



Called City Commission Meeting Highlights

Tuesday, May 5, 2015 at 5:00 p.m. at City Hall

Budget Workshop – Capital Improvement Plan

City Manager Jeff Pederson led the Paducah Board of Commissioners and the department directors through a budget workshop focusing on the Capital Improvement Plan (CIP). The CIP contains infrastructure-related projects currently funded and those for which funding may not have been obtained or authorized. In general, projects listed in the CIP are planned for, built, and/or budgeted over a number of years. Pederson says, “Capital improvement planning is in essence looking forward and getting a handle on the needs and opportunities.” Pederson emphasized the importance of planning. He defined the term as “thinking ahead intelligently.”

The CIP currently contains 54 projects and their projected funding needs for the next five fiscal years. The 54 projects total more than \$70 million. More than half the projects could be funded over the next five years through the Investment Fund which generates approximately \$4.8 million annually in revenue from the ½ cent payroll tax. However, the Investment Fund is limited on its capacity to fund additional high-dollar projects due to more than a third of its revenue committed to debt obligations and more than half of its revenue committed to ongoing annual commitments including sidewalks, paving, and neighborhood revitalization.

At this budget workshop, the 19 out of the 54 projects currently with no funding source were discussed. Those 19 projects total more than \$57 million. The projects include the rehabilitation of the floodwall, rehabilitation of the parking lot at 2nd Street and Broadway, the renovation of Dolly McNutt Memorial Plaza, upgrades and replacement for the E911 radio/CAD/phone systems, the next phase of the Noble Park Lake Bank Stabilization Project, a \$3.5 million improvement of the ball fields at Stuart Nelson Park, and the resurfacing of the tennis courts at Noble Park. Also included in the unfunded portion of the CIP are the design and construction of a new City Hall, the acquisition of property and the future construction of a Public Safety Headquarters, and the development of a park at the site of the former Executive Inn.

Regarding the Police Department, Chief Brandon Barnhill says the Department would like to expand its operations by purchasing a building and parking lot adjacent to the existing headquarters. The property located at 1410 Broadway is for sale which includes a 3705 square-foot building and parking lot. Chief Barnhill says the department’s current headquarters, located at 1400 Broadway, is overcrowded with a need for additional space.

Paducah Riverfront Development Authority (PRDA) Executive Director Steve Doolittle summarized the preliminary draft of a master plan for the former Executive Inn site. The City owns the six acre site and has been working with the PRDA and RATIO Architects to determine the best future uses. In November 2014, RATIO met with the elected officials, staff, and other stakeholders to prepare three initial concepts of the space. In March, the most desired features from the concepts were compiled into one concept. The plan provides a transportation component to get from downtown to the convention center area in addition to parking, a pavilion with stage, open green space, a sculpture garden, a playscape, an interactive water feature, and a games gallery. The total project is estimated to cost more than \$9 million.

To address the funding needs for the projects listed in the CIP, Pederson discussed various options. Pederson pointed out that the City could issue bonds to fund the projects. However Pederson says, “If we add more debt, we have to go somewhere else [other than the Investment Fund] to cover that cost. We are in the situation of needing to consider revenue creation in order to consider these projects.” One option is to increase the City’s 6 percent insurance premium tax. For every one cent increase in the tax, the City would receive an additional \$600,000 in revenue. Regarding the need to upgrade the equipment at Paducah-McCracken County E-911, the Paducah Board of Commissioners asked Chief Barnhill to further research what some other cities have implemented in the form of either a parcel or meter tax dedicated to supporting E-911.

The City Manager and department directors are continuing to prepare the FY2016 Budget. With revenue expected to hold flat, each department is working to keep its budget the same as the current fiscal year. The Budget is set to be introduced and approved in June before the July 1 start of the fiscal year.



Pam Spencer, Public Information Officer

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Quick Highlights

- Ordinance approved authorizing the contract with Harper Construction, LLC for the concrete unit prices and excavation rates for the 2015 and 2016 calendar years for the City's concrete program which includes sidewalks, curbs and gutters, concrete entrances, and storm inlets. The City received two bids with the bid opening held March 26.
- Ordinance approved authorizing the sublease between Seamen's Church Institute of New York and New Jersey and American Bureau of Shipping (ABS). Seamen's leases the city-owned property at 117 South First Street. This sublease will authorize ABS to utilize the space formerly leased to Whitlow Roberts Maritime Annex.
- Ordinance introduced (vote May 12) for an intent to annex the property located at 2675, 2665, 2655, and 2645 Holt Road. The tracts total 2.35 acres. The property owner requested the annexation. Once the intent to annex is approved, the next step will be for the Planning Commission to hold a public hearing to assign zoning. An annexation ordinance and a zone change ordinance will be introduced by the City Commission later in May. This property is contiguous to Paducah's city limits. It is across Holt Road from Strawberry Hill Car Wash, which is within the Paducah city limits.

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