

**City OF NEWPORT, KY**  
**REGULAR MEETING OF THE BOARD OF COMMISSIONERS**  
**Monday, May 20, 2019**  
**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, Jr., Commissioner Frank Peluso, Commissioner Ken Rehtin, and Mayor Jerry Peluso. Also in attendance were: City Manager Thomas Fromme, Assistant City Manager Larisa Sims, City Attorney Daniel Braun, Police Chief Tom Collins, Fire Chief Bill Darin, Community Services Director Doug Roell, Historic Preservation Officer Scott Clark, Community Liaison Bev Holiday, and City Clerk Amy Able.

**PERSONNEL ORDERS**

The city clerk read **R-2019-035**

AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY APPOINTING **JOSEPH KLARE AS A MEMBER OF THE PLANNING AND ZONING COMMISSION** OF THE CITY OF NEWPORT, KENTUCKY FOR A TERM EXPIRING JANUARY 31, 2021.

Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mayor Peluso recognized Mr. Klare and thanked him for accepting the appointment. The mayor called for a roll call vote.

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

**PRESENTATIONS, AWARDS AND PROCLAMATIONS**

A preview of the Historic Preservation Awards to be held May 22 was given by Scott Clark. Several Newport properties will be recognized: Historic Commercial Restoration at 402 Overton St., Clair Canter/Mansion Hill Bridal; Rehabilitation Residential at 938 York Street, Christopher Sampson; Rehabilitation Residential at 54 Parkview Avenue, Simone Kuzma; Tax Credit Renovation at 1001 Monmouth Street, Newport Millennium Housing Corp. III; Historic Rehabilitation at 722 Washington Avenue, Mark Wrench; and Adaptive Reuse-Commercial at 1104 Lowell Street, Ken Lewis, New Riff Distillery. Also this month, residents Michael and Catherine McElwain will receive the Service to Preservation Award from the Kentucky Heritage Council.

The city clerk read **R-2019-036**

AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY, AUTHORIZING MAYOR JERRY PELUSO TO PROCLAIM THE MONTH OF MAY AS "HISTORIC PRESERVATION MONTH" IN THE CITY OF NEWPORT, KENTUCKY.

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

### PUBLIC FORUM

Mr. Richard Burkhard, a resident of Victoria Square asked about the Ovation Development stating a rendering in the media showed it extending south of Fifth St. Mr. Fromme said the project will not cross Fifth St. Mr. Burkhard asked if tenants are required to get a rental license; Mr. Fromme explained that rental licenses are obtained by the property owners.

### APPROVAL OF MINUTES

Commissioner Peluso made a motion to approve the minutes of the Monday, April 22, 2019 regular meeting. Commissioner Fennell offered a second to the motion. Upon hearing there were no changes, corrections, comments or questions, the mayor called for a roll call vote.

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

### OLD BUSINESS

The city clerk gave second reading by title and summary of **O-2019-007**

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY **AMENDING THE BUDGET FOR THE CITY FOR THE FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019, CONCERNING VARIOUS LINE ITEMS.**

Commissioner Peluso 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.

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

The city clerk gave second reading by title and summary of **O-2019-008**

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY **CREATING AND PERMITTING NON-EXCLUSIVE FRANCHISE AGREEMENTS FOR THE USE OF CITY OWNED PROPERTY, STREETS, AND RIGHTS-OF-WAY FOR THE INSTALLATION AND OPERATION OF CELLULAR AND WIRELESS COMMUNICATION SYSTEMS AND SERVICES.**

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.

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

The city clerk gave second reading by title and summary of **O-2019-009**

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY **CLOSING AND VACATING PARTS OF PINES ALLEY AND MILLER ALLEY IN THE CITY OF NEWPORT, CAMPBELL COUNTY, KENTUCKY.**

Commissioner Peluso 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.

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

### NEW BUSINESS

The city clerk read **R-2019-037**

AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY AUTHORIZING AND DIRECTING MAYOR JERRY PELUSO TO EXECUTE A GENERAL WARRANTY DEED FOR THE **SALE AND TRANSFER OF TITLE TO VARIOUS REAL PROPERTY TO HEALTHPOINT FAMILY CARE, INC.** PURSUANT TO THE TERMS AND CONDITIONS OF THE REAL ESTATE DEVELOPMENT AND PURCHASE AGREEMENT BETWEEN THE CITY AND HEALTHPOINT.

Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Peluso. Mr. Fromme stated the development agreement has been approved for the property, the old city stables, on East Eleventh. Renovation of the historic structure is expected within eighteen months. This will provide significant payroll to the city and a service to the community. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2019-038**

AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY (THE "CITY"), AUTHORIZING AND DIRECTING MAYOR JERRY PELUSO TO EXECUTE A **MEMORANDUM OF AGREEMENT BETWEEN THE CITY AND WORLD PEACE HOSPITALITY** LIMITED LIABILITY COMPANY, A KENTUCKY LIMITED LIABILITY COMPANY (THE "COMPANY") RELATING TO THE ACQUISITION, CONSTRUCTION, EQUIPPING AND INSTALLATION OF A MIXED-USE COMMERCIAL AND OFFICE DEVELOPMENT TO BE LOCATED WITHIN A DOWNTOWN BUSINESS DISTRICT AS DESIGNATED BY THE CITY (THE "PROJECT"); AGREEING TO UNDERTAKE THE ISSUANCE OF INDUSTRIAL BUILDING REVENUE BONDS AT THE APPROPRIATE TIME TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING, EQUIPPING AND INSTALLING SAID PROJECT AND FACILITIES; AND TAKING OTHER PRELIMINARY ACTION.

Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mr. Fromme introduced Mr. Shaun Pan and explained this essential element of downtown re-development has been a three-year project, the preliminary concept includes a hotel, a parking garage (above-ground), and a building with office and retail space between Fourth and Fifth Streets, and Monmouth and York Streets. The first phase would be for the hotel (likely a Home II Suites by Hilton) and parking structure (with some façade included and 350 spaces where 144 are needed), and the second phase would be the office building. There have been preliminary discussions with a possible tenant. The project will go before the Urban Design Review Board and a Conditional Use Permit will be required for a hotel in the CBD Zone. Mr. Fromme stated Mr. Pan and his partners have been most diligent, they are excellent community partners, and take great pride in their work including the recent success of the Hampton Inn which has had 92% occupancy. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2019-039**

AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY AUTHORIZING THE FIRE/EMS CHIEF, WILLIAM DARIN TO EXECUTE THE NORTHERN KENTUCKY FIREFIGHTERS ASSOCIATION **MUTUAL AND AUTOMATIC ASSISTANCE CONTRACT.**

Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Peluso. Chief Darin explained the Kentucky Board of Emergency Medical Services added a new rule; in turn, the 34 departments in Northern KY had to add a section to the mutual aid

contract and allow for an appendix for future rule changes to be reflected in the contract. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2019-040**

AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY AUTHORIZING AND DIRECTING THE CITY MANAGER TO ISSUE PURCHASE ORDERS FOR THE PURCHASE OF **TWO 2019 FORD F 350 4WD TRUCKS AND A CLARK FORKLIFT** FOR USE IN THE PUBLIC WORKS DEPARTMENT.

Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mr. Roell stated a 1989 and 1994 model are being replaced. The new vehicles will be equipped with plows and salt spreaders. A forklift has been needed for some time, using the skid steer as a work-around has its limits. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2019-041**

AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY AUTHORIZING AND DIRECTING CITY MANAGER THOMAS J. FROMME TO EXECUTE A CONTRACT WITH MOBILECOM AND MOTOROLA SOLUTIONS, INC. FOR PURCHASE OF A **NEW RADIOS FOR USE IN THE PUBLIC WORKS DEPARTMENT.**

Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Peluso. Mr. Roell stated this will allow communication with Police and Fire as well as the various public works department throughout the county in the event of a catastrophic event or during severe weather. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2019-042**

AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY AUTHORIZING CITY MANAGER THOMAS J. FROMME TO MAKE APPLICATION(S) FOR, ENTER INTO AGREEMENT(S) WITH, ACT AS THE AUTHORIZED CORRESPONDENT FOR, AND TO SIGN ANY DOCUMENTATION NECESSARY TO FACILITATE AND ADMINISTER **PROJECT(S) WITH THE KENTUCKY OFFICE OF HOMELAND SECURITY (KOHS).**

Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mr. Fromme noted the pending grant application is for assistance with the purchase of patrol rifles. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2019-043**

AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY AUTHORIZING AND DIRECTING MAYOR JERRY R. PELUSO TO **EXECUTE AN AGREEMENT BETWEEN THE COMMONWEALTH OF KENTUCKY**

**TRANSPORTATION CABINET AND THE CITY OF NEWPORT CONCERNING THE US 27 (SOUTH MONMOUTH PHASES I AND II) PROJECT / ITEM NO. 06-00451.00**

Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mrs. Sims stated this order and the next on the agenda relate to the OKI grants received for South Monmouth; the projects were combined to streamline and save on costs. There is a two-year window for the work. Phase I includes pedestrian and bicycle improvements to the underpass. Phase II is from Carother's Road to the boundary at Southgate for sidewalk and streetscape improvement and access management to businesses. Underground utilities will be considered. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2019-044**

**AN ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY APPROVING THE SELECTION OF AND AUTHORIZING AND DIRECTING CITY MANAGER THOMAS FROMME TO EXECUTE AN AGREEMENT WITH INTEGRATED ENGINEERING, PLLC. CONCERNING THE SOUTH US 27/ MONMOUTH STREET IMPROVEMENT PROJECT.**

Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mrs. Sims said five proposals were reviewed. Mr. Baker, the engineer, was present. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

The city clerk gave first reading by title and summary of **O-2019-010**

**AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY AMENDING SECTION 32.133 OF THE CODE OF ORDINANCES CONCERNING MEETINGS OF THE PLANNING AND ZONING COMMISSION.**

Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Fennell. Mr. Braun stated this is simply clearing up the language. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

**COMMENTS FROM CITY MANAGER**

- Preparation of the annual budget continues. Pension costs remain a great concern; the extension of the increase is no resolution and that is only one aspect of the budget. Payroll revenue has grown since 2005 from \$4.7m to over \$7m today, remaining the largest revenue stream. Property tax is only \$2.2m of the \$20m budget. Insurance premiums are \$3m, occupational fees are \$2m. Franchise fees from utilities are declining. Urban areas need a solution such as local option sales tax.

**COMMENTS FROM THE BOARD**

Commissioner Fennell:

- OKI grant funds continue to benefit local communities including the RedBike and Carothers Road projects. The hard work invested in such cooperative relationships pays off.

Commissioner Guidugli:

- Encouraged residents to vote on Primary Election Day.
- The Taste of Newport will be on June 2. Thanks to the sponsors, Heritage Bank, Newport

on the Levee, Hampton Inn, and John Nolan Service.

Commissioner Rehtin:

- Thanked Mrs. Sims for her service on the KLC Board which has represented well the interest of cities on several of the issues brought up by the City Manager.
- Echoed the call for voting on Primary Election Day, Federal services depend on voter turnout.
- Commended ReNewport for the work they take on including efforts with the schools and developing a blue ribbon task force to address difficult third-rail issues.
- SD1 Rate Changes are coming which may surprise many. Because of conservation efforts impacting their use-based billing, a greater base rate will be enacted (with the average increasing from \$16 to \$34). The change was approved by the SD1 Board and two of the three fiscal courts (Kenton and Campbell County Fiscal Courts voted in favor, following a vote against by Boone County.) He has requested: a copy of the study said to demonstrate there would not be a disproportionate effect on low-income households; the MOU and criteria for assistance through Brighton Center; and the timeline of the rate change.

Mayor Peluso:

- Regarding the recent SD1 rate change, he thanked Commissioners Rehtin and Peluso for attending the meetings and speaking up for residents.
- Thanked Commissioner Peluso for asking the Campbell County Fiscal Court to help fund the only public swimming pool in the County, Veterans Pool in Newport.

### **EXECUTIVE SESSION**

Commissioner Guidugli made a motion to enter executive session as allowable under KRS 61.810 (1) (c) for discussion of proposed or pending litigation against or on behalf of the city. Commissioner Peluso made a second to the motion. Mr. Braun stated that no action was anticipated this evening and a return to regular session was not expected. The executive session will convene immediately following final comments from the Board. Upon hearing there were no comments or questions, the mayor called for a roll call vote at 8:20.

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

### **ADJOURNMENT**

Commissioner Peluso made a motion to adjourn; second to the motion was offered by Commissioner Fennell at 8:21.

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

The Board reconvened in executive session on the first floor of the city building at approximately 8:25 with Commissioners Fennell, Guidugli, Rehtin, and Peluso, Mayor Peluso, and Mr. Fromme present.

Following a motion and second to exit the executive session, carried by voice vote, there being no further business, **the meeting adjourned at 8:50 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