

OWENSBORO BOARD OF COMMISSIONERS

Regular Called Meeting
August 2, 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 Bob Glenn

4. PRESENTATION

4.A. Mayor Watson presented the Mayor's Award of Distinction to Brayden Locher. He won the 84th FirstEnergy All-American Soap Box Derby World Championship.

5. BUSINESS

5.A. Minutes dated July 12, 2022 and July 19, 2022 were approved 5-0 upon motion of Mayor Watson with a second by Mayor Pro Tem Maglinger.

5.B. The following Board Appointments were unanimously approved upon motion of Mayor Watson and a second by Commissioner Glenn.

- **Owensboro Health Board of Directors** – Reappoint Candance Brake to a three-year term effective November 1, 2022
- **Senior Community Center of Owensboro-Daviess County** – Reappoint DJ Johnson to a three-year term effective August 18, 2022
- **Owensboro Sister Cities and Regions Board** – Appoint James Howard to a three-year term effective August 2, 2022

6. ORDINANCES - 2nd READING

6.A. Ordinance 16-2022 entitled AN ORDINANCE REVISING EMPLOYEE HANDBOOK POLICIES 109 AND 110, THEREBY CHANGING AGE AND EDUCATIONAL

REQUIREMENTS FOR FIREFIGHTERS AND CHANGING ELIGIBILITY REQUIREMENTS FOR LATERAL TRANSFER POLICE OFFICERS AND FIREFIGHTERS, was approved 5-0 on second reading by a roll call vote upon motion of Mayor Watson and a second from Commissioner Sanford.

It is necessary to revise Policies 109 and 110 in the Employee Handbook to facilitate the hiring of police officers and firefighters. The minimum age requirement for firefighters shall now be 18 at the time they become sworn, and the education requirements have been revised. The requirements for lateral transfers have also been revised.

7. ORDINANCES - 1st READING

7.A. Ordinance 17-2022 entitled AN ORDINANCE ESTABLISHING THE CITY OF OWENSBORO TRANSIENT ROOM TAX AND PROCEDURES FOR ITS COLLECTION AND ENFORCEMENT, was introduced and publicly read on first reading.

KRS 91A.390 authorizes cities of the home rule class, including Owensboro, to impose a transient room tax on the rent for occupancy of a suite, room, rooms, cabins, lodgings, campsites, or other accommodations charged by any hotel, motel, inn, tourist camp, tourist cabin, campgrounds, recreational vehicle parks, or any other place in which accommodations are regularly furnished to transients for consideration or by any person that facilitates the rental of the accommodations by brokering, coordinating, or in any other way arranging for the rental of the accommodations. The Board of Commissioners wishes to establish a transient room tax as an additional source of revenue for events, facilities and staff to enhance tourism in Owensboro and Daviess County. City Manager Pagan explained that based on discussion at the previous Work Session, the Commission unanimously supports an indoor sports facility. Staff conducted research and identified transient room taxes as a potential funding source for the sports facility project. Transient room taxes (bed tax or a hotel/motel tax), are levied on hotel stays. Based on a change to state law earlier this year, transient room taxes will apply to Airbnb and similar short-term rental companies as well, effective January 1, 2023. However, apartments and stays in duration of thirty (30) days or more are exempt from the tax. Because of these provisions, almost all transient room tax revenue will be generated by visitors to our community instead of local residents.

The County has previously enacted transient room taxes, which will remain in place. The additional transient room taxes pursuant to this ordinance will stack with the existing county taxes. This will cause the City's combined rate to be at the higher end of the range of other Kentucky cities, along with Paducah and McCracken County, who have also stacked transient room taxes. However, any impact from the taxes is more than offset by the significant economic impact generated by the facility. For example, the economic impact study for the indoor sports facility projected the facility would generate 12,360 new room nights per year. This conservative number, based on only fifty percent (50%) of weekends hosting tournaments, would increase the City's hotel occupancy three (3) percentage points.

As the City continues pursuing an indoor sports facility, there will soon be expenses for design professionals and property acquisition. Thus, this is the proper time to provide a funding source for the project. Accordingly, this Ordinance will enact transient room taxes on short-term hospitality rentals in the City, the net result of which will provide the majority of funding for the indoor sports facility currently in development. He added that he has spoken to the majority of the primary hoteliers in the City, as well as the Convention & Visitor's Bureau.

7.B. Ordinance 18-2022 entitled AN ORDINANCE ESTABLISHING THE OWENSBORO TOURIST AND CONVENTION COMMISSION; PROCEDURES PROVIDING FOR THE APPOINTMENT AND TERMS OF MEMBERS; POWERS OF COMMISSION; AND AUDIT OF COMMISSION'S BOOKS AND ACCOUNT, was introduced and publicly read on first reading.

KRS 91A.350 authorizes cities of the home rule class, including Owensboro, to establish a tourist and convention commission for the purpose of promoting and developing convention and tourist activities and facilities. The Board of Commissioners wishes to establish the Owensboro Tourist and Convention Commission for the purpose of promoting and developing convention and tourist activities and facilities. In order to avoid the duplication of services and maximize efficiency, the City intends for the tourist and convention commission to contract for services with the existing Owensboro Daviess County Convention & Visitors Bureau and the City of Owensboro. City Manager Pagan stated state law requires the creation of a tourist commission when transient room taxes are enacted. So as required, this Ordinance creates a tourist commission with the structure as depicted in state law. However, we have an existing Convention and Visitor's Bureau (CVB), Visit Owensboro, who does an excellent job marketing our community, and we do not want to duplicate their efforts. We envision the tourist commission created by this Ordinance to contract with the City to provide tourism generating facilities, like an indoor sports facility. Further, we expect the tourist commission created by this Ordinance to contract with Visit Owensboro to ensure the existing CVB continues marketing on behalf of our community as it has for years and avoid duplicating efforts. In summary, the new tourist commission required by statute will function solely as a conduit for an economic impact generating tourism facility.

7.C. Ordinance 19-2022 entitled AN ORDINANCE AMENDING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2022 AND ENDING JUNE 30, 2023, AND AMENDING ORDINANCE 08-2022 TO REVISE BEGINNING FUND BALANCES, CARRYOVER APPROPRIATIONS FOR ALL OUTSTANDING ENCUMBRANCES, CAPITAL PROJECTS AND RE-BUDGET FUNDS; REMOVE THREE (3) FULL-TIME TELECOMMUNICATOR POSITIONS AND ADD THREE (3) FULL-TIME CALLTAKER POSITIONS, was introduced and publicly read on first reading.

Budget amendment to revise beginning fund balances, carryover appropriations for all outstanding encumbrances, capital projects and re-budget funds; remove three (3) full-time Telecommunicator positions and add three (3) full-time Calltaker positions. City Manager Pagan explained this is our typical carry-over budget amendment. The amendment accounts for projects in progress that were not finished by the end of the

previous fiscal year on June 30. It also provides updated balances for the various funds based on actual performance last year instead of the estimates used when the current budget was approved earlier this year.

The City has had the non-full-time position of Calltaker in Central Dispatch for years, the amendment adds a new position of full-time Calltaker. We propose to transition three full-time Telecommunicators, which are currently vacant, to the new position of full-time Calltaker. Telecommunicators are required to travel to an out of town training academy for five (5) weeks. However, all training for Calltakers is provided locally, making the position more attractive to potential candidates. We have existing part-time Calltakers who are good candidates to transition to full-time. Additionally, there is no cost increase with this change.

The budget amendment also includes funding for various non-profits that have submitted special or supplemental requests over the last few months. Included is funding for the Art Museum, Botanical Garden, Owensboro Health, Neblett Center, Empowerment Academy, Boys & Girls Club, Owensboro Dance Theatre, Opportunity Center, Moneta Sleet Initiative, St. Joseph Peace Mission, The Center, St. Benedict Shelter, Pitino Shelter and Junior Achievement. Mayor Watson asked if the ARPA money is being used or General Fund. City Manager Pagan responded it does involve ARPA money and re-budgets the money for OMU and RWRA that has not been paid out yet.

8. MUNICIPAL ORDERS

8.A. Municipal Order 25-2022 entitled A MUNICIPAL ORDER AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A MEMORANDUM OF AGREEMENT BY AND BETWEEN THE CITY OF OWENSBORO, KENTUCKY, AND THE COUNTY OF DAVIESS, KENTUCKY, UNDER THE TERMS OF WHICH THE CITY WILL APPLY FOR 2022 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT FUNDS IN THE AMOUNT OF \$22,474 WHICH WILL BE ALLOCATED TO THE CITY OF OWENSBORO POLICE DEPARTMENT TO PURCHASE ONE (1) MOTOSHOT ROBOTIC MOVING TARGET SYSTEM, ONE (1) ACTION TARGET PORTABLE RUNNER, AND FOUR (4) HANDHELD RADARS; NO MATCH IS REQUIRED OF THE CITY, was approved 5-0 on one reading upon motion of Mayor Watson and a second from Commissioner Sanford.

The City desires to execute a Memorandum of Agreement with Daviess County Fiscal Court to apply for the 2022 Edward Byrne Memorial Justice Assistance Grant Funds in the amount of \$22,474 which will be used for OPD to purchase one (1) Motoshot Robotic Moving Target System, one (1) Action Target Portable Runner, and four (4) handheld radars; no match is required by the City. City Manager Pagan further explained that the City and County alternate which entity applies each year and this year the City will apply.

8.B. Municipal Order 26-2022 entitled A MUNICIPAL ORDER EXPRESSING INTENT TO CONSTRUCT A TRANSIENT BOAT DOCK IN THE OHIO RIVER, was approved 3-2 on one reading by a roll call vote with a motion by Mayor Pro Tem Maglinger and a second from Commissioner Glenn. Mayor Watson and Commissioner Castlen voted Nay.

The Board of Commissioners desires to express its intent to construct a transient boat dock in the Ohio River on the west side of the pier behind the Convention Center, and to authorize city staff to conduct work to further such construction. A transient boat dock would be an additional amenity to the downtown, attract tourism and promote commerce and provide a destination location on the riverfront for boaters. Assistant City Manager Lelan Hancock explained a boat dock has been discussed and studied numerous times, including in the OBKY project. The proposed concrete transient dock (rendering attached) is 400' long by 20' wide, will have fuel available, will support 16-40 boats, depending on size and length, will have waste evacuation for larger boats and electrical hookups for overnight stays. Cost-saving measures included shortening the dock from the original 500' and eliminating restrooms. The cost estimate is \$9.5 Million. City Manager Pagan explained that the dock has been in discussion for a considerable amount of time and multiple members of the Commission have commented that it is time to vote the dock up or down. Accordingly, this Municipal Order approves proceeding with the project, specifically authorizing the bidding and construction of the dock. This Order does not address funding for the dock, which would be provided in a subsequent budget amendment. Specifically, we would likely join the dock with a potential indoor sports facility in a future joint bond financing.

Mayor Pro Tem Maglinger explained his support of the dock: Owensboro has been a boating destination for years and boaters come from Louisville and Kentucky Lake. Millions have been spent on the downtown riverfront and there is still no direct access to the downtown amenities from the river. There are 4,390 registered boats in Owensboro-Daviess County alone and an average of four (4) people on each boat equals 17,500 boaters that could visit the riverfront. Evansville and Henderson have approximately 11,000 boaters. All these boaters normally come and patronize the City and stay for the weekend. Large boats make their way through Owensboro using hundreds of gallons of fuel. The dock, part of the original downtown master plan, will attract tourism and generate revenue; construction costs are increasing and now is the time to move forward.

Commissioner Castlen explained his lack of support for the dock: the majority of the registered boats are small fishing boats, the dock will not add tourism and a few boats will stop for fuel. The construction cost is too much money for too few people to enjoy and the money could be used for other services, i.e., Senior Center. He added that city employees are underpaid and the City is struggling to fill positions. The private sector is going to recruit staff if the pay rates are not increased. He believes a more affordable seasonal dock (non-permanent) would be a better option, especially since boating is seasonal. The seasonal dock could have mobile fuel and mobile sewage removal. He believes the maintenance on the dock and borrowed monies will cost \$726,000 annually. He believes the dock is not a wise investment.

Commissioner Sanford mentioned that the dock has come before previous Commissions and the finances were not able to support it. Currently, the City is in the financial position to take on the project. Owensboro is a city on the river with no access to the riverfront downtown (from the river), the dock is the missing piece. If the dock is not built now it will continue to be more expensive and not be built. Owensboro is a diverse community and has something for everyone. He thinks it will be used and will attract boaters, as boating

sales are up and is a family experience. He has been working on the Senior Center for two (2) years and it does need more money. More can be done with the additional revenue stream (transient tax). Bonds have rolled off the books and that has freed up money to bond without adding debt to the balance sheet.

Commissioner Glenn stated his reasons for supporting the dock: Owensboro is an All-American City and other cities with that title have boat docks/marinas, fishing tournaments and other events can be held on the dock and local boaters that take their boats to other locations may begin to use this one. Paducah and Louisville both built boat docks because it opens up the river and the amenities of downtown. Financially, this is the time to build the dock. The Senior Center does need to be addressed and more than one project can be addressed at a time. The dock can be added on to in the future.

Mayor Watson stated the dock started at \$5 Million and is now up to \$9.5 Million, the City did not receive the B.I.G. Grant and it's a poor return on investment for the community. He disagrees with the philosophy that if the City has money it should be spent; it should be spent wisely.

Randy Lientz, (Evansville, IN) representing Chris Fluty, Commodore of the Outboard Boating Club of Evansville (membership has 100+ families) addressed the Commission. Mr. Lientz read a memo from Mr. Fluty expressing the Club's complete support of the transient boat dock. Their boaters intend to utilize the dock and patronize the downtown riverfront (as they had done in the past). They provide equipment and assistance to the Owensboro Hydrofair. Evansville does not have a transient boat dock.

Chip Wood (Rockport, IN) President of French Island Marina (150 families) said weekly he has large boats seeking food and entertainment on the river and previously there has been none. These boaters travel year-round and it will be an advantage to share the dock information with them.

Clayton Kingsley (1208 Cary Court) spoke in favor of the boat dock as a year-round amenity.

Kim Kingsley (1208 Cary Court) spoke in favor of the boat dock as a local amenity for her and her family.

Mayor Watson added that results of the Greater Owensboro Chamber's member survey said 9.7% of the members think the dock is worth the investment. He hopes it works out well.

9. CITY MANAGER ITEMS

9.A. The Financial Report for the period ending June 30, 2022 was approved to file for audit by motion of Mayor Watson and a second by Mayor Pro Tem Maglinger. Finance & Support Services Director Angela Waninger presented the financials (presentation attached).

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

NEW HIRE/PROBATIONARY STATUS:

- **Victor C. Schutzius** – Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 15, 2022
- **Jackson B. Woodard** – Probationary, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 15, 2022

PROMOTIONAL/PROBATIONARY STATUS:

- **Patrick H. Sunn** – Probationary, full-time, non-civil service, promotional appointment to Maintenance Worker with the Public Works Grounds Department, effective August 14, 2022

REGULAR STATUS:

- **Gregory J. Lingris** - Regular, full-time, non-civil service appointment to Police Officer with the Police Department, effective August 1, 2022
- **Tristan J. Patterson** - Regular, full-time, non-civil service appointment to Police Officer with the Police Department, effective August 1, 2022
- **Nathan T. Mewes** - Regular, full-time, non-civil service appointment to Electrician with the Public Works Buildings Department, effective August 2, 2022
- **Blake L. Alvey** - Regular, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 15, 2022
- **Colby L. Smith** - Regular, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 15, 2022
- **Matthew P. Statdfield** - Regular, full-time, non-civil service appointment to Firefighter with the Fire Department, effective August 15, 2022
- **Timothy W. Young** – Regular, full-time, non-civil service appointment to Crew Leader with the Public Works Street Department, effective August 15, 2022

Mayor Watson asked if the Firefighters on the agenda are paramedics; Chief Howard responded that they are not, but one is a paramedic student.

9.C. City Manager Comments – None

10. COMMUNICATIONS FROM ELECTED OFFICIALS

Members of the Commission discussed the events they recently attended.

Mayor Pro Tem Maglinger commended Habitat for Humanity and thanked the City for donating property for their projects.

Commissioner Sanford announced the kickoff of the “Pay it Forward” campaign. The campaign was started many years ago by Pam Smith-Wright as a way to perform random acts of kindness to those in need or strangers. The campaign runs August 1 – August 15.

Commissioner Glenn stated that former City Manager Bill Parrish recently underwent surgery to remove a kidney due to cancer. He asked everyone to keep the family in prayer. He also asked for assistance and prayer for eastern Kentucky victims.

Mayor Watson mentioned an article from “MarketWatch.Com”. They listed Owensboro as a top retirement community for a \$38,000 budget. He also stated that although there are juveniles causing problems within the City, we have thousands of good kids in the community.

11. OPEN PUBLIC FORUM - None

12. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 6:01 p.m. by motion of Mayor Watson and a second by Commissioner Castlen; motion carried unanimously.

Thomas H. Watson, Mayor

ATTEST:

Beth Davis, City Clerk