



City Commission Meeting Highlights

Tuesday, August 10, 2010

Executive Inn Liquidation Update

Chief Building Inspector Joel Scarbrough provided the Mayor and Commission an update regarding the liquidation of the Executive Inn. The notice to proceed on the project was issued last week to the contractor. The contractor has 60 calendar days to complete the liquidation with a completion date of October 3. Demolition can then start on October 4. Demolition is allowed 150 business days for completion, which means the Executive Inn will be demolished by mid-March 2011. Scarbrough explained that at an upcoming Commission meeting there will be a change order regarding the liquidation. A portion of the liquidation includes the commercial kitchen fixtures inside the hotel, which are the property of the Convention Center Corporation (CCC). The commercial kitchen will be liquidated for \$15,000 thus reducing the contract amount from \$217,000 to \$202,000. The \$15,000 will be transferred to the CCC. Scarbrough says, "It results in a zero dollar impact to the City." The liquidation of the Executive Inn will be at 10:00 a.m. on Thursday, August 19. Stay tuned for additional information about the liquidation.

Contract with Ben South as City Manager (vote August 17)

The Mayor and Commission introduced an ordinance for a contract with Ben South to be the City's next City Manager. The specifics of the contract still are under negotiation. On August 6, the Mayor and Commission interviewed South and the other three candidates. After the interviews, the Mayor and Commission unanimously decided to offer the city manager position to Ben South. South is currently the President and CEO of Breakthrough Innovations, LLC in Canon City, Colorado. Jonathan Perkins will continue his role as Interim City Manager until South's arrival which could be as soon as later this month. 53 people applied for the City Manager position. The Mercer Group conducted the executive search for the City. Jim Zumwalt resigned as Paducah's City Manager on March 2, 2010.

More Good News About the Refinancing of the 2001 Bond Issue

Public Information Officer Pam Spencer spotlighted the refinancing of the 2001 bond issue. At the July 27 Commission meeting, Commissioners approved an ordinance to refinance a bond issued in 2001. The City was expecting an average interest rate of 3.4%, which would yield a savings of a little more than \$532,000 over the remaining life of the loan (16 years). However, with a drop in the interest rates and the City's high quality bond rating of AA-, the bond was refinanced and sold on July 29 at an average interest rate of 2.9%, which will yield a savings of more than \$983,000 over the remaining life of the loan. This saving will benefit the City, County, and Convention and Visitors Bureau. The debt payments are funded primarily using revenue from 2 cents of the 6-cent County bed tax. However, any remaining balance is shared equally by the three organizations. In 2001, the City issued a 25-year, \$9.29 million general obligation bond to finance the construction of the Paducah-McCracken County Expo Center and to contribute \$3 million to the construction of the Carson Center. At this time, more than \$2 million of the debt has been paid off.

Recommendations from Paducah Riverfront Development Authority

Paducah Riverfront Development Authority (PRDA) Chairman Joe Frampton provided the Mayor and Commission with recommendations about the restructuring of the PRDA and Paducah Renaissance Alliance (PRA) boards to best serve downtown and LowerTown. In June, Mayor Bill Paxton asked a small group consisting of members of PRDA, PRA, and a former Main Street board



Contact: Pam Spencer, Public Information Officer
City of Paducah • P.O. Box 2267 • Paducah, Kentucky 42002
270/444-8669 • Office 270/443-5058 • Fax
<http://www.paducahky.gov> Email: pspencer@ci.paducah.ky.us

member to critique the operations and effectiveness of PRA and PRDA. Mayor Paxton says, "There are several of us who have been concerned about PRA and how it's been working to keep downtown strong. Everything is on the table. We want you to look at this and make recommendations. We want a thriving downtown. We want a thriving LowerTown." The small group included Commissioner Gayle Kaler, Chris Black, Bruce Brockenborough, Keith Wilke, Joe Framptom, and George Sirk. As a brief history lesson, the PRA board was formed from the old Main Street Board and expanded to 15 members by adding LowerTown representatives. The PRDA board with its seven members was created to be an autonomous non-political instrument of continuity and growth for the accumulated successful public and private assets in downtown Paducah. After researching documents, Framptom says the small group noticed several key issues: inadequate staffing at PRA, too many chiefs, a question about who is in control, and boards with no power. Framptom says, "It's a very complex issue with many, many details. The PRDA board has no power to direct staff or spend money. We can only make recommendations." Framptom suggested modeling the organization after the development authority in Chattanooga and after the Greater Paducah Economic Development Council. The recommendations for PRA and PRDA are as follows:

1. For maximum effectiveness in the community, PRDA needs a certain level of autonomy from the City to insure success. Communities that achieve success in economic development have independent public/private entities.
2. PRDA should receive a budget appropriation commensurate with its mission and should manage its budget.
3. The staff should be managed only by PRDA. They should report to the PRDA board and be accountable to the PRDA board. PRDA working with its sister agency PRA will allocate the staffing resources to meet the priority obligations of both boards.
4. The City should take the appropriate legislative action to transfer budgetary and personnel control to the PRDA.

Mayor Paxton recommends that he and the Commission review the information provided by Framptom and the small study group. Mayor Paxton also recommends getting input from Ben South, the new City Manager. He hopes the Commission can make decisions about changes to PRA and PRDA in September.

Joint Sewer Agency Consent Judgment Activities

John Hodges, Executive Director of the Paducah McCracken Joint Sewer Agency (JSA), updated the Mayor and Commission on the consent judgment activities of JSA. JSA is responsible for the operation and maintenance of Paducah and McCracken County's wastewater collection and treatment system. In 2007, JSA entered into a Consent Judgment with the State Division of Water and received an Administrative Order from the Environmental Protection Agency to address combined sewer and sanitary sewer overflows to improve its collection systems. There are major requirements of the consent judgment: early action plan items, Sanitary Sewer Overflow Plan (submitted March 2010), and the Long Term Control Plan. JSA is developing the Long Term Control Plan due in September. To satisfy the public participation requirement, a public hearing is scheduled for Wednesday, August 11, 5:30-7:30 p.m. at the Convention Center. This plan includes an evaluation of the costs associated with upgrading the system to address the combined sewer overflows. JSA estimates the projects to satisfy the Long Term Control Plan will cost \$30 million.

Background: The 1994 Clean Water Act outlawed combined sewers. During a storm, flow in a sewer system may exceed the pipe's capacity. Also, a sewer system may overflow due to pipe failures or blockages. When this occurs, untreated wastewater may flow into streams and rivers. JSA is permitted for these discharges; however, the Judgment and Order require JSA to develop and implement plans to reduce the discharges and improve the sewer system. JSA is not alone; other communities in Kentucky are under similar consent judgments. Since 2007, JSA has spent more than \$8 million on capital improvement projects to improve maintenance and rehabilitation.

Acquisition of Property for Phase II of Greenway Trail



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Commissioners approved two ordinances for the final two pieces of property for the section of the greenway trail that will extend from the Brookport Bridge toward Noble Park. An ordinance was approved to purchase property and easements in the amount of \$6000 from Gene and Ann Edwards for property located at 2400 North 8th Street. A second ordinance was approved for the purchase of easements in the amount of \$10,750 from Michael and Iva Boatwright for property located at 2601 North 10th Street. Parks Services Director Mark Thompson says the City will have nearly six miles of greenway trail when the trail is completed from the Expo Center to the Perkins Creek Nature Preserve. At this time, 1.75 miles of trail is open from Noble Park to County Park Road.

Pauper Burial Update

At the May 2010 budget workshop, the Mayor and Commission asked Commissioner Gerald Watkins to meet with McCracken County representatives regarding the cost of pauper burials. In January of this year, the City started receiving pauper burial bills from the County that were twice as expensive as in 2009 when the City was paying \$500 per burial. After meeting with the McCracken County Coroner and County Commissioner Jerry Beyer, the issue was determined to be an accounting error. The City should have been billed \$500 per burial rather than the \$1000 per burial. Commissioner Watkins also researched the burial cost and says that the cost charged by the funeral home for a pauper burial is “a losing venture.” Commissioner Watkins says, “It is essential for us to put our citizens to rest properly.”

Quick Highlights:

- Mayor Bill Paxton read a proclamation that wished the U.S. Coast Guard a Happy 220th Birthday for August 4.
- Municipal order approved to apply for a Community Block Development Grant through the KY Department for Local Government. The grant seeks an award of up to \$1,000,000 with no local match from the City. The funding would be used for the Jackson House’s two elevator systems.
- Municipal order approved to name Alfred Anderson as the Mayor’s designee to the Board of Municipal Housing Commission.
- Ordinance approved for an agreement with AT&T for the relocation of a telephone cabinet and related equipment located at 3566 Olivet Church Road. The relocation will cost \$193,025.78. The relocation is necessary for the Olivet Church Road Improvement Project. All expenses associated with utility relocation and right-of-way acquisition will be reimbursed up to \$2 million by the KY Transportation Cabinet.
- Ordinance approved accepting the Energy Efficiency and Conservation Block Grant from the U.S. Department of Energy on behalf of the Jackson Purchase Resource Conservation and Development Foundation. The grant award of \$50,000 will be used to purchase equipment including five 20-yard recycle bins for the recycling facility at 1851 North 8th Street. The grant does not require a local match.
- Ordinance approved for a contract for the Alpha Project through the Department for Local Government.
- Ordinance introduced (vote August 24) to amend section 126-76(k)(6) of the Zoning Ordinance. The amendment will allow a Dick’s Sporting Goods sign to be placed on the front façade of the Kentucky Oak Mall. Prior to this change, Dick’s only would be able to place a sign on its leased section of the mall structure. The signs must advertise a business within the structure the sign is attached to. The Planning Commission held a public hearing on August 2 and made a positive recommendation to the City Commission.
- Ordinance introduced (vote Aug. 24) for maintenance/service agreements with Motorola for fiscal year 2010-2011 for the 800 MHz radio infrastructure, the individual mobile, portable, and base station radio units, city-owned radios and the E-911 telephone equipment. The two maintenance/service contracts total nearly \$58,000.



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- Ordinance introduced (vote Aug. 24) to purchase for the Street Division a compact track loader with a 78” root grapple from McKeel Equipment Company utilizing the State contract for a total cost of \$52,888.70. This is in accordance with the approved Fleet Plan.
- Ordinance introduced (vote Aug. 24) to accept the Kentucky Office of Highway Safety grant award in the amount of \$44,627. This grant will pay the overtime salaries, fuel, and training for approximately 1200 hours of Police Department traffic enforcement. No local match is required.

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