

Minutes: City Council Special Meeting
May 28, 2020
7:00 PM

The Elkton City Council met in special session on Thursday, May 28, 2020 at 7:00 PM with Mayor Arthur Green presiding. Due to the current state of emergency regarding threats to public health presented by the novel coronavirus, this special meeting of the Elkton City Council was conducted in the Historic 1835 Courthouse Welcome Center, 1 Public Square, Elkton, Kentucky to maintain social distancing guidelines and live video of the meeting was made available to the public at the city's Elkton, Kentucky Government Facebook page.

City Council members present: Michael Case; Doug Gibson; Danny Laster; Frank McReynolds; George Orr; and, David Powell.

Others present: Jeffrey Traughber, legal counsel; Laura Brock, City Clerk/Treasurer; Amy Frogue, Pennyrile Area Development District; and, Rodney Owens, Facility Manager, GFL Environmental USA Inc.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Invocation
4. Solid Waste Collection and Disposal Services Bids
5. Property, Liability and Workers Compensation Insurance Proposals
6. Resolution 2020-05 – Approving Interlocal Cooperation Agreement Between the City and Other Parties Thereto Regarding the Kentucky Bond Corporation
7. Resolution 2020-06 – Approving a Lease for the Financing of a Project; Payment and Security of the Lease; Creating a Sinking Fund; and Authorizing Execution of Various Documents Related to Such Lease
8. Resolution 2020-07 – Approving the Submission of a 2020 Kentucky Community Development Block Grant Application
9. Resolution 2020-08 – Approving and Adopting Health Reimbursement Agreement
10. Die Casting Property
11. 1st Reading ORDINANCE 2020-04 - AN ORDINANCE AMENDING THE ANNUAL BUDGET FOR THE CITY OF ELKTON, KENTUCKY FOR THE FISCAL YEAR JULY 1, 2019 THROUGH JUNE 30, 2020
12. Mayor's Budget Message and Proposal for Fiscal Year Ending June 30, 2021
13. 1st Reading ORDINANCE 2020-05 - AN ORDINANCE RELATING TO THE ANNUAL BUDGET AND APPROPRIATIONS FOR THE CITY OF ELKTON, KENTUCKY FOR THE FISCAL YEAR JULY 1, 2020 THROUGH JUNE 30, 2021
14. Adjournment

Mayor Green called the meeting to order at 7:00 pm.

David Powell led the Pledge of Allegiance and Danny Laster led invocation.

Mayor Green reported the city received bids for Solid Waste Collection and Disposal Services on Tuesday, May 26, 2020 at 10 AM at Elkton City Hall. Bids were requested for a monthly fee per container for weekly garbage collection and disposal service using a 64 gallon container or a 96 gallon container: Waste Management, no bid, or \$13.95; GFL Environmental, \$8.99, or \$8.99; and, Queen City Disposal, no bid, or \$12.25. Proposals were also submitted for optional recycling programs. Mayor Green recommended approving the lowest bid of GFL Environmental for weekly garbage collection at \$8.99 per month for either container and then discuss recycling at a future meeting. Mayor Green recognized Rodney Owens, who

introduced himself and informed the council their company currently provides services to the city of Guthrie and some Todd County residents. He reported garbage pickup would remain on Fridays in Elkton and would start August 1, 2020. Case motioned to approve the bid from GFL Environmental, seconded by Orr, and carried unanimously. Mayor Green stated he will recommend the rate charged to customers at the next meeting. Brock confirmed that businesses will now be able to get cart service through the city.

Resolution 2020-05, "Approving Interlocal Cooperation Agreement Between the City and Other Parties Thereto Regarding the Kentucky Bond Corporation" and Resolution 2020-06, "Approving a Lease for the Financing of a Project; Payment and Security of the Lease; Creating a Sinking Fund; and Authorizing Execution of Various Documents Related to Such Lease" were presented. Mayor Green explained these resolutions would allow the city to join the Kentucky Bond Corporation and then enter into a lease to issue new bonds to refinance old sewer bonds through Rural Development at a lower interest rate. After discussion, McReynolds motioned to approve Resolution 2020-05, seconded by Laster, and carried unanimously. Gibson motioned to approve Resolution 2020-06, seconded by Case, and carried unanimously.

Resolution 2020-07, which gives approval for the submission of a 2020 Kentucky Community Development Block Grant application in an amount of up to ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) under the Traditional Economic Development category and authorizes the Mayor to sign and submit all of the necessary documents relating to the grant to the state and other appropriate agencies. Amy Frogue explained the funds would be given to the city to loan to a local industry relocating in Elkton with payments made to the city for a future loan program. The local industry is investing about \$1.6 million in the relocation project. After discussion, Powell motioned to approve Resolution 2020-07, seconded by Gibson, and carried unanimously. Frogue reported a public hearing will need to be held in the future to complete the application.

Mayor Green reported the city received two proposals for the city's property and liability insurance for fiscal year ending June 30, 2021: BR Knuckles Insurance (Kentucky League of Cities), \$68,672 for \$6 million liability coverage and Eaves Insurance (Zurich), \$65,989 for \$5 million liability coverage plus cyber liability. To reduce coverage with KLC to \$5 million would save \$857. Eaves did not submit a proposal for workers compensation insurance as they suggested staying with KEMI either through them or Knuckles Insurance. Both companies presented the proposals and answered questions from a committee of Mayor Green, Danny Laster, and Clerk Brock. The KLC proposal also included a rate stabilization agreement for three additional years. After reviewing the proposals, Mayor Green said the recommendation of the committee was to stay with Knuckles Insurance for all coverages with \$5 million in liability coverage and to enter into the rate stabilization agreement. Laster motioned to approve the recommendation, seconded by Powell. Voting yes were Gibson, Laster, McReynolds, Orr, and Powell. Case Abstained. Motioned carried.

Resolution 2020-08, "Approving and Adopting Health Reimbursement Agreement" was presented with Clerk Brock explaining this authorizes the city to continue using BMS to administer the city's Health Reimbursement Agreement provided to city employees with health insurance. Gibson motioned to approve Resolution 2020-08, seconded by Case, and carried unanimously.

Mayor Green informed the council there will be two groups present at the next council meeting to present proposals for using the Die Casting property for the Elk Fork Country Club and youth soccer program. Mayor Green will send the council additional information for discussion at the next meeting.

Mayor Green and Clerk Brock reviewed a proposed amendment to the budget ordinance for fiscal year ending June 30, 2020 that finalizes amendments approved by the council throughout the year as well as a few minor adjustments. Clerk Brock stated there may be a decrease in revenue in all departments due to the state of emergency due to the novel coronavirus, COVID-19. There will be a slight decrease in payroll taxes due to businesses being shut down and stay at home orders. After further review, Clerk Brock read first reading of Ordinance 2020-04, "AN ORDINANCE AMENDING THE ANNUAL BUDGET FOR THE CITY OF ELKTON, KENTUCKY FOR THE FISCAL YEAR JULY 1, 2019

THROUGH JUNE 30, 2020.”

Mayor Green presented the Budget Message and Proposal for Fiscal Year Ending June 30, 2021. Once again, it is projected approximately \$65,000 will be lost in revenue in the General Fund due to the virus shutdown. It is estimated both water and sewer will see a slight increase in revenue if new water meters are purchased that will measure usage more accurately. The city is also required to increase sewer revenue by 10% by January 1, 2021 to meet debt obligations from the Sewer Improvements Project. The Mayor has proposed a 2.3% cost of living increase in pay to all full-time and part-time employees, except the water and sewer departments since they all received adjustments during this year’s reorganization plan. The COLA was also not included for the mayor and city council members. The city received a TAP project for sidewalks and bicycle lane on Goebel Avenue and is expected to begin construction next fiscal year. The budget includes \$30,000 for planning to remove the spillway at city lake, but does not include and potential construction costs. One new item proposed by Michael Case was for the city to sponsor Dolly Parton’s Imagination Library program that sends one book per month to every child age birth to five years old that registers. This would be available for city of Elkton residents. The budget proposal estimates the first-year cost at about \$2,000 and includes funds for advertising the program. Mayor Green also proposed splitting the \$200,000 cost of purchasing new water meters from the water and sewer departments and to use reserve funds since the city is only earning about 0.19% in interest on funds in reserves. The water tank on Morningside Drive will also be painted and repaired at an estimated cost of \$130,000 from reserves in the water department. After further discussion and review, it was the consensus to have first reading of the budget ordinance. Therefore, Clerk Brock read first reading of Ordinance 2020-05, “AN ORDINANCE RELATING TO THE ANNUAL BUDGET AND APPROPRIATIONS FOR THE CITY OF ELKTON, KENTUCKY FOR THE FISCAL YEAR JULY 1, 2020 THROUGH JUNE 30, 2021.”

Mayor Green stated the next meeting will be held on the regular meeting date of June 11, 2020, but will be held as a special meeting again in the Welcome Center in order to maintain proposer social distancing guidelines.

Mayor Green expressed condolences to council member David Powell for the recent loss of his mother.

Since there were no other items on the agenda, the Mayor declared the meeting adjourned at 8:05 pm.

Arthur Green, Mayor

Laura M. Brock, City Clerk/Treasurer