

**Minutes of the February 10, 2022, Daviess County Fiscal Court Meeting
Held at the Daviess County, Kentucky Courthouse
Present elected court officials: Judge/Executive Al Mattingly and County Commissioners
George Wathen, Charlie Castlen, and Mike Koger.**

DOCUMENTS RELATED TO TODAY'S DISCUSSIONS ARE FILED IN THE CORRESPONDING FISCAL COURT FILE.

Judge Mattingly: For those who are watching on Facebook live today, you are welcome to send us your comments and questions. You can either do it on Facebook live or you can call/text 270-929-1010. There is a delay, so we may not get to your question right away, but if it's germane to the topic that we're discussing, we will answer it or if it has to do with anything other than what's on the agenda, at the end or in the public comments section, we will get to it.

The meeting opened in Prayer and the Pledge of Allegiance to the Flag.

By a motion of Commissioner Koger, seconded by Commissioner Wathen, the court considered for approval; Minutes of the January 26, 2022 Court Meeting.

The vote was called and with all present members voting in favor, said motion passed.

By a motion of Commissioner Wathen, seconded by Commissioner Koger, the court considered for approval; All Claims for All Departments.

The vote was called and with all present members voting in favor, said motion passed.

By a motion of Commissioner Wathen, seconded by Commissioner Koger, the court considered for approval; Amended Sheriff's Department 2022 Budget.

Treasurer Hendrix: The court has to approve the Sheriff's budget by January 15th of each year and report to DLG, but the Department for Local Government doesn't release certain information that affects salary and pension benefits until the end of January. So, this amendment to the Sheriff's budget is simply reflecting the updated information that we've received after the initial budget was approved. The net result increases the budget by \$30,597 on a \$6.3 million budget, which is less than 1/2 of 1%.

The vote was called and with all present members voting in favor, said motion passed.

By a motion of Commissioner Castlen, seconded by Commissioner Koger, the court considered for approval; Audit Engagement Letter with MCM for FY 2022.

Treasurer Hendrix: This agreement is the engagement letter for the annual audit that we're required to have. The state has declined to audit us this year and we have permission to request an outside auditor. We've used MCM before and have been satisfied with their services. I've reviewed it and it's similar to prior years. The fee only increased by a \$1,000.

The vote was called and with all present members voting in favor, said motion passed.

By a motion of Commissioner Wathen, seconded by Commissioner Koger, the court considered for approval; Utilize the Option to Elect the "Standard Revenue Loss Allowance" for \$10 million of the 2021 American Rescue Plan Act (ARPA) Funding.

Treasurer Hendrix: In 2021, Daviess County Fiscal Court was notified that it would receive \$19.7 million in funds from the American Rescue Plan Act (ARPA). We would receive those funds in two payments - half in 2021 and half in 2022. The treasury issued interim guidance laying out the eligible project categories. In January 2022, the treasury issued their final rule. In reviewing that rule, we learned that the revenue loss provision had been modified and it went from a multi-year calculation to now a standard loss allowance of up to \$10 million and that amount could be spent on normal government services unless expressly prohibited by the act. Some examples include, it could not be used to lower a tax, directly or indirectly, pay pension liability costs or judgments. The standard loss allowance was designed to simplify both the determination of the loss and the reporting burden that are placed on the entities. After review, and after discussions with the court members, the staff is recommending that the court elect the ARPA standard loss allowance of up to \$10 million. If approved, then the ARPA funds would most likely be allocated to two projects – broadband project, which has previously been discussed, and the standard loss allowance, which would be spent on government services.

Judge Mattingly: The federal government listened to local governments and decided what they originally wanted done was going to be too complicated.

Treasurer Hendrix: They did, because they realized there were a lot of nuances that you really didn't have the ability to adjust for. If you raised or lowered a tax during the period that they're looking at, that clearly affects your revenue loss calculation, but there was no mechanism to adjust for that. I think there may now be, but they did a calculation and came up with the \$10 million, and this, I guarantee you, most agencies will utilize.

Judge Mattingly: The federal government told us that we needed to make this election as quickly as possible.

Treasurer Hendrix: It's a one-time election. We can't reverse it. In the last report that went in January 31st, that's where you were supposed to make that election. So, we're going to finish it up, if approved.

The vote was called and with all present members voting in favor, said motion passed.

By a motion of Commissioner Koger, seconded by Commissioner Wathen, the court considered for approval; Award the following **Bids** as follows:

- **01-2022:** One (1) New Dump Trailer (Landfill) to Superior Manufacturing, Inc.

Assistant County Treasurer Jordan Johnson: This bid is for the provision of one (1) new dump trailer for the West Daviess County Landfill. You will note that we received a single bid. We reached out to several vendors whom we expected to participate to see why they chose not to, and all stated that their 2022 order schedules were full or nearly full and that they will not be placing orders for 2023 until the fall of this year. They also added that due to the pandemic's effects on the market, they have been seeing weekly price increases, making it difficult to lock in a price with our bid process and assuming that risk. That said, the single bidder is a well-known supplier that had an order slot available by which to bid the item, and their price was within the expected range. We recommend award to the only bid received submitted by Superior Manufacturing, Inc. for the 2023 RC 24/54 Superior unit in the amount of \$47,875. There were no exceptions to our bid specifications, this is a budgeted item, and I would recommend approval.

- **04-2022:** Two (2) New 5th Wheel Road Tractors (Transfer Station) Vovac Truck Sales

Mr. Johnson: We offered a trade-in for each unit as detailed on the evaluation report. We also included Bid Option 1, which is a 60 months/500,000 miles engine and exhaust after treatment extended warranty, which we have been including on all new road tractors. You will note we received a single bid, and upon reaching out to other vendors who typically participate, we received the same answers as we did for Bid No. 01-2022. That said, the single bidder is a supplier we have used for multiple road tractors and walking floor trailers, they had order slots available to accommodate our bid, and their pricing was within the expected range. We recommend award to the only bid received submitted by Vovac Truck Sales and Service, Inc. for the two (2) 2024 Mack Anthem 64T units exercising the trade-in options and bid option 1 for both units in the total net amount of \$254,510. These items will be in next year's budget, as you're aware the Court chose to bid them early due to the lengthening lead times on delivery. The exceptions were minor, and I would recommend approval.

The vote was called and with all present members voting in favor, said motion passed.

By a motion of Commissioner Wathen, seconded by Commissioner Koger, the court considered for approval; Reject the following **Bids**:

- **02-2022:** PVC Pipe for Landfill Cell Construction (Landfill)

Mr. Johnson: We received a single bid with pricing outside of our expected range. Our consultant engineering firm for the Solid Waste Department notified us that there is a scheduled pipe equivalent to the specified SDR pipe, which may attract more bidders and more competitive pricing since very few suppliers carry the type of pipe that we specified. This equivalent pipe will be allowed for our application per our regulations. Also it should be noted that we do not need this pipe for the cell until late fall of this year, so this delay will not affect operations. We recommend to reject all bids and re-bid this item at a later date with our specifications highlighting the allowable equivalent pipe.

- **03-2022:** One (1) New Single Axle Dump Truck (Road)

Mr. Johnson: We received a single bid with pricing well outside of our expected range that was in complete exception to our specifications. After reviewing this with Road Department management, they believe we can work with vendors and revisit the specifications to more accurately build what is needed. This unit differs from the average dump truck and all other dump trucks in our fleet, which caused complications on finding a viable vendor given the market. We recommend to reject all bids and re-bid this item at a later date with altered specifications.

Commissioner Castlen asked when those rebids would be received and was told within the next 2-4 weeks.

The vote was called and with all present members voting in favor, said motion passed.

By a motion of Commissioner Koger, seconded by Commissioner Wathen, the court considered for approval; Promote Jason Hawkins as Service Technician eff. Feb. 14, 2022.

The vote was called and with all present members voting in favor, said motion passed.

By a motion of Commissioner Wathen, seconded by Commissioner Koger, the court considered for approval; Promote Jeff Martin to Heavy Equipment Operator at the Landfill eff. Feb. 14, 2022.

The vote was called and with all present members voting in favor, said motion passed.

First Reading KOC A.100.04 (2022) 03-2022 – Budget Amendment No. 4.

Comments:

Treasurer Hendrix: This is the first reading we have been awarded two grants that were not included in the original budget so all this is doing is putting those grants in that budget. The first one's an EMA grant that, I believe, is for a generator. We don't know what the total amount is. I think the original amount started out about \$75,000. I just doubled it so we don't have to do this twice. We will actually just spend whatever the actual amount comes back. There is a match, but it's not significant. The other is for an LEPP grant and that amount is exact. It's for the jail bulletproof vest. As you recall, we re-did that bid and this is the award. It's for \$34,500.

First Reading KOC 220.36 (2022) 02-2022 – An Ordinance Repealing the Imposition and Collection of an Insurance Premium License Fee on Insurance Companies for the Privilege of Doing Business in the County of Daviess Outside of the City of Owensboro Effective July 1, 2022

Comments:

Treasurer Hendrix: The Insurance Premium Tax was increased by 4% to help with the downtown project, particularly the convention center. That 4% was added in two pieces - one in July 2009 and one in 2010. We've collected 4%. We had a provision in the original ordinance that said once we had collected enough revenue to service the bond debt, the tax had to come off of the rate. We've been monitoring it for years and last year, as you recall, July 1st, we were going to grossly over collect. We can only lower the rate once a year, so we did lower the rate from the 4% down to 2.3%, so that we didn't grossly over collect. Those collections have come in as predicted and we will have collected enough money by the end of this fiscal year to service the remainder of the bond. This ordinance is repealing the ordinance that put the 4% and then the 2.3% in effect. So, we're repealing the ordinance effective July 1, 2022 and at that point, the insurance rate will return to the original 4.9%.

Judge Mattingly: Last year, after we reduced it, we got a call or two from people who said they didn't get a reduction.

Treasurer Hendrix: Of the ones that I am aware of, they were actually from citizens who lived inside of the city limits and this does not work like property tax. Property tax, everyone who lives in the county pays county property tax. The insurance premium is different. If you live inside the city limits, you pay to the city the city's rate. If you live inside of the city limits of Whitesville, you pay that city's rate. If you live outside those two, but within Daviess County, you pay the county's rate. This is our county ordinance and it only applies to people who live in Daviess County, but not to those who live inside of the incorporated city limits of Whitesville or Owensboro.

Judge Mattingly: We are all very pleased to be able to do this. The previous court said that they would take it off when we had accumulated enough to cover it. This is roughly 6-7 years early.

Treasurer Hendrix: The original bond was 2030. We took 6 years off when we refinanced it at the lower rate, but kept paying the same so we could keep reducing it and the natural increases in insurance premiums have yielded an extra year or two.

Judge Mattingly: I would remind people too that when you get your insurance bill there's more than just insurance premium tax on the bill and that insurance rates do go up they sometimes they come down as well. It's nice to be able to do this for the citizens that live outside the corporate limits. I wish we could do it for those who live inside the corporate limits we don't control their tax rates.

No other business was brought before the Daviess County Fiscal Court.

No public comments were received.

No comments were made from Daviess County Fiscal Court.

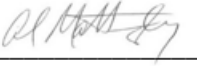
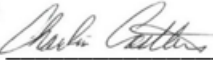
By a motion of Commissioner Wathen, seconded by Commissioner Koger, the court considered for approval; Enter into **Closed Session per KRS 61.810 (1) (b)** - Deliberations on the future acquisition of sale of real property by a public agency, but only when publicity would be likely to affect the value of a specific piece of property to be acquired for public use or sold by a public agency.

Following the closed session, no action was taken.

The vote was called and with all present members voting in favor, said motion passed.

Without objection, Judge/Executive Mattingly adjourned the meeting.

SO ORDERED THAT COURT STAND ADJOURNED.

Judge-Executive Al Mattingly  Commissioner Charlie Castlen 

Commissioner Mike Koger  Commissioner George Wathen 

I, duly appointed Daviess County Fiscal Court Clerk Jennifer Warren, hereby certify that the above corresponding Order Book minutes were approved by the court on February 22, 2022.



Jennifer Warren

Daviess County Fiscal Court Clerk