August 14, 2017

The Common Council of the City of Glasgow, KY met in regular session on Monday, the 24th day of July, 2017 at 7:00 p.m. in the Council Chambers with the following persons present:

HONORABLE MAYOR: Dick Doty

COUNCIL MEMBERS: Jake Dickinson
                  Patrick Gaunce
                  Brad Groce
                  Stacy Hammer
                  Greg Harris
                  Wendell Honeycutt
                  Marna Kirkpatrick
                  Chasity Lowery
                  James Neal - absent
                  Freddie Norris
                  Gary Oliver
                  Marlin Witcher

There being a quorum present, the Mayor declared the meeting open for business.

Pledge of Allegiance

Council Member Freddie Norris opened the meeting with a prayer.

MINUTES OF COUNCIL
MEETING ON 07-24-17

MOTION was made by Council Member Witcher for the approval and adoption of the 07-24-17 Council Meeting minutes
SECOND was by Council Member Groce
VOTE unanimous approval of the Council present

MAYOR DOTY ADMINISTERED THE OATH OF OFFICE TO CAMERON MURRELL AND CHRISTOPHER POYNTER, NEW POLICE OFFICERS AT THE GLASGOW POLICE DEPARTMENT.

APPROVAL OF POLICY CHANGE FOR THE POLICE DEPARTMENT

MOTION was made by Council Member Norris for the approval and adoption Policy Change for the Police Department
Michael Scalf with the Tennessee Valley Authority addressed the Council. Mr. Scalf distributed information to the Mayor, City Attorney and all twelve Council Members concerning the Summary of Glasgow Advisory Council Recommendation. Mr. Scalf read all recommendations from the distributed material aloud.

Danny Basil addressed the Council concerning the Glasgow Electric Plant Board. Mr. Basil stated one of the biggest issues to the public was the rate structure. Basil stated, after talking to Mr. Billy Ray, the alterative rate that is presently available is very close to the rate before Infotricity went into effect, but the customer charge is much higher than it was back then. Originally the customer charge was $11 and today it is about $22. Mr. Basil stated he wanted to thank and extend deepest regard to people that worked on the Advisory Council.

Basil stated one of the points not addressed by the Committee was the money been used over several years to help fund the broadband program and the cable program. It created a debt that still exist. It is Basil’s recommendation that something be done to pay that debt. The money should come back into the electrical side of the Electric Plant Board because of the TVA Act. Proceeds from sales can only be used for rate reduction and can’t be used for other activities. Basil stated it was his recommendation that something be done so that the money would be available for rate reduction. Basil said it would be approximately $5 per month or $10 per month for 30 or 40 years. That would put us near the point before Infotricity was introduced.

Basil said he has listed the issues he raised in the letter that was distributed to the Mayor, City Attorney and City Council members at the July 24, 2017 meeting. If a hearing is to take place, the other parties have to be notified of every issue that will be discussed at the hearing. They must have time to prepare for the hearing. Basil said that is what the letter is about. Basil said the next step is Basil will contact Mr. Cole, the attorney for the Board, and see how much time he needs to prepare and see if they are interested in compromising. If they are, then they may not be a need for a hearing. If they are not interesting in compromising, then if you vote to have a hearing, authorize the letter be sent and that is what will be set up.

Council Member Honeycutt ask if this would preclude additional issues. Mr. Basil stated it would not and these were the ones he listed with his research. Basil said you don’t want to have so many issues that there is no way to get through them. Any issues can be added that the Council wants to add.

MOTION was made by Council Member Kirkpatrick to go ahead and send the letter
SECOND was by Council Member Dickinson
Council Member Norris said he wants to understand sending of the letter, a timeframe given in good faith to them, but there is still the possibility of some compromise and discussion because to him this is very important. Basil stated absolutely. Basil said one of the requirements of procedure is they have the opportunity to know what the complaints are, they have opportunity to present any witnesses and have adequate time to prepare. Those issues will be worked out if the letter is sent and it stated what the five (5) issues are. Mr. Basil said if he has been wrong on any of the issues, they can delete those issues or substitute an issue in place of it.

Council Member Gaunce asked Basil if one of the six (6) issues has been done by the Board. Basil stated they have made great progress on the rate structure. Basil stated he is not sure what that progress is. That is one of the issues in the letter is rate structure but the other issues don’t relate to rate structure. Council Member Gaunce asked Basil what the five (5) points are in the letter. Basil stated one was the 2.4 million that was used from electrical sales that was used for broadband.

Council Member Groce asked if the Plant Board is unique in having a broadband side and an electric side. Basil stated there are other places like us and there are there places where funds have been commingled. Because it has happened somewhere else doesn’t mean it is ok and Basil feels like the Board should be working on that.

Basil stated one of the issues is he wants to see the approval for bidding and competitive bidding, which is two different issues, being made available on the internet so the public and the press could see what was approved, when it was approved and how it was bid. That is all set by statue in the procurement code of the TVA Act. If the Council disagrees, you can delete that issue. Council Member Gaunce asked if everything in the City is put out to bid. Mayor Doty stated yes, we follow the procurement code.

Basil stated the next was the rate structure, then the 2.4 million. The other issue is communications regarding issues for board meetings. Basil stated he does not feel like anything is wrong with sending out emails describing what is going to happen at board meetings suggesting topics, facts and so forth. Mr. Basil feels that when the board considers those, it could be a violation of the open meetings law. Basil said his position is he would like to see this made public. Make everyone aware of the votes and why the discussion is taking place. It is an opportunity for the public to understand. Basil stated if we can accomplish these things, then maybe a hearing will not be necessary.

Council Member Gaunce asked Basil and Billy Ray if TVA was ok with the 2.4 million commingling or are we or are we just not ok with it. Council Member Gaunce asked Basil how he would describe that. Basil said TVA want to see it re-paided but they are not on fire to see it re-paided. Basil stated they were involved in all the expenditure that led up to that situation. Basil states he feels TVA wants this re-paided over some period of time but they don’t see a sense of urgency. Mr. Basil stated the sense of urgency he saw was to avoid a rate payer lawsuit which would involve assets of the City and the Electric Plant Board.

Council Member Gaunce asked if there are thing shared by broadband or electrical used for both. Basil stated this occurred over a 20 year period when broadband and cable was in its infancy.
Mr. Basil stated it was like we have one account and have three different things we are doing. The income that come in from broadband and electrical went to same pot. That had accumulated over a period of time. Basil said it is his understanding that TVA was aware but wasn’t aware either. Basil stated it is his opinion this should be correct to avoid further problems.

Council Member Gaunce stated he is for everyone paying lower for everything. Council Member Gaunce made a comment to Council and to the group that he does not feel equipped overriding a federal agency like TVA if they are good with it. Council Member Gaunce said he understand about lowering the rates. Council Member Gaunce said he pauses thinking a group of twelve could regulate better than a federal agency, like TVA, would regulate.

Council Member Gaunce said this is just at statement and Basil could comment to it. Mr. Basil stated he was trying to make sure there wasn’t a class action lawsuit filed on behalf of electrical rate payers saying money was used for broadband and cable when payers do not have broadband or cable. Basil stated this is why it was an issue he brought up and made that recommendation.

Council Member Harris asked if the 2.4 million was found during the audit process or by TVA. Basil stated it was in an audit in 2014. Basil said it has been acknowledged by TVA and the Electric Plant Board and there was an agreement that came before the Council and the Council rejected it.

Council Member Lowery said she did not want to steal any thunder from Council Member Norris being the Council Representative to the Electric Plant Board. Council Member Lowery stated that herself, Council Member Groce and Council Member Kirkpatrick all present at the last Electric Plant Board meeting when the presentation was giving by TVA about the Advisory Council’s recommendations and the Advisory Council talked about what the Electric Plant Board was going to incorporate. Council Member Lowery asked Council Member Norris what changes are going to be made to Infotricity. Council Member Norris stated there was an agreement to proceed with the Advisory Council’s recommendations, one at a time. Council Member Lowery asked if Council Member Norris wanted to speak to what changes they made. Council Member Norris answered, “No, not really”. Council Member Lowery asked if any of the Council is familiar to what changes they did agree to that evening to Infotricity. Council Member Harris said he thinks all the recommendations, with the exception of maybe one, which was the customer charge was it. Council Member Lowery stated she knows that we are limited to four peak days a month. The roundup program was accepted. Council Member Lowery also stated the education of trying to let people know what was going to happen. Council Member Lowery said she remembers the Board talking about sending out surveys those people that have signed up on Option B, to see if they would be interested in time of usage charges and the issues concerning a tiered customer rate, billing, computer software and subsidizing different rate groups.

Council Member Groce said he felt like the Board was trying to take a step in the right direction. Council Member Groce said he is sure there are members of this Council that have never been to a Board meeting, much less talked to a Board member and they are going to make a vote tonight on whether to send this letter or not. Council Member Dickinson asked Council Member Groce if he was at the meeting and Council Member Groce answered, “Yes sir”. Council Member
Dickinson asked Council Member Groce if he recalls a statement being made about raising rates again. Council Member Groce said it was something on the customer charge. Council Member Lowery stated something was said concerning TVA looking at their rate structure and would be changing the way they bill the Electric Plant Board and others. Council Member Gaunce stated he understand in October, 2018, we as a city, similar to how the customers of the EPB came to Infotricity, will become Infotricity as the customers of the EPB did in 2016. It will be dictated by the power coming from TVA. That is his understanding and TVA is here and may be able to expand on that.

Council Member Lowery asked Council Member Dickinson if he was talking about during the Board meeting it was reported that because the EPB could not guarantee they picked the peak day, they might have to add 25 to 30 cents to the coincident demand. Council Member Dickinson said he thinks that is right. Council Member Lowery said she thinks it was said at that meeting if that is added, it wouldn’t be done before October or November. It is something with TVA and their rate structure. If it was found at the end of the year that customers that had been overcharged on those peak days, the money would be reimbursed to the customers. That charge would only go on the $10.80 or $11.20 one hour a month.

Council Member Dickinson stated he thinks it is time to take some action. Council Member Dickinson said he would like to yield the floor to Council Member Kirkpatrick for her to read a statement.

Council Member Kirkpatrick stated everyone has had the opportunity to hear from Mr. Basil and read the findings and recommendations he is making and it is apparent that there are reasons for concern. Council Member Kirkpatrick said it is her opinion that they need to pursue their legal option to allow a full hearing. This will allow those on the Board to share their positions and decisions directly. Council Member Kirkpatrick states that if there is sufficient evidence, they can only make a formal decision of the Board’s standing by way of a full and impartial hearing to determine if just cause exist for the removal of the Board as defined by KRS 92.760 and as outlined in the Attorney General opinion in January, 2017. Council Member Kirkpatrick stated that without a hearing, they are simply postponing making a decision. Council Member Kirkpatrick stated to the Council she makes a Motion for the Council to schedule a hearing to hear arguments on both sides to bring this matter to a close.

Council Member Lowery told Mr. Basil she wants to thank him for how professional he has been. Being representative of the taxpayers, they are getting close to the $20,000. Basil stated it is his intent to say within this and he has done several hours and discussions that he did not charge for. He thinks this is enough unless there is an appeal. So far, Basil believes this is on schedule.

Council Member Dickinson stated to Mayor Doty that there are two Motions on the floor. Mayor Doty stated there is a motion and a second on the floor for sending the letter. Council Member Oliver stated he would like to Call The Question on the first motion (sending the letter). City Attorney stated Council Member Oliver’s Call The Question is really a Motion to Limit or Cease Debate and a second to that Motion and it is a Non-Debatable Motion.
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<th>MOTION</th>
<th>was made by Council Member Oliver to Call The Question and Cease Debate</th>
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<td>SECOND</td>
<td>was by Council Member Dickinson</td>
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<td>VOTE</td>
<td>Yes – 7  No – 4  AB – 0</td>
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<th>MOTION ON FLOOR TO SEND THE LETTER TO THE ELECTRIC PLANT BOARD’S COUNCIL</th>
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Before the vote, Council Member Gaunce said he isn’t sure Council Member Norris should be voting since he is an Electric Plant Board board member. Council Member Gaunce said he should abstain. Council Member Gaunce also stated Council Member Dickinson 64 times voted it was ok to commingle these funds during his tenure on the Board. He might have a conflict. City Attorney Rich Alexander stated they are elected officials and they can vote their conscience.

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<th>MOTION ON FLOOR SCHEDULE A HEARING TO HEAR ARGUMENTS ON BOTH SIDES</th>
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SECOND was by Council Member Dickinson

Before the vote, Council Member Norris stated the advisory work is positive. Council Member Norris stated he will vote no on this because he believes they can resolve this when good people get together. Council Member Norris said he will vote no on the hearing because he wants to stay away from that. Council Member Honeycutt stated he thinks people need to be given time to respond and see what will happen and he is not ready to schedule a hearing. Council Member Honeycutt stated he is against scheduling a hearing right now. Council Member Lowery asked Danny Basil if it is wise, within ten minutes of each other, vote to send a letter that allows due process and then turn around and schedule a hearing before the letter is mailed. Basil stated what he would try to do is make everyone’s goal fit together as well as they possibly can. Within the letter is an opportunity for a hearing after he has met with Mr. Cole as a result of the letter. The letter could still be sent if you want this fast. One of the requirements of procedure is the other side know exactly what the allegations are and have time to prepare. If the hearing is set on a hard and fast time, you will need to go far enough into the future to guarantee that. It might be hearing could be scheduled sooner. Basil stated he understand the urgency and has talked to people in the public that want to know what something hasn’t already been done. Council Member Lowery said she wants to make sure all of the rules are being followed. Council Member Lowery asked Mr. Basil if he is saying from a legal standpoint it is perfectly fine to schedule the hearing. Basil stated if that is what they want to do and the Council has that power. Council Member Harris stated there has been some compromises made and after voting yes on the last one, he will vote no on the current motion.

Council Member Oliver made Motion to Table this and not consider it at this time. City Attorney Rich Alexander said Motion on Table take precedence over the main motion. It is a non-debatable motion. It would require a majority vote for passage.

MOTION was made by Council Member Oliver to Table this discussion
SECOND was by Council Member Groce
VOTE Yes – 10
No – 1 (Kirkpatrick)
AB – 0

RESOLUTION NO. 2017-2356

RESOLUTION APPROVING THE CITY OF GLASGOW’S CONTINUED GUARANTY OF THE GLASGOW/BARREN COUNTY INDUSTRIAL DEVELOPMENT AND ECONOMIC AUTHORITY (IDEA) LOAN WITH LOCAL BANK CONSORTIUM RELATING TO SPEC BUILDING IN HIGHLAND GLEN INDUSTRIAL PARK

A proposed resolution was presented and caused to be read

MOTION was made by Council Member Groce for the approval and adoption of the Resolution
SECOND was by Council Member Lowery
VOTE unanimous approval of the Council present

During the vote, Council Member Dickinson asked Mayor Doty to elaborate on this. Mayor Doty stated this is for the renewal for the financing of the financial agreement the IDEA Board has for the spec building. This is the City’s confirmation of the resolution from 2014.

**AMENDMENT TO THE INTERLOCAL AGREEMENT WITH THE INDUSTRIAL ECONOMIC DEVELOPMENT AUTHORITY (IDEA)**

MOTION was made by Council Member Witcher for the approval and adoption of the Joint Resolution with Barren Fiscal Court, City of Park City and City of Cave City
SECOND was by Council Member Kirkpatrick
VOTE unanimous approval of the Council present

City Attorney summarized the Joint Resolution to the Council. Council Member Dickinson, Mayor Doty and Council Member Groce made comments.

**MUNICIPAL ORDER NO. 2017-750**

MUNICIPAL ORDER APPOINTING BRYAN MARR AS THE FIRE CHIEF OF THE GLASGOW FIRE DEPARTMENT

A proposed municipal order was presented and caused to be read

MOTION was made by Council Member Groce for the approval and adoption of the Municipal Order
SECOND was by Council Member Norris
VOTE unanimous approval of the Council present

After the vote, Mayor Doty administered the Oath to Fire Chief Bryan Marr.

**ANNOUNCEMENTS:**

**QUILTS OF THE BARRENS WILL BE HELD FRIDAY, AUGUST 11TH THROUGH MONDAY, AUGUST 21ST AT THE SOUTH CENTRAL KENTUCKY CULTURAL**
CENTER. THIS EVENT IS SPONSORED BY THE QUILTING FRIENDS QUILT GUILD AND THE SOUTH CENTRAL KENTUCKY CULTURAL CENTER AND THERE IS FREE ADMISSION. FOR MORE INFORMATION, CONTACT THE CULTURAL CENTER AT 270-651-9792.

THE PLAZA THEATRE WILL BE SHOWING THE MOVIE “BLUE HAWAII” STARRING ELVIS PRESLEY ON SATURDAY, AUGUST 19TH AT 7:00 PM FOR $2 PER PERSON. FOR MORE INFORMATION, CONTACT THE PLAZA THEATRE AT 270-361-2101 OR VISIT THEIR WEBSITE AT HISTORICPLAZA.COM.

LEE ANN WOMACK WITH SPECIAL GUEST CAITLYN SMITH WILL BE PERFORMING AT THE PLAZA THEATRE ON SUNDAY, AUGUST 27TH FROM 7:30 PM TO 10:00 PM. TICKETS ARE AT THE PLAZA THEATRE. TICKETS ARE $40 MAIN FLOOR AND $30 BALCONY. FOR MORE INFORMATION, CONTACT THE PLAZA THEATRE AT 270-361-2101 OR VISIT THEIR WEBSITE AT HISTORICPLAZA.COM.

There being no further business to come before Council, Council Member Kirkpatrick made a motion for adjournment, Council Member Oliver seconded. Motion carried.

__________________________________
DICK DOTY, MAYOR

ATTEST:

__________________________________
JAMIE McFARLIN
CITY CLERK