



City Commission Meeting Highlights

Tuesday, July 1, 2014 at City Hall

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

Refinancing of 2005 Police and Fire Fighter Pension Bond

The Mayor and Commissioners approved an ordinance to refinance the 2005 Police and Fire Fighter Pension Fund Unfunded Pension Liability General Obligation Bonds. In 2005, the City issued the 20-year bonds to fund the pension fund's nearly \$6.1 million unfunded liability. Refinancing the bond will save the City an estimated \$200,000 in interest over the remaining life of the issue. The bonds will be sold July 9, 2014. This bond will be the fourth one refinanced since 2010. The savings in interest over the lives of the four bonds due to refinancing totals approximately \$2.2 million.

Lease Agreement with Genova Products

The Mayor and Commissioners approved an ordinance for the lease agreement with Michigan-based Genova Products for the city and county-owned 100,000 square foot facility located at 5400 Commerce Drive in Industrial Park West (also known as the I-24 Park). Genova is in the process of locating a plastics-manufacturing facility in the former Infiniti Plastics building. This agreement allows Genova to lease the facility for an initial ten year term with a base rent of \$289,000 per year. Genova also is responsible for insuring and maintaining the facility and paying utility charges. At the June 10 City Commission meeting, the Mayor and Commissioners approved a Memorandum of Understanding (MOU) between Genova Products, Greater Paducah Economic Development Council (GPEDC), McCracken County, and the City of Paducah. In the MOU Genova would hire and maintain 125 full time employees within 10 years.

Reimbursement Agreement with Paducah Water for the Olivet Church Road Project (vote July 15)

The Mayor and Commissioners introduced an ordinance for an agreement with Paducah Water for the utility construction and relocation for the Olivet Church Road Improvement Project. The estimated project cost is \$460,000. The City will reimburse Paducah Water for the labor and materials installed utilizing the \$2 million allocation from the Kentucky Transportation Cabinet for right-of-way acquisition and utility relocation. At this time, Paducah Power System is completing its utility relocation work on the project, and the Paducah-McCracken County Joint Sewer Agency is working on its portion of the project. City Engineer-Public Works Director Rick Murphy says the road construction will begin this fall. However, construction will halt around the mall area from November 1 through January 15 to accommodate the holiday traffic increase.

Moving Forward with the Downtown Hotel Project

Paducah Riverfront Development Authority Executive Director Steve Doolittle updated the Mayor and Commissioners regarding the recent milestones regarding the downtown hotel project. On Thursday, June 26, the Kentucky Tourism Development Finance Authority approved \$4.5 million in incentives for the project. The incentives are in the form of sales tax rebates up to 25 percent of the project capital costs. Doolittle says, "The project received the statutory match. It was gratifying to be in Frankfort before a citizen board that knew Paducah well." Doolittle adds that the board discussed the importance of quilting and Paducah's UNESCO designation. To review the feasibility of the Paducah hotel project, the State hired a financial analyst who provided extremely positive information regarding the benefit the hotel will be to Paducah. The analyst anticipates \$116 million in new spending in Paducah over the next ten years in addition to an addition of more than 200 jobs directly and indirectly related to the hotel. The State also believes the hotel will attract significant out-of-state business. Doolittle says, "The hotel will create more demand than it can consume." The hotel developers also are beginning to receive drafts of design concepts. Commissioner Carol Gault thanked Doolittle for his work in coordinating the project. It was announced in May 2014 that a 121-room Hilton Garden Inn will be built adjacent to the Julian Carroll Convention Center.

Quick Highlights

- Mayor Gayle Kaler attended today's reception for Barkley Regional Airport Manager Richard Roof who has served as manager for 40 years. Mayor Kaler says, "He's a man of such knowledge of the intricacies of that airport. It was nice to recognize him."



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- Ordinance approved accepting the House Hazardous Waste Award grant in the amount of \$26,800 from the Kentucky Division of Waste Management to be used for the City-County Spring Clean Up Day held each April. The City and County are required to match the grant in the amount of \$7318.75 each.
- Ordinance approved authorizing an agreement with Shawnee Professional Services for engineering services to update the utility and roadway plans for the Olivet Church Road Improvement Project in an amount not to exceed \$52,000.
- Ordinance approved authorizing a contract with Nichols Electric Company, LLC in the amount of \$83,900 for the installation of an emergency generator at Fire Station #1 at 301 Washington Street. The majority of this project is funded by a Kentucky Division of Emergency Management Hazardous Mitigation Grant.

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