



City Commission Meeting Highlights

Tuesday, April 18, 2017 at 5:30 p.m. at City Hall

Note: Commissioner Allan Rhodes was unable to attend this meeting.

Pre-Budget Workshop

Since the City's fiscal year 2018 begins July 1, planning and budget discussions are underway. The budget approval occurs in June. At this meeting, City Manager Jeff Pederson and Finance Director Jonathan Perkins provided an overview of the General Fund revenue and the Investment Fund in addition to a review of 20 capital projects.

General Fund: Regarding the General Fund, the City's main operating fund, the largest revenue source is the payroll tax followed by the business license tax, real estate property tax, and insurance premium tax. Combining all four sources yields projected revenue for FY2018 of \$28.7 million.

Investment Fund: The next discussion topic was an overview of the line-items expected to be funded through the Investment Fund. The City has a 2 percent payroll tax; however, one quarter of that amount is placed into a separate fund, the Investment Fund. The estimated Investment Fund revenue for FY2018 is \$5.45 million. Perkins divided the line items into five categories.

- Debt Service (\$1,753,080) – For the most part, these are payments for bond issues from 2003 through the current fiscal year.
- Streets and Sidewalks (\$1,031,350) – These funds are in addition to the approximate half million dollars provided by the State.
- Ongoing Commitments (\$778,750) - These are items such as facility, property, and mural maintenance and neighborhood revitalization. Also included in this category is a new \$75,000 line item for general neighborhood enhancements.
- Historic Commitments (\$1,147,500) – These items support our community including funding for the Community Scholarship Program, arts & cultural programs, downtown program incentives, demolitions/lien recovery/foreclosures, operating subsidy for Barkley Regional Airport, and funding for GPEDC.
- Small Capital Projects (\$739,320) - This category is for smaller projects that usually need one-time appropriations. The line items for FY2018 include the upgrade to the City's software system, economic impact incentives, and a balance of funds (\$364,320) that could be used for small capital projects.

Capital Improvement Projects: Following the Investment Fund presentation was a discussion of 20 capital improvement projects. Earlier this year in January, the Paducah Board of Commissioners and Department Directors went through a process to select criteria for prioritizing projects so that a list of projects could be objectively ranked. The Department Directors then met in February and used the selected criteria to rank the 20 projects.

The ranked list of projects was presented at this meeting. The two phases of the E-911 infrastructure project and the first phase of the City Hall rehabilitation are the top three projects as ranked by staff. The first phase of the E-911 project is estimated to cost \$3.9 million and would include the replacement of the CAD and telephone systems. The City has \$900,000 set aside for the first phase with the remaining funds to be satisfied through a bond issue. Regarding City Hall, the first phase of renovations is projected to cost nearly \$4.9 million. Funds have been identified for the project using a combination of historic tax credits, remaining funds from the City Hall visioning and design project with RATIO, and reserve funds from the General Fund and Solid Waste Fund. The first phase would address City Hall's roof, canopy, furnace and air conditioning systems, windows, and façade.

The other 17 capital projects, listed in ranked order, that were discussed at this meeting are

- Fountain Avenue Neighborhood Storm Water/Sidewalk Improvements (estimated cost \$922,000)
- Riverfront Commons Area (former Executive Inn site) (estimated cost \$5 million)



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- Broadway/Jefferson Conversion with Bike Lanes (estimated cost \$625,000)
- Replacement of Roof at Parks Services Building (estimated cost \$390,000)
- Partial Rehabilitation of 2nd Street Parking Lot (estimated cost \$250,000)
- Noble Park Tennis Court Resurfacing (estimated cost \$225,000)
- Greenway Trail Phase III (through Perkins Creek Nature Preserve) (estimated cost \$650,000)
- Street Light Replacement Project (LED) (estimated cost \$2 million)
- Fire Station #4 Garage (estimated cost \$275,000)
- Health Park Phase II (estimated cost \$1 million)
- Stuart Nelson Park Road Improvements (estimated cost \$875,000)
- Fire Training Field (estimated cost \$1 million)
- Generators (estimated cost \$320,000)
- Broadway Streetscape Improvements (estimated cost \$350,000)
- Stuart Nelson Park Softball Field Improvements (estimated cost \$3.4 million)
- Dolly McNutt Plaza Renovations and Repairs (estimated cost \$100,000)
- 3rd and Kentucky Parking Lot Beautification (estimated cost \$75,000)

The City Manager and the Paducah Board of Commissioners discussed which projects could possibly be funded from the Investment Fund which has approximately \$364,000 that can be allocated for FY2018. The Board did not make project decisions at this meeting and plans to have further discussions.

Finalize Change Order for Final Quantities for Olivet Church Road Improvement Project

The Paducah Board of Commissioners approved an ordinance to adopt Change Order #1 with Jim Smith Contracting Company, LLC for the construction of the Olivet Church Road Improvement Project. The change order **reduces** the contract by \$114,000.95 which brings the total contract to \$6,266,136.09. The Kentucky Transportation Cabinet allocated \$6.2 million toward the construction. The City's responsibility for the construction is a little more than \$66,000. City Engineer & Public Works Director Rick Murphy says, "I think that is something that needs to be celebrated for a project this size." The project included the widening of Olivet Church Road (KY 998) to three lanes with improved drainage, curbs, gutters, and sidewalks in addition to the construction of a new stretch of five-lane roadway that links the Kentucky Oaks Mall area at U.S. 60 to an existing section of Olivet Church Road. The City entered into the contract with Jim Smith Contracting in May 2015. A ribbon cutting celebration was held November 3, 2016.

Amendment to Cable Television Franchise Agreement with Comcast

The Paducah Board of Commissioners approved an ordinance amending the termination date for the non-exclusive franchise agreement between the City of Paducah and Comcast Cable. This ordinance extends the franchise agreement through October 11, 2017. The City has entered into negotiations with Comcast for a new franchise agreement.

Visit by Kentucky Film Office

Mayor Harless introduced Jay Hall who serves as executive director of the Kentucky Film Office. The office administers the Kentucky Film Incentive. Hall is visiting Paducah to look at this community's potential for being the site for movies. Hall says, "Thank you for being a film-friendly community." More information about the Kentucky Film Office can be found at <http://filmoffice.ky.gov/>.

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