

City of Stanford
Regular Council Meeting

Thursday, June 7, 2018

I. Call to order

Mayor Eddie Carter called to order the regular meeting of the City of Stanford Council at 6:34 pm on June 7, 2018 at the Stanford L & N Depot. Mayor Carter asked that we remember the following members of our extended family in our prayers: Dr. James, John Sallee, Ryan Owens, and Peggy Denham who are all battling cancer and Nell Deatherage who is battling a serious illness. Councilmember Sara Givens led the opening prayer and Mayor Carter led the Pledge of Allegiance.

II. Roll call

A roll call was conducted, and the following council members were present: Ronnie Deatherage, Scottie Ernst, Sara Givens, Peggy Hester. Naren James and John Sallee were absent.

III. Approval of Minutes

- a) Regular Council Meeting – April 5, 2018
Councilmember Givens made a motion to accept the minutes as presented and Councilmember Ernst seconded the motion. With all in favor, the motion carried.
- b) Regular Council Meeting – May 3, 2018
Councilmember Hester made a motion to accept the minutes as presented and Councilmember Givens seconded the motion. With all in favor, the motion carried.
- c) Special Council Meeting – May 23, 2018
Councilmember Ernst made a motion to accept the minutes as presented and Councilmember Deatherage seconded the motion. With all in favor, the motion carried.

IV. Water/Sewer Budget

Danny Bertram came forth to explain the Water/Sewer Department budget. Salaries will be up slightly next year due to salary increases and overtime expenses. We are projecting an increase in utilities since we are running the treatment plant 24 hours a day, 7 days a week now and bringing on-line the greenhouses that are under construction. Telephone expenses are decreasing due to a new contract being negotiated. The water department will be faced with the same increase by the Kentucky Retirement System as everyone else. Repairs and maintenance is expected to be up as

older lines are identified that are not included in the 4-million-dollar project that we want to do. There is a savings in equipment rental due to a new contract on their postage machine. We save money now by having our own backhoe and an operator on standby which allows us to do more in-house work instead of having to hire someone out. Councilmember Hester asked about the projected date to start on the water line project. Mr. Bertram said that they met with the engineering firm yesterday and we are waiting on the final approval from the State. We hope to be able to let bids in the early fall.

Councilmember Deatherage commented that the new on-line bill was a positive addition to services.

Chief Maples asked about the breakdown on the salaries, but Mr. Bertram did not have that with him. Councilmember Hester asked that the breakdown be provided at the next meeting since they are public employees.

Chief Maples also asked about money in the water/sewer budget for repairing fire hydrants. It is a serious issue that is going to have to be addressed. Mr. Bertram said that years ago, an agreement was reached where the Fire Department was responsible for the repairs. Mr. Bertram will ask Johnathan Baker if he has a copy of the agreement.

Councilmember Deatherage asked about the \$8000 increase for salaries and Mr. Bertram explained that raises would be given on a pay-for-performance system based on employee evaluations. He also asked about the number of employees and Mr. Bertram answered 16 full-time and 2 part-time.

Councilmember Ernst inquired about the repairs and maintenance breakdown on sewer which went up \$5000 and water which went up \$11,000, but that does not add up to the \$30,000 total. Mr. Bertram said that it must be a mathematical error and he would have to ask to make sure.

Councilmember Ernst made a motion to have a first reading on the water/sewer budget ordinance 2018-19 with clarification on the repairs & maintenance figures, the fire hydrant issue resolved and an employee salary breakdown prior to second reading. Councilmember Deatherage seconded the motion and with all in favor, the motion carried.

Attorney Chris Reed gave first reading to the ordinance adopting the Water/Sewer Department of the City of Stanford annual budget for fiscal year July 1, 2018 to June 30, 2019.

V. Planning & Zoning

Ward Hart was unable to attend, and Attorney Chris Reed relayed to council that Mr. Hart would like council to consider changing home occupation businesses and include a paragraph that home occupations shall not generate any atmospheric pollution, light flashes, glares, odors, noise vibration or truck or other heavy traffic.

Councilmember Ernst made a motion to move forward with the changes to the home occupation business. Councilmember Hester seconded the motion and with all in favor, the motion carried.

Attorney Reed will prepare the amended ordinance.

VI. Citizen Comments

a) **Mad Batter Bakery**

Angela Bryant came forth to introduce herself and her new business, the Mad Batter Bakery. She will be opening the bakery in the old Blue Monday Antiques location hopefully by July 1st. She plans to include a coffee shop and a candy store inside the bakery. She plans to be open Tuesday through Saturday from 7:00 am to 3:00 or 4:00 pm.

b) **Dennis Counts – Miller Street Problems**

Mr. Counts informed council of the problems with his neighbors on Miller Street: noise from generators when their electric was off, foul language, no mufflers on their vehicles – he said he has been living in torment. He has been working with Chief Middleton and Mr. Knouse, Code Enforcement, to try to solve the problems and will continue to do so. Councilmember Ernst suggested that the property owner, who lives out of town, be notified that complaints have been brought before the Council and the Mayor.

VII. Old Business

a) **Approval of Intent to Annex US 27 South Area of Stanford**

Mayor Carter explained that this is the area of South 27 that takes in the church, the Ready-mix, the county garage, and the 17 acres next to the church that will be auctioned off in a couple of weeks. Councilmember Deatherage asked how many lots would be involved if the 17 acres were developed. Chief Maples said that it could be divided into approximately 5 lots.

Councilmember Hester made a motion to move forward with the intent to annex the US 27 South property. The motion was seconded by Councilmember Deatherage and with all in favor, the motion carried.

Attorney Reed read the ordinance establishing an intent to annex the above-mentioned area. The next step will be to send a letter with the intent to annex describing the benefits and setting up a time for a public meeting.

b) **Update on the Cherry Property**

Mayor Carter said that several people have asked about the property since the article in the paper, but no offers have been made at this time. Councilmember Hester asked about the price if someone was interested. Mayor Carter said that the City has approximately \$20,000 in it. Councilmember Ernst said to ask \$20,000 or best offer. Chief Maples inquired about the length of time to wait for an offer since the house is a hazard. Mayor Carter said he thought we should give people at least 60 days to make an offer. Jeff Knouse stated that he thought the City might be liable since the structure is in imminent danger of collapse. Mayor Carter said that we need to put the yellow tape back up around the house. Councilmember Hester stated that according to HB-422, the doors and windows are supposed to be boarded up, and a sign on the door and in the yard stating no entrance to the property. Councilmember Ernst said that he thought the City should follow the same rules that we require of citizens. Mayor Carter stated that we would try to get the tape and signs up and get the windows boarded up.

VIII. New Business

a) **Reappointment to the Code Enforcement Board**

Mayor Carter stated that he would like to reappoint Billy Hastie to the Code Enforcement Board for a 3-year term.

Councilmember Ernst made a motion to reappoint Billy Hastie to the Code Enforcement Board and Councilmember Givens seconded the motion. With all in favor, the motion carried.

b) **Authorization to Open First Southern Account – Friends of the Fort**

Mayor Carter explained to Council that the Friends of the Fort would like to open a separate account using the City of Stanford tax ID number to keep donations and funds raised at Logan's Fort Events – mainly the Siege of 1777. The Friends of the Fort committee is willing to make reports back to Council at any time. The signers on the account will be Jane Vanhook and Peggy Denham.

Councilmember Hester stated that she is in support of opening this account and appreciates the reports they make to Council.

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Foundation. Eventually there must be maintenance and the Fort Foundation is saying that they don't have to use any contributions for maintenance. If they don't maintain the Fort from some of their contributions, eventually it will be lost – it's going to rot. Councilmembers Ernst and Deatherage brought up that they had already voted at a previous meeting to request reporting. Mayor Carter said that he would try to get Irene Jagers to come to the next meeting.

City Clerk, Peggy Oberson, said she would like to get clarification with the City's CPA on the handling of the account before the account is opened.

Councilmember Hester made a motion to move forward with approval for Jane Vanhook and Peggy Denham representing the Friends of the Fort event committee to open an account at First Southern National Bank provided that the City's CPA is aware of the account and city government procedures are followed. The motion was seconded by Councilmember Deatherage and with all in favor, the motion carried.

c) **Authorization to Open First Southern Account – Logan's Fort Project (Funds Donated from Jess and Angela Correll)**

Mayor Carter explained that this account would be similar to the Friends of the Fort approval just given. Jess and Angela Correll have given a considerable amount of money to build cabins and it would be helpful to be able to keep it in a separate account – not in the General Fund.

Councilmember Deatherage made a motion to open up an account at First Southern National Bank for the Logan's Fort Project using the City of Stanford tax ID number with Mayor Eddie Carter and Peggy Oberson as signers on the account. The motion was seconded by Councilmember Givens and with all in favor, the motion carried.

IX. Discussion of Possible First Reading of City of Stanford Budget Ordinance and Possible First Reading of an Ordinance to Raise Payroll Tax

Mayor Carter explained that since Councilmembers James and Sallee could not be here, he would like to have a workshop budget tonight and then have a meeting next Wednesday night to hopefully have a first reading of the budget at that time. The payroll tax increase is also being considered and Mayor Carter presented a sheet with projections for .85, 1, 1.15, and 1.25 %. Peggy Oberson, City Clerk, and Bob Casher, Bluegrass ADD, have refigured the 1% increase and it looks like that will bring in about \$320,000 above what we have now. That would cover the 12% increase in hazardous duty retirement, 3% raises, and other increases with about an \$80,000 surplus.

Councilmember Ernst asked Mayor Carter if he could make a presentation.

Councilmember Ernst said that he felt like we are at a crossroads tonight of where the city is going to go. He would like to see extra money to pave streets and repair sidewalks. Also, annexation is going to cost the City money to implement. With annexation, the call volume is going to increase for the Fire Department. Chief Maples came forth to explain how the GPM (gallons-per-minute) flow affects the ISO rating. Chief Maples stated that Somerset, a full-time paid department, has the same GPM flow and Stanford is doing just as well as a volunteer department.

Councilmember Ernst continued to say that equipment will need to be updated, and training for volunteers provided in order for us to keep and improve our ISO rating. The volunteers and the Fire Chief need a pay raise. We have 26 volunteers – with time spent in training and low pay, we could lose them.

Councilmember Ernst moved on to the Police Department. The call volume has increased due to several factors. Also, 1 officer is at the High School campus full-time and 1 traveling resource officer is provided for the elementary schools.

Councilmember Ernst handed out a wage/salary study conducted by the Kentucky League of Cities dated February 2018. Chief Middleton handed out a graph showing the Stanford Police positions in relation to the KLC salary study. He suggested a 15% raise to bring most employees up to the bottom of the first 25%. Councilmember Ernst stated that he is disturbed that the City is paying below minimums.

Councilmember Deatherage stated that Stanford is a great place to live and people are willing to accept less money and work here. We have to look at how much these raises will cost each year plus 12% each year for hazardous duty retirement.

Mayor Carter stated that he has talked to LMI and First Southern on the payroll tax and we have a close deal on a brake parts company coming to the City that could bring several jobs. They understand we have to raise the payroll tax, but they all have concerns and we have to be competitive on jobs. Also, in 4 years, the bond payment \$200,000 + per year will be paid off and the fire truck will be paid off which will help.

Councilmember Ernst continued to say that the City is nickel & diming as far as the vehicles we have. The City can lease 4 vehicles fully equipped for 5 years at \$24,000 a year - \$120,000 over a five year period. The City is currently spending \$20,000 on maintenance of vehicles, so for \$4000 more per year, we could get the use of 4 new vehicles. Mayor Carter explained that we can get 2 vehicles per year, if approved, through the grant program. Chief Middleton said that we should do both if we have that opportunity.

Councilmember Ernst continued to say that the street department is doing a good job - probably could do better. He might need additional help. The city has a lot of

properties to mow and maintain, better equipment is needed to do the job required. An additional zero turn mower might be needed because of Code Enforcement. The Mayor is asking for additional personnel in the City Clerk's office to carry out daily business. Councilmember Ernst would like to see on the budget a line item breakdown for clerk, assistant clerk, clerk III, etc. The Code Enforcement Officer has given the City \$30,000 in additional revenue. There are currently 4 houses that need to be demolished. If we are going to stand behind the ordinance that we adopted last year, money needs to be allocated to do so. Our City Attorney has done an outstanding job – he has been asked to do more than his position as City Attorney requires. His position as City Attorney is to be at council meetings and give advice on legal issues. He has spent countless hours preparing to represent Council in court cases for trial. It is time he be compensated for his work. He is paid \$800 a month – in my opinion no other attorney would do what he has done and not be compensated. Usually a City will pay a retainer fee, then pay an hourly rate for their services – that would have amounted to thousands of dollars on the Cherry property, preparation of ordinances, and Code Enforcement work. If we raise him to \$900 a month, that would be \$10,800; if we go to \$1000, that would be \$12,000 a year. Councilmember Ernst said he talked to Craig Butler and he says that a City should have a reserve and that should be 20% of the total budgeted annual expenditures. That figure is not attainable for us, but any amount that we can set aside for an emergency fund we need to try to put into our budget. Of course, the big expense is the 12% for the Kentucky Retirement System. The 12% increases will continue for 10 years. Mayor Carter said the increase at the end of the ten years will be 310%.

Councilmember Ernst recommended a 15% pay increase across the board for City employees and stated he is not above going to a 2% occupational payroll tax.

Mayor Carter thanked Councilmember Ernst for all the good information and his hard work on the budget. In fairness to Councilmember James and Sallee, who are sick tonight, Mayor Carter recommended that the payroll tax issue be tabled tonight.

Councilmember Deatherage said that his main concern is that the people that we would be putting these taxes on haven't had raises either. Teachers haven't had a raise in 10 years.

Mayor Carter explained that economically for companies coming here, the payroll tax really makes a difference. LMI, one of the biggest employers in the county, is concerned. It's a big step, Scottie has given us a lot of great information, and we need to put a lot of thought into this.

X. Logan's Fort Maintenance Budget Recommendations

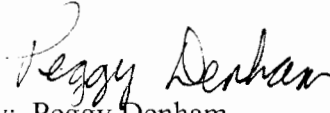
Garlan Vanhook came forth and presented a letter to each council member with his estimates for maintenance at Logan's Fort. The council had requested this information for budget purposes at the last meeting.

XI. First Reading of Ordinance to Raise Payroll Tax

Councilmember Hester made a motion to have a first reading of the payroll tax increase to 2%. Councilmember Ernst seconded the motion and with all in favor, the motion carried. Attorney Reed gave first reading to the ordinance.

XII. Adjournment

Councilmember Hester made a motion to adjourn and Councilmember Deatherage seconded the motion. With all in favor, the meeting was adjourned at 9:58 p.m.



Minutes submitted by: Peggy Denham

Eddie Carter, Mayor