

OWENSBORO BOARD OF COMMISSIONERS

Regular Meeting
October 15, 2019 5:00 PM
Owensboro City Hall
101 E. 4th Street
Owensboro, Kentucky

1. CALL TO ORDER - Mayor Tom Watson

2. ROLL CALL – Beth Cecil, City Clerk

Present:

Mayor Tom Watson
Mayor Pro Tem Larry Maglinger
Commissioner Pam Smith-Wright
Commissioner Larry Conder
Commissioner Jeff Sanford

3. INVOCATION & PLEDGE – Mayor Tom Watson

4. PRESENTATIONS

4.A. Retirement Recognitions: Mayor Watson presented an Outstanding Service Award to the following in honor of their years of service with the City:

Fire Department

- Lieutenant Chris Curtis
- Engineer Donnie Head Jr.
- Engineer Chuck Pedley

Police Department

- Major Gordon Black

5. BUSINESS

5.A. Minutes dated October 1, 2019 were unanimously approved upon motion of Commissioner Sanford with a second by Commissioner Smith-Wright.

5.B. The following Board Appointments were approved 5-0 upon motion of Mayor Watson with a second by Commissioner Smith-Wright.

- **Owensboro-Daviess County Industrial Development Authority Board** – Appoint Robert M. Berry to fill the remainder of an unexpired term which ends April 3, 2022.
- **Apollo Neighborhood Alliance** – Reappoint Suzette Austin, Bruce Houpp, and Susie Houpp to two-year terms expiring October 22, 2021.

6. ORDINANCES – 2ND READING

6.A. Ordinance 31-2019 entitled AN ORDINANCE ANNEXING TO THE CITY OF OWENSBORO CERTAIN UNINCORPORATED TERRITORY IN THE COUNTY OF DAVIESS ADJOINING THE PRESENT BOUNDARY LINE OF THE CITY, BEING PROPERTY OWNED BY CEDARHURST OF OWENSBORO REAL ESTATE, LLC AND LOCATED AT 1900 PLEASANT VALLEY ROAD, CONTAINING SEVEN (7) ACRES, MORE OR LESS, was approved 5-0 on second reading upon motion of Mayor Watson with a second from Mayor Pro Tem Maglinger.

An Ordinance annexing the property located at 1900 Pleasant Valley Road, containing seven (7) acres. There will be an annexation incentive agreement for the property. City Manager Pagan explained the developer is investing \$18 million on the development of a personal care home with fifty-six (56) senior apartments and twenty-seven (27) memory care suites while employing fifty (50) when the facility is completed.

7. ORDINANCES – 1ST READING

7.A. Consider Ordinance 32-2019 entitled A SUPPLEMENTAL ORDINANCE PROVIDING FOR THE AUTHORIZATION AND ISSUANCE OF ELECTRIC LIGHT AND POWER SYSTEM REFUNDING REVENUE BONDS, IN ONE OR MORE SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$80,000,000, OF THE CITY OF OWENSBORO, KENTUCKY, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING REVENUE BONDS OF SAID CITY; AUTHORIZING THE SALE OF SAID BONDS TO THE PURCHASER THEREOF IDENTIFIED HEREIN; PROVIDING FOR THE SECURITY AND PAYMENT OF SAID BONDS AND INTEREST THEREON FROM THE AVAILABLE INCOME AND REVENUES OF THE MUNICIPAL ELECTRIC LIGHT AND POWER SYSTEM OF SAID CITY; PROVIDING FOR THE DEFEASANCE OF CERTAIN REVENUE BONDS OF THE CITY AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH, was introduced and publicly read on first reading.

The City Utility Commission of the City of Owensboro, Kentucky, by Resolutions passed on October 3, 2019, approved and adopted 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 defeasance of the Taxable 1991-B Series and redemption of a portion of the Electric Light and Power System Revenue Bonds, Taxable 2010-A

Series, 2013-B Series and Non-taxable 2010-B Series, 2013-B Series and a refunding of Taxable 2010-A Series, 2013-A Series and Non-taxable 2010-B Series, 2013-B Series not to exceed \$80M. A sinking fund will be created to pay the principal thereof when due. Kevin Frizzell, General Manager of OMU, gave a brief presentation on the Bond Redemption and Refunding Ordinance, FY2019 Year End Financials, update on power, water and telecom projects, and the financial and electric rate projections (attached). In summary, the electric rates are scheduled to go down in each of the next five (5) fiscal years; Unit 2 is scheduled to be taken down June 2020 and reducing the debt service over nine (9) years (thru 2027) at a savings of \$24.5 million with an annual savings of \$2.72 million. The ordinance authorizes use of up to \$15 million of reserves and \$17.4 million of accrued debt service funds to pay off Series 1991-B and portions of Series 2010 and Series 2013 bonds; refunding of an estimated remaining \$88.3 million of Series 2010 and Series 2013 bond by issuing up to \$80 million in bond proceeds; does not extend the term of the bonds and includes no new funds. Capital projects in the forecast period to be funded from rates (no new financing projected). Currently, there are eighty-four (84) employees at the unit; when it shut downs, twenty-two (22) employees will transfer to the water plant and the remaining jobs will be lost. They have had a retention plan in place for the employees.

8. MUNICIPAL ORDERS

8.A. Municipal Order 27-2019 entitled A MUNICIPAL ORDER AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A MEMORANDUM OF AGREEMENT WITH CEDARHURST OF OWENSBORO REAL ESTATE, LLC, PROVIDING FOR THE CONSENSUAL ANNEXATION OF UNINCORPORATED PROPERTY LOCATED IN DAVIESS COUNTY LOCATED AT 1900 PLEASANT VALLEY ROAD AND HIGHWAY 603, CONTAINING SEVEN (7) ACRES, MORE OR LESS; AND FURTHER PROVIDING THAT THE CITY SHALL REIMBURSE CEDARHURST FOR THE COST OF CONSTRUCTION OF VARIOUS PUBLIC FACILITIES DEDICATED TO PUBLIC USE FOR SAID PROPERTY AND MAINTENANCE WITHIN OR FOR THE DIRECT BENEFIT OF SAID TRACT IN AN AMOUNT NOT TO EXCEED THE TOTAL COST OF THE PUBLIC FACILITIES OR THE TOTAL AD VALOREM, NET PROFITS, AND OCCUPATIONAL TAX REVENUES DERIVED FROM THE PROPERTY, WHICHEVER IS LESS, OVER A DESIGNATED EIGHT (8) YEAR PERIOD, was unanimously approved on one reading upon motion of Mayor Watson with a second by Commissioner Sanford.

Cedarhurst has consented to the annexation of the property located at 1900 Pleasant Valley Road containing seven (7) acres. Order sets forth the terms and conditions for the development. City Manager Pagan added that this is the standard developer incentive.

9. CITY MANAGER ITEMS

9.A. Financial Reports for the periods ending August 31, 2019 and July 31, 2019 were unanimously approved to file for audit upon motion of Mayor Watson with a second from Commissioner Smith-Wright.

9.B. The following Personnel Appointments were approved 5-0 upon motion of Mayor Watson and a second from Commissioner Smith-Wright:

NEW HIRE / PROBATIONARY:

- **Hunter B. Ragan** – Probationary, full-time, non-civil service appointment to Engineering Technician with the Public Works Engineering Department, effective October 28, 2019
- **Damon N. Brandle** – Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective November 11, 2019
- **Joshua E. Jones** – Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective November 11, 2019
- **Coy M. Murphy** – Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective November 11, 2019
- **Cody N. Ramburger** – Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective November 11, 2019
- **Jordan L. Roberts** – Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective November 11, 2019

PROMOTIONAL / PROBATIONARY:

- **Jason D. Winkler** – Probationary, full-time, non-civil service, promotional appointment to Major with the Police Department, effective October 27, 2019
- **Grant J. Haire** – Probationary, full-time, non-civil service, promotional appointment to Fire Lieutenant with the Fire Department, effective November 10, 2019
- **Colby L. Grayson** – Probationary, full-time, non-civil service, promotional appointment to Fire Driver/ Engineer with the Fire Department, effective December 8, 2019
- **Steven W. Reddish** – Probationary, full-time, non-civil service, promotional appointment to Fire Driver/ Engineer with the Fire Department, effective December 8, 2019

REGULAR STATUS:

- **Susan R. Frasier** – Regular, full-time, non-civil service appointment to Public Works Bus Driver with the Public Works Transit Department, effective October 29, 2019

9.C. City Manager Comments – City Manager Pagan stated that leaf season will kick-off on October 21. Stephen Franklin, Deputy Director of Public Works, gave a brief explanation of the leaf season timeline and logistics.

10. COMMUNICATIONS FROM ELECTED OFFICIALS

Communications were heard from the elected officials.

Kevin Collignon, City Engineer, was asked for a timeline on the Greenbelt East extension. He stated that it should be complete in a few more weeks.

Commissioner Conder met with a councilman from Terre Haute, IN who was so impressed with the downtown revitalization that he intends to bring a group back to tour the area.

Mayor Watson announced the plan for the City Commission and Daviess County Fiscal Court to host a joint meeting to discuss the methamphetamine problem in the community and the possible treatment grant opportunities. The discussion will be led by Dr. RonSonlyn Clark, RiverValley Behavioral Health.

Mayor Watson also mentioned the ongoing effort to raise funds to establish a “Gold Star Families Memorial Monument” in Owensboro in conjunction with the Hershel “Woody” Williams Medal of Honor Foundation. Cathy Mullins, Gold Star Mother, is also helping with the effort.

Owensboro Fire Department’s incoming chief, James Howard was recognized and invited to speak. Mr. Howard stated he has been with the City for twenty-one (21) years (sixteen of those with OFD) and he intends to keep the ball moving with safety of the City. His appointment to Fire Chief takes effect November 24.

11. OPEN PUBLIC FORUM

Bruce Thomas (1617 Navajo Drive) spoke against the redevelopment of Gabe’s Tower. He asked for details on the condition of the structure and the RFP. City Manager Pagan will reach out to him via email. He was also invited to the November work session where discussion of Gabe’s Tower will be on the agenda.

12. CLOSED SESSION

12.A. Motion was made by Mayor Watson and seconded by Commissioner Sanford to enter into Closed Session under KRS 61.810(1)(b) to discuss the acquisition or sale of property; motion was unanimously approved.

13. ADJOURNMENT

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

There being no further business to discuss, the meeting adjourned at 7:35 p.m. upon motion of Mayor Watson and a second by Commissioner Smith-Wright.

Thomas H. Watson, Mayor

ATTEST:

Beth Cecil, City Clerk