



CITY COUNCIL MEETING Minutes of July 5, 2018

Mayor Rachford called the Alexandria City Council Meeting to order at 7:00 p.m. followed by the invocation and the pledge to the flag. The following Council Members answering roll call:

Stacey Graus	Present	Susan Vanlandingham	Present
Bob Simon	Present	Scott Fleckinger	Absent
Sue Neltner	Present	Andy Schabell	Present

Also: Karen Barto, City Clerk
Joe Alexander, Asst. Police Chief

Mike Duncan, City Attorney
Sam Trapp, Public Works

APPROVAL OF MINUTES – June 21, 2018

MOTION: Susan Vanlandingham made a motion to approve the minutes of June 21, 2018 meeting, Bob Simon seconded. Mayor Rachford noted one correction; page 2, end of second line; states sponsored by Kentucky League of Cities and it should read National League of Cities. All in favor, the motion passed with changes of a 4-0-1 vote with Stacey Graus abstaining.

VISITORS & GUESTS

1. J D Chaney, Deputy Director of Kentucky League of Cities – Mr. Chaney gave a brief overview of the legislative action this year. Mr. Chaney began by saying this was his first time in Alexandria and it was good to be here. He stated he had been with the League of Cities for 17 years and his role is to be an advocate for cities, and protecting the liability when issues go before legislation. He mentioned this last session was not fun for legislators with all the bickering that took place, but from a City perspective, they did ok. As a Board of Directors, they had 20 legislative agenda items they had put together and 14 of those passed, 13 of which will become law, the governor vetoed one. He added none of the legislation they opposed passed. The pension reform was discussed and how HB362 allowed for a phase-in over time of an annual 12% increase to cities budgets to reach the 50% instead of a one-time increase on July 1 of 50% to budgets. The work on pension reform is the most pressing legislative item they continue to address. Mr. Chaney stated Senator Schroeder is chairing the committee researching the separating of CERS from KERS.

Mr. Chaney then talked about the new sales tax that went into effect July 1. This tax is on services provided by cities and he explained as an example that Alexandria has a picnic shelter area, the rental fee is subject to the tax. Some cities have golf courses and now the fees for the greens will be subject to tax. It is putting cities in a bind to know how to assess the tax on those consumers. This is still new and it could take six months to iron out the problems associated.

Mike Duncan then asked about legislation of advertising publications. Mr. Chaney said a couple legislative bills that did pass were HB366 and HB487. For the next two years, in lieu of publishing your ordinances, audit reports or bid solicitation in full per KRS, you are able to place a small newspaper advertisement directing the citizens to your website for the full advertisement. You've told the people that read the paper where to access the information and instead of paying for pages and pages of newspaper advertising out of taxpayer funds, you are able to use this method. It is an optional and cost-effective means for budgets. This applies to counties and/or cities of counties with a population of 90,000 or more.

2. Greg Smorey, 90 S. Jefferson - Mr. Smorey was present to address Council about putting in a cross walk at the intersection of Route 10 and S Jefferson where it crosses over to N Jefferson. He said that Mayor Rachford had indicated in the past this was a state route. He was here to ask and encourage Council to start the process to get this done because of the schools. High school students cross to go to St Mary's, St Mary's students cross to go to the high school. There are also

preschoolers crossing to go to school in the mornings. It has become an extreme safety issue and feels this would be a great asset to that area. Discussion took place on how best to address, and it was agreed to get with Mr. Yeager.

ORDINANCES & RESOLUTIONS

Mr. Duncan read 2nd^d reading:

ORD #2018-05 - Amending Gross Receipts: An ordinance of the city amending Ordinance 2016-11 and section 117.03 of the City Code of Ordinances, in order to modify the City's gross receipts portion of the occupational license tax ordinances; changing rate from 0.0875 to 0.075% effective January 1, 2018 and second revision amending text to add a maximum tax liability of twenty-five thousand dollars (\$25,000) for the calendar year and thereafter.

MOTION: Stacey Graus made a motion to approve Ord2018-05, Bob Simon seconded.

Stacey wanted to comment the Finance Committee worked very diligently on this for about two years without knowing projected revenue of the businesses, with no idea what would be generated by the Gross Receipt Tax. Quite frankly it brought in more than what we projected because we didn't have information in regard to revenues of businesses in the community. Now we do because it's tied to what they will be paying. We knew when this ordinance was passed, we may have to revisit the issue, which is what we have done. We believe this is a good place to put the rate and a cap that we will bring in sufficient revenue without raising property taxes or some of the other taxes on residents. The gross receipt tax affects fewer people than does a property tax increase.

Sue Neltner stated she did not agree with the \$25,000 cap and felt it should be lower until we see how everything does come into play. We are not as big as Florence and they have a \$10,000 cap. Stacey Graus replied, no, we are not Florence; however, they have such a broad spectrum of businesses that a \$10,000 cap still allows them to bring in incredible amount of revenue. He said he agreed that we want to retain our businesses but did not feel any would be leaving as most pay a gross receipt tax in other cities.

Andy Schabell said his reason he'll vote no on this is while he understood when implemented, we didn't know what the impact would be, he felt phase-in of the increase would be more palatable similar to what Mr. Chaney was talking about with the retirement increase. He said that going from \$0 to \$25,000 in one year was not what he had in mind when he voted yes months ago.

Bob Simon stated as Finance Chair, they worked on this for about five years. It has not been taken lightly or without much discussion from every angle. He felt if this is not done and implemented, we will have to raise property taxes every year or payroll tax because going through the budget and cutting like we have. We are at bare minimum to keep going and now with the phase-in of the retirement, we have no choice. There have been items cut such as the blacktopping of the parking lot at Southern States. This is a way to get revenue without putting the burden on citizens. He did not feel any business would leave because of the rate or cap. Bob Simon also noted that if this is not voted upon tonight and the amendment to ordinance passed, the ordinance would stay at the old rate with no cap.

MOTION: Sue Neltner made a motion to table the motion until a full Council is present. No second; motion failed. **Roll Call Vote** to original motion to lower the rate and add a cap: Stacey Graus-yes; Susan Vanlandingham-yes; Bob Simon-yes; Sue Neltner-no; Andy Schabell-no. Passed with a 3-2-0 vote. (Scott Fleckinger-absent)

MUN ORD #2018-16: Appointing and approving Tom Wheeler as a member of the Alexandria Planning & Zoning Commission to fill an unexpired term until December 31, 2018 or as soon as his successor is appointed, approved, is qualified and sworn in.

MOTION: Motion to approve Municipal Order #2018-16 by Susan Vanlandingham, seconded by Bob Simon. All in favor, motion passed 4-1-0 with Sue Neltner voting no.

PROCLAMATION #2018-04: Supporting Marsy's Law. Mayor Rachford then read this proclamation and encouraged citizens to join in the commitment to protect the rights of Kentucky crime victims.

DEPARTMENT REPORTS

City Clerk: Karen Barto - Nothing

Police Department: Asst Chief Joe Alexander - Nothing

Community Center: Report attached.

Public Works: Sam Trapp - Nothing

COUNCIL COMMITTEES

Personnel: Andy Schabell - Nothing

Beautification: Sue Neltner - Beautification met this evening and will be accepting nominees for yard beautification award including home through July 26th. Karen will put on webpage and on Facebook. You can contact Sue, Andy, or Susan with nominees with pertinent information. Next Beautification meeting on August 2nd, will look at entries submitted and decide on a worthy recipient.

Safety: Susan Vanlandingham - Nothing

Public Works: Bob Simon - Nothing

Annexation: Andy Schabell - Nothing

Park & Recreation: Last week Jeremy Toy who is chairman of Park & Rec announced he will be moving out of the city to Cold Spring and will need to resign from board. We will need someone for Park & Rec so anyone watching that is interested and lives in the City is encouraged to apply.

NEW BUSINESS - None

OLD BUSINESS – Bob Simon asked about the grass cutting regulations along 27 and the emails that went back and forth. Mike Duncan said this is one of the items on the list of things the Planning Commission has discussed and under review for revisions to the zoning ordinance. It may have been voted on, but the next step is once they are ready, the Planning commission would hold a Public hearing and vote to recommend text amendments to City Council for approval. Then there would need to be a major revamping of the sign ordinance due to court rulings. There is also an issue regarding agriculture zoning over five+ acres.

COMMUNICATIONS

- **July 20th** - 2:00-4:30 PM (rescheduled) Mammography Van at Community Center
- **July 27th** - First movie night at the park sponsored by Woodmen Life and about 25 other business. Movie to be shown is Coco.
- **August 25th** - Dog Days of Summer at the Park

Andy Schabell mentioned that since he has been on Council he as been asked about putting in an actual "Dog Park" in the City. He thought it was something that might be mentioned to the Park Board since there has been such a good turn-out for the day at the park for dogs.

Sue Neltner then said to continue to keep Doug Carmack and his wife Ella in prayers as they were still recovering from the accident.

ADJOURNMENT

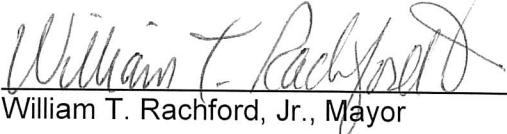
MOTION: Bob Simon made a motion to adjourn, seconded by Sue Neltner. All in favor, the motion passed 5-0-0. The meeting adjourned at 8:16 p.m.



Karen M. Barto, City Clerk Treasurer

Date: 8-3-18

Approved: **August 2, 2018**



William T. Rachford, Jr., Mayor

Date: 8-3-18