

CITY OF HENDERSON – RECORD BOOK

Record of Minutes of A regular Meeting on February 14, 2017

A regular meeting of the Board of Commissioners of the City of Henderson, Kentucky, was held on Tuesday, February 14, 2017, 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 Brother David Salisbury, Henderson Church of Christ, followed by recitation of the Pledge of Allegiance to our American Flag.

There were present Mayor Steve Austin presiding:

PRESENT:

Commissioner Patti Bugg
Commissioner Robert N. Pruitt, Sr.
Commissioner Bradley S. Staton
Commissioner Austin P. Vowels

ALSO PRESENT:

Mr. Russell R. Sights, City Manager
Ms. Dawn Kelsey City Attorney
Ms. Maree Collins, City Clerk
Mr. William L. Newman, Jr. Assistant City Manager
Mrs. Donna Stinnett, Public Information Officer
Mr. Owen Reeves, Gas System Director
Mr. Robert Gunter, Finance Director
Mr. Charles Stauffer, Police Chief
Mr. Frank Cates, Police Lieutenant Colonel
Ms. Heather Cates
Ms. Cadence Cates
Ms. Maci Cummings
Mr. Scott Foreman, Fire Chief
Mr. Trace Stevens, Parks & Recreation Director
Mrs. Helen Keaton, Occupational Tax Administrator
Brother David Salisbury, Henderson Church of Christ
Mr. Stuart Hammer, News 25
Mr. Brandon Bartlett, 14 News
Mr. Mike Richardson, Reserve Police Officer
Ms. Laura Acchiardo, the Gleaner

PRESENTATION: 25-Year Service Award-Frank Cates, HPD

MAYOR AUSTIN expressed his appreciation to Police Lieutenant Colonel Frank Cates, for his twenty-five years of service and dedication to the City.

APPROVAL OF CONSENT AGENDA:

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

Minutes: January 24, 2017, Regular Meeting

Resolutions: 15-17: Resolution Authorizing Submittal of Grant Application to the U. S. Department of Homeland Security in the Amount of \$60,000.00 to be Used to Purchase Two Emergency Warning Sirens, Accepting Grant if Awarded, and Authorizing Mayor to Execute the Necessary Documents

Motion by Commissioner Vowels, seconded by Commissioner Pruitt, to approve the items on the Consent Agenda as presented.

CITY OF HENDERSON – RECORD BOOK

Record of Minutes of A Regular Meeting on February 14, 2017

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

- Commissioner Staton ----- Aye:
- Commissioner Pruitt ----- Aye:
- Commissioner Bugg ----- Aye:
- Commissioner Vowels --- Aye:
- Mayor Austin ----- Aye:

WHEREUPON, Mayor Austin declared the consent agenda items approved.

/s/ Steve Austin
Steve Austin, Mayor
February 14, 2017

ATTEST:

Maree Collins, City Clerk _____

ORDINANCE NO. 02-17 SECOND READ

ORDINANCE AMENDING ZONING REGULATIONS

AN ORDINANCE AMENDING ARTICLE XXXI, *AUDUBON RESIDENTIAL DISTRICT PURPOSES*, SECTION 31.07, *SIGNAGE*, AND ARTICLE XXXII, *AUDUBON COMMERCIAL DISTRICT PURPOSES*, SECTION 32.07, *SIGNAGE* OF APPENDIX A OF THE CODE OF ORDINANCES OF THE CITY OF HENDERSON KNOWN AS THE ZONING ORDINANCE REGULATIONS OF THE CITY OF HENDERSON

MOTION by Commissioner Staton, seconded by Commissioner Bugg, that the ordinance be adopted.

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

- Commissioner Staton ----- Aye:
- Commissioner Pruitt ----- Aye:
- Commissioner Bugg ----- Aye:
- Commissioner Vowels --- 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
February 14, 2017

ATTEST:

Maree Collins, City Clerk _____

ORDINANCE NO. 03-17 SECOND READ

ORDINANCE AMENDING EMPLOYEE MANUAL

ORDINANCE AMENDING ARTICLE 212-*ENTRANCE RATE OF PAY* AND ARTICLE 220-*RATE OF PAY UPON JOB CLASSIFICATION CHANGE*, OF THE EMPLOYEE MANUAL OF THE CITY OF HENDERSON TO DEFINE RATE OF PAY UPON PROMOTION AND TEMPORARY APPOINTMENT TO A HIGHER CLASSIFIED POSITION WITHIN THE HAZARDOUS DUTY PAY PLAN

MOTION by Commissioner Staton, seconded by Commissioner Vowels, that the ordinance be adopted.

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

- Commissioner Staton ----- Aye:
- Commissioner Pruitt ----- Aye:
- Commissioner Bugg ----- Aye:
- Commissioner Vowels --- Aye:
- Mayor Austin ----- Aye:

CITY OF HENDERSON – RECORD BOOK

Record of Minutes of A regular Meeting on February 14, 2017

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
February 14, 2017

ATTEST:
Maree Collins, City Clerk

RESOLUTION 16-17:

COMMISSIONER STATON indicated that the committee has met and narrowed down the direction of the program to develop a set of standards for outdoor lighting and illumination in Henderson. The initial target area is designated to include Vine Street to Washington Street and Green Street to Atkinson Street. The program will expand to other areas as it progresses. This is an in-house project so there is no cost associated except time given by the employees. The Committee was formally expanded to include the Code Administrator and the Police department has been asked to attend in an advisory capacity. Commissioner Staton noted that this is a small piece of programs and legislation that is being looked at to address crime, drugs, homeownership, community pride, economic development and work force development and that there is much more to come.

RESOLUTION 16-17: RESOLUTION TO ORGANIZE THE COMMITTEE FOR THE DEVELOPMENT AND IMPLEMENTATION OF THE HENDERSON SMART LIGHTING PROJECT TO IMPROVE THE QUALITY, RELIABILITY, AND ENERGY EFFICIENCY OF HENDERSON’S OUTDOOR LIGHTS, AND SETTING FORTH THEIR GOALS

MOTION by Commissioner Staton, seconded by Commissioner Pruitt to approve the resolution organizing a committee for the development and implementation of The Henderson Smart Lighting Project and establishing goals.

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

- Commissioner Staton ----- Aye:
Commissioner Pruitt ----- Aye:
Commissioner Bugg ----- Aye:
Commissioner Vowels --- Aye:
Mayor Austin ----- Aye:

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

/s/ Steve Austin
Steve Austin, Mayor
February 14, 2017

ATTEST:
Maree Collins, City Clerk

MUNICIPAL ORDER NO. 04-17

MUNICIPAL ORDER AWARDING BID FOR THE PURCHASE OF AN ALL-WHEEL DRIVE SUV TO D-PATRICK, INC. OF EVANSVILLE, INDIANA, IN THE TOTAL AMOUNT OF \$21,549.25

MOTION by Commissioner Staton, seconded by Commissioner Vowels, to adopt the municipal order authorizing the award of Bid #17-02 for the purchase of an all-wheel drive SUV to D-Patrick, Inc. of Evansville, Indiana in the low bid amount of \$21,549.25.

RUSSELL R. SIGHTS explained that \$26,500.00 was budgeted for the purchase of this mid size SUV to be used by the Gas System Engineer. Eight bids were received with the bid of D-Patrick being the lowest. There is one deviation in that bid, our specifications listed 175 horsepower and the Nissan Rouge submitted has 170 horsepower. Mr. Owen Reeves, Gas System Director has indicated that this is not critical as the application of the vehicle will not be impeded by the slight reduction in horsepower and recommends award of the bid as submitted

CITY OF HENDERSON – RECORD BOOK

Record of Minutes of A Regular Meeting on February 14, 2017

saving approximately \$726 over the next best bid.

COMMISSIONER BUGG indicated that there was one local person that submitted a bid and asked if the City could go back to the local person to see if they can beat the submitted low bid?

RUSSELL R. SIGHTS responded that the Model Procurement law does not allow negotiations except under certain circumstances. Once sealed bids are opened the prices are public and there is no negotiation back and forth when someone local is higher.

COMMISSIONER PRUITT asked what will happen to the old vehicle.

OWEN REEVES, Gas System Director, responded that it would probably be disposed of on GovDeals.com as this 2004 Impala with over 100,000 miles has had some maintenance issues.

COMMISSIONER STATON asked if there was a reason that an all-wheel or 4-wheel drive vehicle was requested.

OWEN REEVES responded that on occasion the Engineer has to visit regulations sites and it is important that they be able to get there in all types of weather. Mr. Reeves indicated that other alternative vehicles were debated but this seemed to be a good fit for the equipment and everything that is needed.

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

Commissioner Staton ----- Aye:
 Commissioner Pruitt ----- Aye:
 Commissioner Bugg ----- Aye:
 Commissioner Vowels --- 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
 February 14, 2017

ATTEST:

Maree Collins, City Clerk _____

CITY MANAGER’S REPORT:

RUSSELL R. SIGHTS, City Manager, indicated that he had two items to report on; the first is that at the last meeting Mr. Gunter was asked to prepare information on tax rate calculations that would reduce property taxes in the amount of \$500,000.00 for each of two years and for \$400,000.00 in each of two years along with a corresponding \$100,000.00 reduction in payroll tax. He has completed that task and has detailed all of the information in a memo. Mr. Gunter is present to answer any questions so that the Board can make a determination how they wish to proceed.

DISCUSSION WAS HELD on the advantages of a tax cut to the homeowners and businesses in our community as well as prospective economic growth; the tax cut would be an approximate \$38.00 savings on a home assessed at \$100,000.00; the possible effect that a lower tax rate could have on home loan qualifying ratios to help promote home ownership; the property tax, personal property tax and payroll tax rates of eight other Kentucky communities were listed indicating that the highest property tax rate of those mentioned was \$0.2891 compared to Henderson’s rate of \$0.611, the highest personal property tax rate was \$0.39 compared to \$0.813 and the highest payroll tax was 2% compared to 1% indicating that Henderson relies heavily on property taxes for revenues; the encumbered expenses for the recent pay raises, the new 911

CITY OF HENDERSON – RECORD BOOK

Record of Minutes of _____ *A regular* _____ *Meeting on* _____ February 14, 2017

equipment/center and other bonded issues are annual expenses and that any cuts would also be annual unless taxes are raised again; the citizen's continued comments that taxes were too high; the history of how Henderson was one of the last larger Kentucky communities to enact a net profit/payroll tax and has relied heavily on property tax for revenue; that review of the most recent year to date financial report doesn't necessarily show a surplus in the General Fund account; and the possibility of looking at an overall comprehensive tax plan proposal.

Consensus for the Board to review the merits of the \$500,000.00 tax cut this year in addition to the possibility of a comprehensive tax overhaul to align revenues more fairly to take some of the burden from property owners. In addition it was determined that while the official tax rate is not adopted until September, the budget is based upon that revenue projection which will be reviewed in the 2018 fiscal year budget at the May work session. A mid-year review of the current 2017 fiscal year budget is scheduled for the February 21st work session.

RUSSELL R. SIGHTS continued his report with the second item which was the requested five year history on separated employees. At the last meeting Commissioner Vowels requested information for comparative purposes on the number and reason of non-hazardous duty employees that had separated employment with the city over the last five years. Mr. Sights reported that there were 160 separations which included 57 retirements, and 26 involuntary separations. He also indicated that the 911 Communications Officer position had eight voluntary separations during this time period and that about two years ago this situation was reviewed and the position was reclassified which has helped with that turnover rate.

COMMISSIONER VOWELS thanked everyone involved in gathering the information.

MR. SIGHTS concluded his report with the schedule of meetings for the next several weeks. There will be a work session on February 21st, a regular meeting on February 28th, no meeting on March 14th because there will not be a quorum present that date, a March 21st work session, and a March 28th regular meeting.

COMMISSIONERS REPORT:

COMMISSIONER PRUITT indicated that one of the things that he wants to accomplish this year is a tax cut because when he campaigned that was the cry that he heard from the people of Henderson. The numbers reported tonight indicate that the people are right and our property taxes are too high. He thanked the Board for supporting review of the tax cut.

COMMISSIONER BUGG reported that she had talked with local banks, credit unions, and mortgage companies relating to funding for the project for East End revitalization through home ownership. There are a lot of government regulations for federally backed loans and she is currently looking into the possibility of using the Federal Home Loan Bank System.

REAPPOINTMENT: Board of Zoning Adjustment:
Mr. Tom Tweddell – Term To Expire February 24, 2021

Motion by Commissioner Staton, seconded by Commissioner Vowels, upon recommendation of Mayor Steve Austin, to reappoint Mr. Tom Tweddell to a four year term on the Board of Zoning Adjustment. Said term to expire February 24, 2021.

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

Commissioner Staton ----- Aye:
Commissioner Pruitt ----- Aye:
Commissioner Bugg ----- Aye:
Commissioner Vowels --- Aye:
Mayor Austin ----- Aye:

CITY OF HENDERSON – RECORD BOOK

Record of Minutes of A Regular Meeting on February 14, 2017

REVIEW AND DISCUSSION OF THE CODE OF ORDINANCES: Chapter 1 and Articles I through III of Chapter 2

DAWN KELSEY, City Attorney, gave a brief review of the various recommended revisions and reported that the ordinance changes would be brought forth for first reading at a future meeting. The revisions include the following sections: Section 1-10 *General penalty; continuing violations*.-revise to better clarify violations and misdemeanors; Section 2-1(b) *Official seal of city*.-remove reference to KRS85.350; Section 2-2 *Bank depositories established*.-revise language to mirror KRS91A.060; Section 2-5 *Complaint procedure for alleged discrimination on basis of handicapped status*.-remove reference to the Federal Revenue Sharing program regulations; Article III. *City Manager*, Section 2-40 *Compensation* and Section 2-41 *Expenses*-revise to reflect current procedure that vacation, sick leave and benefits are set by contract; and Section 2-46 *Acting city manager*.-add email to notification list. Mrs. Kelsey also gave a brief overview of Section 2-4 *Election under nonpartisan city election laws*.-relaying information that in 2015 the state statute was revised and that the city has the option to eliminate primary elections. The Board asked for more information for the possibility of reviewing this at a formal setting at a future date.

COMMISSIONER STATON asked if Article II, *Board of Commissioners*, Section 2-21 *Compensation* needed to be amended since it had dollar amounts listed in it.

MRS. KELSEY responded that we have the rubber dollar now which allows it to increase; however, we are doing research on how best to revise it and plan to bring it to you at a later date.

COMMISSIONER PRUITT asked for copies of and ending dates of the employment contracts for the Assistant City Manager, City Attorney, and City Manager.

MEETING ADJOURN:

MOTION by Commissioner Pruitt, seconded by Commissioner Bugg, to adjourn the meeting.

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

- Commissioner Staton ----- Aye:
- Commissioner Pruitt ----- Aye:
- Commissioner Bugg ----- Aye:
- Commissioner Vowels --- Aye:
- Mayor Austin ----- Aye:

WITHOUT OBJECTION, Mayor Austin declared the Meeting adjourned at approximately 6:35 p.m.

ATTEST:

Maree Collins, City Clerk

Steve Austin, Mayor
February 28, 2017