

**City OF NEWPORT, KY**  
**REGULAR MEETING OF THE BOARD OF COMMISSIONERS**  
**Monday, February 22, 2016**  
**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 Beth Fennell Commissioner Thomas Guidugli, Commissioner John Hayden, Commissioner Frank Peluso, and Mayor Jerry Peluso. Also in attendance were: City Manager Thomas Fromme, City Attorney Daniel Braun, Police Chief Thomas Collins, Acting Fire Chief Randy Childress, Historic Preservation Officer Scott Clark, Community Liaison Bev Holiday, and City Clerk Amy Able.

**PERSONNEL ORDERS**

The returning and new members in attendance were recognized and thanked for their will to serve.

The city clerk read Order **R-2016-011**, appointing **Susanne Bookser, Robbie Hall, Rich Livingood, Steve Porter, and Patty Yates to the Ethics Board** of the City of Newport, Kentucky for terms expiring on January 31, 2021. 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.

<b>Commissioner Peluso:</b>	<b>Yes</b>	<b>Commissioner Fennell:</b>	<b>Yes</b>	<b>Mayor Peluso:</b>	<b>Yes</b>
<b>Commissioner Guidugli:</b>	<b>Yes</b>	<b>Commissioner Hayden:</b>	<b>Yes</b>	<b>Motion carried</b>	<b><u>5-0.</u></b>

The city clerk read Order **R-2016-012**, appointing **John Adkins to the Code Enforcement Board** of the City of Newport, Kentucky for a two-year term expiring on January 31, 2018. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Fennell. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

<b>Commissioner Guidugli:</b>	<b>Yes</b>	<b>Commissioner Hayden:</b>	<b>Yes</b>	<b>Mayor Peluso:</b>	<b>Yes</b>
<b>Commissioner Fennell:</b>	<b>Yes</b>	<b>Commissioner Peluso:</b>	<b>Yes</b>	<b>Motion carried</b>	<b><u>5-0.</u></b>

The city clerk read Order **R-2016-013**, an order appointing **Tyler Watkins as an alternate to the Urban Design Review Board** of the City of Newport, Kentucky for a two-year term expiring on January 31, 2018. Commissioner Hayden made a **motion to approve**; second to the motion was offered by Commissioner Fennell. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

<b>Commissioner Hayden:</b>	<b>Yes</b>	<b>Commissioner Guidugli:</b>	<b>Yes</b>	<b>Mayor Peluso:</b>	<b>Yes</b>
<b>Commissioner Fennell:</b>	<b>Yes</b>	<b>Commissioner Peluso:</b>	<b>Yes</b>	<b>Motion carried</b>	<b><u>5-0.</u></b>

**PRESENTATIONS, AWARDS & PROCLAMATIONS**

Mr. Fromme gave the 2016 State of the City Address. (See attached presentation notes.)

Commissioner Fennell stated how impressive it is to review how far we've come and having done so with reduced staff is noteworthy. It's important to note the team effort from the expertise of department heads to the diligence of employees for getting grants and equipment at low costs, and everyone doing more with less.

Commissioner Guidugli commented that many successful initiatives were community driven with the City fostering and supporting those efforts. He thanked those who in recent years started the tree program, the campaign for bike rental stations, and the winning Penguins team. One of the things he is most proud of is that residents continue to lead these efforts to improvement each year.

Mayor Peluso agreed that it is a total team effort that leads to these successes. Having served on the Board since 1988, he has seen each year the momentum building especially in the last seven years but before that going back ten or fifteen years. Many need to be thanked; residents played an important role as do staff, the chiefs, and the business community. Tom Guidugli, Sr. has played a major role as a former mayor and now working to provide affordable housing - basically rebuilding parts of the City. The Commission plays an important role. A number of ingredients are needed to be successful starting with the team concept and stable government. He said the City Manager deserves a lot of credit. If we stay focused, work as a team, and stick to our vision, Newport is going to be a very exciting place to live in the coming decades.

Mr. Fromme responded that his job is made easier by the department heads and staff. He recognized the efforts of the City Attorney and Assistant who have brought in over \$200,000 last year in late fees and delinquent collections. Public safety is operating on shoe string budget. In the past there were fifty-two police officers versus forty today.

Mayor Peluso agreed Mr. Braun is very knowledgeable and is an asset. Finally, he added, people on City boards play a very important role. Those appointed are people he knows and trusts, people who are willing to serve who are very ethical. They do a great job. There are many involved in making the City a success and he thanks all who are involved.

Commissioner Fennell said with reduced staff and sometimes not a lot of money the only way it happens is with love for the City. From residents to staff, to the Board and the department heads, the only way to have this kind of success is by putting personal ambition aside and pulling together as a team.

**PUBLIC FORUM** No one present responded to the invitation to address the Board.

### **APPROVAL OF MINUTES**

Commissioner Guidugli made a **motion to approve the minutes of the regular meeting held January 25, 2016**; second to the motion was offered by Commissioner Peluso. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

<b>Commissioner Guidugli:</b>	<b>Yes</b>	<b>Commissioner Fennell: Abstain</b>	<b>Mayor Peluso: Yes</b>
<b>Commissioner Peluso:</b>	<b>Yes</b>	<b>Commissioner Hayden: Yes</b>	<b><u>Motion carried 5-0.</u></b>

Commissioner Peluso made a **motion to approve the minutes of the caucus meeting held February 8, 2016**; second to the motion was offered by Commissioner Hayden. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

<b>Commissioner Peluso:</b>	<b>Yes</b>	<b>Commissioner Fennell: Abstain</b>	<b>Mayor Peluso: Yes</b>
<b>Commissioner Hayden:</b>	<b>Yes</b>	<b>Commissioner Guidugli: Yes</b>	<b><u>Motion carried 5-0.</u></b>

### **OLD BUSINESS**

The city clerk gave second reading of tentative number **O-2016-002** an ordinance amending Ordinance O-2015-008 by **amending the adopted budget for the Community Development Fund** of the City of Newport concerning the receipts and expenditures of CDBG-R funds for the

Fiscal Year July 1, 2015 to June 30, 2016 to accommodate the **Community Development Block Grant for the Newport Home Ownership Development Project**. 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 Fennell:	Yes	Mayor Peluso:	Yes
Commissioner Guidugli:	Yes	Commissioner Hayden:	Yes		<u>Motion carried 4-0.</u>

## **NEW BUSINESS**

The city clerk read Order **R-2016-014** an order authorizing Mayor Jerry Peluso to **enter into and execute a development agreement with Neighborhood Foundations and Newport Millennium Housing Corporation III** concerning the Newport Homeownership Development Project. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Fennell. Mr. Dennis Elrod, consultant/administrator for the City's CDBG program, this is the same approach as was taken on the Nineteenth Street project and the other homeownership projects. The only way new home construction is an eligible CDBG activity is when performed by an eligible not-for-profit, subject to a development agreement with the City. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Guidugli:	Yes	Commissioner Hayden:	Yes	Mayor Peluso:	Yes
Commissioner Fennell:	Yes	Commissioner Peluso:	Yes		<u>Motion carried 5-0.</u>

The city clerk read Order **R-2016-015** an order **adopting a Residential Anti-Displacement and Relocation Assistance Plan** for the Newport Home Ownership Development Project. Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Hayden. Mr. Elrod stated this is a requirement for all CDBG projects, no one is being displaced or relocated as a result of this project nor will they be; per the State requirement, we are adopting the plan. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Fennell:	Yes	Commissioner Guidugli:	Yes	Mayor Peluso:	Yes
Commissioner Hayden:	Yes	Commissioner Peluso:	Yes		<u>Motion carried 5-0.</u>

The city clerk read Order **R-2016-016** an order **adopting Procurement Standards and a Code of Conduct to govern all procurements made** in connection with the Newport Home Ownership Development Project. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Peluso. Mr. Elrod said the only procurement the City has made or will make is for his services as consultant/administrator. All other procurements will be the responsibility of the project developer. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Guidugli:	Yes	Commissioner Fennell:	Yes	Mayor Peluso:	Yes
Commissioner Peluso:	Yes	Commissioner Hayden:	Yes		<u>Motion carried 5-0.</u>

The city clerk read Order **R-2016-017** an order **acknowledging receipt of State Clearinghouse Comments and agreeing all requirements set forth in these comments shall be met during implementation** of the Newport Home Ownership Development Project. Commissioner Hayden made a **motion to approve**; second to the motion was offered by Commissioner Fennell. Mr. Elrod stated every State agency (such as Fish and Wild Life, Division of Water, Air Quality, etc.) gets a chance to comment. Following that period either the State Clearinghouse endorses the project or they do not. All of our past projects have been endorse. Germane items that then need to be followed tend to be things such as: demolition activity must be properly permitted with debris going to an approved land fill, etc. Through the development

agreement, the City is passing these responsibilities to the developer. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Hayden: Yes      Commissioner Guidugli: Yes      Mayor Peluso: Yes  
Commissioner Fennell: Yes      Commissioner Peluso: Yes      Motion carried 5-0.

The city clerk read Order **R-2016-018** an order **approving and adopting Revolving Fund Guidelines for receipt and use of program income resulting from implementation** of the Newport Home Ownership Development Project. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Fennell. Mr. Elrod explained there are not enough grant funds for all eight units, we must get through the first phase and sell some of those to get to the second phase. The development agreement states, as was done with the Nineteenth Street project, all the money raised goes back into the fund for homeownership. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes      Commissioner Guidugli: Yes      Mayor Peluso: Yes  
Commissioner Fennell: Yes      Commissioner Hayden: Yes      Motion carried 5-0.

The city clerk read Order **R-2016-019** an order **declaring 224 and 226 Forrest Street surplus real properties** and authorizing Jerry R. Peluso, Mayor, to execute deeds and any necessary documents for the sale of such properties owned by the City of Newport, Kentucky to the Newport Millennium Housing Corporation III and making written determination pursuant to KRS 82.083(2). Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Fennell. Mr. Fromme stated the properties had been owned by Trauth and were transferred to the City. Both were condemned years ago and the (combined) appraisal amount of \$5,200 is a land value. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes      Commissioner Guidugli: Yes      Mayor Peluso: Yes  
Commissioner Fennell: Yes      Commissioner Hayden: Yes      Motion carried 5-0.

The city clerk read Order **R-2016-020** an order **approving an Interlocal Cooperation Agreement** among the City of Newport, Kentucky and other parties thereto regarding the Kentucky Bond Development Corporation and authorizing such corporation **to issue bonds** in one or more series, payable solely from revenues to be derived from a loan agreement with the Roman Catholic Diocese Of Covington **to finance or refinance the costs of the acquisition, construction, installation and equipping of educational facilities for use by the Roman Catholic Diocese of Covington and its affiliated organizations**. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Fennell. Mr. Roger Peterman of Dinsmore and Shohl, LLP explained multiple cities will participate under a program coordinated by the Kentucky League of Cities (KLC) to issue bonds for projects for non-profit purposes, in this case several school projects. These bonds are not payable by the cities, but are issued to benefit development, healthcare, or education. To take advantage of federal tax law they are issued by cities. The KLC established the Kentucky Bond Development Corporation to be issuer of the bonds. This agreement is an authorization by the City to allow the issuer to issue bonds. This is a refinance of existing debt for Newport Catholic. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes      Commissioner Guidugli: Yes      Mayor Peluso: Yes  
Commissioner Fennell: Yes      Commissioner Hayden: Yes      Motion carried 5-0.

#### **COMMENTS FROM THE DEPARTMENT HEADS**

Mr. Braun echoed the earlier statements from the Board about the team effort attributing to success of the City and has only gotten better over the past several years even with the

reduction of staff. He and the Assistant City Attorney work with no additional support staff and work well with Mr. Fromme. The indication today about the progress of the City, especially what was seen in 2015, is incredible and we see more ahead.

**COMMENTS FROM THE BOARD OF COMMISSIONERS**

Mayor Peluso

- Wednesday, February 24 will be the Newport Business Association annual meeting and awards.

**ADJOURNMENT**

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

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

**The meeting adjourned at 7:47 p.m.**

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Date Approved/Signed

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Jerry R. Peluso, Mayor

Attest:

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Amy B. Able, City Clerk