

# CITY OF HENDERSON – RECORD BOOK

Record of Minutes of     A Called Work Session     Meeting on     April 10, 2018    

A Called Work Session of the Board of Commissioners of the City of Henderson, Kentucky, was held on Tuesday, April 10, 2018, at 4:45 p.m. immediately following a Special Called Meeting in the third floor Assembly Room, Municipal Center, 222 First Street, Henderson, Kentucky.

There were present the Honorable Steve Austin, Mayor, presiding.

PRESENT:

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

CITY STAFF MEMBERS included Russell R. Sights, City Manager; Dawn Kelsey, City Attorney; Maree Collins, City Clerk; Donna Stinnett, Public Information Officer; Connie Galloway, Human Resources Director; Greg Nunn, Information Technology Director; Scott Foreman, Fire Chief; Jason Hargitt, Interim Police Chief; Trace Stevens, Parks, Recreation and Cemetery Director; Owen Reeves, Gas System Director; Robert Gunter, Finance Director, Dawn Winn, Assistant Finance Director; Jennifer Latimer, Executive Assistant; and Mike Richardson, Police Reserve Officer.

ALSO PRESENT: William L. “Buzzy” Newman, Jr., HWU Director of Field Operations; Sindy Newman; and Douglas White, *The Gleaner*

THE FOLLOWING AGENDA ITEMS WERE DISCUSSED:

1. Discussion of the Preliminary Estimated Fiscal Year 2019 Budget Expenses, Capital Improvements, and Revenues
  - ✓ Mayor Austin indicated that the City’s portion of the increased pension expense would be \$1.6 million beginning this July 1<sup>st</sup> and due each July 1<sup>st</sup> thereafter or if the legislature passes the bill to phase in the payments it will be approximately \$475,000.00 this July 1<sup>st</sup>, \$535,000.00 July 1, 2019, and \$600,000.00 July 1, 2020.
  - ✓ Russell R. Sights, City Manager, indicated that even with budget cuts a steady revenue stream would be necessary to cover these additional expenses long-term and presented a brief overview of each of the submitted suggestions for additional revenue and budget reductions:
    - Raise Payroll Tax from 1.29% to 1.39% and/or raise Net Profits Tax from 1.0% to 1.39%; raise garbage fee by \$1.00; move 9-1-1 fee from landlines to county-wide water bills; increase liquor and beer license, building permits, electrical permits, boat launch permits, law enforcement fees, and cemetery sales prices by 25% (or as permitted); increase gas fund rates to insure break-even; move 9-1-1 fees from landlines to utility bills for all City residents and increase rate by \$0.50 per year for four years; creation of “wheel tax” fund that would go 100% to streets and related expenditures; increase water utility PILOT by \$100,000.00 in the next rate increase; and increase property tax rate to \$0.49 per \$100.00.
    - Closure of the Municipal Golf Course; cut HRA contributions from \$1,000.00 to \$500.00 for family and from \$500.00 to \$250.00 for single persons; cut hazardous duty employees; cut non-hazardous duty employees; adjustments to COLA; cut Special Projects budget by \$100,000.00; institute hiring freeze; do not fill current open positions; cut hazardous duty positions created by Special State Funding Arrangement that have expired and the City pays the total bill; no pay increase next fiscal year; cut HRA allowance in half; eliminate 25 City licensed vehicles; possible offering of voluntary severance/buyout arrangement; eliminate Parking Meter Enforcement and Collection; and opportunities to cut supplement to HART system.

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DISCUSSION WAS HELD regarding the option of moving 9-1-1 fees from landlines to county-wide water bills and all of the terms and conditions that would allow such a move-which include the County also approving it and giving the appropriate notice to the various telephone companies; the amount of additional funds that moving the 9-1-1 fees from landlines to water bills would generate; increasing the 9-1-1 fee in addition to moving it to water bills; the amount of funds needed to supplement the 9-1-1 system each year; the term and dollar amount of the 9-1-1 system annual maintenance agreement for the new equipment; state statute regulates that ABC license fees may only be raised 5% once every five years; that increasing gas rates doesn't decrease the additional pension funding needed; the amount of reserves the Gas Fund has, and what is fiscally sound practice; the amount of PEAK funds and how long they are expected; all three utility PILOT dollar amounts were reviewed; that the wheel tax was a nightmare to enforce; that each \$0.01 raise in the property tax rate increases revenue by \$139,000.00; all vacant positions are reviewed and justified prior to filling; that the Board could set a goal of the number of positions not to be filled in both hazardous duty and non-hazardous duty; the number of licensed vehicles; take-home vehicle policy; the police department take-home policy and the number of fleet vehicles; the possibility of using some single arm trash trucks to reduce personnel; the possibility of retrofitting one trash truck to start due to the large front end expense to purchase the equipment and the possibility of utilizing both types of trucks and work crews for garbage pick-up; updating the 2008 analysis relating to sanitation pick-up and disposal; considering using one-half increased revenues and one-half decreased expenses to cover the additional pension costs; and that the proposed budget will be presented at the May work session.

It was determined that members of the Board would submit ranked revised/refined ideas on reducing expenses and generating additional revenue to help offset the additional pension expense to the City Manager and a called work session would be scheduled for review of the submitted items after the state legislature has finalized their vote on whether or not there will be a phase-in of the additional pension costs.

NO FORMAL ACTION WAS TAKEN BY THE BOARD OF COMMISSIONERS.

MEETING ADJOURN:

MOTION by Commissioner Staton, seconded by Commissioner Bugg to adjourn.

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

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

WHEREUPON Mayor Austin declared the work session adjourned at approximately 6:35 p.m.

ATTEST:

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Steve Austin, Mayor  
April 24, 2018

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Maree Collins, City Clerk

# CITY OF HENDERSON – RECORD BOOK

Record of Minutes of           A Special Called           Meeting on           April 10, 2018          

A special called meeting of the Board of Commissioners of the City of Henderson, Kentucky, was held on Tuesday, April 10, 2018, at 4:30 p.m., prevailing time, in the third floor Assembly Room located in the Municipal Center Building at 222 First Street, Henderson, Kentucky.

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  
Mrs. Dawn Kelsey, City Attorney  
Ms. Maree Collins, City Clerk  
Mrs. Donna Stinnett, Community Relations Manager/Public Information Officer  
Mr. Scott Foreman, Fire Chief  
Mr. Jason Hargitt, Interim Police Chief  
Mr. Owen Reeves, Gas System Director  
Mr. Brian Williams, Public Works Director  
Mr. Robert Gunter, Finance Director  
Mr. Ray Nix, Code Administrator  
Mrs. Connie Galloway, Human Resources Director  
Mr. Greg Nunn, Information Technology Director  
Mrs. Dawn Winn, Assistant Finance Director  
Mr. Jermaine Poynter, Police Major  
Mrs. Jennifer Latimer, Executive Assistant  
Ms. Wendy Sugg, Administrative Secretary  
Mr. Brian Bishop, Planning Commission Executive Director  
Mrs. Claudia Wayne, Planning Commission Assistant Director  
Mr. Chris Winstead, Ambulance Service Director  
Mr. William L. Newman, Jr.  
Mrs. Sindy Newman  
Ms. Leslie Newman  
Ms. Jennifer Andrews  
Mr. Doug White, *the Gleaner*  
Mr. Bill Stevens, WSON  
Mr. Mike Richardson, Police Reserve Officer

MUNICIPAL ORDER NO. 23-18:

MUNICIPAL ORDER AWARDING BID FOR PURCHASE OF ONE (1) TYPE I AMBULANCE FOR THE AMBULANCE SERVICE FROM MID-AMERICA AMBULANCE & COACH SALES, CAMPBELLSVILLE, KENTUCKY, IN THE AMOUNT OF \$137,936.00

CHRIS WINSTEAD, Ambulance Service Director, reported that the bid was approximately \$22,000.00 under budget and that the vehicle would be delivered approximately 90-100 days after being ordered. County Fiscal Court approved their portion of the purchase at their meeting last Tuesday. This four-wheel drive vehicle will be striped in the Henderson County School colors and will be the only four-wheel drive vehicle that the service has.

MOTION by Commissioner Staton, seconded by Commissioner Pruitt, to approve awarding the bid for the purchase of one 2018 Chevrolet K-3500 Type I Medic ambulance from Mid-America Ambulance & Coach Sales of Campbellsville, Kentucky, in the total amount of \$137,936.00 in strict accordance with its bid as submitted on March 30, 2018. The City's portion will be one-half of the purchase price less trade-in allowance and state grant funds.

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

- Commissioner Pruitt ----- Aye:
- Commissioner Bugg ----- Aye:
- Commissioner Vowels ----- Aye:
- Commissioner Staton ----- 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  
April 10, 2018

ATTEST:  
Maree Collins, City Clerk \_\_\_\_\_

MUNICIPAL ORDER NO. 24-18:

MUNICIPAL ORDER APPROVING APPOINTMENT OF WILLIAM L. “BUZZY” NEWMAN, JR. AS ASSISTANT CITY MANAGER FROM MAY 1 UNTIL JUNE 30, 2018 AND AS CITY MANAGER AS OF JULY 1, 2018; AND APPROVAL OF EMPLOYMENT AGREEMENT AND AUTHORIZING MAYOR TO EXECUTE AGREEMENT ON BEHALF OF CITY

MOTION by Commissioner Pruitt, seconded by Commissioner Staton, to approve the municipal order appointing William L. “Buzzy” Newman, Jr. as Assistant City Manager beginning May 1, 2018 through June 30, 2018 and appointing him as City Manager as of July 1, 2018.

MAYOR AUSTIN congratulated Buzzy.

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

- Commissioner Pruitt ----- Aye:
- Commissioner Bugg ----- Aye:
- Commissioner Vowels ----- Aye:
- Commissioner Staton ----- 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  
April 10, 2018

ATTEST:  
Maree Collins, City Clerk

COMMISSIONER PRUITT stated that Russell Sights has served the City well and has been a great city manager. He indicated that the citizens are going to get a return on their money that has been invested in Buzzy Newman over these past nine years and stated that it is a win-win for the City of Henderson and its citizens.

WILLIAM L. NEWMAN, JR., expressed his sincere appreciation to each of the Commissioners for the faith that they have placed in him to carry on the future duties as the city manager. He extended a special thanks to City Manager Russell Sights for the nine years he got to spend with him and his mentoring of him all of those years. He stated that he looks forward to working with each of the department heads in the future and believes it is going to be an exciting time.

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# CITY OF HENDERSON – RECORD BOOK

*Record of Minutes of* \_\_\_\_\_ *A Special Called* \_\_\_\_\_ *Meeting on* \_\_\_\_\_ April 10, 2018

EXECUTIVE SESSION: Real Estate

MOTION by Commissioner Bugg, seconded by Commissioner Staton, to go into Executive Session pursuant to KRS 61.810(1)(B) for the purpose of deliberation on the possible purchase of real estate located near the area of Alvasia Street, Meadow Street, Center Street, and Washington Street in that publicity would likely affect the value of this property to be acquired for public use.

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

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

WHEREUPON, Mayor Austin declared the Board adjourned into Executive Session.

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MEETING RECONVENED:

MOTION by Commissioner Staton, seconded by Commissioner Bugg, the Board of Commissioners reconvened in regular session.

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

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

WHEREUPON, Mayor Austin reconvened the Board into regular session.

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RESOLUTION NO. 16-18:

RESOLUTION GIVING AUTHORIZATION TO THE CITY MANAGER, OR HIS DESIGNEE, TO MAKE AN OFFER TO PURCHASE PROPERTY LOCATED AT 109 THOMPSON STREET, HENDERSON, KENTUCKY, AND TO AUTHORIZE THE MAYOR AND CITY MANAGER TO EXECUTE ANY DOCUMENTS NECESSARY TO SUBMIT THE OFFER

MOTION by Commissioner Staton, seconded by Commissioner Pruitt, approving the resolution authorizing the City Manager, or his designee, to submit a bid(s) to purchase property located at 109 Thompson Street, Henderson, Kentucky, on behalf of the City; and the Mayor and City Manager are authorized to take all other action and execute such other documents as may be necessary to bid to purchase the aforesaid property and to make any necessary deposit for the property.

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

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

