

CITY OF SHEPHERDSVILLE

SPECIAL MEETING

Thursday, June 30, 2011

Special meeting of the City Council to have City Attorney Joe Wantland to execute third reading of Ordinance 011-083 establishing all fees for usage of the City of Shepherdsville's Wastewater Treatment Facilities amending prior ordinance concerning the same; execute second reading of Ordinance 011-082 adopting the City of Shepherdsville, Bullitt County, Kentucky, Water and Sewer Operation and Maintenance Budget for fiscal year July 1, 2011 through June 30, 2012 by estimating revenues and resources and appropriating funds for the operation of the Water and Sewer Department; and to execute second reading of Ordinance 011-081 adopting the City of Shepherdsville, Bullitt County, Kentucky, annual budget for fiscal year July 1, 2011 through June 30, 2012 by estimating revenues and resources and appropriating funds for the operation of City Government.

The Pledge of Allegiance was cited

Mayor Ellis called the meeting to order at 7:01 p.m.

In attendance were Council members Alan Wetzel, Bernie Brown, Bonnie Enlow, Don Cundiff, Faith Portman and Larry Hatfield.

Mayor Ellis stated the reason for the meeting and asked to take Ordinance 011-083 off the table to read and discuss. Mr. Cundiff made motion to take Ordinance off table. Mr. Wetzel 2nd. Motion carried 4 for; 2 against. City Attorney Wantland had third reading of Ordinance 011-083.

Mr. Steve Larimore addressed the Council against the new sewer rates. Mr. Hatfield stated the bottom line is the Sewer Department cannot meet bond payments and will go into default unless we pass this rate increase. Mr. Hatfield further stated if we go into default the government will come in and rates will be much worse than anything the Council will pass tonight. Mr. Hatfield stated he would not support the 90% increase as read in the Ordinance but will support a 66% increase.

Mr. George Miller addressed the Council against the new sewer rates. He stated he has 200 low income families in apartments than cannot pay this. He asked how it would impact them. He asked the Council to take more time and look at this further.

Ms. Suzanne Watkins addressed the Council and asked for a 30 day extension on passing the Ordinance. She stated she feels her clients homes will lose value because of what's going on in Shepherdsville.

Mr. George Miller stated the City hasn't shown cutting any expenses and asked if we have looked at the job the auditors done? Mr. Hatfield stated we are trying to cut but you cannot run a City like a public business.

Ms. Peggy Farris stated the solution is to charge taxes and suggested increasing the city limits. Mr. Hatfield stated we know we have to raise rates.

Mr. Brown stated this did not happen this year and that is will take \$40-\$45 per customer to meet the debt payment. He stated the City has a real serious short term problem but the long term looks very good.

Mr. Corky Miller asked that if this Ordinance passes if it could later be amended. He asked who would be responsible to monitor the bills.

Ms. Gina Beasley stated she understands we're in a mess and asked if we do this will it generate enough for the bond payment.

City Attorney Wantland stated no, 66% probably won't get it. We need more users to make the rate go down.

Mr. Rogers asked if this rate goes up, will it ever go back down. City Attorney Wantland stated it would be at least 20 years, maybe 30 years.

Mr. Glen Fleming, Mr. Barry Baugh, Ms. Amy Pine all spoke against the rate increase.

Mr. Cundiff stated he would like to discuss Mr. Hatfield's proposal of 66%. Mrs. Portman stated this is way too high of an increase. Mrs. Enlow stated Mr. Marty Brown said we could try the 66% and revisit later. She also stated she does not want to increase either but at this point we don't have a choice. We've looked at every avenue and feels we have to make the right decision to not go into default.

Mr. Cundiff stated he agreed with Mrs. Enlow. Need to start out with a 66% increase with no guarantee that's all we will have to do.

Mr. Wetzel stated we are \$2.3 million in debt. He has no problem with 66% but does have a problem with not making debt payments.

Mr. Brown stated he sympathizes but if we don't do anything someone else will come in and run the City so he is willing to address the 66%.

Mr. Cundiff made motion to enact Ordinance with \$21.15 minimum bill as stated in rate study with \$6.50 each additional 1000 gallons. Mrs. Enlow 2nd. Motion carried 5 for; 1 against.

City Attorney Wantland had second reading of Ordinance 011-082 adopting the City of Shepherdsville, Bullitt County, Kentucky, Water and Sewer Operation and Maintenance Budget for fiscal year July 1, 2011 through June 30, 2012 by estimating revenues and resources and appropriating funds for the operation of the Water and Sewer Department. Mrs. Enlow made motion to approve. Mr. Wetzel 2nd. Motion carried 6 for; 0 against.

City Attorney Wantland had second reading of Ordinance 011-081 adopting the City of Shepherdsville, Bullitt County, Kentucky, annual budget for fiscal year July 1, 2011 through June 30, 2012 by estimating revenues and resources and appropriating funds for the operation of City Government. Mrs. Portman made motion to approve. Mrs. Enlow 2nd. Motion carried 6 for; 0 against.

Motion by Mr. Hatfield to adjourn. Mrs. Portman 2nd. Motion carried. Meeting adjourned at 8:47 p.m.

R. Scott Ellis III, Mayor

Attest: _____
Tammy Richmond, City Clerk