

MINUTES FROM REGULAR COUNCIL MEETING

CITY OF SHEPHERDSVILLE,

MONDAY, May 9, 2011

Jerry Pile gave the invocation

Pledge of Allegiance was recited

Mayor Ellis called the meeting to order at 6:31 p.m.

In attendance were Council members Bernie Brown, Don Cundiff, Bonnie Enlow, Larry Hatfield and Faith Portman and Alan Wetzel.

Faith Portman made motion to dispense with reading of the minutes from the Special Regular Council Meeting (Rescheduled from April 25th, 2011) on May 2nd, 2011. Mrs. Enlow 2nd. Motion carried 5-(1) absent. Mrs. Enlow made motion to approve the minutes. Faith Portman 2nd. Motion carried 5-(1) absent.

Approval of the bills; Mayor Ellis asked if there were any questions on the bills. Bonnie Enlow asked if we were still holding off on paying the Stephens and Lawson bill. The Mayor said he believed they were. Mr. Cundiff asked if the city had made contact with them, the Mayor stated that he wasn't sure if the City Clerk had made contact before she was off for shoulder surgery this month. Bernie Brown said he felt we should hold off on payment of the bill unless the City Attorney felt they should go ahead and pay it. City attorney Joe Wantland stated that he thinks the city council is well founded in requiring more information before paying the bill. Bernie Brown stated that they should hold off paying the bill then. The Mayor stated that he would call Stephens and Lawson and talk to them more about it the following day.

Bonnie Enlow inquired about the CDW bill for the Fire Dept. & Police Dept. Layne Troutman addressed the council explaining the fire department side of the bill. He stated that their portion was for new computers and a new server. Bonnie Enlow made a motion to pay the city bills minus the Stephens & Lawson bill. Mr. Hatfield asked again what the bills were for and when they were approved to purchase. Chief Troutman stated that it was from 2010. Bernie asked if it had been budgeted. The Mayor stated without the budget in front of him he couldn't say. Mr. Brown and Mr. Cundiff felt the council needed more information before paying the bill. Both Mr. Hatfield and Mr. Cundiff said they would like to know who ok'd it. Bonnie Enlow asked what the laptops were. The Mayor said he believed they were police computers for the vehicles. The Mayor said they were ordered in November 2010 and shipped in December of 2010. Don Cundiff requested that somebody check on this and report back at the next meeting so they know what it is and who authorized it. Motion by Don Cundiff. 2nd by Larry Hatfield. Motion carried 5-0 (1) absent. Bonnie Enlow withdrew her motion to pay the bills.

Bernie Brown asked if the balances provided in the General Fund and Sewer were current as of that day. Mayor Ellis stated that they were. Mr. Brown also asked if we had an estimate on what would be coming in to both sewer and general fund in the next 30 days. The Mayor said that there wouldn't be anything substantial in general fund, and that the sewer had between 20,000 and 30,000 a month coming in. Larry stated that there was no way they could pay \$436,000.00 dollars bills with \$100,000.04 dollars in the bank. The Mayor stated that the bond payment had to be made by the 15th. Larry Hatfield asked if the city had received the sewer income for May yet. He was directed to ask Gayla Bright, treasurer. Mr. Hatfield stated he wanted Gayla to be present at the next council meeting. Bonnie Enlow agreed. Larry Hatfield made a motion to table all bills except the Bank of New York which is 95,057.52. Faith Portman 2nd. Motion carried 5-0 (1) absent.

OLD BUSINESS:

City attorney Joe Wantland did the second reading of Ordinance 001-076 concerning the rezoning request from JB & Jean Latham to rezone 1.765 acres, Tract 1 and 2, located on the south side of Old Cedar Grove Rd, approximately 600' off Cedar Grove Rd from Agriculture to R-3 Residential. Motion to approve made by Bernie Brown. Bonnie Enlow 2nd. Motion carried 5-0 (1) absent.

City Attorney Joe Wantland did the second reading of a Text Amendment to add sections 10.00 thru 10.800 to the Official Bullitt County Zoning Regulations for the regulation of Cell Towers that are built in Bullitt County. Mr. Hatfield asked who would control this. Mr. Wantland said it would be the planning commission. Motion to table this until Mr. Lee could be here by Larry Hatfield. Bonnie Enlow 2nd. Motion carried 5-0 (1) absent.

Alan Wetzel came in 6:35 p.m.

City Attorney Joe Wantland did the second reading of Ordinance 001-077 amending Ordinances for collection of Ad Valorem Taxes by the Sheriff of Bullitt County for the City of Shepherdsville and compensation for the same pursuant to KRS 91A.070 for calendar year 2011 and thereafter until further amended. Motion to approve made by Bonnie Enlow. Faith Portman 2nd. Motion carried 6-0. Larry Hatfield explained that if we do not do this the city stands no chance of borrowing money to straighten this out. He said there have been three institutions that say because we collect our own taxes that they won't lend us any money at all. They want it to go through the Sheriffs Department. Bonnie Enlow stated that the lenders said if it isn't in the city's hands, they are guaranteed their payment. Mr. Brown stated he personally hated to see the city pay 4.25 percent. He also stated that we don't have a choice if they want to get a loan that is going to be essential. Mr. Brown stated that a certain amount of work load will be taken out of city hall and that they needed to look at the savings can result from that. Mr. Cundiff said that this cost will include postage as well. Mr. Wantland stated that the county pays 4.25 percent, and yes the postage comes out of that. Mr. Hatfield said the cost at 4.25 percent was \$68,000.00 dollars give or take. Mr. Cundiff said once we aren't required to do it anymore it could be changed back.

Attorney Joe Wantland read Resolution 011-014 authorizing the Mayor, and other Officers to execute all documents for the purpose of having the Bullitt County Sheriff collect ad valorem taxes and payment for this service. Motion to approve by Bonnie Enlow. Larry Hatfield 2nd. Motion carried 6-0.

Mayor requested a motion to take the discussion for the contract for a company to do a rate study on sewer charges off the table. Motion made by Don Cundiff. Faith Portman 2nd. Larry Hatfield asked what this was for. The Mayor explained that it was to discuss the issue further and that it needed to be brought off the table to do so. Mayor called for a vote. Motion carried 6-0. Mr. Rob Campbell addressed the council with details on companies doing the rate studies. He recommended two companies. The Mayor asked if there were any questions. He recommended that the two companies come to the May 23rd meeting and make a presentation to the council before they decide. Bonnie Enlow agreed. Bernie Brown said he was concerned that it would still be a few months before they would be able to increase the rates if they waited on the study. He said he was concerned about the debt service payment due of 250,000.00 soon. Mr. Brown asked if they raised the rates now, would the survey company come back and say they were too high. Mr. Wantland said there was some urgency in movement. Larry Hatfield said he was concerned about how the rates would be structured. He felt you need to look at several aspects. He said if it was done straight across the board they would have problems with that. Mr. Hatfield also stated that they needed to look at the grease trap ordinance for businesses, people that are outside the city limits and possibly looking at putting together the system development fund for the South Regional Line. He also felt it might be good if Angi Johnston and Rob Campbell and he sat in on it before bringing them to a meeting. Mr. Hatfield stated there were issues. He said had Jim Beam not been a factor in this our rates would have been twice what they are going to be. Mr. Hatfield stated that when you raise the sewer rate 50% on a \$40.00 bill its one thing, but when you raise a man's sewer rates on a \$100,000.00 a month bill he thought we would have an issue. Bernie Brown stated that he felt there were ways to handle that issue. Mr. Hatfield said he thought it should all be looked into. He felt if we could keep the rates down on the \$40.00 a month homeowner we know that our grease ordinance hasn't been activated in a number of years. He confirmed this fact with Sewer Plant Operator Chuck Keith. Chuck stated that we have a grease ordinance but that

some restaurants are doing it and some aren't. Mr. Hatfield said that he thought that all needed to be looked at with the engineers and the people studying the rates. Mr. Keith asked Mr. Hatfield how you make them comply. Mr. Hatfield said that it would have to be addressed and enforced. Bonnie Enlow stated that instead of waiting for the meeting, maybe the Mayor and a couple council members could meet with them as soon as possible to discuss the rates. The Mayor said he would call them and get them out here as quick as they can. Bonnie said maybe that would get it moving along faster than waiting for the next meeting. Mr. Wantland again stated that there was a sense of urgency, that the sewer fund has been depleted, the reserves are gone, that there is contractual obligations to put those back in place and we are required to do so. He said the city had to begin generating revenue that we can no longer continue to borrow to pay debt service. He said we the sewer would have to step up or default. Don Cundiff asked if they could meet before the next meeting. The Mayor said he would check with them.

Discussion about the old city hall lease was short lived as no one had heard from the lessees.

The Mayor said he had a meeting with the Red Crow Indian Council to let them know the city was unable to incur the debt, and that they would have to pay for the expenses. The council members agreed.

New Business:

City Attorney Joe Wantland performed the first reading of Ordinance 011-078 amending Ordinance 003-575 and 005-668 relating to the imposition and administration of an occupational tax by persons and business entities conducting businesses, occupations and professions within the city.

Bernie Brown said he would like to see a sunset date added to the Ordinance of 4 years. Jerry Pile is going to enforce payment through code enforcement. Mr. Wantland said he would set the beginning date for July 1, 2011. Larry Hatfield requested that the net profits statement be removed from the Ordinance.

Motion to approve made by Bonnie Enlow. Larry Hatfield 2nd. Motion carried 6-0.

City Attorney Joe Wantland performed the first reading of Ordinance 011-079 amending Ordinance 004-649 imposing a license upon Insurance Companies doing business within the corporate boundaries of the City of Shepherdsville.

City Attorney Joe Wantland read Resolution 011-014 authorizing the Mayor, and other Officers to execute all documents for the purpose of securing short term financing in the sum of \$300,000.00 and its disbursement.

Motion to approve by Larry Hatfield. Bonnie Enlow 2nd. Motion carried 6-0.

Discussed the approval of contracts for Angi Johnston, PE and Phil Wood, PE to continue to assist City in completion of two sewer projects. Council wanted to look at the contract and discuss it at the next meeting.

The council discussed and approved a professional surveying service agreement (Proposal A) for the mapping of Current Corporate Boundary Lines by Armstrong Engineering. The cost of the proposal was \$3,000.00.

Planning & Zoning update- Darryl Lee was not present.

Board of Adjustment update- Nothing to report.

Sign-in Speakers:

Heath Mayes addressed the council about his basement flooding (Shawnee Acres) from the recent storms. He stated that ever since the city filled in the detention basin his property hasn't been draining off as it was before. He produced pictures of the damage and requested reimbursement for the clean up and ruined furniture. Mr. Wantland stated that he wasn't sure the city was responsible, that the developer had walked away from the development and filed bankruptcy leaving the responsibility behind. Mr. Hatfield asked a few questions about his location in the subdivision and said he'd like to visit the property.

Mr. Mayes said he has dug around the foundation looking for the footer trying to stop the flooding.

Chuck Keith stood and stated that the capital projects department was the ones that laid piping over there and that there was a serious issue due to a pipe being bottle necked. Mr. Keith said he wasn't aware of the problem until Joe Exely, the city engineering technician brought it to his attention. Mr. Keith stated that any type of rain backs up the system.

Mr. Wantland asked Mr. Mayes to come back to the next meeting on the 23rd. Larry Hatfield stated that he would have Joe Exely at the next meeting.

Bert Lee Higginbotham also addressed the council about the Shawnee acres detention basin. He is concerned about the safety issues of the areas that have washed out and left large holes. He also said that someone across the road ran a drainage ditch to their detention basin which is exasperating the issue. The Mayor stated that they would look into it.

Gaynell Rummage addressed the Council about questions she had asked about at the last meeting concerning ADP, who approved it and who signed the contract. The Mayor told her that it had been discussed and approved with the council through emails and that he had signed the contract. Mrs. Rummage then asked why it wasn't voted on in an open meeting. The Mayor stated that it was a service and therefore didn't have to be. Mrs. Rummage then asked why they didn't put it out for a bid so the local companies could have a chance to provide the service. She said she didn't understand why this council and this Mayor were doing the same things that the last administration had done. She felt that a local company would have been a better choice. Gaynell stated that the citizens want to see more cuts and less spending. Mr. Wantland stated that there had been substantial cuts made. Mrs. Rummage said there had been some cuts but not enough to cover what the city was short. Larry Hatfield said that they couldn't cut what the city was short. Mrs. Rummage said she understood that they couldn't do it all at once, but that the city needed to tighten their belts. Larry Hatfield said he was going to look back into the ADP issue because he felt he had made a mistake in jumping into this in January. He wants to look into it better and see if we can pay employees every two weeks instead of every week. Gaynell said she had been asked by several people if the city was going to outsource all this work...if the Sheriff was going to collect property taxes and ADP is going to do payroll, what is there for the treasurer to do? Mr. Hatfield said that he wanted to look into that. She said she wasn't against anyone personally. She said there were a lot of cuts that the city could do. Mr. Hatfield stated that there were a lot they had made. The Mayor and Larry Hatfield both stated that there were a lot more coming down. The Mayor said there would be a budget meeting Thursday and they would see a lot more then. Gaynell asked if QK4 was on a retainer with the city. The Mayor told her that they were. Gaynell stated that it was nothing against this person, it wasn't personal, but that we pay out about 50 to 60 thousand a year for an MS4 Coordinator. She then stated that she spoke to a woman in Frankfort named Abby Raines over the coordinators in the state of Kentucky and said she asked her if the MS4 Coordinator has to be state certified. She said Ms. Raines said that you didn't have to be certified, that a housewife could do the job. Gaynell asked if the city has an engineer already why do we pay someone else to do what the engineers are being paid to do anyway. She said people want to know when the city is going to tighten their reins. Larry stated again that there were going to be additional cuts, insurance, employees and furlough days.

Department reports:

Chuck Keith: He handed an estimate from Mago to the council and stated that when they were doing the first sewer plant expansion they had a back way in to the plant for the trucks and it tore some of the parking lot up leading into the Funeral home. Mr. Billings is getting ready to redo their parking lot and wanted compensation for the portion that was tore up. Larry Hatfield asked who else has been going in and out of that road. A couple people were mentioned. Mr. Hatfield asked if that portion could be closed off when the new road is put in. Mr. Keith said he had already blocked it off so it can't be used. Faith Portman stated she had seen several people use that road for access.

Mr. Keith also addressed Sewer Dept. cell phones and who used them when and said they could be reached on them at any time.

Bonnie Enlow: Thanked the fire department for their success fighting a house fire.

Bernie Brown: Stated that he was not happy about the audit, and that the citizens weren't either, he suggested that they pursue the state coming in to review it. He feels the city should go back several years. He realizes there would be a cost, but he thinks the public deserves to know the truth.

Joe Wantland: Said he spoke to the state auditors and they already had a lot of the information. He said the state police were investigating now but he would contact them again to see where we are in the investigation. Mr. Wantland also updated the council on the Fire Dept. litigation.

Motion to adjourn to executive session (to discuss raises, cuts and personnel issues) by Larry Hatfield. Alan Wetzel 2nd. Motion carried 6-0 8:37 p.m.

Return to Regular Session: 9:18 p.m. Motion to return by Don Cundiff. Bonnie Enlow 2nd. Motion carried 6-0

Larry Hatfield stated he would like to look into redoing a City Ordinance.

Motion to adjourn: 9:19p.m. Larry Hatfield made the motion. Don Cundiff 2nd. Motion carried 6-0

Mayor
Attest: _____ R. Scott Ellis III,
Brenda Taylor, Acting City Clerk