

CITY OF LEBANON, KY ORDINANCE NO. 2025-01
CITY OF LEBANON, KENTUCKY CITY COUNCIL TEXT AMENDMENT TO ZONING ORDINANCE TO
PROVIDE FOR MEDICINAL CANNABIS LOCATIONS

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEBANON, KENTUCKY:

SECTION ONE: WHEREAS, The Planning and Zoning Commission of the City of Lebanon, Kentucky (“Commission”), held a meeting, including a public hearing, and considered the proposed amendment to the text of the zoning ordinance and Use Table on January 6, 2025.

SECTION TWO: The City Council having had before it the recommendations of such meeting, a majority of the entire City Council AFFIRMED the RECOMMENDATION of the Commission which was to amend the current text of the zoning ordinance to address and provide for the location of various medicinal cannabis businesses within the incorporated territory of the City of Lebanon as set forth in Section Six hereof.

SECTION THREE: All ordinances or parts of ordinances in conflict herewith are expressly repealed but only to the extent of such conflict.

SECTION FOUR: If any section, subsection, clause, sentence, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

SECTION FIVE: All City Officials and employees shall take appropriate action within the scope of their duties to implement this Ordinance.

SECTION SIX: The following language is added to Section 153.02 of the Zoning Ordinance:
- Definitions - Medicinal Cannabis

MEDICINAL CANNABIS shall have the same meaning assigned at KRS 218B.010 which means marijuana as defined in KRS 218A.010 when cultivated, harvested, processed, produced, transported, dispensed, distributed, sold, possessed, or used in accordance with this chapter; includes medicinal cannabis products and raw plant material; and does not include industrial hemp or industrial hemp products as defined in KRS 260.850.

MEDICINAL CANNABIS CULTIVATOR means an entity licensed by the State of Kentucky pursuant to the Kentucky Revised Statute and 915 KAR 1:030 to plant, grow, cultivate, raise, harvest, trim, store, test, package, label, transfer, transport, sell medicinal cannabis seed, seedlings, medicinal plant, medicinal cannabis, or medicinal cannabis product to other licensed cannabis businesses in the state.

MEDICINAL CANNABIS DISPENSARY means an entity licensed by the State of Kentucky pursuant to Kentucky Revised Statutes and 915 KAR 1.070 to perform retail sales of Medicinal cannabis to registered qualified patient or visiting qualified patient as defined by the Kentucky Revised Statutes and corresponding regulations.

MEDICINAL CANNABIS PRACTITIONER means a physician or an advanced practice registered nurse who is authorized to prescribe controlled substances under KRS 314.042, who is authorized by his or her state licensing board to provide written certifications pursuant to KRS 218B.050.

MEDICINAL CANNABIS PROCESSOR means an entity licensed by the State of Kentucky pursuant to the Kentucky Revised Statute and 915 KAR 1:040 to process and/or packages raw medicinal cannabis plants material or plants into approved forms of medicinal cannabis under Kentucky Revised Statutes and regulations.

MEDICINAL CANNABIS PRODUCER means an entity licensed by the State of Kentucky pursuant to the Kentucky Revised Statutes and 915 KAR 1.050 which operates as both a cannabis cultivator and processor.

MEDICINAL CANNABIS SAFETY COMPLIANCE FACILITIES means an entity licensed by the State of Kentucky pursuant to the Kentucky Revised Statutes and 915 KAR 1.110
Medicinal Cannabis Business Locations

In zones where medicinal cannabis dispensaries are a Permitted Use, such dispensary must meet all of the following conditions:

Shall not be located within one thousand (1,000) feet of any elementary, secondary, or parochial school or regular and frequent site of after school activities, church, playground, public park or daycare center; Shall not be located within one mile of another cannabis dispensary as measured from the property lines; Shall not be located adjacent to any residential structure or zone; and, Shall not co-locate with a medicinal cannabis practitioner.

The highlighted portions of the attached Appendix A are added to the Use Table in Appendix A to the Zoning Ordinance: See Attached Appendix A.

SECTION SEVEN: This Ordinance shall become effective upon its second reading, passage, and publication.

IN WITNESS WHEREOF, such Ordinance was given First Reading on February 10, 2025 and passed on Second Reading on March 10, 2025.

CITY OF LEBANON, KENTUCKY – Gary D. Crenshaw, Mayor
Attest: Gina N. Wheatley, City Clerk

SECTION 00100
ADVERTISEMENT FOR BIDS

City of Lebanon
240 West Main Street
Lebanon, Kentucky 40033

Separate sealed Bids for the construction of the US 68 Sewer Main Relocation Project consisting of the relocation of approximately 450 LF of 18-inch and 50 LF of 8-inch sanitary sewer gravity main replacement as well as the installation of 5 manholes as shown on the DRAWINGS and described in the SPECIFICATIONS will be received by City of Lebanon Kentucky, 240 West Main Street, Lebanon, Kentucky 40033 until 10:00 am (EST Local Time) Tuesday April 1, 2025, and then at said office publicly opened and read aloud.

Bids will be received for a single prime Contract. Bids shall be on a unit price basis, with additive alternate bid items as indicated in the Bid Form.

The Contract Documents may be examined at the following locations:

KENTUCKY ENGINEERING GROUP, PLLC., 101 High Street, Versailles, Kentucky 40383
Phone: 859.351.9849

CITY OF LEBANON, 240 West Main Street, Lebanon, Kentucky 40033.
Phone: (270) 692-6272

Printed copies of the Contract Documents may be obtained from KENTUCKY ENGINEERING GROUP, PLLC., located at 101 High Street, Versailles, Kentucky 40383 Phone: 859.251.4127, upon receipt of a non-refundable amount of \$ 200.00 for each complete set of documents. Included with the printed copy of the contract documents is an electronic download (as portable document format PDF) upon request.

All bids must be made on required Bid Form and must be fully completed and executed with original signatures and corporate seals. All bidders must be listed as plan holder by the plan distributor and must attend the mandatory pre-bid meeting.

This project is being funded by the Kentucky Department of Transportation.

Bidders must comply with President’s Executive Orders No. 11246 and No. 11375 and any amendments or supplements to those Executive Orders. Attention of bidders is particularly called to the requirements as to conditions of employment to be observed under the contract, Section 3, Segregated Facility, Section 109 and E.O. 11246.

Bidders must certify they do not and will not maintain or provide for their employees any facilities that are segregated or based on race, color, creed or national origin. Bidders must comply with 41 CFR 60-4 in regard to affirmative action and to insure equal opportunity to females and minorities, and all that are applicable. Minorities and small businesses are encouraged to submit bids on this project.

Bidders must comply with Title VI of the Civil Rights Act of 1964 Anti-Kickback Act, and the Contract Work Hours Standard Act.

Successful Bidder shall make positive efforts to use small, minority, women owned and disadvantaged businesses.

Contractor shall comply with the Federal Highway Administration (FHWA) Buy America Requirement in 23 C.F.R. § 635.410 and all relevant provisions of the Build America, Buy America Act (BABA), contained within the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, §§ 70901-52 enacted November 15, 2021. The BABA requires iron, steel, manufactured products, and construction materials used in infrastructure projects funded by federal financial assistance to be produced in the United States. Comply with 2 C.F.R § 184.

City of Lebanon reserves the right to waive any bidding informalities and to reject any or all bids, for any reason. The right is reserved by the Owner, in the exercise of its sole judgment to reject any or all Bids, and to re-advertise and award the Contract in the regular manner or to waive any informalities, irregularities, mistakes, errors, or omissions in any Bid received and to accept any Bid deemed to be responsive to this invitation and favorable to interests of the Owner.

The sealed bid for this project shall be clearly marked on the outside of the envelope: “Sealed Bid for the US 68 Sewer Main Relocation Project” for the City of Lebanon. The bid may be mailed to: City of Lebanon, 240 West Main Street, Lebanon, Kentucky 40033. A certified check or Bid Bond payable to the City of Lebanon in the amount of five (5) percent of the Bid shall accompany the Bid.

Gary D. Crenshaw, Mayor

City of Lebanon

Date: March 19, 2025

www.lebanonenterprise.com

Rick L Downs, CPA, PSC
49 Bonnie Blvd, Ste 3
Springfield, Kentucky 40069

INDEPENDENT AUDITOR'S REPORT

March 7, 2025
Mayor and the City Council
City of Lebanon
Lebanon, Kentucky

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities and the aggregate remaining fund information of the City of Lebanon, Kentucky, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In my opinion, based on my audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely remaining fund information of the City of Lebanon, Kentucky, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United State of America.

I did not audit the financial statements of Lebanon Water Works, Co., Inc., a wholly owned subsidiary, which statements reflect total assets of \$28,051,437 as of June 30, 2024 and total revenues and capital contributions of \$6,599,912 for the year then ended. Those statements were audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included Lebanon Water Works, Co., Inc., is based solely on the report of the other auditors.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the City of Lebanon, Kentucky, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Lebanon, Kentucky's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the City of Lebanon, Kentucky's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Lebanon, Kentucky's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the pension schedules and the OPES schedules and the schedule of changes in benefits and assumptions on pages 1 through 8 and 40 through 50 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lebanon, Kentucky's basic financial statements as a whole. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, based on my audit, the combining nonmajor fund financial statements and actual compared to budget are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, I have also issued my report dated March 7, 2025, on my consideration of the City of Lebanon, Kentucky's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Lebanon, Kentucky's internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City of Lebanon, Kentucky's internal control over financial reporting and compliance.

Rick L Downs, CPA, PSC

Certified Public Accountant

City of Lebanon Lebanon, Kentucky Statement of Net Position June 30, 2024				
	Governmental Activities	Business-Type Activities	Total	Component Unit
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 4,106,407	\$ 138,700	\$ 4,245,107	\$ 500,560
Investments	0	445,000	445,000	0
Receivables (net)	1,851,472	333,750	2,185,222	738,251
Internal Balance	406,902	(406,902)	0	
Inventory				251,807
Other Assets	0	48,350	48,350	18,273
Total Current Assets	6,364,781	558,898	6,923,679	1,508,891
Noncurrent Assets				
Unrestricted Investments	0	100,000	100,000	200,000
Restricted Cash and Cash Equivalents and Investments	39,926	0	39,926	2,414,971
Net OPEB Asset				45,043
Net Capital Assets (Note 4)	18,113,230	10,246,048	28,359,278	23,032,411
Total Noncurrent Assets	18,153,156	10,346,048	28,499,204	25,692,425
Deferred Outflows of Resources				
Deferred Outflows Pension	2,070,735	119,891	2,190,626	614,650
Deferred Outflows OPEB	455,562	352,864	808,426	228,840
Deferred Amount on Refunding Debt				6,631
Total Assets and Deferred Outflows of Resources	\$27,044,234	\$ 11,377,701	\$ 38,421,935	\$ 28,051,437
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 543,117	\$ 590,851	\$ 1,133,968	\$ 423,981
Accrued Payroll	217,977	48,980	266,957	31,518
Other Accrued Liabilities	176,112	20,410	196,522	125,514
Unearned Revenue	483,528	0	483,528	0
Customer Deposits	0	0	0	97,577
Current Portion of Long-Tenn Liabilities (Notes 5, 6 & 7)	565,949	17,313	583,262	738,515
Total Current Liabilities	1,986,683	677,554	2,664,237	1,417,105
Long-term Liabilities				
Other Accrued Liabilities	0	0	0	79,774
Noncurrent Portion of Long-Term Liabilities (Notes 5, 6 & 7)				
Net Pension & OPEB Liability (Note 8)	867,012	2,073,764	2,940,776	11,822,269
Total Liabilities	6,275,907	952,092	7,227,999	2,093,386
Deferred Inflows Pension	9,129,602	3,703,410	12,833,012	15,412,534
Deferred Inflows OPEB	1,450,905	198,675	1,649,580	226,185
Total Liabilities, Deferred Inflows of Resources and Net Position	2,328,946	351,676	2,680,622	714,924
NET POSITION				
Invested in Capital Assets, Net of Related Debt	16,476,574	7,652,834	24,129,408	10,478,258
Restricted for:				
Public Safety	53,982	0	53,982	0
Debt Service	0	0	0	640,794
Depreciation Reserve	0	0	0	899,979
Tourism	(165,085)	0	(165,085)	0
Unrestricted	(2,230,690)	(528,894)	(2,759,584)	(321,237)
Total Net Position	14,134,781	7,123,940	21,258,721	11,697,794
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 27,044,234	\$ 11,377,701	\$ 38,421,935	\$ 28,051,437

City of Lebanon Lebanon, Kentucky Statement of Activities For the Year Ended June 30, 2024				
Functions/ Programs	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General Government	\$ 2,322,180	\$ 175,042	\$ 49,299	\$ 0
Public Protection				
Police	2,770,610	308,272	91,254	0
Fire	582,603	2,505	57,605	0
Public Works	1,902,845	74,472	117,130	0
Parks & Recreation				
Park	984,349	3,940	0	0
Pool	780,801	112,784	0	0
Interest on Long-Tenn Debt (34 587)	34,587	0	0	0
Total Governmental Activities	9,377,975	677,015	315,288	0
Business Type Activities				
Sewer	2,312,827	2,025,425	700	630,551
Total Primaty Government	\$11,690,802	\$2,702,440	\$315,988	\$630,551
Component Unit				
Water	\$4,171,466	\$4,411,208	\$3,600	\$2,167,342

City of Lebanon Lebanon, Kentucky Statement of Activities (Continued) For the Year Ended June 30, 2024				
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Total City	\$ (8,385,672)	\$343,849	\$ (8,041,823)	\$2,410,684
General Revenues				
Taxes				
Property	1,262,965	0	1,262,965	0
Payroll and Net Profits	4,629,882	0	4,629,882	0
Insurance Premiums	1,885,691	0	1,885,691	0
Restaurant and Motel	640,917	0	640,917	0
Franchise	455,784	0	455,784	0
Investment Earnings	22,809	13,088	35,897	17,082
Donations	13,340	0	13,340	0
Other	74,562	18,439	93,001	680
Total General Revenues	8,985,950	31,527	9,017,477	17,762
Change in Net Position	600,278	375,376	975,654	2,428,446
Net Position - Beginning	13,534,503	6,748,564	20,283,067	9,269,348
Net Position - Ending	\$14,134,781	\$ 7,123,940	\$ 21,258,721	\$ 11,697,794