

CITY OF HENDERSON – RECORD BOOK

Record of Minutes of A Regular Meeting on January 12, 2016

A regular meeting of the Board of Commissioners of the City of Henderson, Kentucky, was held on Tuesday, January 12, 2016, at 5:30 p.m., prevailing time, in the third floor Assembly Room located in the Municipal Center Building at 222 First Street, Henderson, Kentucky.

INVOCATION was given by Dr. Tim Hobbs, Pastor, Community Baptist Church, followed by Mayor Austin leading the assemblage in recitation of the Pledge of Allegiance to our American Flag.

There were present Mayor Steve Austin presiding:

PRESENT:

Commissioner Jan Hite
Commissioner Robert M. (Robby) Mills
Commissioner Jesse Johnston, IV

ABSENT:

Commissioner X R. Royster, III

ALSO PRESENT:

Mr. Russell R. Sights, City Manager
Mr. William L. (Buzzy) Newman, Jr., Assistant City Manager
Mrs. Dawn Kelsey, City Attorney
Ms. Maree Collins, City Clerk
Mr. Robert Gunter, Finance Director
Mr. Leason Neel, HWU Chief Financial Officer
Mr. Brian Bishop, City-County Planning Director
Mr. Chip Sutherland, J.J.B. Hillard, W.L. Lyons LLC.
Mr. Daniel Bricoe, Dinsmore & Shohl LLP
Mr. Brad Stanton
Mr. Mike Richardson, Police Reserve Officer
Erin Schmitt, *the Gleaner*

APPROVAL OF CONSENT AGENDA:

MAYOR AUSTIN asked the City Clerk to read the items on the Consent Agenda.

Minutes: December 8, 2015, Regular Meeting

RESOLUTION 01-16:

RESOLUTION AUTHORIZING ADOPTION BY THE CITY OF HENDERSON OF THE GREEN RIVER AREA DEVELOPMENT DISTRICT HAZARD MITIGATION PLAN UPDATE

Motion by Commissioner Robert Mills, seconded by Commissioner Jesse Johnston, to approve the items on the Consent Agenda.

The vote was called. On roll call, the vote stood:

Commissioner Hite ----- Aye:
Commissioner Royster ---- Absent:
Commissioner Mills ----- Aye:
Commissioner Johnston --- Aye:
Mayor Austin ----- Aye:

WHEREUPON, Mayor Austin declared the minutes approved and the Resolution adopted, affixed his signature and the date thereto and ordered that the same be recorded.

/s/ Steve Austin
Steve Austin, Mayor
January 12, 2016

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ATTEST:

Maree Collins, City Clerk

ORDINANCE 01-16: FIRST READ

AN ORDINANCE OF THE CITY OF HENDERSON, KENTUCKY AUTHORIZING THE ISSUANCE OF (i) GENERAL OBLIGATION BONDS, SERIES 2016A IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,685,000 (WHICH AMOUNT MAYBE INCREASED OR DECREASED BY UP TO \$170,000) TO FINANCE VARIOUS IMPROVEMENTS, (ii) GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016B IN THE AGGREGATE PRINCIPAL AMOUNT OF \$8,315,000 (WHICH AMOUNT MAY BE INCREASED OR DECREASED BY UP TO \$830,000) TO CURRENTLY REFUND ITS OUTSTANDING GENERAL OBLIGATION BONDS, TAXABLE SERIES 2010A (BUILD AMERICA BONDS – DIRECT PAYMENT TO ISSUER); APPROVING THE FORMS OF BONDS; AUTHORIZING DESIGNATED OFFICERS TO EXECUTE AND DELIVER THE BONDS; PROVIDING FOR THE PAYMENT AND SECURITY OF THE BONDS; CREATING BOND PAYMENT FUNDS; MAINTAINING THE HERETOFORE CREATED SINKING FUND; AUTHORIZING ACCEPTANCE OF THE BIDS OF THE BOND PURCHASER OR PURCHASERS FOR THE PURCHASE OF THE BONDS; AND REPEALING INCONSISTENT ORDINANCES.

MOTION by Commissioner Jan Hite, seconded by Commissioner Robert Mills, that the Ordinance be adopted.

MR. GUNTER, Finance Director, introduced Mr. Chip Sutherland, Senior Vice President, Public Finance Banker, Hilliard Lyons Municipal Securities Group and Mr. Daniel Briscoe, Associate, Dinsmore & Shohl LLP. The city has been using the services of Hilliard Lyons since 2007. Mr. Gunter explained that when the taxable 2010A Build America Bonds were issued, the Internal Revenue Service agreed to pay 35% of the taxes owed each year. Due to federal budget cuts that rate has been cut by 6.7-8.2%.

MR. CHIP SUTHERLAND complimented City staff for working so diligently to get everything together for this very aggressive time schedule. He explained that a provision in the 2010A Bonds allowed for the City to redeem the Bonds if the federal government did not continue to meet the 35% incentive. He went on to explain that with this new calendar year and the current low interest rates, it was advantageous for the City to redeem the Bonds and could still have funds left for future capital expenditures. The 2016 refunding Bonds will be issued with the same maturity date as the 2010A Bonds and will save the City approximately \$650,000 in debt service over the lifetime of the bonds.

MR. BUZZY NEWMAN, Assistant City Manager, gave a report relating to the Bond funds that would be utilized on the new Municipal Services Center project. Mr. Newman reported that the original construction cost estimate of approximately \$6,000,000.00 had been reduced to just under \$5,000,000.00. It is proposed that Hafer and Associates will be present at the next regular meeting with design drawings and the proposed budget details. Commissioner Mills asked about an estimated completion date. Mr. Newman responded that if we can stay on the current schedule, we should have the project completed before the end of the year.

MAYOR AUSTIN commented that the Board of Commissioners has been working on replacing the public works facility on Fifth Street for the more than 10 years, and this seems to be an affordable solution.

MR. SIGHTS explained that some of the items deducted on the new cost estimate would be put on the bid as add-ons to pick and choose from because this facility will be used for many years to come and certain items like the car wash bay would save money over the long term. Items that come in within the bid estimate could be looked at to add back into the project.

VERBATIM DISCUSSION IS ON TAPE OF THIS MEETING

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The vote was called. On roll call, the vote stood:

Commissioner Hite ----- Aye:
 Commissioner Royster ---- Absent:
 Commissioner Mills ----- Aye:
 Commissioner Johnston --- Aye:
 Mayor Austin ----- Aye:

WHEREUPON, Mayor Austin declared the Municipal Order adopted, affixed his signature and the date thereto, and ordered that the same be recorded.

/s/ Steve Austin
 Steve Austin, Mayor
 January 12, 2016

ATTEST:
 Maree Collins, City Clerk

ORDINANCE 02-16: FIRST READ
 ORDINANCE REPEALING AND REPLACING COMPREHENSIVE PLAN

ORDINANCE REPEALING AND REPLACING THE HENDERSON-HENDERSON
 COUNTY COMPREHENSIVE PLAN

MOTION by Commissioner Jan Hite, seconded by Commissioner Robert Mills, that the Ordinance be adopted.

MR. BRIAN BISHOP, City-County Planning Director, gave a brief overview of each chapter and explained that there are ten chapters in the Plan including the two new chapters. The two new chapters are Chapter 9: Engagement of the Riverfront and Downtown Engagement and Chapter 10 is reserved for the I-69 Project. Mr. Bishop further indicated that Chapter 10 would be brought back at a later date upon determination of the final I-69 route.

MR. SIGHTS thanked Mr. Bishop and his staff for the great job that they have done of this year long project.

MR. BISHOP also thanked Amy Williams, Taylor Siefker Williams Design Group, for all her help with the project.

MAYOR AUSTIN also thanked Mr. Bishop and his staff on the completion of this ambitious project.

VERBATIM DISCUSSION IS ON TAPE OF THIS MEETING

The vote was called. On roll call, the vote stood:

Commissioner Hite ----- Aye:
 Commissioner Royster ---- Absent:
 Commissioner Mills ----- Aye:
 Commissioner Johnston --- Aye:
 Mayor Austin ----- Aye:

WHEREUPON, Mayor Austin declared the Ordinance adopted on its first reading and ordered that it be presented for a second reading at a meeting of the Board of Commissioners.

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ORDINANCE 03-16: FIRST READ

ORDINANCE REGARDING CONTINUITY OF GOVERNMENT DURING STATE OF EMERGENCY

ORDINANCE PROVIDING FOR THE ORDERLY SUCCESSION OF THE OFFICE OF MAYOR AND CITY OFFICES AND DEPARTMENTS NAMED IN THE KENTUCKY EMERGENCY OPERATIONS PLAN

MOTION by Commissioner Jan Hite, seconded by Commissioner Jesse Johnston, that the Ordinance be adopted.

MR. SIGHTS, City Manager, commented that this is a requirement of state law and a great deal of thought went into what is the best chain of authority that works for each of the affected departments. He then indicated that Dawn Kelsey, City Attorney, spearheaded this effort and asked if she would walk us through the plan.

MRS. DAWN KELSEY, City Attorney, explained that under state law we are not only required to have continuity of government for the office of Mayor and Commissioners, but also for those departments that are identified in the Kentucky Emergency Operations Plan. Not all City departments are listed because they are not identified in the state Plan.

VERBATIM DISCUSSION IS ON TAPE OF THIS MEETING

The vote was called. On roll call, the vote stood:

- Commissioner Hite ----- Aye:
- Commissioner Royster ---- Absent:
- Commissioner Mills ----- Aye:
- Commissioner Johnston --- Aye:
- Mayor Austin ----- Aye:

WHEREUPON, Mayor Austin declared the Ordinance adopted on its first reading and ordered that it be presented for a second reading at a meeting of the Board of Commissioners.

ORDINANCE 35-15: SECOND READ

ORDINANCE AUTHORIZING AND DIRECTING THE REBATE OF ONE PERCENT (1.0%) OF THE WAGES, SALARIES OR OTHER COMPENSATION PAID BY GIBBS DIE CASTING CORPORATION IMPOSED AND LEVIED AS OCCUPATIONAL LICENSE FEES DUE AND PAYABLE TO THE CITY OF HENDERSON, KENTUCKY, BY ORDINANCE, FROM THE SALARIES, WAGES AND OTHER COMPENSATION TO BE PAID TO NEW EMPLOYEES HIRED OVER THE BASELINE BY GIBBS DIE CASTING CORPORATION, PROVIDED SAID COMPANY MEETS THE CRITERIA SET FORTH IN ITS APPLICATION FOR INCENTIVES UNDER THE KENTUCKY BUSINESS INVESTMENT PROGRAM.

MOTION by Commissioner Robert Mills, seconded by Commissioner Jan Hite, that the Ordinance be adopted.

VERBATIM DISCUSSION IS ON TAPE OF THIS MEETING

The vote was called. On roll call, the vote stood:

- Commissioner Hite ----- Aye:
- Commissioner Royster ---- Absent:
- Commissioner Mills ----- Aye:
- Commissioner Johnston --- Aye:
- Mayor Austin ----- Aye:

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WHEREUPON, Mayor Austin declared the Ordinance adopted, affixed his signature and the date thereto and ordered that the same be recorded.

/s/ Steve Austin
Steve Austin, Mayor
January 12, 2016

ATTEST:
Maree Collins, City Clerk

ORDINANCE 36-15: SECOND READ

ORDINANCE AUTHORIZING AND DIRECTING THE REBATE OF ONE PERCENT (1.0%) OF THE WAGES, SALARIES OR OTHER COMPENSATION PAID BY HERCULES MANUFACTURING COMPANY IMPOSED AND LEVIED AS OCCUPATIONAL LICENSE FEES DUE AND PAYABLE TO THE CITY OF HENDERSON, KENTUCKY, BY ORDINANCE, FROM THE SALARIES, WAGES AND OTHER COMPENSATION TO BE PAID TO NEW EMPLOYEES HIRED OVER THE BASELINE BY HERCULES MANUFACTURING COMPANY, PROVIDED SAID COMPANY MEETS THE CRITERIA SET FORTH IN ITS APPLICATION FOR INCENTIVES UNDER THE KENTUCKY BUSINESS INVESTMENT PROGRAM.

MOTION by Commissioner Jan Hite, seconded by Commissioner Jesse Johnston, that the Ordinance be adopted.

VERBATIM DISCUSSION IS ON TAPE OF THIS MEETING

The vote was called. On roll call, the vote stood:

Commissioner Hite ----- Aye:
Commissioner Royster ---- Absent:
Commissioner Mills ----- Aye:
Commissioner Johnston --- Aye:
Mayor Austin ----- Aye:

WHEREUPON, Mayor Austin declared the Ordinance adopted, affixed his signature and the date thereto and ordered that the same be recorded.

/s/ Steve Austin
Steve Austin, Mayor
January 12, 2016

ATTEST:
Maree Collins, City Clerk

CITY MANAGER’S REPORT:

CITY MANAGER SIGHTS indicated there were a couple of items relating to upcoming meetings scheduled over the next six weeks. Several city officials and employees will be attending Kentucky League of Cities activities that will conflict with our regular February 9th meeting. We would recommend that that meeting be cancelled and move those agenda items to the February 23rd meeting. Hearing no objection the Mayor agreed that the February 9th meeting would be cancelled. Mr. Sights further explained that one of the items scheduled for the Tuesday, January 16th Work Session is the Pavement Management Plan and with Commissioner Royster not able to attend in January and the Engineering Assistant not able to attend in February, we plan to delay that presentation to the March work session along with the discussion of food service truck regulations; leaving no agenda items for a January work session. He concluded by restating that there would not be a January 16th work session or a February 9th regular meeting; however, there would be a January 26th regular meeting, a February 16th work session and a February 23rd regular meeting. The lone February work session scheduled agenda item will be the mid-year budget review. The Pavement Management Plan and food service truck regulations will be scheduled for the March Work Session.

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COMMISSIONER'S REPORT:

COMMISSIONER JOHNSTON thanked Public Works for doing a great job in taking care of the roads with the icy winter weather.

MAYOR AUSTIN also thanked them for doing such a good job.

MR. SIGHTS commented that the Public Works director reported that approximately 70 tons of salt was used throughout the city in the whole event. We are currently restocking supplies and will have 50 tons delivered in the next few days and another 20 tons later on. It was a tough ice situation, and they did a good job for the kind of weather we had.

MAYOR AUSTIN suggested that if anyone hadn't yet driven down the Second Street overpass to see the new street lights, they should. It adds to the community and that route as the gateway to our downtown. He further indicated that the closing on the depot property with Mr. Martin is scheduled for the next week to 10 days so he can start work on that soon. Those are our two first projects on the Gateway District and hopefully more will come over the next few years.

APPOINTMENT: CITY-COUNTY AIRPORT BOARD: DORIN LUCK TO FILL UNEXPIRED TERM ENDING JANUARY 5, 2017

MOTION by Commissioner Robert Mills, seconded by Commissioner Jan Hite, upon recommendation of Mayor Steve Austin, to appoint Dorin Luck to fill an unexpired term of Jim Tillotson (deceased); a four-year term on the City-County Airport Board. Said Term to Expire January 5, 2017.

The vote was called. On roll call, the vote stood:

Commissioner Hite ----- Aye:
 Commissioner Royster ---- Absent:
 Commissioner Mills ----- Aye:
 Commissioner Johnston --- Aye:
 Mayor Austin ----- Aye:

EXECUTIVE SESSION: PENDING LITIGATION

MOTION by Commissioner Jan Hite, seconded by Robert Mills, pursuant to the provisions of KRS 6.810(1) (c) for the Board of Commissioners to into Executive Session for discussions of proposed or pending litigation against or on behalf of the City.

The vote was called. On roll call, the vote stood:

Commissioner Hite ----- Aye:
 Commissioner Royster ---- Absent:
 Commissioner Mills ----- Aye:
 Commissioner Johnston --- Aye:
 Mayor Austin ----- Aye:

MEETING RECONVENED:

MOTION by Commissioner Robert Mills, seconded by Commissioner Jesse Johnston, the Board of Commissioners reconvened in regular session.

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The vote was called. On roll call, the vote stood:

Commissioner Hite ----- Absent:
 Commissioner Royster ---- Absent:
 Commissioner Mills ----- Aye:
 Commissioner Johnston --- Aye:
 Mayor Austin ----- Aye:

MEETING ADJOURN:

MOTION by Commissioner Robert Mills, seconded by Commissioner Jesse Johnston, to adjourn the meeting.

The vote was called. On roll call, the vote stood:

Commissioner Hite ----- Absent:
 Commissioner Royster ---- Absent:
 Commissioner Mills ----- Aye:
 Commissioner Johnston --- Aye:
 Mayor Austin ----- Aye:

WITHOUT OBJECTION, Mayor Austin declared the Meeting adjourned at approximately 7:10 p.m.

ATTEST:

Steve Austin, Mayor
 January 26, 2016

Maree Collins, City Clerk