

OWENSBORO BOARD OF COMMISSIONERS

Regular Meeting
August 7, 2018 5:00 PM
Owensboro City Hall
101 E. 4th Street
Owensboro, Kentucky

1. CALL TO ORDER - Mayor Tom Watson

2. ROLL CALL - City Clerk Beth Cecil

Present:

Mayor Tom Watson
Mayor Pro Tem Bob Glenn
Commissioner Pam Smith-Wright
Commissioner Larry Conder
Commissioner Jay Velotta

3. INVOCATION & PLEDGE – Commissioner Jay Velotta; Mayor Watson asked for prayers for a close friend who was in a horrible accident over the weekend.

4. PRESENTATION

4.A. Mayor Watson presented the Owensboro-Daviess County Aviation Month Proclamation to Airport Director Bob Whitmer.

5. BUSINESS

5.A. Minutes dated July 17, 2018 were unanimously approved upon motion of Commissioner Smith-Wright and a second by Commissioner Velotta.

6. ORDINANCES - 2nd READING

6.A. Ordinance 12-2018 entitled AN ORDINANCE AMENDING THE CITY OF OWENSBORO EMPLOYEE HANDBOOK CHAPTER 1000, SUBCHAPTER 1004, PAY CHART RELATING TO THE POSITIONS OF EXECUTIVE ASSISTANT TO THE MAYOR AND CITY CLERK; AND FURTHER ESTABLISHING THE COMPENSATION OF CITY EMPLOYEES AND NON-ELECTED CITY OFFICERS IN ACCORDANCE WITH A PERSONNEL AND PAY CLASSIFICATION PLAN, AS REQUIRED BY KRS 83A.070, was unanimously approved upon motion of Mayor Watson and a second by Mayor Pro Tem Glenn on second reading.

It is necessary to amend positions in Chapter 1000, Subchapter 1004, in the Pay Charts entitled "Administrative Services," "Professional/Technical Non-Exempt," and "Professional/Technical Exempt". KRS 83A.070(2) directs the legislative body of each city to fix the compensation of city employees and non-elected city officers in

accordance with a personnel and pay classification which shall be adopted by ordinance.

7. ORDINANCES - 1st READING

7.A. Ordinance 13-2018 entitled AN ORDINANCE AMENDING CODE OF ORDINANCES FOR RATES FOR WATER AND WATER UTILITY SERVICE AS ADOPTED BY THE CITY UTILITY COMMISSION OF THE CITY OF OWENSBORO, KENTUCKY ON AUGUST 2, 2018, was introduced and publicly read on first reading.

The City Utility Commission of the City of Owensboro, Kentucky, by Resolution passed on August 2, 2018, approved, adopted and fixed rates for water service furnished by the said Commission pursuant to the Statutes of the Commonwealth of Kentucky and the Ordinances of the City of Owensboro, Kentucky. The Mayor and the Commissioners of the City of Owensboro, Kentucky, will consider said rates which are for the payment of interest upon all bonds and to create a sinking fund to pay the principal thereof when due, to provide for the operation and maintenance of the water utility of the City of Owensboro, and an adequate depreciation account therefore, and to furnish a fair and reasonable return to the municipality on the fair value of the used and useful property of the said water utility. OMU Interim Director Kevin Frizzell gave a back-up presentation for both Ordinances 13-2018 and Ordinance 14-2018 (presentation attached). The water rate process: revenue requirements are projected for the system for the next five (5) years; the cost of service for each customer class is established and the cost of service determines the necessary rates for each customer class. The recent projections and analysis revealed a need for a 32% increase in revenues to cover the plant expansion and cost of service. The increase will be broken into two steps: Step 1 increase will be approximately 20% and will be effective October 1, 2018 and Step 2 increase of approximately 12% will be effective June 1, 2019. Commissioner Velotta asked about future increases; Mr. Frizzell explained that the next potential request for a rate increase could be in five (5) years due to on-going capital costs and rise in cost of service. Mayor Pro Tem Glenn asked for OMU's long-term plan for other older pipes within the City. Water main breaks are to be expected but this project addresses the highest risk area which is the yard piping, due to its size and location. Mayor Watson requested an explanation for the relationship between OMU and the water districts. OMU has contracts with each water district as their supplier. Each contract is different based on usage and the allocation for the shared operation and maintenance costs and peak usage.

7.B. Ordinance 14-2018 entitled AN ORDINANCE PROVIDING FOR THE AUTHORIZATION, ISSUANCE AND SALE OF WATER REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2018, IN THE PRINCIPAL AMOUNT OF \$69,000,000, OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, OF THE CITY OF OWENSBORO, KENTUCKY, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING OBLIGATIONS PAYABLE FROM THE REVENUES OF THE MUNICIPAL WATERWORKS OF SAID CITY AND PAYING THE COST OF

EXTENSIONS AND IMPROVEMENTS TO THE MUNICIPAL WATERWORKS OF SAID CITY; SETTING FORTH THE TERMS AND CONDITIONS ON WHICH SAID BONDS AND ADDITIONAL BONDS RANKING ON A PARITY THEREWITH ARE TO BE AND MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE SECURITY AND PAYMENT OF SAID BONDS AND INTEREST THEREON FROM THE INCOME AND REVENUES OF SAID MUNICIPAL WATERWORKS; AND PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS IN THE ENFORCEMENT THEREOF, was introduced and publicly read on first reading.

Owensboro Municipal Utility (OMU) has requested that the City approve issuance of Water System Revenue Bonds in an aggregate principal amount of not to exceed \$69,000,000. Of the total proceeds of the Bonds, it is currently anticipated that (i) approximately \$48.6 million will be used to finance improvements to the Water Production and Distribution facilities of OMU, (ii) approximately \$12.8 million will be applied to the refunding of the outstanding Series 2009 Bonds, and (iii) approximately \$2.4 million will be deposited to the Debt Service Reserve Fund, with approximately \$744,570 to be applied to the payment of costs of issuance, including underwriter's discount. However, the actual amount of Bonds to be issued and the final allocation of proceeds will be determined based on market conditions at the time of sale of the Bonds. Mr. Frizzell fielded questions from the Commission. He touched on the most recent water main break on July 9, 2018. The new debt of \$46.8 million will be used to assist in replacement of the ageing infrastructure at Plant A. OMU intends to close Plant A and expand the current Cavin Plant with two new 10 million gallons per day (MGD) treatment trains; replace the chlorine gas with liquid bleach for disinfection; add a 2.5 million gallon storage tank; and other capital projects. The water districts will pay pro-rata share of debt service. Also included in the bond ordinance, \$12.8 million in 2009 bond refunding will save an estimated \$1.75 million. Bidding for the project will go out in August with an estimated construction start date of fall 2018, start up in early-2021 and shut down Plant A in mid-2021. Commissioner Conder asked about the future of the Plant A footprint. Mr. Frizzell explained that during the last main break, valving was installed and when the Cavin Plant is fully up and running the existing Plant A mains will be valved off and bypassed. Mayor Pro Tem Glenn asked what earthquake seismic precautions will be built into the expansion. Mr. Frizzell responded the expansion will be built to the International Building Code. Routine capital and maintenance funds are built into the rates per bond covenants. The rate increase is an investment in the community's infrastructure. Meagan Hagan (2610 W 6th Street) expressed her concern with the rate increase. Annieta Owsley (718 Jackson Street) expressed her concern with the OMU rates as she is a senior citizen living on a fixed income.

8. MUNICIPAL ORDER

8.A. Municipal Order 18-2018 entitled A MUNICIPAL ORDER AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN EASEMENT AGREEMENT BETWEEN THE CITY OF OWENSBORO AND SPECIALTY FOODS GROUP, LLC, was

unanimously approved on motion of Mayor Watson with a second by Commissioner Conder.

Specialty Foods Group, LLC (SFG) and the City are the owners of certain real estate that are adjacent to one another. SFG requests a vehicular and pedestrian easement over and across its property that borders Chesterfield Drive.

8.B. Municipal Order 19-2018 entitled A MUNICIPAL ORDER AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN APPLICATION FOR LAW ENFORCEMENT PROTECTION PROGRAM GRANT FUNDING THROUGH THE KENTUCKY OFFICE OF HOMELAND SECURITY IN THE AMOUNT OF \$22,640.00, THE PROCEEDS OF WHICH WILL BE UTILIZED BY THE CITY OF OWENSBORO POLICE DEPARTMENT TO PURCHASE TWENTY (20) TASERS, TWENTY (20) TASER BATTERY PACKS, AND TWENTY-FIVE (25) TASER CARTRIDGES; NO MATCH REQUIRED FROM THE CITY, was unanimously approved on motion of Mayor Watson with a second by Commissioner Smith-Wright.

The Owensboro Police Department seeks to purchase twenty (20) X26P Class III Tasers, twenty (20) X26P Auto Shut Off Battery Packs, and twenty-five (25) cartridges for X26P Tasers through the Law Enforcement Protection Program grant awarded by the Kentucky Office of Homeland Security.

8.C. Municipal Order 20-2018 entitled A MUNICIPAL ORDER AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT BY AND BETWEEN THE CITY OF OWENSBORO, KENTUCKY, AND THE COUNTY OF DAVIESS, KENTUCKY, UNDER THE TERMS OF WHICH THE 2018 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT FUNDS IN THE AMOUNT OF \$18,820.00 WILL BE ALLOCATED TO THE CITY OF OWENSBORO POLICE DEPARTMENT, TO PURCHASE A REMOTE AREA LIGHTING SYSTEM FOR ACCIDENT RECONSTRUCTION UNIT, A TRAFFIC DATA COLLECTOR, TWO (2) JANAM XP20 MOBILE BARCODE COMPUTERS WITH CRADLES, AND THIRTY (30) CMI BREATHALYZERS; AND FURTHER STIPULATING THAT NO MATCH SHALL BE REQUIRED FROM THE CITY, was unanimously approved on motion of Mayor Watson with a second by Mayor Pro Tem Glenn.

The Owensboro Police Department (OPD) and the Daviess County Sheriff's Office have agreed to alternate the annual filing of applications by each respective department as the funds are available through the Edward Byrne Memorial Justice Assistance Grant (JAG) program. The OPD intends to apply and utilize the 2018 funds to assist with the purchase of a remote area lighting system for accident reconstruction unit, a traffic data collector, two (2) Janam XP20 mobile barcode computers with cradles, and thirty (30) CMI Breathalyzers, at an approximate cost of \$18,820.00. An Interlocal Agreement will be executed by both agencies.

9. CITY MANAGER ITEMS

9.A. Personnel appointments were approved unanimously upon motion of Mayor Watson with a second by Commissioner Conder.

PROBATIONARY APPOINTMENTS (New hires):

- **Mallory Sims** – Probationary, full-time, non-civil service appointment to Telecommunicator with the Police Department, effective September 3, 2018
- **Donovan Aders** – Probationary, full-time, non-civil service appointment to Police Officer with the Police Department, effective September 3, 2018
- **Shawn Cucci** – Probationary, full-time, non-civil service appointment to Police Officer with the Police Department, effective September 3, 2018
- **Haydon Humphreys** – Probationary, full-time, non-civil service appointment to Police Officer with the Police Department, effective September 3, 2018
- **Logan Nevitt** – Probationary, full-time, non-civil service appointment to Police Officer with the Police Department, effective September 3, 2018
- **Charles Whittaker** – Probationary, full-time, non-civil service appointment to Police Officer with the Police Department, effective September 3, 2018
- **Jeffrey Burnett** – Probationary, part-time, non-civil service appointment to Reserve Police Officer with the Police Department, effective August 20, 2018 and ***contingent upon post offer test results***
- **Pamela Green** – Probationary, full-time, non-civil service appointment to Revenue Clerk with the Finance Department, effective August 13, 2018
- **Lelan Hancock** – Probationary, full-time, non-civil service appointment to Assistant City Manager with the Administration Department, effective August 13, 2018, ***contingent upon successful completion of all post-offer, pre-employment requirements***
- **Valerie Statts** – Probationary, full-time, non-civil service appointment to Accounting Clerk with the Finance Department, effective August 20, 2018
- **Louren Agrinoni** – Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 27, 2018
- **Joseph Dick** - Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 27, 2018

- **Zachary Johnson** - Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 27, 2018
- **James Todd Napier** - Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 27, 2018
- **Andrew Shively** - Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 27, 2018
- **Gary Vincent** – Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 27, 2018, ***contingent upon successful completion of all post-offer, pre-employment requirements***

PROMOTIONAL APPOINTMENTS:

- **Caleb Gray** – Probationary, full-time, non-civil service, promotional appointment to Sanitation Crew Leader with the Public Works Department, effective August 20, 2018
- **Dustin Hamm** – Probationary, full-time, non-civil service, promotional appointment to Roadworker with the Public Works Department, effective August 20, 2018
- **John Shown** – Probationary, full-time, non-civil service, promotional appointment to Bus Driver/Dispatcher with the Public Works Department, effective August 20, 2018

REGULAR STATUS:

- **John Nantz** – Regular, full-time, non-civil service appointment to Public Works Maintenance Worker with the Public Works Department, effective August 7, 2018
- **Mark Pearre** – Regular, full-time, non-civil service appointment to Public Works Roadworker with the Public Works Department, effective August 7, 2018
- **Misty Royal** – Regular, full-time, non-civil service appointment to Public Works Bus Driver with the Public Works Department, effective August 20, 2018

9.B. City Manager Comments – None

10. COMMUNICATIONS FROM ELECTED OFFICIALS

Communications were heard from the elected officials.

Mayor Watson recognized Police Chief Art Ealum as being named Police Chief of the Year by Kentucky Association of Chiefs of Police. He also corrected a prior comment and recognized Chief Mitchell as the longest serving department head.

11. OPEN PUBLIC FORUM

Meagan Hagan (2610 W 6th Street) commented on the homeless issue and asked for extra patrol at English Park where the homeless are migrating at night.

Steve Jarvis (113 ½ E. 2nd Street) stated he would like to see food vendors set-up on Veteran’s Boulevard; he also requested the signs for Downtown Cruise In be set out closer to the event and taken down immediately thereafter.

12. CLOSED SESSION

12.A. Motion was made by Commissioner Smith-Wright and seconded by Mayor Pro Tem Glenn to enter into closed session under KRS 61.810(1)(b) to discuss the acquisition or sale of property and under KRS 61.810(1)(g) to discuss a specific proposal with representatives of a business entity; motion passed unanimously.

13. ADJOURNMENT

The closed session adjourned upon motion of Commissioner Smith-Wright and a second by Commissioner Conder; motion passed unanimously.

There being no further business to discuss, the meeting adjourned by acclimation at 7:20 p.m.

Thomas H. Watson, Mayor

ATTEST:

Beth Cecil, City Clerk