

Remarks as prepared for delivery, Jan. 7, 2019

KRS 83A.130(3) states: "The mayor shall report to the council and to the public on the condition and needs of city government as he/she finds appropriate or as required by ordinance, but not less than annually."

By Grayson Vandegrift, Mayor, City of Midway

Being as we've recently been through an election, most of our citizens are likely aware of our progress over these last few years and the challenges that are still ahead of us. But it's important that we briefly track how we got here, and that we plan and prepare for all the challenges that remain.

Four years ago, our annual budget predicted \$275,000 in occupational tax revenue. Today, our annual budget predicts \$550,000 in revenue created from new jobs, and by the end of the fiscal year, its likely we'll exceed even that.

It's no secret that our ability as a city to attract two large employers, including the largest job provider in our history, Lakeshore Learning Materials, has been the main boon to our local economy. But it's not them alone that has helped to set us on a prosperous and stable path forward. Job growth in all areas has contributed to our 100% increase in occupational tax revenue: Midway University, The Homeplace at Midway, and further additions in the commercial and health care fields have all added to our success, and we as a city strive to continue to be a successful place for each of them.

But, we've also been careful - we've planned far ahead, and we've made our operations more efficient so that while our coffers grow, our sensibilities to remain fiscally conservative remain intact.

The recent 25% property tax cut and 25% sewer rate decrease begin to make the city more affordable for everyone, especially those who struggle the most but wish to continue calling Midway their home. Countless individuals and families have left Midway or chosen not to return to it because they simply could not afford to live here. I believe it's our responsibility to ensure that no one should be priced out of their home - especially when we know we can do something about it.

Taxes are more than a requirement for governments to function; they are also a covenant between the people and those elected to serve them. When a government has paid off the debts that required a high tax rate to begin with and can consistently show that rate cuts are offset and even exceeded by both new and newly freed revenue, I believe that government must give a meaningful amount back, or else it risks losing its credibility to tax.

Our financial success has been stated plenty, but it remains true: our general fund is healthier than it's ever been and is still growing, our enterprise funds are the healthiest they've been in many years, and our investments are paying off. Better roads, improved sidewalks, a better storm water system, a reinvigorated park, investments in our wastewater treatment plant, a lively business district, and an atmosphere so quaint even Hallmark can't stay away, all point collectively to the state of our community: Midway is thriving.

But, there is still so much we need to do. As I cover some of the most important and difficult challenges remaining, I want you to know that the following set of projects is not intended to be all-inclusive. With a new council that includes three new members, and three returning members who will undoubtedly have new ideas or will wish to finish older ones, I expect this list to grow and to be modified. And I fully expect that our citizens will improve upon our scope of work as well - in fact, some of these projects are the result of a phone call, an email, or a conversation on the street with a caring resident.

First and foremost, the biggest challenge in front of us is the most commonly heard one by cities in America: infrastructure. Our engineers will soon present to this council a plan to camera and clean out all our old sewer lines in town. This will not only tell us exactly where our biggest problems are and what their remedy is, but will clean from our lines tree roots, tree bulbs, and sludge that affect their performance, immediately making our sewer lines more functional. We can expect this project to cost roughly \$160,000 and I will include it in the budget I submit to you this spring. There is no need to borrow any money or to dip into any reserves to complete this vital project. Once this is complete, we can begin to discuss what project should be executed next, and the proper steps to accomplishing that can follow.

The sidewalk program we launched a year ago will continue in 2019 as we're about to open the application process for property owners to join our cost sharing program to repair or replace their dilapidated sidewalks. We're hopeful that owners who have dangerous sidewalks will readily apply but should anyone who has a sidewalk that poses a threat to public safety and city walkability refuse to participate, the city reserves the right to fix their sidewalk at their expense, regardless of whether they participate in the cost sharing program. All sidewalk projects

that are inspected by city employees will need final approval from the council before we proceed.

We also need to continue our Comprehensive Traffic Plan to slow vehicle speeds and improve pedestrian safety. Once the weather warms consistently, we'll paint center lines and edge lines on all of Stephens Street, with sidewalk bulb-outs planned for phase 2 of the traffic plan. The council will be involved in and encouraged to help improve this project as we go.

With the public growing more and more frustrated with consistently neglectful property owners, I am firmly committed to passing the blighted property ordinance that was proposed over a year ago, but which became held up with understandable differences of opinion. However, without a newly established Code Enforcement Board, any attempt to push neglectful property owners off center will be fruitless, because the appeals process will prove that no circuit judge will uphold enforcement decisions without such a board. This is not only my reading of new state statutes, it's how our city attorney and attorneys with the Kentucky League of Cities read the law as well. I will soon call a special session workshop to begin bringing new members up to speed as well as to refresh the memory of returning members as to the details of this proposed ordinance, and I encourage every council member to help improve upon it.

I also hope we can continue the progress we've started in making the city a more energy efficient one. It will most likely fall on cities in America - big and small - to accept the overwhelming, consistent scientific observation and conclusion that climate change is real, and that it will cost cities billions of dollars in the coming decades unless we all begin to do our part. Every action we take must make financial sense, but it appears that even modest investment now will likely save costly emergency expenditures in the future. Even more, there's a moral obligation we have, regardless of any political cost.

While revenue is up, we should still work to increase our city coffers, and no better opportunity for that presents itself than in the land known as the Freeny property. The 137 acres was included in the latest Comprehensive Plan of the Planning Commission and designated in the Urban Service Boundary as a workplace/employment district. Both economic developers and land use advocates have agreed that development of land next to an interstate is ideal because that land is less desirable for farming and because it makes use of existing infrastructure. I will soon present to you an ordinance of intent to annex the 137 acres into the city limits to ensure that future development will have a very significant impact on city revenue and thus on our opportunities to improve infrastructure all over the city. If approved by this body, the process then moves to the Planning Commission, and should it clear all hurdles there, the ultimate decision to rezone from A-1 to I-1, as the land owner has requested, will also lie with this body.

I also plan to appoint an Affordable Housing Task Force which will require confirmation by the council and will work on the city's behalf to gather information and provide suggestions to the council for how the city should move forward on this important issue. There's no doubt that there is a housing crunch in Midway – more people want to move in than there are homes for – and its apparent to me that there is no appetite for new development of housing or for any kind of residential sprawl. Therefore, this task force will also be charged with the duty of helping us find ways to increase infill development while achieving these goals. I plan to have a slate of appointees for you in the coming weeks.

I believe we should continue to be an effective and proactive communicator with our citizens. We should all be proud to be the first government in Woodford County to livestream its meetings via social media, and the videos of these meetings will also be posted to our website for those who don't use Facebook.

We also have a new opportunity to reach as many of our citizens as possible using the Heads Up Community app that is now available for us. We can post important notices that will update the user in real time. This is, to date, the most effective tool at our disposal to have a city-wide notification system. From one's cell phone, you can download the free app, customize which type of notices you would and would not like to receive, and when we as a city post updates you will receive a notification on your phone. We can notify citizens of water main breaks, traffic issues, weather alerts, utility work, city updates, and much more. There are informational pamphlets available at city hall, and I encourage all of us to help spread the word about this useful service. It, after all, will be much more effective if we get as many of our citizens as possible to download it to their cell phone or device.

As always, we should continue our successful collaborations with all of Midway's institutions and organizations to help us continue to foster a spirit of working together. As a city, our relationship with Midway

University has never been better, and has borne fruit over the last few years. I was extremely proud to sign a memorandum of understanding with President John Marsden establishing a 15% tuition discount for Midway residents to attend online or evening classes at our flourishing institution of higher learning. In addition, cost sharing with the university has led to an improved city-owned softball field, and I look forward to future collaboration in the coming years.

We've also worked well with organizations such as Midway Renaissance to bring more events to downtown in the summer months and to staff city hall with volunteers during events. I'm amazed at the flow of visitors who come to city hall during these special occasions to use our public restrooms or get out of the weather, and how they say no city they know of treats people as kindly as we do. We need to continue to encourage that kind of civic engagement of volunteers – the same kind of engagement that led to our beautifully revitalized park. It's this kind of encouragement for the people to participate in their community that leads to new ideas and new progress.

We've worked in tandem with the Midway Business Association to enhance our downtown and its attractions, including new and improved signage, better electrical capacity for downtown events, and use of our city Facebook page to promote their shops and happenings. I've noticed that not every shop owner downtown thinks that the city does enough for them, and I encourage each of those to visit us and to talk about what we can do to better help their businesses thrive, keeping in mind that our scope is that of the entire city, and their scope is one aspect of that. I also encourage all shop owners to join and participate with the Midway Business Association because I believe that cooperation and communication leads to understanding. And as I said to downtown business owners 4 years ago, I believe that the Midway Business Association should drive the tourism bus for our city and let us assist them in any way we think is useful and appropriate.

A little over a year ago we established the Midway Childcare Task Force, and we were amazed at how many residents and businesses reached out to give their blessing. This confirmed that the need for childcare in Midway is very real, and with us being equidistant to four other cities, a childcare center could and should thrive here. We should continue to encourage the efforts of this task force and provide resources when necessary to help this need become a reality.

We also should never forget the work that our city employees do day in and day out to make our city the greatest small town in Kentucky. We've streamlined our operations over the last few years, and they have been the ones to carry this out and have made our city government more efficient and less wasteful, and they should be rewarded for that. They have received performance-based raises when applicable, but because of their collective efforts, I am going to include in the budget I submit to you a 5% cost of living adjustment raise for all of our employees, rather than the recent 3% COLA raises.

As I've stated previously, I plan to object enthusiastically to the proposed rate increases by Kentucky American Water, and I hope you'll join me. We absorbed the rate increase they received just a couple of years ago but would be unlikely to absorb another so closely timed. It seems like while we are lowering our rates, everyone who services us is raising theirs. There needs to be more restraint in companies regulated by the Public Service Commission, and I hope that body will do its duty to serve as a check on behalf of the taxpayers.

While I appreciate the work that goes into clean water and good infrastructure, it's important to note that if granted, this rate increase would be their 6th in 12 years, which means we could expect them to turn around and request another in 2020. Ironically, the company contends that they need the cash to fund their infrastructure improvements, yet they've made it obvious that they would be interested in buying our system. Why would a company who needs more money want to purchase more aging infrastructure? I'm sure my anger alone won't amount to a hill of beans to them, but if we help stir a united voice in the region we can send a message that when there is lack of competition in public utilities we expect good service and predictable, affordable pricing.

In summation, we as a city are thriving, but we have a lot of work yet to be done. We've so far laid the groundwork to be able to improve infrastructure, to enhance our quality of life, and to truly reach a goal I talked about 4 years ago and which I now believe is firmly within our grasp: to become the model for small cities in the 21st century. When we work together with a common love of our community; when we disagree openly and respectfully; when we debate ideas and agree that the best idea is the right path, regardless of who it came from, then we will take that next step. I know we can, because the spirit of our community has always been that we are small but mighty, and we can accomplish anything before us. We can build the best community our commonwealth has to offer, because after all, we're Midway, but we're in between no one.