

MINUTES OF PUBLIC HEARING and SPECIAL MEETING

August 20, 2015

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Kirk Jones declared a quorum was present, and called the meeting to order at 7:46 p.m.

Present: Kirk Jones Mayor
 John Champagne Position # 2
 Rebecca Huss Position # 4
 Dave McCorquodale Position # 5

Absent: Jon Bickford Position # 1
 T.J. Wilkerson Position # 3

Also Present: Jack Yates City Administrator

Convene into Public Hearing:

Mayor Jones convened the Public Hearing at 7:48 p.m.

1. Open forum that allows each citizen present to address the governing body to express their concerns on the proposed tax increase. (Limit of 3 minutes)
(Public Hearing No.1 of 2.)

Phillip LaFevre – said that based on the City Engineers’ presentation during the Workshop Meeting and at a previous Council Meeting months ago, he kind of poo poed that it was a long gestation for a sewer plant, and he was clearly wrong. Mr. LaFevre said he was concerned that the City has very successfully stayed ahead of the curve, which means that they do need to be planning to permit the sewer plant. Mr. LaFevre said if he had to pay a bit more taxes to see the City ahead of the curve, now would be the time to plug in that number, because with the developers like Milestone and Style Craft Builders, you will get calls from hotels and groups. Then all of a sudden you will get exponential growth and demand. If it is a 15-22 month gestation period for the sewer plant, to him, the City needs to get on with it.

Rebecca Huss – commented on an email from Mr. LaFevres’ about borrowing funds, and said she thought that the bond markets have already backed up a little bit, so she did not know if the City would be better off borrowing now versus later this year, or early next year, if interest rates have risen. Rebecca Huss said that if they borrowed enough funds today to fund a new 400,000 gallon sewage treatment plant that would be another .50 cents on the \$1.00 on the current tax base. Rebecca Huss said that she was pretty sure that nobody wants to go there.

Mr. LaFevre – said his comment was his way of apologizing for his previous comments, and said if you read Martin Armstrong he will tell you that the bond market, interest rates will go lower as there is a flat quality, and then there will be complete panic and you will have a default in the municipal bond market. If you have a default in the municipal bond market, the market will freeze up, they you won’t be able to borrow at 5-8 percent. Mr. LaFevre said that he wanted the City to get to a point where they can press a button and you have a sewer plant.

Mayor Jones stated that the tax rate would remain the same, but due to an increase in property valuation, the City would be collecting more taxes.

Mr. Yates advised that the proposed Debt Service rate would be \$0.2112 and proposed Maintenance and Operations rate would be \$0.2043 for a total rate of \$0.4155. Mr. Yates advised that the City’s property assessed evaluation went from \$95 million to \$125 million.

Reconvene into Special Session:

Mayor Jones adjourned the Public Hearing and reconvened into Special Session at 7:52 p.m.

CONVENE INTO SPECIAL CITY COUNCIL MEETING:

Mayor Jones convened into Special Session at 7:52 p.m.

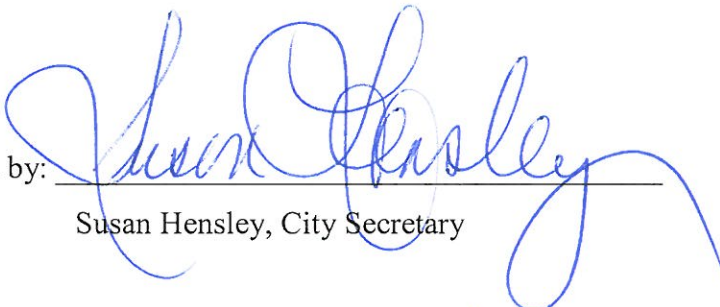
2. Consideration and possible action to set the time, place and date that the City Council will hold their second Public Hearing, and the time and date they will meet to vote on the tax rate.

John Champagne moved to accept City staff's recommendation to schedule the second Public Hearing regarding taxes to be held on August 25, 2015 at 6 p.m. at City Hall. Rebecca Huss seconded the motion, the motion carried unanimously. (3-0)

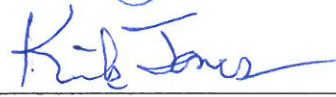
Rebecca Huss moved to schedule the date that City Council will meet to vote on the tax rate as September 8, 2015 at 6 p.m. Dave McCorquodale seconded the motion, the motion carried unanimously. (3-0)

ADJOURNMENT

Rebecca Huss moved to adjourn the meeting at 7:56 p.m. Dave McCorquodale seconded the motion, the motion carried unanimously. (3-0)

Submitted by: 
Susan Hensley, City Secretary

Date Approved: 09/08/15


Mayor Kirk Jones

