

City of Henderson, Kentucky  
NOTICE OF SPECIAL CALLED MEETING  
FOR TUESDAY, MARCH 17, 2020  
BEGINNING AT 5:30 P.M.

March 12, 2020

Commissioner Patti Bugg  
Commissioner X R. Royster, III  
Commissioner Bradley S. Staton  
Commissioner Austin P. Vowels

Dear Board Members:

Please take notice that as Mayor of the City of Henderson, Kentucky, I hereby call a special called meeting of the Board of Commissioners to be held on Tuesday, March 17, 2020, at 5:30 p.m., in the third floor assembly room, 222 First Street, Henderson, Kentucky. The purpose of this called meeting is for the following:

1. Roll Call:

2. Ordinances

Second Readings: Ordinance Amending Chapter 7 Regarding Building Permit Fees

Ordinance Amending Chapter 15 Regarding Code Enforcement Fee Schedule

Ordinance Amending Chapter 21 Regarding License Fee On Insurance Companies

Ordinance Amending Chapter 23 Regarding Discontinuance of Services – Fees

3. Adjournment

Respectfully,

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Steve Austin, Mayor

***Please mute or turn off all cell phones for the duration of this meeting.***

NOTICE OF SPECIAL CALLED MEETING  
FOR TUESDAY, MARCH 17, 2020  
BEGINNING AT 5:30 P.M.  
Continued

A copy of the foregoing notice received and service thereof waived this 17<sup>th</sup> day of March, 2020.

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Commissioner Patti Bugg

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Commissioner X R. Royster, III

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Commissioner Bradley S. Staton


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Commissioner Austin P. Vowels

**City Commission Memorandum**  
**20-44**

March 12, 2020

TO: Mayor Steve Austin and the Board of Commissioners

FROM: William L. "Buzzy" Newman, Jr., City Manager 

SUBJECT: Amending Chapter 7, Buildings and Building Regulations – Fee Schedule

Final reading of an ordinance amending Chapter 7, *Buildings and Building Regulations*, Article II, *Building Code and Kentucky Residential Code*, by adding Subsection (b) *Plan review fees* of Section 7-19 *Permits; fees* and amending Subsection (c) *Fees and permits*, will be heard at the meeting on March 24, 2020.

The proposed amendments add a new section relating to *Plan review fees*. These fees are for the review of new building and remodel permit application plans of residential one- and two-family new construction, additions, and accessory structures over six hundred square feet and commercial new construction including multi-family new construction of three or more units, additions, and accessory structures over six hundred square feet; and increases fees for permits for residential and accessory buildings, commercial, industrial, removal and demolition of all buildings, and sign erection to better cover the current day expenses of employee time and materials.

The building permit fee schedule for residential and commercial work has not been amended since July 1990. Your approval of the attached ordinance is requested.

c: Ray Nix

**Code Enforcement Division Memorandum**  
**20-02**

March 3, 2020

TO: William "Buzzy" Newman, Jr., City Manager

FROM: Ray Nix, Code Administrator

SUBJECT: Proposed Building Permit and Plan Review Fee Revisions

Due to the fact that certain fee schedules have not been updated in many years, the fee schedules have been reviewed by Code Enforcement Division staff and updated. Specifically, the last update of the building permit fee schedule for residential and commercial work was last done in 1990. In updating the building permit fee schedule, we did consult with other Cities similar to Henderson to make sure we were comparable in structure and fee range.

Over the past two (2) years, the State Division of Housing, Building, and Construction has seen restraints in their budgets which has created more and more projects being pushed to the Local level of jurisdiction which includes Plan Reviews. Our fee schedule has never had a Plan Review Fee Schedule before, but with the added projects and the time involved to perform these reviews, it is not only time, but a necessity to cover at least a portion of the cost associated with these reviews.

Based on the evidence presented, I respectfully submit these Fee revisions for your approval and forwarded to the Board of Commissioners for their review and approval.

ORDINANCE NO. 06-20

ORDINANCE AMENDING CHAPTER 7, REGARDING PERMIT FEES

**SUMMARY:** AN ORDINANCE AMENDING CHAPTER 7, *BUILDINGS AND BUILDING REGULATIONS* BY AMENDING SECTION 7-19 *PERMITS; FEES;* OF THE CODE OF ORDINANCES OF THE CITY OF HENDERSON

WHEREAS, the fees that the City has been charging under Section 7-19 have not been increased since 1990; and

WHEREAS, it is necessary to update the fees and to add charges for Plan Review fees to cover the City's costs on these functions; and

WHEREAS, it is also necessary to add the Plan Review fees, as the State is requiring the local government to do more or these [~~permits~~] reviews; and

NOW, THEREFORE, BE IT ORDAINED by the City of Henderson, Kentucky, that Chapter 7, *Buildings and Building Regulations, Permit; fees* is hereby amended as follows:

**Sec. 7-19. - Permits; fees.**

(a) No permit as required by the Kentucky Building Code shall be issued until the fees prescribed by this section [~~has~~] have been paid, nor shall an amendment to a permit be approved until the additional fee, if any, due to an increase in the estimated costs or area of the building or structure shall have been paid.

(b) Plan review fees.

(1) Residential one- and two-family new construction, addition, and accessory structures over six hundred (600) square feet permit application plan review fee is fifty dollars (\$50.00).

(2) Commercial new construction, including multi-family new construction (three (3) or more units), addition, and accessory structures over six hundred (600) square feet permit application plan review fee is based on square footage of permitted work (see table below). Plan review fee is waived on projects receiving plan review approval from the State.

a.	<u>0 – 5,000 square feet</u>	<u>\$100.00</u>
b.	<u>5,001 – 10,000 square feet</u>	<u>\$150.00</u>
c.	<u>Over 10,001 square feet</u>	<u>\$250.00</u>

PUBLICATION DATE: \_\_\_\_\_

FIRST READ: 03/10/2020  
SECOND READ: \_\_\_\_\_

(3) Remodel permit application plan review fee is twenty-five dollars (\$25.00) for residential one- and two-family, and fifty dollars (\$50.00) for commercial and multi-family (three (3) or more units).

(4) Plan review fee is waived for accessory structures permit applications, both residential and commercial, that are less than six hundred (600) square feet.

(5) Plan review fee is waived for removal and demolition permits applications.

(6) Plan review fee is waived for sign permit applications.

(bc) Fees for permits:

(1) *Residential and accessory buildings including garages, porches, patios, siding, swimming pools and remodeling.*

a.	0—\$3,000	= [ <del>\$20.00</del> ] <u>\$25.00</u>
b.	\$3,001—\$100,000	= [ <del>\$20.00</del> ] <u>\$25.00</u> + [ <del>\$1.75</del> ] <u>\$2.00</u> for each \$1,000 or fraction thereof above \$3,001
c.	\$100,001—\$500,000	= [ <del>\$189.75</del> ] <u>\$219.00</u> + [ <del>\$1.50</del> ] <u>\$1.75</u> for each \$1,000 or fraction thereof above \$100,001
d.	\$500,001—\$1,000,000	= [ <del>\$789.75</del> ] <u>\$919.00</u> + [ <del>\$1.25</del> ] <u>\$1.50</u> for each \$1,000 or fraction thereof above \$500,001
e.	Over \$1,000,000	= [ <del>\$1,414.75</del> ] <u>\$1,669.00</u> + [ <del>\$1.00</del> ] <u>\$1.25</u> for each \$1,000 or fraction thereof above \$1,000,000
f.	Manufactured Home	= [ <del>\$20.00</del> ] <u>\$25.00</u>

(2) *Commercial, industrial.*

a.	0 to \$25,000	= [ <del>\$7.00</del> ] <u>\$7.25</u> per \$1,000 or fraction thereof
b.	\$25,001—\$50,000	= [ <del>\$175.00</del> ] <u>\$181.25</u> + [ <del>\$6.50</del> ] <u>\$6.75</u> per \$1,000 or fraction thereof above \$25,001
c.	\$50,001—\$100,000	= [ <del>\$337.50</del> ] <u>\$350.00</u> + [ <del>\$3.00</del> ] <u>\$3.25</u> per \$1,000 or fraction thereof above \$50,001
d.	\$100,001—\$200,000	= [ <del>\$487.50</del> ] <u>\$512.50</u> + [ <del>\$2.50</del> ] <u>\$2.75</u> per \$1,000 or fraction thereof above

		\$100,001
e.	\$200,001—\$300,000	= [ <del>\$737.50</del> ] <u>\$787.50</u> + [ <del>\$2.00</del> ] <u>\$2.25</u> per \$1,000 or fraction thereof above \$200,001
f.	\$300,001—\$400,000	= [ <del>\$937.50</del> ] <u>\$1,012.50</u> + [ <del>\$1.50</del> ] <u>\$1.75</u> per \$1,000 or fraction thereof above \$300,001
g.	\$400,001—\$500,000	= [ <del>\$1,087.50</del> ] <u>\$1,187.50</u> + [ <del>\$1.00</del> ] <u>\$1.25</u> per \$1,000 or fraction thereof above \$400,001
h.	After \$500,001	= [ <del>\$1,187.50</del> ] <u>\$1,312.50</u> + \$1.00 per \$1,000 or fraction thereof above \$500,001

(3) *Removal and demolition of all buildings.*

a.	Commercial	= [ <del>\$50.00</del> ] <u>\$75.00</u> for a building or structure with 5,000 square feet or less
		= [ <del>\$75.00</del> ] <u>\$100.00</u> for a building or structure with more than 5,000 square feet
b.	Residential	= [ <del>\$20.00</del> ] <u>\$50.00</u> for a building or structure containing 1,000 square feet or more
		= [ <del>No charge</del> ] <u>\$25.00</u> for a building or structure containing less than 1,000 square feet
[c].	Removal Permit	{= <del>\$20.00</del> for moving a building from one location to another}

(4) *Sign erection.*

- a. Signs up to 70 square feet = [~~\$15.00~~] \$25.00
- b. Signs over 70 square feet = [~~\$15.00~~] \$25.00 + \$.75 for each square foot over 70 square feet

(~~e~~)d For the purpose of determining the fee, the estimated cost of construction shall be used. The estimated cost shall be based on the most current building validation data as supplied by the International Code Council, a copy of which will be kept in the codes department.

- (~~d~~e) The building inspector shall act upon applications for building permits within two (2) weeks from the date of their submission or shall inform the city manager in writing as to why no action has been taken.
- (~~e~~f) Each application for building permit shall list the name or names of the building contractors who will perform such construction and the City of Henderson, Kentucky, occupational license number of each such contractor shall be given thereon.
- (~~f~~g) In accordance with KRS 198B.060(10), the person seeking a permit shall assure, by affidavit, that all contractors and subcontractors employed, or that will be employed, on activity covered by the permit shall be in compliance with Kentucky requirements for Workers Compensation Insurance according to KRS Chapter 342 and Unemployment Insurance according to KRS Chapter 341.
- (~~g~~h) If a fireplace or woodburning stove is installed without a permit having been issued, the owner or owners of said fireplace or stove shall be required to pay an additional inspection fee of twenty-five dollars (\$25.00).

All ordinances or parts of ordinances in conflict herewith are hereby repealed and superseded to the extent of such conflict.

The ordinance shall become effective upon publication.

On first reading of the foregoing ordinance, it was moved by Commissioner Royster, seconded by Commissioner Vowels, that the Ordinance be adopted on its first reading. On roll call the vote stood:

Commissioner Staton:	<u>AYE</u>	Commissioner Royster:	<u>AYE</u>
Commissioner Vowels:	<u>AYE</u>	Mayor Austin:	<u>AYE</u>
Commissioner Bugg:	<u>AYE</u>		

WHEREUPON, Mayor Austin declared the ordinance adopted on first reading and ordered that it be presented for a second reading at a meeting of the Board of Commissioners.

On second reading of the ordinance, it was moved by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, that the Ordinance be adopted. On roll call the vote stood:

Commissioner Staton:	_____	Commissioner Royster:	_____
Commissioner Vowels:	_____	Mayor Austin:	_____
Commissioner Bugg:	_____		



WHEREUPON, Mayor Austin declared the ordinance adopted, affixed his signature and the date and ordered that it be recorded.


\_\_\_\_\_  
Steve Austin, Mayor

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Maree Collins, CKMC  
City Clerk

**APPROVED AS TO FORM AND  
LEGALITY THIS 4 DAY OF  
MARCH, 2020.**

By:   
Dawn S. Kelsey  
City Attorney

**City Commission Memorandum  
20-45**

March 12, 2020

TO: Mayor Steve Austin and the Board of Commissioners

FROM: William L. "Buzzy" Newman, Jr., City Manager *WLN*

SUBJECT: Ordinance Amending Code Enforcement Ordinance Fine Schedule

An item for the agenda of the Tuesday, March 24, 2020 meeting, is final reading of an ordinance amending the Code Enforcement Fine Schedule of the Code of Ordinances.

The attached Code Enforcement Division Memorandum 20-03 from Code Administrator Ray Nix explains that after two years of enforcement, the fines as currently set provide little deterrence or incentive to property owners to keep property properly maintained rather than to pay the fine. It is recommended that fines be increased relating to Unfit/Unsafe structures; Garbage; Weeds-lot acreage changes; and Clutter, which falls under Any Other Nuisance Covered Under Code Of Ordinances.

Your approval of the attached ordinance is requested.

c: Ray Nix

**Code Enforcement Division Memorandum  
20-03**

March 3, 2020

TO: William "Buzzy" Newman, Jr., City Manager  
FROM: Ray Nix, Code Administrator  
SUBJECT: Proposed Code Enforcement Board Fine Revisions

After working under the new Code Enforcement Ordinance for two (2) years, we have learned a lot and have had, by and large, positive results where we achieved no results prior to the new ordinance taking place.

There are areas in our ordinance Fine Schedule that need stronger deterrents (ie. Higher fines), specifically Unsafe Structures, Garbage, Weeds, and the line item described as "Any other nuisance covered under the Code of Ordinances" (specifically Clutter).

We have found that a fine of \$100.00 for an Unsafe Structure does not get the attention it deserves for immediate action. We suggest a slightly higher initial fine that may send a stronger message of action required.

Likewise, Garbage, Weeds, and "any other nuisance covered under the Code of Ordinances" (specifically Clutter) have had a fine of only \$10.00. We suggest that the initial fine be increased to \$30. Our typical process can take 6 weeks to get to the stage where the fine actually applies, in the meantime the property can become worse. Timewise for staff we are talking about 3 inspections and 3 separate paperwork write-ups and mailings - all taking time and money. \$10 does not come close to compensating the City for work that the parcel owner should have been taking care of all along, nor provide a very strong incentive for action.

I respectfully submit these Proposed Code Enforcement Board Fine Revisions for your approval and forwarded to the Board of Commissioners for their review and approval.

ORDINANCE NO. 07-20

ORDINANCE AMENDING CHAPTER 15  
OF CODE OF ORDINANCES REGARDING FINE SCHEDULE

**SUMMARY:** AN ORDINANCE AMENDING CHAPTER 15, *NUISANCES*, ARTICLE III, *CODE ENFORCEMENT BOARD*, BY AMENDING SECTION 15-51 *ORDINANCE FINE SCHEDULE* OF THE CODE OF ORDINANCES OF THE CITY OF HENDERSON

WHEREAS, it is necessary to update Chapter 15, *Nuisances*, by amending Section 15-51 *Ordinance Fine Schedule* to increase the fines in order to encourage greater compliance; and

WHEREAS, it is necessary to further divide the parcel size for fines of weeds violations to cover the city's cost of abating violations,

NOW, THEREFORE, BE IT ORDAINED by the City of Henderson, Kentucky, that Chapter 15-Nuisances, Article III, *Code Enforcement Board*, Section 15-51 of the Code of Ordinances is hereby amended as follows:

**Sec. 15-51. - Ordinance fine schedule.**

Violations of ordinances that are enforced by the city code enforcement board shall be subject to the following schedule of civil fines:

(1) If a citation for a violation of an ordinance is not contested by the person charged with the violation, the penalties set forth in this subsection shall apply and shall be calculated per noted violation:

Violation	1st Offense	2nd Offense	All Others
Animals, including bees	\$ 25.00	\$ 50.00	\$ 100.00
Unsafe and unfit structure code	<del>{100.00}</del> 125.00	<del>{125.00}</del> 150.00	<del>{150.00}</del> 200.00
Stop work order	100.00	125.00	150.00
Placard removal	10.00	25.00	50.00
Garbage	<del>{10.00}</del> 30.00	<del>{25.00}</del> 60.00	<del>{50.00}</del> 100.00
Weeds:			
(0 – 1 acre)	30.00	60.00	100.00
( <del>{0}</del> 1.1—5 acres)	<del>{10.00}</del> 30.00	<del>{25.00}</del> 60.00	<del>50.00</del> 100.00
(plus \$3.00/acre over 1 acre)			
(5.1—10 acres)	<del>{10.00}</del> 42.00	<del>{25.00}</del> 72.00	<del>{50.00}</del> 112.00
(plus \$3.00/acre over 5 acres)			

PUBLICATION DATE: \_\_\_\_\_

FIRST READ: 03/10/2020  
SECOND READ: \_\_\_\_\_

(10.1—20 acres)	<del>{25.00}</del> 57.00	<del>{40.00}</del> 87.00	<del>{65.00}</del> 127.00
(plus \$5.00/acre over 10 acres)			
(Over 20 acres)	<del>{75.00}</del> 107.00	<del>{90.00}</del> 137.00	<del>{115.00}</del> 177.00
(plus \$7.00/acre over 20 acres)			
Any other nuisance covered under Code of Ordinances	<del>{10.00}</del> 30.00	<del>{25.00}</del> 60.00	<del>{50.00}</del> 100.00

All fines are in addition to potential abatement costs.

(2) If the citation is contested and a hearing before the code enforcement board is required, the following maximum penalties may be imposed per noted violation at the discretion of the code enforcement board:

Violation	1st Offense	2nd Offense	All Others
Animals, including bees	\$ 50.00	\$ 200.00	\$ 300.00
Unsafe and unfit structure code	200.00	500.00	750.00
Stop work order	200.00	500.00	750.00
Placard removal	25.00	150.00	250.00
Garbage	<del>{25.00}</del> 60.00	150.00	250.00
Weeds:			
(0 – 1 acre)	60.00	150.00	250.00
(1.1—5 acres)	<del>{25.00}</del> 60.00	150.00	250.00
(plus \$3.00/acre over 1 acre)			
(5.1—10 acres)	<del>{25.00}</del> 72.00	<del>{150.00}</del> 162.00	<del>{250.00}</del> 262.00
(plus \$3.00/acre over 5 acres)			
(10.1—20 acres)	<del>{40.00}</del> 87.00	<del>{165.00}</del> 177.00	<del>{265.00}</del> 277.00
(plus \$5.00/acre over 10 acres)			
(Over 20 acres)	<del>{90.00}</del> 137.00	<del>{215.00}</del> 227.00	<del>{315.00}</del> 327.00
(plus \$7.00/acre over 20 acres)			
Any other nuisance covered under Code of Ordinances	<del>{5.00}</del> 60.00	150.00	250.00

All fines are in addition to potential abatement costs.

All ordinances or parts of ordinances in conflict herewith are hereby repealed and superseded to the extent of such conflict.

The ordinance shall become effective upon its legal adoption.

On first reading of the foregoing ordinance, it was moved by Commissioner Staton, seconded by Commissioner Vowels, that the Ordinance be adopted on its first reading. On roll call the vote stood:

Commissioner Staton: AYE      Commissioner Royster: AYE  
Commissioner Vowels: AYE      Mayor Austin: AYE  
Commissioner Bugg: AYE

WHEREUPON, Mayor Austin declared the ordinance adopted on first reading and ordered that it be presented for a second reading at a meeting of the Board of Commissioners.

On second reading of the ordinance, it was moved by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, that the Ordinance be adopted. On roll call the vote stood:

Commissioner Staton: \_\_\_\_\_      Commissioner Royster: \_\_\_\_\_  
Commissioner Vowels: \_\_\_\_\_      Mayor Austin: \_\_\_\_\_  
Commissioner Bugg: \_\_\_\_\_

WHEREUPON, Mayor Austin declared the ordinance adopted, affixed his signature and the date and ordered that it be recorded.

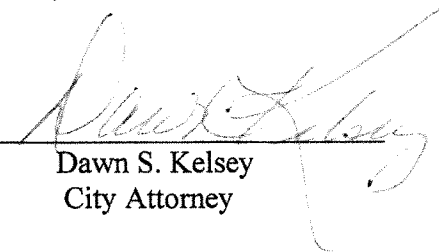
\_\_\_\_\_  
Steve Austin, Mayor

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Maree Collins, CKMC  
City Clerk

**APPROVED AS TO FORM AND  
LEGALITY THIS 4 DAY OF  
MARCH, 2020.**

By:   
Dawn S. Kelsey  
City Attorney

**City Commission Memorandum**  
**20-46**

March 12, 2020

TO: Mayor Steve Austin and the Board of Commissioners

FROM: William L. "Buzzy" Newman, Jr., City Manager *WLN*

SUBJECT: Ordinance Amending Insurance Premium Fee

An item for the agenda of Tuesday, March 24, 2020 is final reading of an ordinance amending Article IV. License Fee on Insurance Companies of Chapter 21, *Taxation* of the City's Code of Ordinances.

The proposed amendment would increase the License Fee upon insurance companies for the privilege of engaging in the business of insurance within the corporate limits of the City of Henderson by one percent (1%) from ten percent (10%) to eleven percent (11%) effective July 1, 2020 on the first year premiums for life insurance and the premiums of all other types of insurance collected within each calendar quarter less premiums returned to policy holders. The License Fee does not include premiums received on: policies of group health insurance provided for state employees under KRS 18A.225; policies insuring employers against liability for personal injuries to their employees or death of their employees caused thereby, under the provisions of KRS Chapter. 342; policies for high deductible health plans as defined in 26 U.S.C. sec. 223(c)(2); or policies exempt from the provisions of this Section 21-58 by state or federal law.

c: Robert Gunter

ORDINANCE NO. 08-20

ORDINANCE AMENDING CHAPTER 21, TAXATION  
REGARDING INSURANCE TAX

**SUMMARY:** AN ORDINANCE AMENDING CHAPTER 21, *TAXATION*, ARTICLE IV, *LICENSE FEES ON INSURANCE COMPANIES*, SECTION 21-57-FEE FOR COMPANY ISSUING LIFE INSURANCE AND SECTION 21-58-FEE FOR COMPANY ISSUING INSURANCE OTHER THAN LIFE INSURANCE INCREASING RATE FROM TEN PERCENT (10%) TO ELEVEN PERCENT (11%)

WHEREAS, the Commonwealth has left us with the unenviable position of having an increased pension obligation in our annual budget to be paid over the next several years due to mismanagement and poor investment of our pension system; and

WHEREAS, the City of Henderson cannot absorb this extraordinary expense without looking at new revenue and/or cutting existing services; and

WHEREAS, the City of Henderson cannot continue essential governmental operations including capital expenses for fire protection services and parks with this pension obligation being handed down to us by the Commonwealth; and

WHEREAS, the City of Henderson wants to ensure that residents are still getting what they need and deserve and do not want residents to forego the services upon which they have come to depend; and

WHEREAS, while the City of Henderson will continue to consider other revenue options, it believes that an increase in the insurance premium tax is beneficial for the City to continue with the same level of services.

NOW, THEREFORE, BE IT ORDAINED by the City of Henderson, Kentucky, that Chapter 21, *Taxation*, Article IV, *License Fees on Insurance Companies*, Section 21-57 *Fee for company issuing life insurance* and Section 21-58 *Fee for company issuing insurance other than life insurance* is hereby amended as follows:

**Sec. 21-57.** - Fee for company issuing life insurance.

The license fee imposed upon each insurance company which issues life insurance policies on the lives of persons residing within the corporate limits of the City of Henderson shall be [~~ten (10)~~] eleven (11) percent of the first year's premiums actually collected within each calendar quarter by reason of the issuance of such policies.

PUBLICATION DATE:

FIRST READ: 03/10/2020  
SECOND READ:



**Sec. 21-58. - Fee for company issuing insurance other than life insurance.**

~~[The license fee imposed upon each insurance company which issues any insurance policy which is not a life insurance policy shall be ten (10) percent of the premiums actually collected within each calendar quarter by reason of the issuance of such policies on risks located within the corporate limits of the City of Henderson on those classes of business which such company is authorized to transact, less all premiums returned to policy holders; however, any license fee or tax imposed upon premium receipts shall not include premiums received for insuring employers against liability for personal injuries to their employees, or death caused thereby, under the provisions of the Workers' Compensation Act and shall not include premiums received on policies of group health insurance provided for state employees under KRS 18A.225(2). ]~~

The license fee imposed upon each insurance company which issues any insurance policy which is not a life insurance policy shall be eleven (11) percent of the premiums actually collected within each calendar quarter by reason of the issuance of such policies on risks located within the corporate limits of the city on those classes of business which such company is authorized to transact, less all premiums returned to policy holders; however, the license fee or tax imposed herein shall not apply to premiums received on:

- (1) Policies of group health insurance provided for state employees under KRS 18A.225;
- (2) Policies insuring employers against liability for personal injuries to their employees or death of their employees caused thereby, under the provisions of KRS Chapter. 342;
- (3) Policies for high deductible health plans as defined in 26 U.S.C. sec. 223(c)(2); or
- (4) Policies exempt from the provisions of this Section 21-58 by state or federal law.

All ordinances or parts of ordinances in conflict herewith are hereby repealed and superseded to the extent of such conflict.

The ordinance shall become effective on July 1, 2020.

On first reading of the foregoing ordinance, it was moved by Commissioner Staton, seconded by Commissioner Royster, that the Ordinance be adopted on its first reading. On roll call the vote stood:

Commissioner Staton:	<u>AYE</u>	Commissioner Royster:	<u>AYE</u>
Commissioner Vowels:	<u>AYE</u>	Mayor Austin:	<u>AYE</u>
Commissioner Bugg:	<u>AYE</u>		

WHEREUPON, Mayor Austin declared the ordinance adopted on first reading and ordered that it be presented for a second reading at a meeting of the Board of Commissioners.

On second reading of the ordinance, it was moved by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, that the Ordinance be adopted. On roll call the vote stood:

Commissioner Staton:	_____	Commissioner Royster:	_____
Commissioner Vowels:	_____	Mayor Austin:	_____
Commissioner Bugg:	_____		

WHEREUPON, Mayor Austin declared the ordinance adopted, affixed his signature and the date and ordered that it be recorded.

\_\_\_\_\_  
Steve Austin, Mayor

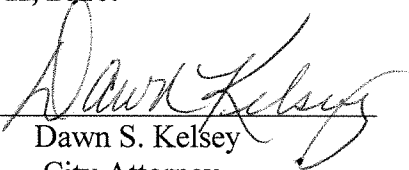
Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Maree Collins, CKMC  
City Clerk

**APPROVED AS TO FORM AND  
LEGALITY THIS 9 DAY OF  
MARCH, 2020.**

By: \_\_\_\_\_

  
Dawn S. Kelsey  
City Attorney

**City Commission Memorandum**  
**20-47**

March 12, 2020

TO: Mayor Steve Austin and the Board of Commissioners

FROM: William L. "Buzzy" Newman, Jr., City Manager *WLN*

SUBJECT: Ordinance Amending Chapter 23, *Utilities*, Article V, *Rates and Charges*

An item for the agenda of the Tuesday, March 24, 2020 meeting is final reading of an ordinance amending Chapter 23, *Utilities*, Article V, *Rates and Charges*, Section 23-103 *Discontinuance of Services*, of the Code of Ordinances; and a municipal order amending Utility Connection and Customer Service Fees.

As proposed, the service charge for after hours reconnection would be taken out of the Code of Ordinances and was adopted by municipal order along with other recommended fees and service charges as detailed in the attached Finance Department Memorandum 20-04 from Finance Director Robert Gunter. This change allows all of the customer fees and charges to be in one fee schedule.

Mr. Gunter and staff are recommending increasing the following fees/service charges: the reconnection fee from \$25.00 to \$35.00; the after-hours reconnection fee from \$25.00 to \$50.00, and establishing a 10:00 p.m. deadline for the latest time reconnections will be performed-other than an emergency; read-in fee from \$7.50 per/meter to \$10.00 per/meter; and the service charge from \$10.00 per/meter to \$12.50 per/meter. Further the recommendation is to establish the following fees: a disconnect fee of \$25.00-as the Servicer has to make a trip to disconnect and then to reconnect service each should have a fee; a missed appointment fee of \$25.00-the first missed appointment would be at no charge, however each additional missed appointment within a 12-month period would be assessed a fee; a fee of \$1.00 to reprint any bill, cutoff notice or other document-similar to what other agencies charge to reprint documents; and a \$10.00 per/meter charge for re-reads of correct meters-the first correct re-read would be free of charge, however each additional correct re-read within a 12-month period would be assessed the fee. This would not apply to meters that have been estimated.

As pointed out in Mr. Gunter's memo, the after-hour fee was set in 1988 and using the U.S. Department of Labor CPI Inflation Calculator the \$25.00 fee in 1988 has the same buying power as \$55.07 today or 120%. The read-in fee and service charges were set in 2002. Your approval of the attached ordinance and municipal order is requested.

c: Robert Gunter, Finance Director

**FINANCE DEPARTMENT MEMORANDUM**  
**20-04**

March 4, 2020

TO: William Newman, Jr., City Manager  
FROM: Robert Gunter, Finance Director  
SUBJECT: Utility Fees

In our effort to get the various utility fees current, I would like to make some changes. An enormous amount of staff time and effort has shifted to working with delinquent accounts and several of my recommendations pertain to the fees related to these accounts.

When a customer is delinquent, we send a utility servicer out to the location to disconnect the utility service. Once the delinquent amount and a \$25.00 reconnect fee has been paid, we will send the utility servicer back out to the location to reconnect the utility service. That means two trips with only a \$25.00 fee. I am recommending that we establish a disconnect fee of \$25.00 and increase the reconnect fee to \$35.00.

Each morning the utility servicer will have a list of several disconnections and can usually perform those in one trip. However, reconnects are different because we must keep a utility servicer on stand-by to preform them and most of the time it is an out-and-back trip for only one account. Another important aspect of implementing a disconnect fee is for the times that the customer has tampered and reconnected the utility service. As we move to automated meter reading, we will find meter-tampering more often. This would require another trip to the location to disconnect the service.

Any reconnection preformed after 5:00 PM incurs an additional \$25.00 after-hour fee. I am recommending that we increase the after-hour fee to \$50.00 and I am recommending that 10:00 PM be established as the latest reconections will be performed. The 10:00 PM deadline will not apply to emergency disconnects due to water leaks.

When utility service is established by a customer, there is a read-in fee of \$7.50 per meter. We send a utility servicer out to read the meters to give us a start number. Many of these are related to accounts that will disconnect irrigation meters during the winter months. I am recommending that fee be increased to \$10.00. If the location has electric, gas, and water the read-in fee would be \$30.00.

Whenever, a utility customer is late, we must print and mail a disconnect notice that includes a \$10.00 per service charge. I recommend that fee be increased to \$12.50.

Another issue that we have is customers not showing up when we schedule a date and time to turn on the meters. These are primarily landlords. We currently do not have a fee. I am recommending that the first missed appointment be free; however, each additional missed appointment within a 12-month period be assessed a \$25.00 fee.

One of the biggest causes of slowdown in the collections area is due to customers showing up to make a payment but will not have their payment stub or a copy of their bill. In order to make sure the payment is applied to the correct account we need the payment stub. We also have requests from customers who have lost their cutoff notices. Again, this does monopolize staff time and resources. I recommend establishing a \$1.00 fee to reprint any bill, cutoff notice or other document. This would be very similar to the County Clerk charging \$3.00 for reprinting the vehicle registration paperwork. Since we did not print and mail the first utility statement, we would exempt customers using paperless billings.

Another new fee I would like to recommend is the re-reading of meters. We have requests from customers to re-read their meters and we have gladly sent a servicer out to do that. However, there are customers that will ask for the re-reads several times and others that are just being vindictive. I recommend that the first **correct** re-read be free of charge; however, each **correct** re-read within a 12-month period be charged \$10 for each meter. This would not apply to meters that have been estimated. Depending on the circumstance, Henderson County Water District will charge \$25.00 for **correct** re-reads.

As a point of reference, the \$25.00 after-hour fee was set by Ordinance number 17-88 on April 26, 1988. Based on the U.S. Department of Labor CPI Inflation Calculator, \$25.00 in 1988 has the same buying power as \$55.07 today or a 120% increase.

	Current	Proposed
Reconnect Fee	\$25.00	\$35.00
Disconnect Fee	\$0	\$25.00
After-hour Reconnect (From 5:00 PM-10:00 PM)	\$25.00	\$50.00
Read-In Fee	\$7.50/meter	\$10.00/meter
Service Charge	\$10.00/meter	\$12.50/meter
Missed Appointments	\$0	\$25.00
Reprint of bill or cutoff notice	\$0	\$1.00
Re-reads of correct meters	\$0	\$10.00/meter

Please contact me if you need additional information.



Robert Gunter

Enclosures

CITY OF HENDERSON - ORDINANCE BOOK 289

Record of Ordinances of \_\_\_\_\_ Meeting \_\_\_\_\_ 19 \_\_\_\_\_

ORDINANCE NO. 17-88  
ORDINANCE AMENDING SECTION 23-103  
OF THE CODE OF ORDINANCES OF THE CITY OF HENDERSON, KENTUCKY  
(RELATING TO DISCONTINUANCE OF SERVICE & CHARGES)  
(\$25.00 Service Charge for discontinuance of Service  
after 5:00 P.M. for non-payment)  
BE IT ORDAINED by the Board of Commissioners of the City of Henderson,

Kentucky, that Section 23-103 of the Code of Ordinances is amended to read as follows:

Section 23-103. Discontinuance of service and charges.

(b) Service shall not be resumed to the premises where such service has been discontinued for nonpayment until all charges, penalty and service charge have been paid in full. Any person who failed to make such payments shall not be provided services at any other premises which he may later occupy until all such past charges, penalty and service charges have been paid in full. There shall be an additional service charge of Twenty-Five Dollars (\$25.00) for any service calls after 5:00 P.M. Monday through Friday, weekends and holidays if service has been discontinued for nonpayment. The deposit made with any municipal utility by a tenant as set out in section 23-99 may be forfeited and applied in payment of any amounts due and owing by virtue of the terms of this article.

All ordinances or parts of ordinances in conflict herewith are repealed and superseded to the extent of such conflict.

This ordinance shall become effective upon its legal adoption.

On first reading of the foregoing ordinance, it was moved by Commissioner Mike Farmer, seconded by Commissioner William T. Burton, that the ordinance be adopted on its first reading.

On roll call the vote stood:

Commissioner Doom:	<u>Aye</u>
Commissioner Farmer:	<u>Aye</u>
Commissioner Brown:	<u>Aye</u>
Commissioner Burton:	<u>Aye</u>
Mayor Newman:	<u>Aye</u>

WHEREUPON, Mayor Newman declared the ordinance adopted on first reading and ordered that it be presented for second reading on April 26, 1988 at the regular meeting of the Board of Commissioners.

RESOLUTION SETTING CONNECTION  
AND SERVICE CHARGES FOR UTILITIES

WHEREAS, pursuant to the provisions of Section 23-97 of the City's Code of Ordinances, the rates and charges for utilities are to be set from time to time by the Board of Commissioners; and

WHEREAS, it is necessary to revise the schedule of connection and service charges for the City's utilities so that such charges will more accurately reflect the costs of providing the services; and

WHEREAS, the City Manager recommends that the fees as hereinafter set forth be adopted.

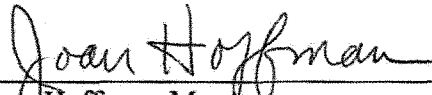
NOW, THEREFORE, BE IT RESOLVED by the City of Henderson, Kentucky, that the recommendation of the City Manager is accepted, and the following utility connection and service charges are hereby approved to become effective July 1, 2002:

New Account Set Up/Read In	\$7.50 per metered utility
Service Charge	\$10.00 per metered utility

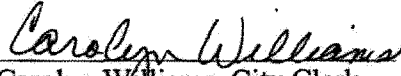
On motion of Commissioner Robert N. Hall, seconded by Commissioner Michele E. Deep, that the foregoing Resolution be adopted, the vote was called. On roll call the vote stood:

Commissioner Sights:	<u>AYE</u>	Commissioner Mills:	<u>AYE</u>
Commissioner Hall:	<u>AYE</u>	Mayor Hoffman:	<u>AYE</u>
Commissioner Deep:	<u>AYE</u>		

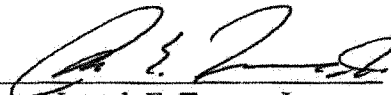
WHEREUPON, Mayor Hoffman declared the Resolution adopted, affixed her signature and the date thereto and ordered that the same be recorded.

  
Joan Hoffman, Mayor  
Date: June 11, 2002

ATTEST:

  
Carolyn Williams, City Clerk

APPROVED AS TO FORM AND  
LEGALITY THIS 5<sup>th</sup> DAY OF  
JUNE, 2002.

By:   
Joseph E. Ternes, Jr.  
City Attorney

ORDINANCE NO. 09-20

ORDINANCE AMENDING CHAPTER 23 UTILITIES OF CODE OF ORDINANCES REGARDING ARTICLE V RATES AND CHARGES

**SUMMARY:** AN ORDINANCE AMENDING CHAPTER 23, *UTILITIES*, ARTICLE V, *RATES AND CHARGES*, SECTION 23-103, *DISCONTINUANCE OF SERVICES* OF THE CODE OF ORDINANCES OF THE CITY OF HENDERSON

WHEREAS, the other utility service rates related to establishing utilities service charges, are set by municipal order rather through Ordinance;

WHEREAS, to keep all of the utility customer service charges in same schedule kept by the Clerk of the city;

NOW, THEREFORE, BE IT ORDAINED by the City of Henderson, Kentucky, that amending Chapter 23, *Utilities*, Article V, *Rates and Charges*, Section 23-103, *Discontinuance of Services* of the Code of Ordinances of the City of Henderson hereby amended as follows:

Sec. 23-103. - Discontinuance of service and charges.

- (a) If any charges and penalties thereon of any municipal utility in excess of thirty dollars (\$30.00) have not been paid by 9:00 a.m. on the sixth day following the mailing of the notice of discontinuance, the service provided by the appropriate utility shall be discontinued in due course and charges shall be assessed against the delinquent owner or tenant as determined from time to time by the board of commissioners and kept on file in the clerk's office. These charges shall not apply to accounts that are guaranteed by vouchers submitted prior to the cutoff date from community service agencies as determined by the city manager or his designee.
- (b) Services shall not be resumed to the premises where such service has been discontinued for nonpayment until all charges, penalty and service charge have been paid in full. Any person who failed to make such payments shall not be provided services at any other premises which he may later occupy until all such past charges, penalty and service charges have been paid in full. There shall be an additional service charge [~~of twenty five dollars (\$25.00); fifty dollars (\$50.00)~~] for any service calls after 5:00 p.m. Monday through Friday, weekends and holidays if service has been discontinued for nonpayment. A schedule of fees shall be kept in the City Clerk's office.
- (c) For natural gas service calls, there shall be a charge of twenty-five dollars (\$25.00) for services performed, including gas pilot lighting, during normal business hours; and a charge of thirty-seven dollars fifty cents (\$37.50) if such services, including gas pilot lighting, are performed after 5:00 p.m. Monday through Friday, weekends and holidays.
- (d) The deposit made with any municipal utility by a tenant as set out in section 23-99 may be forfeited and applied in payment of any amounts due and owing by virtue of the terms of this article.

All ordinances or parts of ordinances in conflict herewith are hereby repealed and superseded to the extent of such conflict.

PUBLICATION DATE: \_\_\_\_\_

FIRST READ: 03/10/2020  
SECOND READ: \_\_\_\_\_



The ordinance shall become effective on July 1, 2020.

On first reading of the foregoing ordinance, it was moved by Commissioner Staton, seconded by Commissioner Bugg, that the Ordinance be adopted on its first reading. On roll call the vote stood:

Commissioner Staton: AYE      Commissioner Royster: AYE  
Commissioner Vowels: AYE      Mayor Austin: AYE  
Commissioner Bugg: AYE

WHEREUPON, Mayor Austin declared the ordinance adopted on first reading and ordered that it be presented for a second reading at a meeting of the Board of Commissioners.

On second reading of the ordinance, it was moved by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, that the Ordinance be adopted. On roll call the vote stood:

Commissioner Staton: \_\_\_\_\_      Commissioner Royster: \_\_\_\_\_  
Commissioner Vowels: \_\_\_\_\_      Mayor Austin: \_\_\_\_\_  
Commissioner Bugg: \_\_\_\_\_

WHEREUPON, Mayor Austin declared the ordinance adopted, affixed his signature and the date and ordered that it be recorded.


\_\_\_\_\_  
Steve Austin, Mayor

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Maree Collins, CKMC  
City Clerk

**APPROVED AS TO FORM AND LEGALITY THIS 5 DAY OF MARCH, 2020.**

By:   
Dawn S. Kelsey  
City Attorney