

OWENSBORO BOARD OF COMMISSIONERS
Regular Called Meeting
January 18, 2022 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 Davis

Present:

Mayor Tom Watson
Mayor Pro Tem Larry Maglinger
Commissioner Mark Castlen
Commissioner Bob Glenn
Commissioner Jeff Sanford

3. INVOCATION & PLEDGE – Commissioner Mark Castlen

4. PRESENTATIONS

4.A. Mayor Watson recognized the retirements of OPD's Lieutenant Stephen Wechtenhiser and Officer Craig Sutter, both effective January 31, 2022. Officer Sutter was in attendance at the meeting.

5. BUSINESS

5.A. Minutes dated January 4, 2022 were approved 5-0 upon motion of Mayor Watson with a second by Mayor Pro Tem Maglinger.

5.B. Board Appointment

The following board appointment was approved 5-0 upon motion of Mayor Watson with a second by Commissioner Glenn.

- **Owensboro Parks and Recreation Advisory Board** – Appoint Scott Ingram to a two-year term effective January 18, 2022

6. ORDINANCES - 2nd READING

6.A. Ordinance 01-2022 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 LOCATED AT 1937 LEITCHFIELD ROAD, CONTAINING 2.237 ACRES,

MORE OR LESS, AT THE REQUEST OF VAF 1937 LEITCHFIELD ROAD, LLC,, was unanimously approved on second reading by motion of Mayor Watson and a second from Commissioner Glenn.

An Ordinance annexing the property located at 1937 Leitchfield Road, containing 2.237 acres. There will be an annexation incentive agreement for the property.

7. ORDINANCES - 1st READING

7.A. Ordinance 02-2022 entitled AN ORDINANCE AMENDING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2021 AND ENDING JUNE 30, 2022, AND AMENDING ORDINANCE 7-2021 TO RECEIVE SECOND TRANCHE (OF TWO) OF AMERICAN RESCUE PLAN ACT (ARPA) FUNDS AND APPROPRIATE A PORTION OF THOSE FUNDS TO REGIONAL WATER RESOURCE AGENCY (RWRA) TO ASSIST WITH COST OF REPLACING AND SEPARATING THE DOWNTOWN RAVINE SEWER, was introduced and publicly read on first reading.

Budget amendment to receive second tranche (of two) of American Rescue Plan Act (ARPA) funds and appropriate a portion of those funds to Regional Water Resource Agency (RWRA) to assist with cost of replacing and separating the downtown Ravine Sewer. City Manager Pagan explained the Ordinance makes two changes to the ARPA grant fund, which is a stand-alone fund for the receipt and disbursement of ARPA funds. One change is to account for revenue of \$6,662,088, which is the one-half of ARPA funding the City will receive in the current fiscal year. The other change is to appropriate \$2.5 million to RWRA for their Ravine Sewer project.

The sewer project involves the reconstruction and upgrade of the Ravine Interceptor Sewer (3,348 LF) that conveys combined sewage in the north central portion of Owensboro's combined sewer system. The Ravine Sewer was originally constructed in a path that was located in the former ditch that was referred to as "The Ravine." The condition of this line is unstable and has structural issues with various sections of the pipe, including improper pipe sizing when originally installed. It is estimated that the line was installed in segments from the 1880s to the 1950s.

The line runs in a diagonal path across several city blocks and does not have easements that would have had inhibited construction above the pipe. The location of the sewer lines are problematic by creating potential damage to surrounding businesses and buildings and other infrastructure if the line became compromised. At the downstream end of this project the City is currently redeveloping multiple properties as part of the continued downtown redevelopment. The timing of this project will be vital with the continuation of the redevelopment efforts.

Additionally, there are eleven (11) businesses that rely on the Ravine for sewer service. If the Ravine Sewer were to fail these businesses would be forced to relocate or close completely causing a loss or relocation of approximately 288 jobs in the downtown.

This project is designed to separate storm water and wastewater into separate pipes conveying storm water away and out of the combined sewer system that will in turn greatly reduce the storm water contribution to the combined sewer overflow located at Locust Street. The original lines will either be removed or safe loaded. The streets associated with this project are: West 2nd, West 3rd, West 4th, West 5th, West 7th, Walnut, Elm, Poplar, Maple, Orchard and Castlen Streets. When parallel the new lines will be in the same ditch and offset to adequately facilitate future replacements/repairs.

Project cost is \$258,140 for design and \$8,960,400 for construction for a total of \$9,218,540. RWRA will absorb the remainder of the cost not provided by the City.

8. MUNICIPAL ORDERS

8.A. Municipal Order 03-2022 entitled A MUNICIPAL ORDER AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A MEMORANDUM OF AGREEMENT WITH VAF 1937 LEITCHFIELD ROAD, LLC, PROVIDING FOR THE CONSENSUAL ANNEXATION OF UNINCORPORATED PROPERTY LOCATED IN DAVIESS COUNTY AT 1937 LEITCHFIELD ROAD, CONTAINING 2.237 ACRES, MORE OR LESS; AND FURTHER PROVIDING THAT THE CITY SHALL REIMBURSE VAF 1937 LEITCHFIELD ROAD, LLC ONE HUNDRED PERCENT (100%) OF THE TOTAL AD VALOREM (EXCLUDING SCHOOL TAX), NET PROFITS, AND GENERAL FUND OCCUPATIONAL TAX REVENUES DERIVED FROM THE PROPERTY OVER A DESIGNATED FIVE (5) YEAR PERIOD AND PROVIDE ONE (1) TRANSIT BUS SHELTER AND PUBLIC TRANSPORTATION SERVICE TO THE LOCATION, was unanimously approved on one reading upon motion of Mayor Watson with a second by Commissioner Glenn.

VAF 1937 Leitchfield Road, LLC has consented to the annexation of the property located at 1937 Leitchfield Road, containing 2.237 acres. The Order sets forth the terms and conditions of the annexation incentives. According to City Manager Pagan, the Order authorizes the incentive agreement for the Leitchfield Road annexation approved earlier in the meeting. This is the standard annexation incentive for a five (5) year, 100% General Fund incremental tax rebate. Since the use of the site is a medical office building, the agreement also includes installation of a bus shelter at the location.

8.B. Municipal Order Municipal Order 04-2022 entitled A MUNICIPAL ORDER AUTHORIZING THE REBATE OF ONE PERCENT (1%) OF ALL NEW OCCUPATIONAL LICENSE FEES DUE AND PAYABLE TO THE CITY OF OWENSBORO, KENTUCKY, FROM THE SALARIES, WAGES AND OTHER COMPENSATION TO BE PAID TO NEW EMPLOYEES OF SAZERAC DISTILLERS, LLC, FOR A PERIOD OF TEN (10) YEARS, PROVIDED SAID CORPORATION MEETS THE CRITERIA SET FORTH IN ITS APPLICATION FOR INCENTIVES UNDER THE KENTUCKY BUSINESS INVESTMENT PROGRAM, was unanimously approved on one reading upon motion of Mayor Pro Tem Maglinger with a second by Commissioner Sanford.

Sazerac Distillers, LLC, has made application and received approval for certain benefits and incentives available to it under the Kentucky Business Investment Program (KBI) as

a result of its commitment to expand and create jobs and investments in Owensboro. The site of the operation is located at 2001 E. 4th Street with total investment costs of approximately \$21,200,000. City Manager Pagan stated the Order approves city participation in the State's Kentucky Business Investment incentive program for a project at Sazerac Distillers (Glenmore). The project was announced in 2018, and the estimated investment at that time was \$21.2 Million, although the actual investment has increased to \$28.9 Million. Sazerac has agreed to create approximately 61 new jobs as part of the expansion, 39 of which had been created when the company applied for the incentive program in 2018. The City's involvement is to rebate one percent (1%) of the Occupational Tax Revenue from the new jobs exceeding the 39 which were filled at the time of the application. The maximum rebate to the company is \$25,000 per year, and they are eligible for ten (10) years.

9. CITY MANAGER ITEMS

9.A. The financial reports for the periods ending December 31, 2021 and November 30, 2021 were presented by Angela Waninger, Finance and Support Services Director (attached). A motion to file the report for audit was received by Mayor Watson and seconded by Commissioner Castlen; the motion passed unanimously.

9.B. The following personnel appointments were approved 5-0 with a motion by Mayor Watson and a second by Commissioner Sanford:

NEW HIRE/PROBATIONARY STATUS:

- **Elizabeth A. Moore** – Probationary, full-time, non-civil service appointment to Bus Driver with the Public Works Transit Department, effective January 24, 2022, ***contingent upon successful completion of all post-offer, pre-employment requirements***

PROMOTIONAL/PROBATIONARY STATUS:

- **Mark A. Lusk** – Probationary, full-time, non-civil service, promotional appointment to Police Sergeant with the Police Department, effective January 30, 2022
- **Loren T. Yonts** – Probationary, full-time, non-civil service, promotional appointment to Police Sergeant with the Police Department, effective January 30, 2022

9.C. City Manager Comments – None

10. COMMUNICATIONS FROM ELECTED OFFICIALS

Commissioner Castlen said he was asked to share that some citizens would like to see the curfew lowered to 11:00 p.m. for juveniles.

Commissioner Glenn congratulated Olga McKissic for being named the “Humanitarian of the Year” at a recent NAACP event.

Mayor Watson displayed the new “Reserved Veteran Parking” sign that will be installed on Veterans Boulevard.

11. OPEN PUBLIC FORUM - None

12. ADJOURNMENT

There being no further business to discuss, the meeting adjourned upon motion of Mayor Watson and a second by Commissioner Castlen at 5:30 p.m.

Thomas H. Watson, Mayor

ATTEST:

Beth Davis, City Clerk