

# CITY OF HENDERSON – RECORD BOOK

*Record of Minutes of A Joint Called City/Water & Sewer Commission Work Session on February 1, 2022*

A Called Joint Work Session of the Board of Commissioners and the Henderson Water & Sewer Commission was held on Tuesday, February 1, 2022, at 5:00 p.m., prevailing time, in the third floor Assembly Room located in the Municipal Center, 222 First Street, Henderson, Kentucky designated as the primary location for this video teleconference work session as a result of the state of emergency declared by the President of the United States, the Governor of Kentucky and the Mayor of the city of Henderson due to the global COVID-19 pandemic, and in accordance with recommended and mandated precautions related to COVID-19 per the Kentucky Attorney General Opinion 20-05. The meeting was conducted in accordance with KRS 61.826 and SB150.

MAYOR AUSTIN called the work session to order and asked the City Clerk to conduct Roll Call for the Board of Commissioners.

PRESENT:

Commissioner Bradley S. Staton  
Commissioner Austin P. Vowels

ABSENT:

Commissioner Rodney Thomas  
Commissioner Robert N. Pruitt, Sr.

CITY STAFF MEMBERS included: William L. “Buzzy” Newman, Jr., City Manager; Dawn Kelsey, City Attorney; Maree Collins, City Clerk; Donna Stinnett, Community Relations Manager/Public Information Officer (*via Zoom*); Robert Gunter, Finance Director; Tim Clayton, Gas System Director; Bill Raleigh, IT Support Specialist; Victor Carson, IT Network Administrator; and Travis Owens, Programmer/Analyst.

ALSO PRESENT: Paul Bird, Henderson Water & Sewer Commission Chair; George Jones, Henderson Water & Sewer Commission; Gary Jennings, Henderson Water & Sewer Commission; Julie Wischer, Henderson Water & Sewer Commission; Eric Shappell, Henderson Water & Sewer Commission Attorney; Tom Williams, HWU General Manager; Todd Bowley, HWU Chief Financial Officer; Bart Boles, Project Engineer; Kevin Roberts, Director of Operations; and Deniese Jones, HWU Administrative Assistant.

HENDERSON WATER & SEWER COMMISSION CHAIR BIRD asked that Roll Call for the Henderson Water & Sewer Commission be conducted.

---

THE FOLLOWING AGENDA ITEMS WERE DISCUSSED:

**Review of Henderson Water Utility Upcoming Capital Projects,  
Funding, and Payment-in-Lieu-of-Taxes (PILOT)**

- ✓ Tom Williams, Henderson Water Utility General Manager, gave a presentation of the upcoming capital projects indicating that since the end of March 2021, the Pratt Paper development has dominated the local headlines, and the work of the water utility. Mr. Williams reported that due to the stewardship of their Board and the hard work of HWU staff, they were able to devote \$5 million from reserves to purchase the property where the plant will be located, leaving greatly reduced cash reserves.
- ✓ Mr. Williams indicated an important question moving forward is how an adjustment to the current PILOT paid to the City will impact the cash position of HWU, the expenditures for the Pratt related projects, and the rebuilding of HWU’s reserves to facilitate future projects.
- ✓ Mr. Williams detailed existing problems in the pressure zone serving the new Pratt complex and the additional needs to service the customers in the area; cost estimates for the necessary upgrades; and funds available from City and County

# CITY OF HENDERSON – RECORD BOOK

*Record of Minutes of A Joint Called City/Water & Sewer Commission Work Session on February 1, 2022*

ARPA funds, bond funds (current and new issuances), and normal HWU capital budget to be redirected to these projects, totaling approximately \$31 million.

- ✓ Mr. Williams presented various PILOT scenarios indicating Year-End-Cash Position for each.

DISCUSSION WAS HELD relating to capital projects for Pratt as well as others that are underway or that were scheduled for the near future; the rising costs of these projects and materials due to the pandemic and continued supply chain and transportation issues; the proposed PILOT; the costs to the customers/residents of our community; and how to reach an equitable solution.

NO FORMAL ACTION WAS TAKEN BY THE BOARD OF COMMISSIONERS.

MEETING ADJOURN:

MOTION by Commissioner Staton, seconded by Commissioner Vowels to adjourn.

The vote was called. On roll call, the vote stood:

Commissioner Staton ----	Aye:
Commissioner Thomas --	Absent:
Commissioner Vowels ---	Aye:
Commissioner Pruitt -----	Absent:
Mayor Austin -----	Aye:

WHEREUPON Mayor Austin declared the work session adjourned at approximately 6:15 p.m.

ATTEST:

---

Steve Austin, Mayor  
October 25, 2022

---

Maree Collins, CKMC  
City Clerk,