ordinance which adopted the FY 2017 City of Murray, Kentucky annual budget by restating certain revenues and expenditures for the City of Murray Operations Budget. **Mr. Bohannon moved; seconded by Mr. Pittman.** Mayor Rose called for a roll call vote.

**Ayes:** Mr. Bell, Mr. Billington, Mr. Bohannon, Mr. Bolin, Ms. Cherry, Mr. Hudspeth, Dr. Miller, Mr. Pittman, Mr. Roberts, Mr. Scott, Ms. Shoemaker, Dr. Young

**Nays:** None

**Ordinance Number 2017-1742** (second reading) an ordinance amending Ordinance Number 2017-1738, an ordinance which adopted the FY 2018 City of Murray, Kentucky annual budget by restating certain revenues and expenditures for the City of Murray Operations Budget. **Mr. Roberts moved; seconded by Mr. Bohannon.** Mayor Rose called for a roll call vote.

**Ayes:** Mr. Billington, Mr. Bohannon, Mr. Bolin, Dr. Miller, Mr. Pittman, Mr. Roberts, Ms. Shoemaker

**Nays:** Mr. Bell, Ms. Cherry, Mr. Hudspeth, Mr. Scott, Dr. Young

With no other business before the Council, **Mr. Billington moved to adjourn; seconded by Mr. Bohannon.** All voted aye. The meeting adjourned at 8:41p.m.

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Jack Rose, Mayor

ATTEST

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Jim Osborne, City Clerk