

## PURCHASE AREA DEVELOPMENT DISTRICT

### BOARD OF DIRECTORS MEETING

June 18, 2018

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The Purchase Area Development District Board of Directors met on Monday, June 18, 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  
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

Marshall  
Scott Brown, proxy for Judge/Executive Kevin Neal  
Mayor Rita Dotson  
John Ward  
Brad Warning\*

Nancy Henley  
Bill Fraser

Fulton  
Judge/Executive Jim Martin  
Cubb Stokes, proxy Mayor David Prater  
Mayor David Lattus\*  
Perry Turner  
Greg Curlin

McCracken  
Judge/Executive Bob Leeper  
Josh Sommer, proxy for Mayor Brandi Harless  
Frances Hamilton\*  
Arthur Boykin, Vice-Chair\*  
Lee King\*  
Pam Wright  
Bill Bartleman

#### Guests Present:

Morgan Alvey, Senator McConnell's office  
Martie Wiles, Congressman Comer's office  
Mary Anne Medlock, West Kentucky Workforce  
Jim Askins, Kentucky Wired

Jim Osborne, City of Murray  
Mike Gunn, Fulton  
Virginia Gray, TVA

I. CALL TO ORDER

Mayfield Mayor Teresa Rochetti-Cantrell, Chair of the PADD Board of Directors, called the meeting to order at 3 PM and introduced the proxies and guests.

II. OLD BUSINESS

- A. Chair Cantrell asked for approval of the revised April 16, 2018, Board Meeting minutes. She explained that the first approved April 16<sup>th</sup>, 2018, Meeting Minutes were revised to include the Area Development Fund Projects listed individually instead of aggregately and to include Ms. Pam Wright as being in attendance. **Mayor Jack Rose motioned for approval of the revised April 16, 2018 meeting minutes, Judge/Executive Greg Terry seconded, and the motion passed unanimously.**

Chair Cantrell then asked for approval of the May 2<sup>st</sup>, 2018, Board Meeting minutes. **Mr. Bill Fraser motioned for approval, and Mr. Pete Galloway seconded, and the motion passed unanimously.**

- B. Next, Chair Cantrell called on Mr. Andy Bennett to summarize the Budget-to-Expense Report for the month ending April 2018.

Chair Cantrell called on Judge Kenny Wilson for the Personnel and Finance Report. Judge Wilson shared that the Personnel and Finance Committee met at 2 pm on June 18<sup>th</sup> at the PADD office. The Committee reviewed the executive director's monthly travel and timesheet, the office credit card bill, and the 12-page monthly budget-to-expense report. The Committee also reviewed and approved an amended FY18 Budget, necessary to include all the additional contracts and contract modifications that the PADD receives near the end of the fiscal year, that are reported to the PADD Board of Directors each month. Judge Wilson shared that the Committee also had reviewed and approved the PADD's FY19 Budget. This FY19 Budget totaled \$10,290,120, of which 46% is payroll for the Medicaid Waiver Participant Directed Services Program that the PADD administers and 16% is aging subcontractor pass-thru dollars, meaning the PADD's operational budget is approximately \$2.9 million, close to last year's total. He reminded everyone that this budget is based on FY18 contracts, because the bulk of the new FY19 budgets have not been received.

Next, Judge Wilson shared that the Committee reviewed and approved a Request for Qualifications for legal services. This RFQ will be advertised and evaluated at the July 16<sup>th</sup> Personnel and Finance Committee Meeting. Judge Wilson noted that there were 5 new contracts listed in the packet and called on Ms. Walker for explanation of the contracts. Ms. Walker shared that the first 4 contracts were with the Cabinet for Health and Family Service's Department for Aging and Independent Living. The contracts received were continuation contracts and Ms. Walker reminded the Board that their Policy authorized her to sign continuation contracts without significant changes in budget or scope but that she was requesting additional guidance from the Board because of new verbiage being added, allowing the Cabinet to issue financial penalties for undefined non-performance. Another requirement she drew attention to was in regards to Board Training where 100% of the

Executive Committee would be required to attend and 70% of the full Board would be required to be in attendance. Ms. Walker also pointed out that there are no dollar figures in these contracts at the current time. Despite these uncertainties, Ms. Walker recommended that the Board authorize the Director to sign the contracts, because if the contracts are not signed, the region is at risk of not having funds available on July 1, 2018. Mayor Jack Rose suggested that Ms. Walker sign the contracts and include a cover letter to explain the concerns advised from the PADD Board of Directors. **Mayor Rose motioned approval for the Executive Director to sign the signature sheet with a cover letter explaining the concerns, Judge Bob Leeper seconded, and the motion passed unanimously.** The last contract reviewed was from the Kentucky Transportation Cabinet, Division of Planning, in the amount of \$94,556.00, with operating dates of July 1, 2018 to June 30, 2019.

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

Chair Cantrell called on Judge Wilson again for the Selection Committee Report. Judge Wilson shared that the Committee met on June 18<sup>th</sup>, 2018, at 2:45 pm, at the PADD office. He noted that as directed by the PADD Bylaws, the Committee reviewed the appointments and reappointments for all FY19 PADD committees and were recommending for approval the slate that was presented at the meeting, to be effective July 1<sup>st</sup>, 2018. **On behalf of the Selection Committee, Judge Wilson moved that the slate of standing committee members be approved for FY19, Judge Greg Terry seconded, and it passed unanimously.**

Chair Cantrell stated that the PADD Bylaws also call for the Chair to appoint and call a Nominating Committee Meeting in June. Chair Cantrell asked Judge Greg Terry, Judge Larry Elkins, and Frances Hamilton to meet, prior to the July 16<sup>th</sup>, 2018, PADD Board of Directors Meeting to propose an official FY19 slate of officers and she asked Judge Terry to Chair that Committee.

Chair Cantrell then shared an update from the Kentucky Council of ADDs Meeting that she and Mr. Arthur Boykin attended in May. She noted that Jennifer Beck Walker had sent the Board an e-mail announcing that the KCADD Board had hired Tony Wilder as the new KCADD Executive Director. She further shared that Tony is a former Boyle County Judge/Executive, Bluegrass ADD Board Chairman, and Department for Local Government Commissioner, and that he would begin work on July 1<sup>st</sup>.

Chair Cantrell stated that the rest of the KCADD Meeting centered around the Joint Funding Agreement (JFA) contract issue. It was reported that 5 ADDs voted to sign the Board Resolution, 1 tabled it, and 9 voted not to sign. She stated that **none** of the Boards voted to sign the contract amendment that included the cuts of all unmatched state funds. Legal Counsel and the KCADD had encouraged the ADDs to try to mediate the issue one final time prior to legal action, so all have requested meetings with the Commissioner. The PADD's meeting was scheduled last Friday, June 8<sup>th</sup>, and Chair Cantrell said she attended with Jennifer. She noted that, unfortunately, the Commissioner did not attend. Chair Cantrell described the meeting as being like a deposition instead of a meeting as 2 DLG attorneys asked questions in front of a video camera. She explained that their questions seemed to focus on a couple of things; one was the percentage of the JFA to the PADD's overall budget, which she noted that Jennifer explained to them wasn't relevant because despite the small percentage of the JFA compared to the PADD's total budget, it is 100% of the budget available for services to local governments. The other thing they focused on was when the PADD knew about the amount of the budget cut. Chair Cantrell said Jennifer told

them it was when the budget amendment was received in May and then the attorney leading the questioning read aloud from the PADD's December Board Minutes where Jennifer was quoted as telling the Board that the Commissioner told them there would be cuts. Jennifer acknowledged that she had shared that information with the Board but had then been contradicted by both him and the Commissioner when they testified in front of the Senate Appropriations and Revenue Committee in January. Chair Cantrell then asked for a portion of this video to be shown to the Board members. Following the video, Chair Cantrell said that t the end of the meeting at DLG, they said that they would respond to our concerns within 60 days. She also added that the ADDs that didn't sign the resolution would likely not be included in any awarding of funds at the conclusion of the legal action.

### III. NEW BUSINESS

#### A. STANDING COMMITTEE

##### 1. AGING COMMITTEE

Chair Cantrell called on Ms. Nancy Henley, the Aging Committee Chairperson, to give the Aging Committee Report. Ms. Henley called on Ms. Ann Ponder Simpson for a Scope of Work for FY19. Ms. Simpson gave an overview of the Scope of Work for FY19 in the aging department. Ms. Ponder called on Ms. Henley to continue with the aging report. Ms. Henley shared that in the handout packet were the number of Unduplicated Number of Persons served, per program, though the PADD and by subcontracted agencies during the month of April.

Next, Ms. Henley shared a couple of upcoming events at the PADD office. Wednesday, July 18<sup>th</sup> at 9:00 AM a Project Review meeting being held at the PADD office, and following at 9:30 AM an Aging Committee meeting will meet.

In conclusion, Ms. Henley 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 shared that Mr. John Moore had been appointed the Assistant State Highway Engineer of Project Development and Mr. Jon Wilcoxson had been appointed the Assistant State Highway Engineer of Project Delivery and Preservation.

Next, Judge Wilson shared that PADD staff recently completed the review and updates for the FY18 Local Road Update Program. Information collected from each of the eight counties had been submitted to KYTC. The local road program is designed to maintain the accuracy and completeness of the geospatial, statewide road centerline network and provide a product that best meets the needs of its users.

In conclusion, Judge Wilson reported that the Kentucky Aviation Association is accepting nominations for KY Airport Manager and Board Member of the Year, all questions were directed to Mr. Stacey Courtney.

### 3. COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

Chair Cantrell called on Mr. Mark Davis for the Community and Economic Development Committee report. Mr. Davis began the report by sharing that there were six Area Development Fund requests. The City of LaCenter is requesting Area Development Funds in the amount of \$2,470 to reimburse the City for a recently purchased riding mower. The purchase price of the mower was over \$7,000. The City of Fulton is requesting Area Development Funds in the amount of \$1,462 to assist the City with the recent purchase of a new set of extrication equipment that totaled approximately \$28,000. The City of Hickman is requesting their Area Development Fund allocation in the amount of \$4,706, to make utility system repairs. The Marshall County Fiscal Court is requesting Area Development Funds in the amount of \$2,193 to reimburse the City for a recently purchased UTV. The purchase price of the equipment was over \$10,347. The City of Calvert City is requesting Area Development Funds in the amount of \$3,529 to make improvements to Doctor's Memorial Park. The city has made various improvements over the past few years and continues to budget capital improvements for these projects. The City of Paducah is requesting Area Development Funds in the amount of \$4,143 to reimburse the City for a recently purchased office equipment. The purchase price of the equipment was over \$6,000. **Mayor Jack Rose moved to approve all eight requests and Judge Greg Terry seconded the motion and it passed unanimously.**

Mr. Davis concluded the report with information in the handout packet including a listing of projects in the region that were submitted to the state clearinghouse in May.

### B. ADVISORY COUNCIL/TASK FORCE/BOARD REPORTS

#### 1. COMMODITY AND FOOD BANK TASK FORCE

Chair Cantrell called on Mr. Mark Davis for the Commodity and Food Bank Task Force report. Mr. Davis shared that a mandatory agency training had been scheduled for Tuesday, June 26<sup>th</sup> at 10:00AM at the PADD office. He then shared the number of back packs that had been distributed during the FY17-17 school year. A total of 229 students were given a bag of food to take home each Friday with a total of 12, 437 pounds in the purchase counties.

#### 2. WATER MANAGEMENT COUNCIL

Chair Cantrell called on Mr. Mr. Mark Davis for the Water Management Council report. Mr. Davis began by sharing that PADD Staff had updated the Water Resource Information Portal (WRIS) with regards to engineering procurement procedures. These updates included, site visits for every system in the Purchase area, updated mapping to include new maps and map books for each system, maintained GPS date for every Hydrant, Valve and Line of each system, completed all JKIA requests for systems seeking SRF funds for FY2019, and completed continuing training for GIS, Planning, Water Utilities, Sewer Utilities. PADD Staff helped identify Water and Sewer Projects that were eligible for HazMat funding. This included on site survey of problem areas throughout the purchase area.

### 3. BUSINESS LENDING REPORT

Chair Cantrell called on Mr. Mike Maxwell for the Business Lending Report. Mr. Maxwell shared a summary of activities from the last month in the Business Lending Department. He reported that the Loan Review Committee met on Thursday, May 17<sup>th</sup> and approved 4 loan recommendations from the business lending department. As of the June board meeting, 2 of those loans are in the process of being closed and funded. The remaining 2 applications, one is still working through the closing process and one is delayed per the borrower's request. PADD staff did receive 5 business lending loan requests in the month of June. Staff is working with 5 commercial lenders on 3 Small Business Administration (SBA) 504 requests. In addition to the 3 SBA 504 requests staff had received 2 applications that are in the beginning stages of the underwriting process.

### 4. WORKFORCE INNOVATION & OPPORTUNITY REPORT

Chair Cantrell called on Judge Bob Leeper for the Workforce Innovation and Opportunity report. Judge Leeper referred to page 58 of the handout packet and shared that since the beginning of the fiscal year in July 2017, 195 individuals had received nearly \$1.1 million in tuition assistance for post-secondary training. These individuals were primarily dislocated workers affected by recent closures. Judge Leeper also shared that in FY18, 41 individuals graduated from post-secondary education with degrees in targeted high demand sectors.

Judge Leeper called on Ms. Walker to address the group on the new Kentucky Health program. The Kentucky Health/Medicaid recipients that are Able Body Adults Without Dependents are required to volunteer or work 20 hours per week. Western Kentucky will be implementing the KY Health program in October 2018. The West Kentucky Workforce Board will be releasing a Request for Proposal (RFP) to provide case management for the work requirements. The Purchase Area Development District intends to respond to the RFP to serve our Career Centers clients.

### 5. HUMAN SERVICES - No Report

### 6. REGIONAL HAZARD MITIGATION COMMITTEE

Chair Cantrell called on Mr. Mark Davis for the Hazard Mitigation Report. Mr. Davis reported that on June 8, 2018 the PADD Staff was contacted by the University of Kentucky's Hazard Mitigation Grants Program Office (UK-MGP) to inform us that Jackson Purchase Regional Multi-Hazard Mitigation Plan 2018 that was under review by FEMA. Staff was assured repeatedly that comments and ultimately plan approval is imminent.

## D. PROGRAM IMPLEMENTATION/CORPORATION REPORTS

### 1. PURCHASE AREA HOUSING CORPORATION - No Report

### 2. JACKSON PURCHASE LOCAL OFFICIALS ORGANIZATION

Chair Cantrell called on Mr. Mark Davis for the JPLOO committee report. Mr. Davis shared that the JPLOO Committee met on June 11<sup>th</sup> and approved the audit for the

fiscal year ended June 30, 2017, and elected new officers: President Judge Greg Terr, Vice President Rita Dotson, Secretary Judge Jim Martin, and Treasurer Mayor Phyllis Campbell. The Committee then approved the proposed budget for FY 19. Authorization was given to disposal of surplus property that included 2 trucks and 1 car. The Committee also accepted the audit engagement letter for FY18 with Pierce Keller & Associates.

E. ANNOUNCEMENTS

Chair Cantrell called on Ms. Jennifer Beck Walker, Executive Director, for announcements. Ms. Walker shared that the 2017 Annual Report had been provided to all Board members present and thanked Mary Anne Medlock for all her hard work on the report. She then shared that 3 Kentucky ADD Directors were retiring this year and that for the 50<sup>th</sup> year anniversary of the ADDs, a special dinner was given in honor of these retiring directors as well as past ADD Directors. She shared that Joe McKinney, Executive Director of the National Association of Area Development Organization (NADO), was present at the dinner and noted that the Kentucky ADD Districts have great relationships both with NADO and the National Association of Regional Council (NARC). She announced that Judge Greg Terry was re-elected to the NARC Board again this year and Mayor Rochetti-Cantrell had received an award for the Purchase Area Leadership Symposium (PALS) Program at the NARC Summer Conference. Ms. Walker then called on Ms. Virginia Gray for a TVA update on funding procedures and opportunities for the TVA In-Lieu-of-Tax funds.

IV. ADJOURNMENT

**Mr. Pete Galloway moved to adjourn, Mr. Kenneth Rowland seconded the motion, and the motion passed unanimously.**

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Chair, Mayor Teresa Rochetti-Cantrell

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Secretary, Judge/Executive Kenny Wilson