

PURCHASE AREA DEVELOPMENT DISTRICT

BOARD OF DIRECTORS MEETING

August 20, 2018

The Purchase Area Development District Board of Directors met on Monday, August 20, 2018, at 3:00 p.m., in the conference room of the PADD office. Board members in attendance, asterisk denotes absence:

Ballard
Judge/Executive Todd Cooper
Kenneth Rowland, proxy for Mayor George Lane
Justin Puckett

Graves
Judge/Executive Jesse Perry*
Mayor Teresa Rochetti-Cantrell, Chair
Mayor Charles Shelby*
Tamie Johnson
Pete Galloway
Deric Todd

Calloway
Bill Marcum, proxy for Judge/Executive Larry Elkins
Mayor Jack Rose
Sue Outland
Mark Manning

Hickman
Judge/Executive Kenny Wilson, Secretary
Mayor Phyllis Campbell*
Judy Stephens
Howard Dillard

Carlisle
Judge/Executive Greg Terry, Treasurer
Nancy Henley
Bill Fraser

Marshall
Judge/Executive Kevin Neal*
Mayor Rita Dotson*
John Ward
Danny Holt

Fulton
Judge/Executive Jim Martin
Mike Gunn, proxy for Mayor David Prater
Mayor David Lattus*
Perry Turner
Mary Anne Medlock, proxy for Greg Curlin

McCracken
Judge/Executive Bob Leeper
Mayor Brandi Harless
Frances Hamilton
Arthur Boykin, Vice-Chair
Lee King
Pam Wright
Bill Bartleman

Guests Present:
Morgan Alvey, Senator McConnell's office
Shawn Miller, DLZ
Sheila Clark, West KY Workforce Board
Jim Arndt, Paducah City Manager
Emerson Goodwin, KY Care

Ivan Potter, Hickman County Historical Society
Kyle Poat, Kentucky Transportation
Mike McGregor, Kentucky Transportation
Jo Wilfong, Mayor of Barlow

I. CALL TO ORDER

Ms. Teresa Rochetti-Cantrell, Chair of the PADD Board of Directors, called the meeting to order at 3 PM and introduced the proxies and guests. Chair Cantrell introduced the newest PADD Board member, Mr. Danny Holt, appointment from Marshall County Judge/Executive Kevin Neal.

II. OLD BUSINESS

Chair Cantrell asked for approval of the July 16, 2018, Board Meeting minutes. **Mr. Bill Fraser motioned for approval, and Mr. Pete Galloway seconded, and the motion passed unanimously.**

- A. Next, Chair Cantrell called on Mr. Andy Bennett who summarized the Budget-to-Expense Report for the month ending June 2018.

Chair Cantrell called on Mr. Arthur Boykin for the PADD Personnel & Finance Committee report. He shared that the Committee met on August 20th, at 2 pm at the PADD office and reviewed the Executive Director's monthly travel voucher, timesheet, office credit card bill, FY19 revenue projection report, and the 12-page monthly budget-to-expense report. He reported that the PADD office had received 4 continuation contracts for the month, and no board action was needed.

Mr. Boykin then referred to page 9 through 33 of the packet for the Department for Local Government's (DLG) response to the legal complaint filed by Luke Morgan of MML&K, regarding the FY18 Joint Funding Administration (JFA) budget cut that was received in May, the 10th month of the fiscal year. He reminded the Board that the PADD was joined in this suit by 6 other ADDs, Pennyryle, Barren River, Lincoln Trail, KIPDA, Northern Kentucky and Bluegrass, and the complaint was filed on June 25th, 2018, with the response received on July 23rd, 2018. He then referred to page 16 of the response in regards to a HUD monitoring of DLG on the Neighborhood Stabilization Program, administered in FY12, and directed attention next to page 34 of the packet, to the PADD's response to this finding, which was provided to DLG in December of 2017, with no further correspondence from them. Mr. Boykin shared that Ms. Walker had provided, at the request of the MML&K attorneys, an affidavit of the JFA timeline and related correspondence with DLG, including the 21 Open Records Requests. This affidavit is in preparation for the first hearing in the case, which is scheduled for Wednesday, August 22nd. Mr. Boykin noted that if the case is continued, discovery will be the next phase of the process. Mr. Boykin stated that the PADD still had not received an FY19 JFA contract.

In conclusion, Mr. Boykin shared that the Personnel and Finance Committee had received no Code of Ethics Violations to report.

III. NEW BUSINESS

A. GUEST SPEAKER

Chair Cantrell introduced Mr. J. D. Chaney with the Kentucky League of Cities. In her introduction, Chair Cantrell shared that Mr. Chaney graduated from the University of Montana where he received his Bachelor of Art Degree in political science and economics. Mr. Chaney received his law degree from the University of Kentucky College of Law and his Masters of Business Administration degree from Eastern Kentucky University. Mr. Chaney began his work with the Kentucky League of Cities as a law clerk before serving as KLC's Counsel for Member Legal Services and, later as Director of Governmental Affairs and Chief Governmental Affairs Officer. In his current capacity as Deputy Executive Director, J.D. is a member of the organization's executive management team and is primarily responsible for advocating for Kentucky's city governments with the General Assembly in Frankfort. In addition, he also oversees the organization's corporate and municipal law services, research, training, communications and community development functions. Mr. Chaney shared a Legislative update on this year's session. Mr. Chaney also introduced Richmond Mayor Jim Barnes, the current President of Kentucky League of Cities. Mayor Barnes shared that the local officials in the communities are the ones that make things happen.

1. AGING COMMITTEE

Chair Cantrell called on Ms. Lee King, the Aging Committee Chairperson, to give the Aging Committee Report. Ms. King began by reporting that the Fiscal Year 19 contracts and allocations had been received from the Department for Aging and Independent Living (DAIL). The budget has been submitted to DAIL and is pending approval. All action made at the August 20th meeting will be pending DAIL's approval. The Project Review subcommittee of the Aging Committee met on Thursday, August 9, 2018. The Committee reviewed the information in detail, held discussion and made their recommendations to the Aging Committee on August 15th. This year the PADD received an anticipated 6.4% reduction in funding, then on June 29th, another reduction was made. The total reduction of funds from FY18 to FY19 is \$153,011. Ms. King shared that no carry over money was available this year to help later in the year. The allocations are the funds that will be used for the full year, and allocations of funds at the beginning of any fiscal year shall be made based on statistical data regarding the targeted populations required by the Administration on Community Living using the funding formulas developed and approved by the PADD Board of Directors in December 2012 and may also take into consideration the Request for Proposal application and/or the historical expenditures of the applicant.

Next Ms. King referred to the handout packet on page 35 and page 37 the Proposed Subcontractor Funding Levels for the Federally Funded Title III Programs. Those included are IIC1 Congregate Meals, IIC2 Home Delivered Meals, IID Disease Prevention/Health Promotion and IIB, Health Promotion, Telephone Reassurance, Transportation, and Legal Aid. She shared that last year the maximum allowable amount of Title IIB monies that could be moved to the Title IIC1 and Title IIC2 meals were made in order to help support the number of meals continuing to be served. Due to continued funding reductions we have experienced, this year matching funds are required in Title IIB. The Committee recognizes that this a new additional hardship on the contractors. The PADD spoke with the Contractors about this during the last contractors meeting and presented them with some ideas of how

to manage the match requirements. **Ms. King stated that based on the recommendation of the Aging Committee she moved that the PADD Board of Directors approve the FY2019 Subcontractor funding levels for the Federally Funded Title III programs, pending DAIL's approval of the budget, Judge/Executive Greg Terry seconded the motion after some clarification of the contract requested by Mr. Bill Bartleman it passed unanimously.**

Ms. King shared recommendations for FY19 Federally Funded Title V Program allocations for the subcontractor. The number of slots available for the Title V SCSEP program has remained the same this year. The proposed allocation was located on page 38 of the handout packet. **Ms. King stated that based on the recommendation from the Aging Committee, she moved that the PADD Board of Directors approve the recommended FY2019 Subcontractor funding level for the Federally Funded Title V program, pending DAIL's approval of the budget, Ms. Nancy Henley seconded the motion and it passed unanimously.**

Next, Ms. King explained the recommendations for FY19 State-Funded Program Allocations for Subcontracts. She referred to page 39 the handout packet. The State funded program is the Kentucky Homecare Program and includes, Homecare Home Delivered Meals, Homecare Essential Services, Escort, Home Management, Personal Care, Chore, Home Repair, Respite and supplies. Based on the Aging Committee recommendation **Ms. King moved that the PADD Board of Directors approve the FY 2019 subcontractor funding levels for the State Funded Programs, pending DAIL's approval of the budget, Ms. Frances Hamilton seconded the motion and it passed unanimously.**

In conclusion, Ms. King reported that the handout packet included the detailed Aging and Independent Living reports, including the monthly Payment Report to each Subcontractor. All questions were directed to Ann Ponder Simpson.

2. REGIONAL TRANSPORTATION COMMITTEE

Chair Cantrell called on Judge Kenny Wilson to give the Regional Transportation Committee's report. Judge Wilson congratulated Paducah-McCracken County Riverport for recently being awarded a \$251,927 grant from the Maritime Administration. The riverport plans to utilize the money for the acquisition of shoreside container handling equipment for the port's container on barge service.

Next, Judge Wilson shared that Mr. Mike McGregor, Chief District Engineer at District 1 announced his retirement from the Kentucky Transportation Cabinet, effective August 31st. Mr. McGregor thanked everyone for their support and introduced Mr. Kyle Poat as the new Chief District Engineer.

In conclusion, Judge Wilson announced that the Kentucky Transportation Cabinet's Office of Transportation Delivery had awarded all three of our applications for FY19 5310 Program. Congratulations to Ballard County Senior Centers, Carlisle County Senior Center and Easter Seals West Kentucky. PADD staff will continue to assist these agencies in the procurement process for their new vehicles.

3. COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

Chair Cantrell called on Mr. Mark Davis for the Community and Economic Development Committee report. Mr. Davis began by reporting with an announcement of an Area Development Fund (ADF) grant to the City of Murray which was used for partial reimbursement on turnout gear for the fire department. The grant amount was \$7,059 while the total cost of the gear was \$7,780.

Next, Mr. Davis shared on page 70 of the handout a release from Governor Bevin's on August 16, 2018 regarding the purchase of the Wickliffe papermill by Win Wickliffe LLC. Global Win's \$150 million investment will create 500 full time jobs. This development will have a tremendous impact on the region not only through direct job creation but will also generate additional related spin off opportunities.

Mr. Davis reported that information in the handout packet included a listing of projects in the region that were submitted to the state clearinghouse in July.

Mr. Davis then shared the National Association of Development Organization (NADO) update on the status of the Opportunity Zone Program. The Economic Development Cabinet scheduled a series of meetings at each ADD on this topic only to be cancelled. It is the PADD understanding that the session will be rescheduled for a later time. A Kentucky Opportunity Zone is a low-income U.S. Census tract that encourages individuals and corporations to invest in a variety of economic development projects through "Opportunity Funds"). After Federal guidelines are received the workshops will be rescheduled.

Mr. Davis called on PARIA Board Chairman Mark Manning to provide a synopsis of the finds from an Assessment and Benchmark report. Mr. Manning shared the finding that the search company that worked with Toyota Company that recently looked at our site for a new plant. JLL reviewed the park site features, available labor pool, operating environment and location & logistics. The evaluation concludes that the site would be most suitable for a small or mid-sized industrial user.

B. ADVISORY COUNCIL/TASK FORCE/BOARD REPORTS

1. COMMODITY AND FOOD BANK TASK FORCE

Chair Cantrell called on Ms. Frances Hamilton, Commodity and Food Bank Chair, for the commodity report. Ms. Hamilton shared that in August school aged children are headed back to school. Teachers will begin assessing children that will benefit from the Backpack Program. Ms. Frances referred to page 77 that showed the availability and status of the counties participating in the backpack program. \$120.00 will sponsor a child for the school year. She also shared the FY2018, year-end numbers of pounds distributed. A total distribution of 2,474,662 pounds were distributed through all programs.

2. WATER MANAGEMENT COUNCIL

Chair Cantrell called on Mr. James Smith for the Water Management Council report. Mr. Smith reported that PADD staff was working on 6 projects that are expected to be funded by the Kentucky Infrastructure Authority through the State Revolving Fund.

The 6 projects included 5 Wastewater and 1 Drinking water projects from the City of Murray, City of Mayfield, Marshall County Fiscal Court, City of Hickman and JSA out of Paducah.

3. BUSINESS LENDING REPORT

Chair Cantrell called on Mr. Mike Maxwell for the Business Lending Report. Mr. Boykin called on Mr. Maxwell to give the report, he shared that since the last meeting, one loan was closed on behalf of Superior Graphics located in Hickman, KY. The loan was a \$30,000 United States Department of Agriculture, Intermediary Relending Program loan for 20 years at 5.25%. The proceeds will be used to purchase new equipment for the business. The Loan Review Committee met on August 16, 2018 and approved 4 loan recommendations. The following loans were approved by committee: The first loan approved was Wright Steam Cleaning, LLC. The terms approved were a \$25,000 Economic Development Administration-Revolving Loan Fund at 6% for 7 years. The proceeds will be used to purchase a new cargo van and equipment to grow Mr. Wright's business in Mayfield, Kentucky. The project is expected to create 2 new full-time jobs. The second loan approved was ANAj, LLC. The terms approved were for a \$65,000 loan in the United States Department of Agriculture Intermediary Relending Program. The terms approved were for 6% for 10 years. ANAj, LLC. is a new women's boutique opening in Mayfield, KY. The proceeds will be to purchase equipment and to complete renovations to the property located on the Mayfield Court Square. This project is projected to provide 2 new full-time jobs. The third loan approved was King's Publishers. The terms approved were for a \$150,000 loan from the United States Department of Agriculture Intermediary Relending Program. The proceeds of this loan will be to provide working capital for Kings Publisher's in Mayfield, KY. The terms of the loan were \$150,000 for 7 years at 6%. The fourth loan approved was for a Small Business Administration 504 small business loan request for Cotton Love, LLC. This company is a linen distributor out of Miami, Florida and is purchasing a new distribution warehouse in Nicholasville, KY. Bank of America referred this loan as the participating bank. If approved by the SBA, this loan will provide \$500,000 for the purchase of the warehouse, with Bank of America providing financing of \$625,000. This loan is expected to provide 11 new full-time jobs. **Mr. Boykin moved to ratify the Review Committee's Approval of the SBA 504 loan, Mr. Mark Manning seconded the motion and it passed unanimously.** The PADD operates a Business Lending and Development Services Department to assist businesses and industries within the eight-county area in obtaining public-sector financing and to provide technical assistance for industrial expansions and/or entrepreneurial business development. The department serves as an intermediary between the (small) business owner and public-sector financing programs. The PADD also serves is fiduciary agent responsible for the portfolio management for all loans approved through the Economic Development Administration, SBA Microloan and United States Department of Agriculture lending programs

4. WORKFORCE INNOVATION & OPPORTUNITY REPORT

Chair Cantrell called on Judge/Executive Bob Leeper for the Workforce Innovation and Opportunity report. Judge Leeper reported that on page 129 of the handout packet were the obligated dollars by training facility for August 2018. Next, he reported the performance metrics from the West KY Career Centers for the month of

July. Kentucky Career Center staff provided services to 2,257 job seekers, 249 job seekers were referred for employment and 369 found employment, and 39 individuals received a post-secondary credentials. Since the beginning of the fiscal year, FY19, 105 individuals had received nearly \$486,319 in tuition assistance for post-secondary training. These individuals were primarily dislocated workers affected by recent closures.

In conclusion, Judge Leeper announced the West Kentucky Workforce Board meeting on Tuesday, August 28, 2018 at 10:00 am at Kentucky Dam Village Convention Center, Gilbertsville KY.

5. HUMAN SERVICES - No Report
6. REGIONAL HAZARD MITIGATION COMMITTEE

Chair Cantrell called on Mr. Mark Davis for the Hazard Mitigation Report. Mr. Davis referred to page 132 of the handout packet for the notice of the Flood Mitigation Assistance (FMA) Program. This program provides \$160 million nationally in grant funds to reduce or eliminate risk of flood damage to buildings insured under the National Flood Insurance Program (NFIP). Most projects are eligible for up to 75 percent Federal share however in some circumstances, a 100 percent grant is a possibility.

Next, he shared the Federal Emergency Management Agency (FEMA) announcement for the Fiscal Year 2018 Pre-Disaster Mitigation (PDM) Program. This program provides funds in the amount of \$235 million at the national level for hazard mitigation planning and implementation of mitigation projects prior to a disaster. These funds are available on a matching basis with up to 75 percent in federal assistance for eligible activities. And small, impoverished communities are eligible for up to 90 percent in Federal Aid. The maximum Federal share is \$400,000 for projects. Details of both programs are included in your packet.

C. PROGRAM IMPLEMENTATION/CORPORATION REPORTS

1. PURCHASE AREA HOUSING CORPORATION - No Report
2. JACKSON PURCHASE LOCAL OFFICIALS ORGANIZATION No Report

D. ANNOUNCEMENTS

Chair Cantrell called on Ms. Jennifer Beck Walker, Executive Director, for announcements. Ms. Walker congratulated Wickliffe and Ballard County for their Economic Development announcement this month, following those announced in Calloway and Graves Counties last month. She also introduced Bjarne Hanson as the new Community Development Public Administration Specialist. She announced the PADD Annual Fish Fry for Thursday, September 27th at noon.

Ms. Walker then introduced Mr. Ivan Potter, Hickman County Historical Society. Mr. Potter shared about the history of the Jackson Purchase Region and then invited everyone to the Hickman County Jackson Purchase Bicentennial Celebration on September 6th from 11:00 to 2:00 p.m.

IV. ADJOURNMENT

Mr. Pete Galloway moved to adjourn, Mr. John Ward seconded the motion, and the motion passed unanimously.

Chair, Mayor Teresa Rochetti-Cantrell

Secretary, Judge/Executive Kenny Wilson