

**Troy City Council
Special Meeting
Council Chambers
March 23, 2009**

The meeting came to order at 5.45 pm. Present: Mayor - Jim Hammons, Council: Laura Schrader, Don Banning, Larry Baker, and City Clerk Sandra Johnson. Larry Coryell-Excused.

GUESTS: None

WATER PROJECT PHASE II: Stimulus Incentives – Mike Frasier received a call from Billie Lee, the coordinator with the Community Development Corp. They want us to get a \$510,000 SRF loan. Grants were discussed from various agencies and we do not have enough funding or reserves to do the project. Hammons stated he doesn't like the idea of an increase to the customers but we don't have much choice if we want the matching funding. He added; if we don't do it now, it will have to be done in the future. The loan would be at 1.75%. This may increase the monthly rate to the customers by \$1.91. We would have another year before the loan payments would begin and rates would need to go into effect. By then the reserves may be up. Laura Schrader asked if the funding would complete the entire project. Hammons answered; no, just Phase II. Schrader then asked if this would affect future funding. Hammons answered; no, that is completely separate and the remaining phases of the water project would have to be applied for all over again.

Don Banning asked about additional funding from State. Hammons stated that he is still hopeful for more funding from them. Laura Schrader agreed that she doesn't see that we have a choice regarding loan, especially since we don't have to raise rates right away. She stated that we are half way there and still have another year to build the reserves. Larry Baker agreed.

Mayor Hammons stated that the expense of power for pumping would lessen by 72% if the leaking water mains and service lines within the city were replaced. Right now we are pumping an additional 17,000 to 18,000 gallons per day over and above the usage shown. **Motion** to approve application for the SRF loan was made by Laura Schrader and with a second by Larry Baker. Don Banning – Aye. **Motion carried.**

The City is getting estimates for the repair of the brick for the City Hall building. Recommendations on others that may be interested in giving an estimate followed.

PUBLIC COMMENTS: None

Motion to adjourn at 6:20pm was made by Laura Schrader, seconded by Larry Baker. **Motion Carried.**

James C. Hammons, Mayor

ATTEST:

Sandra Johnson, City Clerk