

NOTICE OF CALLED MEETING
FOR THE
BOARD OF COMMISSIONERS
OF THE
CITY OF PADUCAH, KENTUCKY

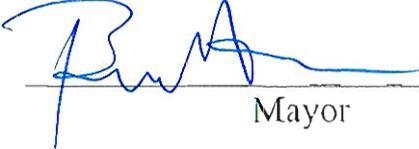
TO:

There will be a Called Meeting of the Board of Commissioners of the City of Paducah, Kentucky on Tuesday, January 31, 2017, at 5:30 p.m. to hold a Board of Commissioners-Management Team Workshop. The workshop will be held in the Lower Level Training Room at City Hall, 300 South Fifth Street, Paducah, Kentucky. All members and City of Paducah department directors are urged to be present. The agenda is as follows:

Roll Call

Pledge of Allegiance

- I. R & F Called Meeting Notice
- II. Commission-Manager Partnership Guidelines
- III. Selection of Criteria for Ranking Capital Projects



Mayor

CERTIFICATE OF SERVICE

Executed by electronic mail of a copy to _____
at _____ P.M. on January 27, 2017.



City Clerk



CITY OF PADUCAH
CITY MANAGER'S OFFICE
CITY HALL, 300 SOUTH 5TH STREET
PADUCAH, KY 42001 • (270) 444-8503

MEMORANDUM

TO: Paducah Board of Commissioners

FROM: Jeff Pederson, City Manager

CC: City Directors

DATE: January 27, 2017

RE: Board of Commissioners and Management Team Workshop

There are two discussion topics for the January 31st called Board of Commissioners meeting. The first is a discussion around the Commission – Manager partnership. A draft set of guidelines will be provided at the meeting. The second topic is the selection of criteria for ranking capital projects. Please review the Next Steps Workshop Infrastructure Action Topic Follow Up memo in preparation for the criteria selection activity.



CITY OF PADUCAH
CITY MANAGER'S OFFICE
CITY HALL, 300 SOUTH 5TH STREET
PADUCAH, KY 42001 • (270) 444-8503

MEMORANDUM

TO: Jeff Pederson, City Manager

FROM: Michelle Smolen, Assistant to the City Manager

CC: Paducah Board of Commissioners
City Directors

DATE: January 27, 2017

RE: Next Steps Workshop Infrastructure Action Topic Follow Up

Introduction

The Paducah Board of Commissioners along with the City Manager and City directors participated in the Next Steps Workshop led by the National Research Center (NRC) on July 27, 2016. The workshop's purposes were to analyze the results of Paducah's National Citizen Survey, compare them to the 2013 survey results and national benchmarks, assess priorities, and select strategic action topics. After discussion and a round of voting, the group selected four action topics for further review and began identifying strategies to address each topic. One of the four action topics is Infrastructure. The group further defined the Infrastructure action topic as prioritizing capital projects to assist in developing and maintaining a Capital Improvement Plan (CIP), as well as evaluating options for the potential of new or expanded revenue sources.

Infrastructure Action Topic Recommendation

The budget preparation process has in recent years placed an emphasis on capital project planning because there are a number of large project needs that exceed funding availability. The City Manager's Office recommendation to address the Infrastructure action item is to expand on this effort with a formal capital projects prioritization process as a part of the FY18 budget development. This process is recommended because it aids in decision making by using criteria to objectively rank projects, which is especially helpful when project needs exceed available resources. The task of organizing and coordinating this process was assigned to the Assistant to the City Manager.

Capital Project Prioritization Process

The City Manager's Office is proposing the following steps to implement a capital project prioritization process:

1. The Board of Commissioners, City Manager and City directors select the outcome criteria for the ranking of capital projects during the Board of Commissioner’s meeting on Tuesday, January 31st. The criteria explanation follows this section.
2. A staff committee utilizes the outcome and technical criteria selected during the workshop to complete a capital projects prioritization activity in February.
3. Projects and funding options as a result of the project prioritization activity are considered by the Board of Commissioners during budget development in late February and March.

Criteria Explanations

A project team was charged with researching and evaluating best practices in capital project prioritization exercises to develop criteria options for consideration by the Board of Commissioners, City Manager and City directors. The project team consisted of the Parks Services Director Mark Thompson, Engineering Public Works Director Rick Murphy, Fire Chief Steve Kyle, Finance Director Jon Perkins, Controller Audra Herndon, Accountant Emi Midkiff and Assistant to the City Manager Michelle Smolen. The committee met several times, and their findings are detailed below.

The best practice review found the number of criteria in use by cities across the country typically ranged from five to thirteen, but nine is the most common number of criteria. Also, projects are typically prioritized using both outcome and technical criteria. Outcome criteria are the impact the project has to a goal or strategic area. Technical criteria take into consideration the financial, regulatory and timing aspects. Based on this research, staff is recommending capital projects are prioritized using ten criteria. The criteria will consist of five outcome criteria and five technical criteria.

The outcome criteria reflect the impact the project has to a goal or strategic result area. This type of criteria used in the capital project prioritization activity varies by community. Therefore, the project team developed the following nine options to be paired down to five during the upcoming Board of Commissioners meeting.

| Outcome Criteria | |
|--|---|
| Criteria | Definition |
| Safety | Does the project improve public safety and/or promote well-being while reducing risk for the community? |
| Transportation & Mobility | Does the project enhance transportation opportunities that make Paducah a multi-modal community? |
| Property, Plant & Infrastructure Integrity | Does the project sustain the maintenance and/or improve existing systems and facilities? |
| City Services | Is there an impact on the level of service provided by the City? |
| Community Development | Does the project promote strategic and sustainable residential and commercial districts? |
| Economic Vitality | Does the project promote or contribute to economic vitality? |
| Recreation | Does the project enhance cultural, recreational, or learning opportunities by making the City a more favorable place to live? |

| | |
|---------------------------|---|
| Environmental Stewardship | Does the project preserve the natural environment/resources or otherwise contribute to a sustainable community? |
| Technological Enhancement | Does the City gain efficiencies and effectiveness by implementing the use of new technology? |

The technical criteria take into consideration the financial, regulatory and timing aspects of the project. The staff committee reviewed examples of technical criteria. In addition to the outcome criteria listed above, the committee is recommending projects be prioritized using the following technical criteria.

| Technical Criteria | |
|---|--|
| Criteria | Definition |
| Legal Mandate / Regulatory Compliance | Is the project legally required by legislation to address a current or future mandate? |
| Implications of Deferring the Project | Will deferring the project create unsafe conditions and/or result in significant future costs, loss of service, or system failure? |
| Relationship to Other Projects/Coordination | Is the project timely, and will it sequentially work with other existing or proposed community projects? |
| Capital Fiscal Impact | Are the funds already dedicated or available for the project, and/or does the project leverage outside funding? |
| Operational Budget Impact | Does the City have the existing capacity (staff, equipment, resources, etc.) to support the project? |

Next Steps

The next step is for the Board of Commissioners, City Manager and City directors to select the five outcome criteria to be utilized for the capital project prioritization activity. Please review the proposed outcome criteria in preparation for the criteria ranking activity on January 31st. Detailed explanations of the criteria list will be given during the meeting in preparation for the selection of the reduced list.