

**CITY OF BARDSTOWN  
REGULAR COUNCIL MEETING MINUTES  
02-11-2014  
7:00 – 9:30 P.M.**

With Mayor Bill Sheckles presiding, the City Council met in a regular session in the Council Chambers with the following Councilmen:

- Councilman Joe Buckman
- Councilman Francis Lydian
- Councilman Tommy Reed
- Councilman John Royalty
- Councilman Bobby Simpson
- Councilman Roland Williams

Others present: Assistant City Administrator Larry Green, Director of Public Works and Engineering Larry Hamilton, Chief Financial Officer Mike Abell, City Electrical Engineer Jeff Mills, City Civil Engineer Jessica Filiatreau, Water Treatment Plant Manager Wayne Kendall, City Attorney Tom Donan, City Clerk Barbie Bryant, Fire Chief Marlin Howard, Police Major Ray Lewis, Bardstown Nelson County Volunteer Fire Firefighters Chair Neal Pyle, The Kentucky Standard reporter Randy Patrick, WBRT Radio Co-Owner Roth Stratton, and citizens Peter Trzop, Paul Higgs, David Brown and Howard and Dee Dee Keene.

Mayor Sheckles announced that the Council would go into Executive Session at the end of the meeting pursuant to: KRS 61.810 (1) (f) Discussion which might lead to the dismissal of an individual employee without restricting that employee’s right to a public hearing if requested.

**HERRICK COMPANY’S PROPOSAL FOR SLUDGE PUMPS AT TOWN CREEK WWTP**

City Civil Engineer Filiatreau explained that all interested parties were asked to visit the Town Creek Sewer Plant and propose a pump system to replace what is there. The existing pump system consists of two, Smith and Loveless pumps, one of which is out of service with a bent shaft, needing replacement. The two pumps are over twenty years old. She then recommended the \$54,850 bid from the Herrick Company based on its proposal to use the Flygt Manufacturer pump.

<b>Town Creek Sewer Treatment Plant Sludge Pump Replacement</b>		
Proposals Requested by:	December 7, 2013	
Dry pit submersible pumps, 3 Phase		
<b>Company</b>	<b>Pump Manufacturer</b>	<b>Estimate</b>
Gatterdam Industrial Services	Hydromatic	\$ 53,847
<b>Herrick Company, Inc.</b>	<b>Flygt</b>	<b>\$ 54,850</b>
Environmental Services	Fairbanks Morris	\$ 66,500
	Homa	\$ 63,000
	KSB	\$ 64,000
Straeffer Pump & Supply, Inc.	Fairbanks Morris	\$ 87,636
<u>Recommend Herrick Company, Inc. to be awarded the project.</u>		

**UPON MOTION OF COUNCILMAN LYDIAN, DULY SECONDED BY COUNCILMAN WILLIAMS AND CARRIED BY A VOTE OF 6 TO 0, THE RECOMMENDATION TO ACCEPT THE BID FROM HERRICK COMPANY, INC., IN THE AMOUNT OF \$54,850 TO REPLACE TWO SLUDGE PUMPS, WAS APPROVED.**

**INDOOR / OUTDOOR FORKLIFT**

CFO Abell reported that the City owns 2 forklifts, both 1975-76 models acquired some years ago from state surplus property. One is a larger lift for use outdoors that is too large for most of our indoor needs. Repairs in the amount of \$14,000 were spent on it last year and it is in need of more. The small lift also needs repairs estimated to cost \$11,000. Staff is recommending that the City sell both forklifts on the Gov Deals site and replace the two of them with one new 9000 pound LP gas powered unit for \$43,269.98, to be purchased off state price contract. **UPON MOTION OF COUNCILMAN REED, DULY SECONDED BY COUNCILMAN BUCKMAN AND CARRIED BY A VOTE OF 6 TO 0, THE RECOMMENDATION TO AUTHORIZE THE PURCHASE OF A 9,000 LBS FORKLIFT AT STATE PRICE CONTRACT IN THE AMOUNT OF \$43,269.98, WAS APPROVED.**

**AMERICAN LEGION POST 121**

Unit Commander Peter Trzop asked the Council to allow the alley that runs next to the American Legion Post 121 on West Broadway, currently known as Cranberry Alley, be renamed to “American Legion Way” as a patriotic gesture to its 380 members. Director of Public Works and Engineering Hamilton and Mr. Trzop will determine the location for and physical characteristics of the street sign. **UPON MOTION OF COUNCILMAN WILLIAMS, DULY SECONDED BY COUNCILMAN LYDIAN AND CARRIED BY A VOTE OF 6 TO 0, THE RECOMMENDATION**

**TO ALLOW A PORTION OF THE ALLEY FROM WEST BROADWAY TO THE CROSS ALLEY, NEXT TO THE AMERICAN LEGION POST 121, BE DESIGNATED AS “AMERICAN LEGION WAY”, WAS APPROVED.**

**LETTER OF REQUEST FOR THE 2<sup>ND</sup> ANNUAL FORGET ME NOT 5K FUN RUN**

Mayor Sheckles presented the letter of request for a 5K run starting at the Spalding Hall Great Lawn and using West Stephen Foster Avenue as the cross road for the participant’s route. The date will be March 15, 2014, from 8:00am until 11:30am. **UPON MOTION OF COUNCILMAN SIMPSON, DULY SECONDED BY COUNCILMAN REED AND CARRIED BY A VOTE OF 6 TO 0, THE LETTER OF REQUEST BY THE ALZHEIMER’S ASSOCIATION WAS APPROVED.**

**MINUTES**

The minutes from the 01-27-2014 Special Council meeting and the 01-28-2014 Regular Council meeting were presented. **UPON MOTION OF COUNCILMAN REED, DULY SECONDED BY COUNCILMAN ROYALTY AND CARRIED BY A VOTE OF 6 TO 0, BOTH SETS OF MINUTES WERE APPROVED.**

**FIRST READING – PROPOSED ORDINANCE B2014-REZONE #2398 THE MARY MAY HOUSE LLC AMENDED.**

Councilman Royalty introduced proposed Ordinance B2014 – Rezone #2398 The Mary May House LLC Amended, and asked for its first reading. City Clerk Bryant explained that this amendment realigned the area for the previously approved PUD – alcohol by the drink – to now encompass the outside of the property located at 110 W Flaget Ave. She then read the proposed ordinance in full. **UPON MOTION OF COUNCILMAN LYDIAN, DULY SECONDED BY COUNCILMAN ROYALTY AND CARRIED BY A VOTE OF 6 TO 0, PROPOSED ORDINANCE B2014-REZONE #2398 THE MARY MAY HOUSE LLC AMENDED, WAS APPROVED FOR FIRST READING.**

**FIRST READING – PROPOSED ORDINANCE B2014-REZONE #2408 WALG, LLC.**

Councilman Williams introduced proposed Ordinance B2014-Rezone #2408 WALG, LLC, and asked for its first reading. City Clerk Bryant explained that this amendment would update Keystone Liquors for a PUD – alcohol by the drink – to allow samplings to occur at 130 Keystone Avenue. She then read the proposed ordinance in summary. **UPON MOTION OF COUNCILMAN WILLIAMS, DULY SECONDED BY COUNCILMAN BUCKMAN AND CARRIED BY A VOTE OF 6 TO 0, PROPOSED ORDINANCE B2014-REZONE #2408 WALG, LLC, WAS APPROVED FOR FIRST READING.**

**FIRST READING – PROPOSED ORDINANCE B2014-REZONE #2409 BTCT, INC.**

Councilman Williams introduced proposed Ordinance B2014-Rezone #2409 BTCT, INC, and asked for its first reading. City Clerk Bryant explained that this amendment would update the Kroger Store for a PUD – alcohol by the drink – to allow samplings to occur at 102 West John Rowan Boulevard. City Attorney Donan then read the proposed ordinance in summary. **UPON MOTION OF COUNCILMAN SIMPSON, DULY SECONDED BY COUNCILMAN REED AND CARRIED BY A VOTE OF 6 TO 0, PROPOSED ORDINANCE B2014-REZONE #2409 BTCT, INC, WAS APPROVED FOR FIRST READING.**

**PROPOSED ORDINANCE B2014-SYMPSON LAKE AMENDMENTS.**

Mayor Sheckles introduced WTP Manager Kendall who gave a brief summary of how reducing the use of motor boats on the lake would help reduce erosion and water quality problems. Citizens attending had suggestions to allow an idle speed only requirement and to eliminate the sole use requirement of electric trolling motors. It was also suggested to no longer allow jet skis, water skiing or other water sports. New penalty rates and the times the lake will be open were also discussed. The Mayor’s staff will revise the proposed ordinance and resubmit the amended version for a first reading at the next Regular Council meeting.

**KLC SAFETY GRANT PROGRAM AWARDS**

Mayor Sheckles reported that Risk Manager Anthony Mattingly had applied for and received grants in the amount of \$5,092.28 from the Kentucky League of Cities’ Safety Grant Program. The monies will be used to purchase training videos for use by all departments.

**MUNICIPAL ORDER M2014-01**

Councilman Williams excused himself from the meeting prior to the discussion. Mayor Sheckles provided a summation of the Kentucky League of Cities Insurance Service Association’s (KLCIS) request for support in a lawsuit:

In 2009, KLCIS was asked by the Kentucky Department of Insurance (DOI) and KSBIT to help the KSBIT program and Kentucky schools by assuming the administration of the KSBIT Workers’ Compensation and Property/Liability Funds and by loaning the \$8 million needed by KSBIT to address the then-known deficits in the Funds. KLCIS has experience in administering its self-insured pool and has provided a valuable insurance alternative for cities participating in the KLCIS program for many years. Unfortunately, the KSBIT Funds’ deficits were much larger than reported when KLCIS took over. Despite the best efforts of KLCIS, the KSBIT program could not be turned around, and its members will be assessed.

KSBIT and DOI promised KLCIS that these monies would be repaid through an assessment if sufficient funds were not generated through KSBIT operations to repay them. KLCIS relied on those promises. KSBIT members should

not be allowed to benefit from the payment of claims with KLCIS funds loaned to them without repaying that liability of the KSBIT Funds through the assessment.

He then presented the following Municipal Order M2014-01 for the Council's consideration:

**RESOLUTION AUTHORIZING THE MAYOR TO JOIN A DECLARATORY JUDGMENT LAWSUIT AGAINST THE KENTUCKY DEPARTMENT OF INSURANCE TO RECOVER CITY FUNDS LOANED TO THE KENTUCKY SCHOOL BOARDS INSURANCE TRUST IN 2010 FROM KENTUCKY LEAGUE OF CITIES INSURANCE SERVICES ASSOCIATION WORKERS' COMPENSATION FUND.**

**WHEREAS,** the City of Bardstown, KY is a current member of the Kentucky League of Cities Insurance Services Association (KLCIS) which is a self-insured pool that provides workers' compensation insurance to Kentucky cities.

**WHEREAS,** the KLCIS Workers' Compensation Fund was, and continues to be funded by city premiums to cover city employees' injuries and occupation illnesses.

**WHEREAS,** the Kentucky School Boards Insurance Trust (KSBIT) is a self-insured pool that provided workers' compensation, property and liability insurance to Kentucky schools.

**WHEREAS,** on January 6, 2010, as directed and approved by the Kentucky Department of Insurance (DOI), KLCIS loaned \$5,500,000 to KSBIT for its Workers' Compensation Fund and loaned \$2,500,000 to KSBIT for its Property and Liability Fund from the KLCIS Workers' Compensation Fund, plus interest, which loans are evidenced by certain promissory notes in the form of surplus notes.

**WHEREAS,** at the time the DOI directed KLCIS to make the loans to KSBIT, the DOI stated to KLCIS, Kentucky Leagues of Cities (KLC) and KSBIT that to the extent that KSBIT was unable to generate a surplus from operating the insurance funds sufficient to repay the loans, KSBIT would be required to assess its members to repay the loans.

**WHEREAS,** on November 5, 2013, a declaratory judgment action was filed by KLC, KLCIS and KSBIT for the recovery of the monies loaned to KSBIT as part of any assessment of KSBIT members.

**WHEREAS,** on November 15, 2013, the DOI placed the KSBIT Workers' Compensation Fund and Property and Liability Funds into receivership, took over administration of the funds and filed an assessment plan for KSBIT members which does not include repayment of the KLCIS funds loaned to KSBIT.

**WHEREAS,** the City of Bardstown, KY supports the recovery of city funds loaned from the KLCIS Workers' Compensation Fund to KSBIT because KLCIS relied upon the DOI's assurances and promises that the money would be paid back in the event of an assessment of KSBIT members.

**WHEREAS,** the City of Bardstown, KY desires to participate as a plaintiff in a declaratory judgment lawsuit along with KLC, KLCIS, KSBIT and other cities against the DOI to recover city funds loaned to the Kentucky School Boards Insurance Trust.

**NOW, THEREFORE, BE IT RESOLVED** by the City of Bardstown, KY that the Mayor is hereby authorized and empowered to enter the city into a lawsuit with KLC, KLCIS, KSBIT and other cities against the DOI for a declaration of rights for the repayment of funds loaned in 2010.

**UPON MOTION OF COUNCILMAN SIMPSON, DULY SECONDED BY COUNCILMAN ROYALTY AND CARRIED BY A VOTE OF 5 TO 0, MUNICIPAL ORDER M2014-01, WAS APPROVED.**

Councilman Williams returned to the meeting.

**STAFF REPORTS**

City Electrical Engineer Mills announced that a special meeting of the Cable Programming Committee would be called to discuss the contract renewal with Viacom, who owns MTV, Nickelodeon, Comedy Central, and other channels in both our Expanded Basic (8 total) and Digital Tiers (9 total). The contract expires on March 31, 2014. The initial proposal is a rate increase that would double our costs.

Fire Chief Howard presented the 2013 Year Book which gave an overview of the Bardstown Fire Department's and the Nelson County Volunteer Fire Department's activities, statistics and goals. A more detailed description of the departments could be viewed on [www.bardstownfire.com](http://www.bardstownfire.com).

**COMMITTEE REPORTS**

Councilman Williams gave an update on the BAND meeting that was held on February 3, 2014. He apologized for the confusion of a cancellation that was erroneously given to the media for that meeting. He mentioned that Donna Paschal, the Director of the Recreation Department, had been the guest speaker and that several community improvement suggestions were addressed. The next BAND meeting is scheduled for July 28, 2014, 7:00pm in the Council Chambers.

Mayor Sheckles announced that a Cemetery Committee meeting would be held in the morning at 8:30am, in the conference room of City Hall.

Councilman Royalty and Councilman Simpson presented a letter of accommodation for Police Officers Tom Blair and Jaron Skillman, who were instrumental with an incident involving an eviction in the Maple Hill area. He requested a copy of the letter be put in their personnel files.

Councilman Lydian reported that individuals are still misusing the dumpster at 709 W. Stephen Foster Ave. Director of Public Works and Engineering Hamilton has increased the size of the dumpster and it should be installed soon.

Councilman Buckman encouraged all Councilmen to attend the Certified Local Government’s Commission Assistance and Mentoring Program (CAMP) Training Seminar that is scheduled for Saturday, February 22, 2014 in the Fiscal Court Meeting Room.

**FIVE YEAR ANNIVERSARIES**

Mayor Sheckles announced the 10 year anniversary of Brian Sweazy with the Waste Water Treatment Plant and the 5 year anniversary of Derrick Hagan with the Public Works Department.

**EXECUTIVE SESSION**

Mayor Sheckles announced that the Council would now go into Executive Session pursuant to: KRS 61.810 (1) (f) Discussion which might lead to the dismissal of an individual employee without restricting that employee’s right to a public hearing if requested. **UPON MOTION OF COUNCILMAN WILLIAMS, DULY SECONDED BY COUNCILMAN REED AND CARRIED BY A VOTE OF 6 TO 0, THE COUNCIL WENT INTO EXECUTIVE SESSION AT 9:15PM.**

**UPON MOTION OF COUNCILMAN ROYALTY, DULY SECONDED BY COUNCILMAN WILLIAMS AND CARRIED BY A VOTE OF 6 TO 0, THE COUNCIL CAME OUT OF EXECUTIVE SESSION AT 9:25PM.**

The minutes will reflect that no action was taken during the Executive Session. Mayor Sheckles then read the following announcement:

“I am announcing today that after an internal investigation, and in cooperation with the Bardstown Police Department, a long-time employee of the City of Bardstown, Patricia Corey Greer, has been arrested today for, “Theft of over \$500”. This involves monies taken from cash drawers at City Hall. Ms. Greer has admitted to the theft, and was taken to the Nelson County Jail. An amount of approximately \$6,000 has been identified so far. However, the exact amount will not be known until the investigation is complete. As of 2/11/14, Ms. Greer’s employment with the City of Bardstown has been terminated. I want to assure the public that the City will make every effort to see that the public’s money is paid back in full. This is what is known at this time. And, because it involves an ongoing investigation, there will be no further comments regarding this matter, at this time”.

**ADJOURNMENT**

There being no further business to discuss and **UPON MOTION OF COUNCILMAN SIMPSON, DULY SECONDED BY COUNCILMAN REED AND CARRIED BY A VOTE OF 6 TO 0, THE MEETING WAS ADJOURNED.**

**CITY OF BARDSTOWN**

\_\_\_\_\_  
William S. Sheckles, Mayor

**ATTEST:**

\_\_\_\_\_  
Barbara Bryant, City Clerk