

City OF NEWPORT, KY
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
Monday, January 23, 2017
MINUTES

CALL TO ORDER / ROLL CALL

The meeting was called to order by Mayor Peluso at 7:00 p.m. in the Multi-Purpose Room of the Newport Municipal Building at 998 Monmouth Street. The meeting was opened with a moment for silent invocation and the mayor led the Pledge of Allegiance.

In attendance were: Commissioner Thomas Guidugli, Commissioner Frank Peluso, Commissioner Ken Rehtin, and Mayor Jerry Peluso. Absent: Commissioner Beth Fennell. Also in attendance were: City Manager Thomas Fromme, Assistant to the City Manager Larissa Sims, City Attorney Dan Braun, Police Chief Thomas Collins, Fire Chief Bill Darin, Community Services Director Doug Roell, Historic Preservation Specialist Scott Clark, Community Liaison Bev Holiday, and City Clerk Amy Able.

OATH OF OFFICE ADMINISTERED TO BOARD MEMBERS

Campbell County Judge Executive Pendery administered the oath of office to the Board.

PERSONNEL ORDERS

The city clerk read **R-2017-001**, an Order of the Board of Commissioners of the City of Newport, Kentucky **appointing Thomas L. Guidugli, Jr. to the position of mayor pro tem** in the City of Newport, Kentucky effective January 1, 2017. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Rehtin. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Guidugli: Abstain
Commissioner Rehtin: Yes Mayor Peluso: Yes Motion carried 4-0.

The city clerk read **R-2017-002**, an Order of the Board of Commissioners of the City of Newport, Kentucky authorizing City Manager Thomas J. Fromme to enter into and execute a **contract with City Solicitor Daniel R. Braun** in the office of the city manager to provide legal services for the City of Newport. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Rehtin: Yes
Commissioner Guidugli: Yes Mayor Peluso: Yes Motion carried 4-0.

The city clerk read **R-2017-003**, an Order of the Board of Commissioners of the City of Newport, Kentucky authorizing City Manager Thomas J. Fromme to enter into and execute a **contract with Assistant City Solicitor Robert E. List** in the office of the city manager to provide legal services for the City of Newport. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Rehtin: Yes
Commissioner Guidugli: Yes Mayor Peluso: Yes Motion carried 4-0.

PRESENTATIONS, AWARDS & PROCLAMATIONS

Campbell County Judge Executive Pendery and members of his staff Matt Elberfeld and Seth Cutter gave updates on county developments and upcoming events.

- The current phase of the jail expansion is nearing completion.
- RFPs will be reviewed in the coming months for a dispatch radio system. The 1968 analog system is outdated with police and fire on different bands meaning they cannot communicate directly. Only one conversation can take place at a time. There is poor building penetration in the urban core. The federal government periodically does narrow banding to make more available for sale. These factors led to review of a digital system with no wait for radio time, all on one system with better building penetration. The judge executives of Boone, Kenton and Campbell counties looked at joint design and procurement. This will maintain inner-operability and offer cost savings. Estimates are \$30m for infrastructure alone. Campbell County is covering 27.8% of the cost (weighted on various factors including average population and area size.) Following an 18-month build-out the system would be operable in late 2018. Funding will be from 9-1-1 fees. Cities will need to purchase new equipment, some grants will be available. The three counties will bid subscriber units to get better pricing. An independent consultant not associated with providers prepared the RFP. Radios for the communities were bid out by the county but cities will be able to go on their own. Timeline for activation is six months so this should be included in the fiscal year 2018 budgets. More consolidation would be needed before operating out of one center, the current plans allow for building a strong backbone, establishing relationships and trust. A mirror site and backup site would still be necessary; this is being designed as a single system and will not prohibit future discussions of consolidation.
- Regarding economic development, the county is in a strong position. While not immune to effects of the recession, the county came out strong.
- Phase 3 of the KY Rt. 9 expansion provides immense potential.
- The county is working on an incentive tool box including property assessment moratoriums.
- There is a region-wide effort to work on site-readiness and workforce readiness.
- The park system has several events and festivals planned for this year.
- County clean up days will be March 31 through April 1 with three drop off locations and a shred day on April 28 at the DAV in Cold Spring.

PUBLIC FORUM No one responded to the mayor's invitation to address the board.

APPROVAL OF MINUTES

Commissioner Peluso made a motion to approve the minutes of the regular meeting on Monday, December 12, 2016 Commissioner Guidugli offered a second to the motion. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso:	Yes	Commissioner Rehtin:	Abstain	
Commissioner Guidugli:	Yes	Mayor Peluso:	Yes	<u>Motion carried 4-0.</u>

OLD BUSINESS

The city clerk gave first reading to tentative **O-2017-001** an Ordinance amending the Code of Ordinances §32.064 **Composition of the Historic Preservation Commission**. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Rehtin. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Guidugli: Yes Commissioner Peluso: Yes
Commissioner Rehtin: Yes Mayor Peluso: Yes Motion carried 4-0.

The city clerk gave first reading to tentative **O-2017-002** an Ordinance amending the Code of Ordinances §37.210 and §37.214(c), concerning **Job Development Incentive Program** definitions and eligibility requirements. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Rehtin: Yes
Commissioner Guidugli: Yes Mayor Peluso: Yes Motion carried 4-0.

The city clerk gave first reading to tentative **O-2017-003** an Ordinance amending Article XX, Sections 20.0, 20.1, 20.4, And 20.6, of the Official Zoning Ordinance concerning criteria and procedures for determining **Reasonable Accommodation in the Land Use and Zoning Regulations for Group Homes** in accordance with Fair Housing Laws. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Rehtin: Yes
Commissioner Guidugli: Yes Mayor Peluso: Yes Motion carried 4-0.

NEW BUSINESS

The city clerk read **R-2017-004**, an Order of the Board of Commissioners of the City of Newport, Kentucky **accepting** the Commonwealth of Kentucky Department of Transportation Cabinet's **transfer of title and ownership to a certain roadway commonly known as High Rise Drive**, the rights-of-way and real property associated therewith, to the City of Newport, Kentucky. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Rehtin. Mr. Fromme explained Mr. Guidugli, Sr. of Neighborhood Foundations approached the city about taking over the "driveway" to Grand Towers which is High Rise Drive. The matter has been discussed and reviewed for several years. The State has not made necessary repairs. In discussion it was noted the road is in poor condition and at this point it is not an asset but a liability. Mr. Guidugli, Sr. stated it has been discussed since 2004 and taking possession means taking control to make it safe. The City will retain Churchill which is essentially brand new following a joint project last year with Fort Thomas. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Rehtin: Yes Commissioner Peluso: Yes
Commissioner Guidugli: Yes Mayor Peluso: Yes Motion carried 4-0.

The city clerk read **R-2017-005**, an Order of the Board of Commissioners of the City of Newport, Kentucky **transferring title, ownership, and maintenance responsibilities of a certain roadway located in the City of Newport, commonly known as High Rise Drive**, the rights-of-way and real property associated therewith to the Millennium Housing Corporation III and authorizing Mayor Jerry Peluso to execute a deed of conveyance therefore. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Rehtin. Mr. Fromme stated this is the roadway accepted by R-2017-004 (less the Churchill Drive portion) and this is a pass-through item. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Guidugli: Yes
Commissioner Rehtin: Yes Mayor Peluso: Yes Motion carried 4-0.

The city clerk read **R-2017-006**, an Order of the Board of Commissioners of the City of Newport, Kentucky **authorizing the issuance of up to \$32,000,000 Maximum Aggregate Principal**

Amount Taxable Industrial Building Revenue Bonds, Series 2017, in order to assist Newport Residential Investors, LLC, or assigns, to finance the acquisition, construction and equipping of an industrial building facility located within the City of Newport, Kentucky and to improve said facility; authorizing the issuance of additional bonds; providing for the pledge of revenues for the payment of said bonds; authorizing a lease agreement between the City of Newport, Kentucky and Newport Residential Investors, LLC, or assigns, with respect to the facility (the "agreement"); authorizing a trust indenture appropriate for the protection and disposition of such revenues and further to secure the payment of said bonds; authorizing a bond purchase agreement; authorizing a multifamily mortgage, assignment of leases and rents and security agreement, and authorizing a home office payment agreement. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Peluso. Mr. Fromme stated the original inducement was about a year ago, in October the city testified before the DLG for issuance of the IRB, it was approved in November, this is the last thing the city has to do for the project. The developer, David George, wanted to attend the meeting but is out of town on other business. It will be approximately 202 units at the site of Fourth Street Elementary at Fourth and Monmouth. There will be significant improvements made to the city's benefit, particularly Southgate Street and installation of underground utilities. The old building was built in the 1930's as a WPA project, there was no viable, cost-effective, adaptive reuse. Several developers have toured the site. The old building will be razed. Parking will be partially underground. There is an eleven foot drop in elevation from Southgate to Fourth and Monmouth. Mr. Jim Parsons, bond counsel for the project noted the property is being purchased from the Newport Board of Education and will close in February and then move forward with design. He thanked the city for assistance with the 106 review process. As part of those conditions the developer will make some improvements to the Southgate School. IRBs are conduit bonds, not a debt of the city. IN addition to 202 residential units and underground parking, there will be some commercial component. Mr. Parsons responded to questions and discussion ensued. These will be market rate rental units. The purchase price for the development was \$2.65m which benefits the NISD. One thing that makes it more difficult in the urban area is the structured parking with the soil conditions added \$1m to the cost for structured parking and "a couple hundred thousand" for asbestos removal. The wall will not stay but the materials will be used as part of the project as part of the agreement under the 106 review. Mr. Guidugli stated it is disappointing that there was no adaptive reuse but there is a positive outcome with the reinvigorated community facility in the Southgate School. Even the name "Academy on Fourth" reflects the history. The section of Southgate Street is currently brick but that section will not remain brick. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

Commissioner Guidugli: Yes Commissioner Rehtin: Yes
Commissioner Peluso: Yes Mayor Peluso: Yes **Motion carried 4-0.**

COMMENTS FROM CITY DEPARTMENT HEADS

Mr. Braun expressed appreciation also on behalf of Mr. List, for the board expressing faith in their efforts and renewing their contracts.

CITY MANAGERS COMMENTS

An end of the year report will be out to the Board by the end of the month.

COMMENTS FROM THE BOARD OF COMMISSIONERS

Commissioner Rehtin

- Thanked the board and staff for the welcome and the voters for their confidence.

Commissioner Guidugli

- Appreciates being named Mayor Pro Tem and the support of voters in being reelected and acknowledged the sacrifice of families who support elected officials even when it means time away from family.

Mayor Peluso

- Congratulations to all elected commissioners. Thanks to the voters for election for third and final term as mayor. The combined amount of experience in service to the community by the members of the board is 120 years. We have been successful in recent years. While there are challenges ahead, he feels good and confident with this board addressing those challenges as they all really care about the citizens and the city and they have a lot of experience.

ADJOURNMENT

There being no further business, Commissioner Peluso made a motion to adjourn the meeting. Commissioner Guidugli offered a second to the motion. The Mayor asked for a roll call vote.

**Commissioner Peluso: Yes Commissioner Rehtin: Yes
Commissioner Guidugli: Yes Mayor Peluso: Yes Motion carried 5-0.**

The meeting adjourned at 8:01 p.m.

Date Approved/Signed

Jerry R. Peluso, Mayor

Attest:

Amy B. Able, City Clerk