

## PURCHASE AREA DEVELOPMENT DISTRICT 3

### BOARD OF DIRECTORS MEETING

August 27, 2024

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The Purchase Area Development District Board of Directors met on Tuesday, August 27, 2024, at 11:30 a.m., in the conference room of the PADD office. Webex was available for public viewing. Board members in attendance either in person, by phone or Webex (asterisk denotes absence):

#### **Ballard**

Judge/Executive Todd Cooper, Vice-Chair\*  
Cathy Pigg\*  
Justin Puckett\*

#### **Calloway**

Judge/Executive Kenny Imes  
Mayor Bob Rogers  
Sue Outland\*  
Mark Manning

#### **Carlisle**

Judge/Executive Greg Terry  
Nancy Henley  
Phillip Bean

#### **Fulton**

Judge/Executive Jim Martin\*  
Mike Gunn\*  
Perry Turner  
Greg Curlin \*  
John Wiley Gannon

#### **Other guests present:**

Mary Anne Medlock  
Sheila Clark

#### **Graves**

Richie Galloway  
Mayor Kathy O’Nan  
Mayor Charles Shelby\*  
Tamie Johnson  
Pete Galloway, Secretary  
Monica Jackson

#### **Hickman**

Judge/Executive Kenny Wilson, Treasurer  
Mayor John Kelly  
Wynita Dillard  
Ethan Cunningham\*

#### **Marshall**

Judge/Executive Kevin Spraggs\*  
Mayor Rita Dotson, Chair  
John Ward  
Andrew Pagel

#### **McCracken**

Judge/Executive Craig Clymer\*  
Mayor George Bray\*  
Arthur Boykin  
Bill Bartleman

Commissioner Matt Sawyers

Chair Rita Dotson, of the PADD Board of Directors, called the meeting to order at 11:30 AM, confirmed attendance in person and on Webex and introduced the guests. The group then performed the Pledge of Allegiance.

I. OLD BUSINESS

- A. Chair Dotson stated that there were minutes from the July 23, 2024, meeting that would need approval. **Mr. Pete Galloway motioned for the approval of the minutes from the July 23, 2024, meeting. Judge Kenny Wilson seconded, and the motion passed unanimously.**
- B. Chair Dotson called on Ms. Alana Champion, Director of Finance, who summarized the Budget-to-Expense report for the month of July 2024.
- C. Judge Executive Kenny Wilson gave the report for the Personnel and Finance Committee for Judge Todd Cooper. Judge Wilson reported the PADD Personnel and Finance Committee met today at 10:30 am and reviewed the Executive Director's monthly timesheet, travel, and office credit card bill. The monthly budget-to-expense report for July was approved. Other personnel and policy matters were also discussed and approved.

There were 6 contracts this month that did not require Board approval. The list is included in the packet on page 14.

In conclusion, No Code of Ethics violations were reported.

- D. Chair Dotson introduced today's speaker, Mr. Matt Sawyers, Commissioner of Department for Local Government. Commissioner Sawyers thanked Chair Dotson and Mr. Buchanan and the Board for allowing him to speak. Commissioner Sawyers discussed some closing dates for the upcoming grant opportunities. He also discussed the Governor's priority in knowing that the Department for Local Government was diligent in reviewing and getting projects approved. He mentioned that there would be an upcoming Treasurer's Training with DLG staff in our area soon. He stated it was his privilege to represent our area in an upcoming DRA Board meeting in September. He asked if there were any questions. Mr. Mark Manning thanked him and his staff for all of their assistance and promptness in their support.

II. NEW BUSINESS

A. STANDING COMMITTEES

1. AGING COMMITTEE

Chair Dotson called on Ms. Cissy Fox for the Aging report. Ms. Fox stated in the packet and on the screen are the Payment Reports for each of our Subcontractors for the month of July. These reports include monthly payments to each Subcontractor, the percentage of allocations spent by the end of the month, and the target expenditure percentage for each month to ensure funds are expended by the end of the fiscal year.

The Area Agency on Aging and Independent Living was approved to use a portion of the PADD ARPA funds to contract with a company to assist us in collecting data for our needs assessment. We are required to complete a needs assessment for the Purchase Area to write an area plan that addresses the needs of Seniors in our Area. This plan will include focus areas for the next several years.

POLCO is the name of the service, and they have begun the initial data collection. They are mailing yellow postcards to individuals 55 and over requesting they complete a survey. If you receive one of the cards, please complete the survey.

## 2. REGIONAL TRANSPORTATION COMMITTEE

Chair Dotson called on Mr. Jon Young for the Transportation Committee report. Mr. Young reported the Kentucky Transportation Cabinet's (KYTC's) Draft FY 2025-2028 Statewide Transportation Improvement Program (STIP) is available for public inspection which you can find in the attached letter. You can view the full document on KYTC's web site at:

<https://transportation.ky.gov/Program-Management/Pages/2024-STIP-Book.aspx>. The review period started on August 15 and ends September 14. Please see the letter for further details.

KYTC applications for "new county road programs". There are 3 programs: Highway Contingency Fund, County-City Bridge Improvement Program, and County Priority Projects Program. There is a mandatory webinar training if you are interested in the bridge program which is scheduled for August 28. The application forms link is in the packet. <https://kaco.org/articles/kvyc-accepting-applications-for-new-county-road-programs/>

PADD staff is in the process of contacting and setting up times with each county's elected officials to set up project review meetings in collaboration with KYTC District 1 to get their input on local road projects as part of the Transportation Cabinet's Strategic Highway Investment Formula for Tomorrow or SHIFT.

## 3. COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

Chair Dotson called on Ms. Mattea Mitchell. Ms. Mitchell reported a list of open grant opportunities is included on pages 31-33 of the packet. These funding opportunities are either rolling cycles or have been mentioned during recent board meetings and are still available to the public. This is not a comprehensive list, just a brief overview of what has been shared recently.

In addition, Ms. Mitchell mentioned that Mr. Alex Caudill with the Governor's Office has provided a list of available funding opportunities. That list is included on page 34 of the packet. Thank you, Alex.

In the packet is the list of projects in the region submitted to the state clearinghouse in the month of June. This is found on page 35-37 of your board packet.

Congratulations to the Murray Art Guild in Calloway County on their recent award notice from the Government Resources Accelerating Needed Transformation (GRANT) Program. They are receiving \$150,000.00 in GRANT Program of 2024 funds to assist with their Community Development Block Grant project involving construction of a new art guild.

Congratulations to the City of Arlington on their recent award notice from the Government Resources Accelerating Needed Transformation (GRANT) Program. They are receiving \$482,342 in GRANT Program of 2024 funds to assist with their Community Development Block Grant application to rehabilitate the City's sewer system.

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

## 1. COMMODITY AND FOOD BANK TASK FORCE

Chair Dotson called on Mr. Pete Galloway for the Commodity report. Mr. Galloway reported for the month of July 2024, there was a total of 394,884 pounds distributed through all food programs.

The two USDA programs, TEFAP and CSFP had 149,068 and 59,019 pounds distributed for the month, respectively. CSFP served 2,020 participants in July. The Feeding America program distributed 147,537 pounds for the month. This number includes 135,552 pounds from the Feeding America retail recovery pick-up program. 11,985 pounds were distributed through the Feeding America purchase program.

Through Feeding Kentucky, in the F2FB & LFPA program, pantries in all eight counties received 32,715 pounds of fruits and vegetables.

In the Miscellaneous category, pantries directly received 6,545 pounds of donated food.

## 2. WATER MANAGEMENT COUNCIL

No report.

## 3. BUSINESS LENDING REPORT

Chair Dotson called on Mr. Mike Maxwell for the Business Lending report. Mr. Maxwell reported the Business Lending Department currently manages an overall portfolio of 84 loans with a total balance of Eleven Million, Eight Hundred Eighty-Four Thousand, Seven Hundred Twenty-One Dollars and 04 Cents (\$11,884,721.04).

The PADD Loan Portfolio can be found on pages 40-41 of your board packet.

Mr. Maxwell reported on page 39 of the board packet was an update on the PADD Business Lending Departments progress related to the 2024 SBA 504 Strategic Plan. As of today's meeting, the PADD Business Lending Department has submitted 6 SBA applications to the SBA for approval. Of those 6 submissions, PADD has received approvals on 4 of the applications. The PADD has closed 2 of these applications. PADD Business Lending Staff have closed the Bluegrass Bargain Barn 504 loan in Elkton, KY and Elevated Concrete, 504 loan in Mount Sterling. PADD is now in process of submitting the request to purchase two debentures to fund these loans.

The PADD Loan Review Committee met on Wednesday, August 14<sup>th</sup>, 2024. The committee approved a loan request in the amount of \$104,314 for working capital and debt restructuring for a high-end jersey screen printing company located in Paducah, KY. This loan will be funded with a combination of a Small Business Administration Microloan and an Economic Development Administration ARPA Revolving Loan Fund loan. An outline of this loan can be found on page 43 of your board packet.

The PADD Business Lending Department also approved 2 loans totaling \$25,000 for an athletic training startup in Mayfield, KY. The loans funding the project are a combination of a Small Business Administration Microloan and the Economic Development Administration CARES ACT

Working Capital Loan Program. These loans were approved using the PADD's delegated lending authority. An outline of this project can be found on pages 44 and 45 of the board packet.

Mr. Maxwell reported on page 46 of the board packet, was a policy related to the assumption of loans by another borrower. The PADD has recently been asked if a new borrower could assume a PADD loan if the current owner were to sell their business. In reviewing the PADD policy, we found that there was no existing policy for assumptions in the PADD Loan Policies and Procedures Manual. As this is a change in the PADD Business Lending Policies and Procedures Manual, the PADD Business Lending Department would like to request action from the board for approval to add the policy regarding loan assumptions to our policy manual. The PADD Loan Review Committee reviewed this policy on August 16<sup>th</sup> and has approved adding the policy at the direction of the board. **Judge Greg Terry made a motion to approve the policy changes on the assumption of loans. Ms. Tamie Johnson seconded the motion and it passed unanimously.**

Mr. Maxwell directed attention to page 47 of the board packet. Page 47 contains a request to increase the debenture for the Precision Sonar 504 loan request. In April, the board of directors ratified the Loan Committee's approval of a \$912,000 504 debenture request. Since that approval, the borrower has provided documentation showing that the need from the 504 is now \$976,000. The Loan Review Committee has reviewed this request and approved the increase in the debenture for Precision Sonar. Mr. Maxwell requested action from the board to ratify the Loan Review's approval to increase the 504 debenture on behalf of the Precision Sonar 504 request. **Mr. Mark Manning made a motion to approve the ratification of the increase in debenture. Judge Kenny Wilson seconded the motion and it passed unanimously.**

Finally, Mr. Chairman, the PADD Business Lending Department wants to remind the board that representatives from the Small Business Administration's Kentucky District Office will be conducting a site visit tomorrow, Wednesday, August 28<sup>th</sup>, to review files associated with the PADD's SBA Microloan Program.

#### 4. WORKFORCE INNOVATION & OPPORTUNITY REPORT

No Report.

#### 5. HAZARD MITIGATION

No Report.

### III. PROGRAM IMPLEMENTATION/CORPORATION REPORTS

#### 1. PURCHASE AREA HOUSING CORPORATION

No report.

#### 2. JACKSON PURCHASE LOCAL OFFICIALS' ORGANIZATION

Chair Dotson called on Mr. Stacey Courtney for the report. Mr. Stacey Courtney reported that

### IV. EXECUTIVE DIRECTOR ANNOUNCEMENTS

Chair Dotson called on the Executive Director, Mr. Jeremy Buchanan, for announcements. Mr. Buchanan discussed the upcoming Annual Picnic. Those invitations have gone out. There is a notice in the packet and anyone can register their attendance using the QR Code.

Also, Mr. Buchanan stated that he will be sending out a survey to the Board to try to determine the best day to hold the monthly Board meeting. He stated that he realizes everyone's calendars are full and the best day possible will be chosen.

In conclusion, Mr. Buchanan mentioned that Ms. Cathy Pigg's husband has passed away unexpectedly on the previous day and to please remember her. Also, that Ms. Sue Outland was not in the best of health at the moment and to please remember her as well.

V. ADJOURNMENT

Chair Dotson asked if there was any further business for the meeting. There being no further business, Chair Dotson asked for a motion to adjourn. **Judge Kenny Wilson made a motion to adjourn.**  
**Mayor Bob Rogers seconded the motion, and the motion passed unanimously.**

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Chair, Mayor Rita Dotson

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Secretary, Mr. Pete Galloway