

PADUCAH AREA CHAMBER OF COMMERCE

Report of the Government Reorganization TASK FORCE

June 17, 2008

GOVERNMENT REORGANIZATION TASK FORCE

INTRODUCTION

In April 2004 L. Daniel Key, then Chairman of the Paducah Area Chamber of Commerce, appointed a Task Force to study local government reorganization in Paducah-McCracken County, Kentucky. Additionally, the Task Force was directed to make any appropriate recommendations to the Board of Directors of the Chamber based upon the conclusions of its study. The Task Force has met periodically over the last four years for the purpose of studying the local governments of Paducah and McCracken County and the potential benefits of consolidation of government services, including the possible unification of the two local governments. The members of the Task Force are listed on Exhibit No. 1.

The following report contains a summary of the findings of the Task Force and its recommendation to the Chamber's Board of Directors.

MISSION STATEMENT and ACTION PLAN

During one of its early organizational meetings the Task Force adopted a Mission Statement and Action Plan (Exhibit No. 2). This Action Plan provided the Task Force with guidance as to the direction of its work throughout the last four years. This report will summarize the findings and conclusions of the Task Force as to each element of the Action Plan.

1. ***Identify funding sources to conduct a formal analysis of the current city and county municipal structures.***

The majority of the research and analysis necessary to study current city and county municipal structures was accomplished by volunteers. The Task Force invited representatives of various governmental and quasi governmental agencies to make presentations. The Task Force found these presentations to be invaluable in assisting it to understand the current structures of

our local governments and to obtain the opinion from a variety of interests as to how the additional consolidation of local government would impact the provision of services. The Task Force did raise sufficient funds from area businesses to conduct a professional survey of the opinions of McCracken County registered voters on the issues of consolidation. A summary of each of the meetings of the Task Force in which presentations were made is contained in Exhibit No. 3. The survey is discussed at paragraph 5.

2. *Study the various forms of governmental reorganization permitted by the Kentucky statutes and identify which might apply to the Paducah/McCracken County community.*

A detailed summary of the statutory requirements adopted by the Kentucky Legislature that permit city/county consolidation is attached as Exhibit No. 4. It is the conclusion of the Task Force that the charter county government set forth in KRS Chapter 67.825 or the local government unification plan set forth in KRS Chapter 67.900 would likely best meet the requirements of Paducah-McCracken County in the event of an attempt to unify the local governments.

3. *Assess and evaluate the similarities, differences, duplication of services, efficiency in delivery of services and success of current partnering ventures.*

The Task Force discovered that over the last several years, the local governments of Paducah and McCracken County have made great strides in the consolidation of governmental services. There is a long list of services that have been consolidated, including those in the areas of communication (911), transportation (PATS), landfill and library. Also, the consolidation of the county water districts into Paducah Water Works and Joint Sewer Agency are notable unification success stories.

One common misconception of a potential city/county consolidation is that it will significantly reduce the number of public employees and will result in significant savings to the consolidated expenses of the new governmental unit. It was apparent to the Task Force that there are few duplicate positions that could be eliminated as the result of a potential merger.

4. *Develop Focus Groups that are demographically representative of the community to obtain the following information:*

i) Input on the current city / county governmental structures as reported in the research document and on what aspects of the current systems that work well and do not need to be changed.

ii) Recommendations on how the city / county governments can serve the needs of their constituents in more cost effective and efficient ways.

After consultation with the market research firm retained to conduct the survey of registered voters, the Task Force decided not to pursue focus groups. First, the development of focus groups by a professional is an expensive venture that was beyond the scope of the Task Force's budget. Secondly, it was determined that the information derived from focus groups would be more useful in the development of a campaign, either for or in opposition to consolidation.

5. *Develop, conduct and evaluate a telephone survey based on the moods, thoughts, ideas and concerns identified by the focus groups.*

The Task Force retained the marketing research firm of McNeely Pigott and Fox Public Relations to conduct a survey of McCracken County registered voters to determine their opinion concerning the consolidation of local governments. The survey was conducted August 28-29,

2007, and a total of 400 registered voters were contacted. An executive summary of the survey and the actual results are attached to this report as Exhibit No. 5.

6. *Determine the effect of government reorganization on economic opportunities for the Paducah / McCracken County community.*

Presenters to the Task Force believe that government reorganization would have a positive effect on economic opportunities for Paducah/McCracken County. Wayne Sterling, President of GPEDC, stated that many industrial site selection groups routinely decline to consider locations that do not have a city with a population of at least 50,000. It was the conclusion of the Task Force that unification of local governments could bring expanded economic opportunities to Paducah/McCracken County.

7. *Identify the individuals / groups who would be opposed to government reorganization:*

i) Gain an understanding of the opposition's arguments and develop solutions/counter-arguments; and

8. *Identify the individuals / groups who would likely support government reorganization and who would be integrated into a public relations campaign.*

During the course of the presentations before the Task Force, it became apparent that there were numerous groups of individuals inclined to either support or oppose the unification of local government. However, it also became readily apparent that the support/opposition of many individuals may depend upon the specific structure of the proposed unified government. Since this was beyond the scope of the Task Force, it was the consensus of the Task Force that the identification of groups either supportive of or opposed to unification would not assist the Task Force in its work.

9. *At conclusion of study Task Force will report to Chamber Board with recommendation on how to proceed.*

The recommendation of the Task Force is contained in the resolution attached to this Report as Exhibit No. 6.

CONCLUSION

According to the Bureau of Census there are approximately 33 city-county consolidated governments in the United States. Kentucky has two merged governments. In 1972 the voters of Lexington-Fayette County adopted an urban-county government and in 2000 the voters of Louisville-Jefferson County adopted a consolidated local government. Elsewhere in Kentucky the topic of merger has been debated for many years. Bowling Green-Warren County voters rejected merger in 1990 and more recently, Frankfort-Franklin County voters rejected merger in 2006.

It was the conclusion of the Task Force that unification of Paducah-McCracken County local governments will not likely produce immediate or magical results. It is unlikely that there will be short term, significant savings in the operation of local government, but that efficiencies could result over the long term. Further, based upon the presentations to the Task Force, in the event of unification, it does not appear that it should be necessary to make significant adjustments to local tax rates. In the event of a consolidated government the statutes permit local tax rates to be established in taxing districts commensurate with the level of governmental services in those districts.

The most appealing potential of unification to the Task Force was in the area of economic development. As evidenced by the results of the survey, there is no question that jobs and economic development are crucial issues to the citizens of McCracken County. According to

economic development officials many potential industries automatically refuse to consider sites that contain a city with a population of less than 50,000. These officials believe, as a result, a consolidated local government would provide new and many additional opportunities in the area for economic development.

Based upon the presentations to the Task Force, it was the consensus that the separate local governments of Paducah-McCracken County are generally operated in an efficient manner. The Task Force was impressed by the level of knowledge and dedication demonstrated by the employees of the various agencies that made presentations. Over the last several years there have been concerted efforts by the leadership of the city/county governments to share facilities and provide joint services, where such consolidation promoted efficiencies. It is due to those efforts that the taxpayers of Paducah/McCracken County would most likely see in the short term a minimal reduction of expenses in the event of a consolidation.

However, there is always room for improvement. In addition to the economic development aspect of attracting greater interest from new industry due to larger population, a unified government should be in better position to offer economic incentives and cut the red tape of doing business.

The Task Force believes that unless Paducah/McCracken County continues to be proactive, we face the risk of becoming stagnant both economically and culturally. The Task Force believes that a unified government will be in better position to efficiently provide governmental services to all citizens, such as law enforcement and parks; yet, have the flexibility to retain those agencies that currently deliver services on a cost effective basis, such as the volunteer fire departments. A consolidated government would provide the opportunity to clearly present a single set of priorities and speak with a unified voice. Most importantly, it will create

additional economic opportunity that will allow Paducah-McCracken County to grow and prosper.

The Task Force believes the time is right to pursue unification. There is a record of success in other communities that we can draw upon, such as Louisville, Lexington and Nashville. There is more commonality of interest between the City of Paducah and McCracken County than ever before, as demonstrated by the commercial growth in the County and countywide zoning. The structure of the unified government would be set forth in the organizational document prepared by the consolidation commission appointed by the local government units and voted upon by the public. The Task Force has attached as Exhibit No. 7 a general outline of the structure of the proposed unified government.

Based upon these factors, the Task Force has adopted a resolution recommending that the Paducah Area Chamber of Commerce endorse and actively support and work toward the unification of the Paducah-McCracken County governments.

EXHIBITS TO REPORT

1. Members of Task Force
2. Mission Statement and Action Plan
3. Summary of Presentations
4. Summary of Kentucky Statutes
5. Survey of Paducah/McCracken County Voters
6. Resolution
7. Outline of Proposed Unified Local Government

GOVERNMENT REORGANIZATION TASK FORCE

Current Members

Tom Garrett, Chairman
Kelly Nuckols
Dan Key
Elaine Spalding
B. A. Hamilton
David Culbertson
Don Mitchell
Gerry Montgomery
Ron Kupper
Van Newberry
Bill Paxton
Lawrence Durbin

Former Members

Danny Orazine
Lynn Spradling
Danny Murphy
Howard Pulley

Staff

Fran Johnson
Dr. Stephen Wilson

MISSION STATEMENT and ACTION PLAN

Mission: To conduct a study of the current city and county governmental structures for the purpose of making recommendations that will assure the continued provision of quality services in a cost efficient manner, promote economic development and provide for a high quality of life for the future of the Paducah/McCracken County community.

Strategic Goals and Actions:

- A. Identify funding sources to conduct a formal analysis of the current city and county municipal structures
- B. Study the various forms of governmental reorganization permitted by the Kentucky statutes and identify which might apply to the Paducah/McCracken County community
- C. Assess and evaluate the similarities, differences, duplication of services, efficiency in delivery of services and success of current partnering ventures
 - 1. Collect, compare and contrast the following regarding government reorganization:
 - a. Opinions / ideas / effect on position of city and county officials
 - b. Similarities and differences of city and county ordinances
 - c. Similarities and differences of city and county tax structures and formulas
 - d. Overlap / similarities / differences of city and county budgets, debts, and debt structure
 - e. Overlap / similarities / differences of city and county organization and personnel charts
 - f. Similarities and differences of city and county policies
 - g. City and county infrastructure (communications, computers, roads, and other appropriate entities)
 - h. Fiscal authority/ oversight authority/ pros & cons of joint agencies
 - i. Prescribed duties and responsibilities of other elected officials

- j. Effect of State and Federal law governing cities and counties on a new structure
- 2. Compile research results
- D. Develop Focus Groups that are demographically representative of the community to obtain the following information:
 - 1. Input on the current city / county governmental structures as reported in the research document and on what aspects of the current systems that work well and do not need to be changed
 - 2. Recommendations on how the city / county governments can serve the needs of their constituents in more cost effective and efficient ways
- E. Develop, conduct and evaluate a telephone survey based on the moods, thoughts, ideas and concerns identified by the focus groups
- F. Determine the effect of government reorganization on economic opportunities for the Paducah / McCracken County community
- G. Identify the individuals / groups who would be opposed to government reorganization
 - 1. Gain an understanding of the opposition's arguments and develop solutions/counter-arguments
- H. Identify the individuals / groups who would likely support government reorganization and who would be integrated into a public relations campaign
- I. At conclusion of study Task Force will report to Chamber Board with recommendation on how to proceed

**SUMMARY OF PRESENTATIONS TO
GOVERNMENT REORGANIZATION TASK FORCE:
2004 – 2005**

GOVERNMENT REORGANIZATION TASK FORCE: SUMMARIES OF VARIOUS MEETINGS 2004 – 2005

Beginning with organizational meetings in the Spring of 2004, the Government Reorganization Task Force was charged with studying the reorganization of local government in Paducah/McCracken County, including the possibility of merging the City of Paducah and McCracken County. The first phase of the study involved organization of the Task Force and a fact finding phase that was completed in 2004-2005.

During the fact finding phase the Task Force heard presentations from a wide variety of individuals involved in local government, including employees of City and County government, quasi governmental agencies and independent groups. The following is intended to briefly summarize the information in provided to the Task Force in those presentations.

April 27, 2004, May 19, 2004 and June 22, 2004

These were organizational meetings of the Task Force. The members discussed in detail the Louisville/Jefferson County model for merger of local government. The Task Force also discussed a proposal by Rebecca Jackson, former County Judge Executive of Jefferson County, to serve as a paid consultant to the Task Force. It was the decision of the Task Force that due to impact to funding constraints that the Task Force would not retain a paid consultant. Instead, the Task Force decided to engage in a series of fact finding sessions by inviting representatives to make presentations.

August 4, 2004

The purpose of the first fact finding session of the Task Force was to obtain a better understanding of the organization of the City of Paducah and the thoughts of City/County administrators on the issue of consolidation. The speaker during this meeting was Jim Zumwalt, City Manager of Paducah, KY. Mr. Zumwalt largely focused on the similarities and differences

in the organizational structure of the City and County governments. He acknowledged some duplication of services and the need of merging some of those (police/dispatchers, etc.). He also urged that greater cooperation between the two entities should transpire in regard to common purchases, service contracts, and the landfill.

Mr. Steve Doolittle, County Administrator, spoke next. He emphasized that some County services were peculiar to the County alone, such as the jail. In addition, he thought that state laws both limited and dictated joint actions, but he also provided a lengthy list of current joint services that could/should be joined in the future. Mr. Doolittle gave the opinion that even if some services were not offered jointly, the two entities might at least “cooperate together” in offering some services.

Task Force members and local government officials also participated in the discussions on other issues such as zoning, services and the future structure of merged government. At the conclusion of the meeting, the Task Force adopted its Action Plan.

September 21, 2004

This meeting featured Mr. Redell Benton – the City of Paducah Fire Chief. Mr. Benton has been Fire Chief for eight years. The City employs 75 people with a \$5.6 million dollar total budget, while the County is staffed with five volunteer fire departments. He estimated that 130 employees would be needed to service the entire County if plans for merger include eliminating the volunteer fire departments. He arrived at this estimate by taking the population of the County times its square miles and estimating how many firefighters you need for so many square miles. Nevertheless, he deemed the County volunteer fire departments as adequate and pointed out that their services significantly reduced the insurance payments for County residents.

September 23, 2004

This meeting's guest was Mr. Randy Bratton – the City of Paducah Police Chief. Chief Bratton gave a report on the status of the City Police Force that included the information that he had 79 officers of the 83 that were budgeted to the Force. On the specific issues of consolidation – he sees it as a benefit in intelligence gathering, personnel efficiency, recordkeeping, equipment purchase (more volume), service contracts, customer service and fleet maintenance. Chief Bratton said that some cooperation between the City Police Force and the County had already taken place. For instance, City policemen work with County law enforcement personnel in specialized units and City policemen have County jurisdiction.

Chief Bratton also voiced some concerns. He added that unionization of City police officers might be a concern for some County residents. He also thought that the number one issue for him personally would be that a merged police force needed a new police headquarters that could approach 10,000 square feet. Finally, he estimated that it would take six months to a year for all County law enforcement agencies to fully merge. McCracken County Sheriff Frank Augustus declined the Task Force's invitation to speak at this meeting.

November 3, 2004

Three individuals gave presentations at this meeting. The first of these, Mr. Jonathan Perkins, is the City of Paducah Financial Director. Mr. Perkins gave an overview of the City's finances and organization. He did not think that merger would significantly reduce the cost of local government, and he pointed out a number of services that City and County already share like the Industrial Park, the library, some equipment purchase, animal control and economic development.

The second speaker was Ms. Andrea Herndon – the County Treasurer. She gave an overview of the County’s finances and financial organization and also spoke to present and future areas of cooperation with the City on some issues such as occupational and business licenses, wage tax administration, fiber and air data links, water consolidation, building inspection, property tax collection and parks oversight.

The third speaker Mr. Rick Murphy, City Engineer, gave a brief overview of the impact of possible merger on engineering concerns. Most people complaining to his office cite drainage and code enforcement as major concerns. He believed this was more typical of City dwellers as these are less important to County residents. He also pointed out that the federal government is forcing the state to enact the five-year *Clean Water Act: Phase II* on all new construction. If the governments merge, the entire County would come under this mandate. A proposed merger can also impact seismic issues, traffic signal differences and financial issues relating to his office. A new merged government would have to address a host of City/County engineering issues.

December 7, 2004

Glen Anderson, Manager of the Paducah Water Works, and Ernie Via, Director of Public Works in Paducah, spoke to the Task Force. Mr. Anderson reminded the Task Force that most of Paducah and McCracken County have a unified water system and that Paducah Water is the major water supplier in the County. Only Hendron and West McCracken are apart from this system. Plans are in the works to completely consolidate the County water supply. Rate charges and representation remain concerns in Hendron and West McCracken, but Mr. Anderson believes that consolidation is possible.

Ernie Via said that a good deal of cooperation between City and County on public works issues/concerns is already taking place. Consolidation of City and County public works services

would improve service delivery and economy of scale, but he did not think there would be a significant cost reduction or a smaller pool of employees. Some services like garbage collection could be privatized. Recycling is another area where privatization might be more feasible since he does not think it would be very cost effective as a publicly funded service.

December 14, 2004

Gary Kitchin, General Manager of the Paducah Transit Authority (PTA), was the speaker at this meeting. He gave a current report on the state of mass transit in Paducah and McCracken County and also made some projections for the near future. The PTA receives local, state and federal funding and possesses services contracts with some entities outside of the County. Mr. Kitchin believes that merger will be beneficial to the PTA (potential for more customers), but also thinks it could complicate funding from the state and federal government in some instances. He thinks that the nature of the new merged government of the future will almost certainly impact mass transit in Paducah/McCracken County.

February 17, 2005

Three presenters come to this meeting. Tom Barnett and Steve Ervin spoke first on planning issues. They represented the Paducah Planning Office. They reported an ongoing relationship with the county, but said that Paducah is one of few cities that does not currently possess a joint planning commission. Nevertheless, both share grant writing proposals, a 911 service, technology personnel, a parks plan, transportation plan, and some housing initiatives. Both men support the move toward merger and/or greater cooperation between the two local entities. Their joint commission vision includes items like uniform rules and regulations between the City and County, an independent uniform building code, and some use of current staff members (especially from the city).

Doug Moore, representing the Joint Sewer Agency (JSA), shared his vision concerning the joint sewer agency. If this came to its full fruition, this would be the first in the state since the merger of both Lexington and Louisville. He foresees the union of all local entities in a common sewer authority (including the City of Lone Oak). While he supports this vision and thinks, “merger is well worth it,” he believes that it will have challenges. These will include: political issues, personnel issues, non-uniform rate structures (although presumably, this would be eventually uniform), and a large price tag for the core facility expansion. He does not regard the JSA as possessing serious political opposition, but did say that residents would have to pay for the costs of new sewer expansion. He estimates this to be \$1,950 per house. All in all, he was one of the more passionate supporters of greater cooperation between local governments that have a common concern.

March 29, 2005

The Task Force meeting in March heard from Paducah Mayor Bill Paxton and McCracken County Judge Danny Orazine. Mayor Paxton spoke first. He reminded the Task Force that some talk of merger went all the way back to 1983 in the aftermath of the Lexington merger. A proponent of merger, Mayor Paxton desired to see recommendations supporting that end “fairly soon.” Judge Executive Orazine was decidedly more cautious to the idea of merger and consistently advised that he would reserve judgment until he actually saw the recommendations. Nevertheless, his comments at the meeting reflected an open mind.

Of more interest to the Task Force was the common discussion that followed the brief presentations of both men. The Task Force and the two government leaders participated in the discussions that followed. These discussions did not reach conclusions or result in formal motions.

April 18, 2005

The focus of this meeting was a presentation by Mr. Wayne Sterling. Mr. Sterling, the President of the Greater Paducah Economic Development Council, addressed the issue of merger and its impact on economic development. Mr. Sterling is an advocate of both merged government and regional cooperation with entities outside of McCracken County. "Merged government would only help" [economic development]. He argued that one community that now numbered 67,000 people would open doors for economic development that a community that numbered less than 50,000 could not hope to have. Mr. Sterling advised that industrial prospects often automatically eliminate cities of population under 50,000 from consideration. As a result, Paducah/McCracken County did not currently have the opportunity to compete for numerous industrial prospects. "Merged governments are usually economic success stories," he stated. He cited the specific example of Memphis (others are also obvious). In fact, he told the Task Force that merged government was a plus in regard to economic development.

May 16, 2005

During the May meeting, a number of representatives from McCracken County volunteer fire departments and water districts spoke to the Task Force. The Task Force was impressed that the volunteer fire departments are well staffed, have adequate facilities and equipment and have a history of providing complete fire protection service at a minimal cost to the residents of McCracken County. The representative reminded the Task Force that they possess a long record of cooperating with each other in their common mission of providing fire service to their local communities.

County water districts also expressed great pride in their services, but seemed more open to consolidation with Paducah as long as their customers retain input in water rates and

regulation. In fact, they already buy from Paducah and maintain links to the Paducah system. They are, in fact, already pursuing de facto consolidation. Nevertheless, at the moment they see their relationship with Paducah to be more like a “partnership” rather than a fact track to merger. Discussion took place along these lines, but no consensus on the Task Force emerged in regard to water services.

**SUMMARY OF KENTUCKY STATUTES PERTAINING TO CONSOLIDATION
OF
CITIES AND COUNTIES**

The Kentucky Legislature has enacted three applicable separate statutory schemes that permit city-county consolidation.¹ A fourth statutory method of consolidation is codified at KRS Chapter 67C. However, this procedure applies only to counties containing a city of the first class. This document will summarize the three applicable statutory alternatives for consolidation currently available to Paducah-McCracken County.

CHARTER COUNTY GOVERNMENT

The first statutory scheme is contained in KRS 67.825-67.875 and permits the consolidation of cities and counties into a “charter county government”. KRS 67.825 provides as follows:

In order to facilitate the operation of local government, to prevent duplication of services, and to promote efficient and economical management of the affairs of local government, the citizens of any county, except in a county containing a consolidated local government, a city of the first class, or an urban-county government, may vote to merge all units of city and county government into a charter county form of government or to consolidate any agency, subdivision, department, or subdistrict providing any services or performing any functions for a city or county...

Under this Chapter, the merger process can begin in one of two ways: 1) by adoption of an ordinance² or 2) by petition³. Under the ordinance method, the county fiscal court and a majority of all cities within the county must adopt an ordinance to study the question of merging the county with other local governments. In lieu of an ordinance, a petition may be filed with the county clerk requesting that a referendum be held on the question of the adoption of a county charter form of government.⁴

Within sixty (60) days following either the adoption of the ordinance or filing of the petition, the fiscal court and each city is required to jointly appoint a commission to study the question of adoption of a charter county form of government.

The size of the membership of the commission is 20-40 citizens of the county. The fiscal court appoints fifty-five percent (55%) of the membership and the cities appoint the remaining members based upon the ratio of the percentage of the population residing within that city to the countywide population.⁵

The commission is responsible for developing a comprehensive plan, which shall include a description of the form, structure, functions, powers and name of the proposed government.⁶ It shall also include a description of the officers and their powers, as well as a procedure to amend the original comprehensive plan.⁷ The plan is to then be voted upon by the residents of the county at a regular election. If a majority of those voting on the issue are in favor of adopting the comprehensive plan, then the charter county commission shall organize the charter county government.⁸

The comprehensive plan may (but is not required) provide for the corporate dissolution of incorporated cities and special districts within the county.⁹ The new government is permitted to exercise the rights and powers of counties, charter county governments and cities of the highest class within the county.¹⁰

The territory of a charter county government may be divided into service districts and each district will constitute a separate tax district. The charter county government will levy and collect taxes in accordance with the level of services provided within such districts.¹¹

UNIFIED LOCAL GOVERNMENT

In 2006, the Kentucky legislature added an additional method of consolidating local government, known as a “unified local government”.¹² This statutory scheme was adopted primarily as a result of lobbying from citizens and governmental leaders residing in Owensboro – Daviess County. The unified local government statute has similarities to the charter county government statute; however, there are also key differences.

Under this Chapter, the unification process must begin by the legislative body of one (1) or more cities within the county and the county fiscal court enacting ordinances proposing that a commission be formed to study the question of unifying the county government with one (1) or more cities within the county.¹³ There is no alternate process to initiate the process by petition as provided for in the charter county government format.

Within sixty (60) days following the initiation of the process a unification review commission is appointed.¹⁴ The commission is to consist of at least 20 but not more than 40 members, divided equally between the county and the participating cities. The appointments are made by the mayor of the city and county judge executive, with the approval of the appropriate legislative body. The chairman of the commission is to be elected by the commission.¹⁵

The commission is required to study matters relating to the feasibility of forming a unified local government, and if unification is proposed, develop a unification plan consistent with the provisions of the Kentucky Constitution and KRS 67.900 to 67.940. The unification plan shall provide for all of the items set forth in KRS 67.910 1(a)-(g), including the process for establishing the unified local government, a description of the form, structure, function, officers and a procedure for orderly transition of power. A unification plan must be completed within

two (2) years of the commission's appointment or the commission will be dissolved by operation of law.¹⁶

A key difference between the charter county government process and the unified local government format is that under the former, upon appointment, the commission is obligated to propose a plan that must be voted upon by the public. Under the unified local government format, the commission is not obligated to propose a unified local government plan to be submitted to the voters.

Once the plan has been approved by a majority of the commission it must be approved by a majority of the registered voters during the next general election. If adopted, the unification plan shall take effect on January 1 following the election of officers provided for under the plan. In the event the plan is defeated it cannot be voted on again for five years.¹⁷ Any non-participating city located within the territory of a unified local government shall remain incorporated unless dissolved.¹⁸

URBAN COUNTY GOVERNMENT

The third applicable statutory scheme is contained in KRS Chapter 67A and permits the consolidation of the county and cities into an "urban-county government".

The formation of an urban-county government must be initiated by a petition signed by a number of registered voters equal to five percent (5%) of those voting in the county in the immediate past general election. Also, additional petitions are required which must be signed by a number of registered voters equal to five percent (5%) of the number of voters of each municipal corporation within the county.¹⁹

Upon presentation of the petitions, the fiscal court and the council of the largest city within the county shall appoint a representative commission composed of not less than twenty

(20) citizens which shall devise a comprehensive plan of urban-county government. The plan is to include a description of the form, structure, functions, powers and officers and their duties of the proposed urban-county government. The question of whether the plan shall be adopted is to be submitted to the voters at the next general election. If a majority of those voting approve the plan, the commission shall then organize the urban-county government.²⁰

The remainder of the chapter of KRS 67A contains very specific statutory requirements, pertaining to the organization and operation of an urban-county government. These requirements deal with a variety of subjects, including redistricting, corrections, taxing, merit and pension plans, etc. Although, these statutes apply in general to the formation and operation of any urban-county government, it appears obvious that this entire chapter was written to apply specifically to the only current urban-county government in Kentucky, the Lexington Fayette County Urban County Government.

As a result, it would appear that if Paducah-McCracken County elects to proceed with consolidation, the best choice would be to proceed under the statutes providing for a charter county government or a unified local government.

Footnotes

¹ The fourth statutory scheme KRS 67C, which was utilized by Louisville-Jefferson County to accomplish its merger, applies only to cities of the first class. Paducah is a city of the second class and, therefore, this statute is not applicable.

² KRS 67.830(1)

³ KRS 67.830(2)

⁴ KRS 67.830(2) requires that the Petition be signed by a number of registered voters equal to at least twenty percent (20%) of the number of county residents voting in the preceding regular election. In November 2007, 17,437 McCracken County residents voted in the general election which would require 3,487 signatures on a petition.

⁵ KRS 67.830(3)

⁶ Although KRS 67.830(1) states that county and cities “may adopt an ordinance to study the question of merging the county government...”, the Attorney General’s opinion is that the commission may not merely study merger and return a finding that no change should occur, but is mandated to develop a comprehensive plan for submission to the voters. OAG 95-18

⁷ KRS 67.830(4)

⁸ KRS 67.830(5) and (6)

⁹ KRS 67.845

¹⁰ KRS 67.850

¹¹ KRS 67.860

¹² KRS 67.900 et. seq.

¹³ KRS 67.904

¹⁴ KRS 67.904(4)

¹⁵ KRS 67.906

¹⁶ KRS 67.910

¹⁷ KRS 67.918

¹⁸ KRS 67.940

¹⁹ KRS Chapter 67A

²⁰ KRS 67A.020

SURVEY OF PADUCAH/MCCRACKEN COUNTY VOTERS

RESOLUTION

WHEREAS, the Government Reorganization Task Force was appointed by the Paducah Area Chamber of Commerce for the purpose of studying the reorganization of local governments in Paducah/McCracken County, Kentucky; and

WHEREAS, the Task Force has heard presentations from local political leaders and the representatives of the providers of local governmental services; and

WHEREAS, the Task Force has thoroughly studied the current structure of local governments, as well as the ramifications of the unification of local governments; and

WHEREAS, the Task Force believes that it would be in the best interest of the citizens of Paducah/McCracken County to consolidate its local governments into one unified structure.

NOW THEREFORE, BE IT RESOLVED, that the Government Reorganization Task Force does hereby recommend to the Paducah Area Chamber of Commerce that the Chamber:

1. Take a position endorsing the consolidation of the local governments of Paducah/McCracken County into one unified structure.
2. Enact a resolution calling for the Paducah City Commission, the Lone Oak City Commission and the McCracken County Fiscal Court to adopt resolutions appointing a commission to study the consolidation of local governments under the provisions of KRS Chapter 67.825-67.875 or under the provisions of KRS Chapter 67.900-67.940.
3. Request that the Chamber members be represented on such commissions.
4. Actively endorse and support the unification of the local governments of Paducah/McCracken County.

OUTLINE OF PROPOSED UNIFIED LOCAL GOVERNMENT

- I. Chief Executive Officer - Elected position – 4 year term.
- II. Deputy Chief Executive Office – Appointed by CEO and confirmed by Council.
- III. Council Members – Eight (8) to Twelve (12) elected by public to serve four (4) year terms; Six (6) to Eight (8) representing geographical districts; and Two (2) to Four (4) elected at large.
- IV. Sheriff is a constitutional office and would remain in place. Law enforcement, service of summons, court bailiffs and tax collection would be divided between Sheriff's Office and unified county police department.
- V. Existing city fire department would remain in place to serve the territory that currently constitutes City of Paducah and assist volunteer fire departments. Volunteer fire departments would remain in place.
- VI. County Clerk, County Attorney, Jailer, Coroner are all constitutional offices and would retain current duties.
- VII. City-County administrative agencies shall be consolidated as provided for in the organizational document and under the direction of the CEO and the Council. All employees of the city and county shall be employees of the unified government.
- VIII. Taxing Districts would be established and the applicable tax rates and fees in each district would be commensurate with the level of governmental services provided in that district.
- IX. All city and county ordinances not inconsistent with the terms of the organizational document remain in effect.
- X. All existing contracts, orders, licenses, bonds or other obligations of the city and county remain in effect.