

Minutes: City Council Special Meeting  
July 7, 2014  
5:30 PM

The Elkton City Council met in special session at City Hall, 71 Public Square, on Monday, July 7, 2014 with Mayor Nancy T. Camp presiding.

City Council members present: Eugene Jefferson; Jimmy Scott; Doug Gibson; David Haley; David Powell; and, Danny Laster.

Others present: Laura Brock, City Clerk/Treasurer; Jeff Traughber, City Attorney; Terry Frogue, Utility/Streets Superintendent; Johnny Knuckles and Tim Little, BR Knuckles Insurance Co.; Steve and Sue Rose; Bill and Jackie Weathers; and, Megan Sisco, *Todd County Standard*.

Mayor Camp called the meeting to order at 5:30 PM and reminded everyone only items on the agenda may be discussed.

#### Agenda

1. Water Line Agreement with Todd County Water District
2. B White Road Annexation
3. FY2015 Insurance Quotes

Mayor Camp asked if the council would like to start with the third item on the agenda. Mr. Scott motioned to amend the agenda to start with item three first, seconded by Mr. Jefferson and carried unanimously.

Mayor Camp called for comments on the FY2015 insurance quotes. David Haley requested clarification on why the quote from Traveler's Insurance (local agent Marklin Insurance) was accepted over Kentucky League of Cities (KLC) (local agent BR Knuckles Insurance) even though the Traveler's quote was higher. Mayor Camp questioned the council giving the Mayor and Clerk Brock the authority to make the decision on insurance quotes, but she felt like it should have been done by committee. Clerk Brock reminded everyone it was on the agenda at the June council meeting. She initially asked Knuckles Insurance and Marklin Insurance to have the quotes ready by June 5<sup>th</sup> so they could be presented to the council at the June 10<sup>th</sup> council meeting. However, Knuckles Insurance requested more time to get a quote prepared. Therefore, at the June meeting the council was asked if there needed to be a committee appointed, a special council meeting or give authority to the Mayor and Clerk to review the quotes. The council voted to give the Mayor and Clerk authority to review the quotes and choose the plan for the city. Mayor Camp stated the decision was made because she felt Traveler's Insurance was the best coverage for the city. She stated she was glad that both companies took the time to submit a quote and both were presented professionally. Both Marklin Insurance and Knuckles Insurance presented their quotes to Clerk Brock and Mayor Camp on June 13, 2014. Mr. Knuckles stated he and Tim Little were available to answer any questions. Clerk Brock stated there was concern over the stability of KLC and the risk involved in a pooled insurance trust. She stated that Kentucky School Board Insurance Trust (KSBIT), a pool of school boards insured by the trust, has assessed our local school board nearly \$900,000 because of mismanagement of the pooled school board insurance trust. KLC loaned KSBIT \$8,000,000 and has yet to be paid back. It was stated that those questions need to be answered more fully next time and it was the consensus to bid out insurance again next year and present the bids to the council or a committee. Mr. Knuckles and Mr. Little thanked the council for the opportunity to bid and left the meeting.

Mayor Camp called for discussion on B White Road annexation. Terry Frogue stated he asked other property owners on B White Road if they were interested in annexing. He said most believed they

already got protection from the police cruising on the street and had no interest in annexing. Frogue stated some of these properties could be annexed nonconsensually with David Watkins and the Rose property. After discussion, Mr. Jefferson motioned to proceed with annexing the Rose property on B White Road. Motion seconded by Mr. Laster and carried unanimously.

Terry Frogue updated the council on a proposal being discussed to trade water lines with the Todd County Water District. The District could get the city's 10" water line on Highway 68/80 for the line the county owns on B White Road. The county is still concerned they cannot give the city the customers on B White Road unless those customers annex into the city. Mr. Traugher feels this can be challenged. But, the city would have all the new customers on B White Road. There was considerable discussion about the number of customers involved in a trade. Frogue stated the water tank connected to the line is currently empty and not really any value to the city. It is in need of being painted if every used, which would cost about \$80,000. Frogue has asked McGhee Engineering if they think the tank can be used and they feel it is too far out of the city limits to be of use at this time. The city may want to assess the value of the 2 miles of 10" water line the city would give the District, and compare with the value of the line on B White Road the city would receive. Jimmy Scott stated maybe now is the time to discuss other potential customers and growth around the city in a trade. Jeff Traugher stated the statutes regarding ownership of customers are not necessarily black and white and the only way to answer the questions is through litigation. Mayor Camp stated she would like the county to produce the document that allows them to drill under all city streets without approval from the city.

There was more discussion regarding annexing B White Road and if the city should annex the street also. This would mean accepting the street for maintenance. After discussion, Mr. Jefferson motioned to include the road in annexing B White Road properties. Motion seconded by Mr. Haley. Voting in favor were Gibson, Jefferson, Powell, Laster and Haley. Opposed was Scott. Motion carried.

Regarding a water line trade with the Water District, it was decided to look at maps of the city and county water lines and come up with a proposal for trading lines and an agreement on future city customers to be discussed at the next meeting.

There were no further items on the agenda, therefore Mr. Laster motioned to adjourn and seconded by Mr. Powell. Motion carried unanimously and meeting adjourned at approximately 6:45 PM.

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Nancy T. Camp, Mayor

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Laura M. Brock, City Clerk/Treasurer