

City OF NEWPORT, KY
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
Monday, November 19, 2018
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 Capt. Klaserner, HR Coordinator Terry Fornash, Historic Preservation Officer Scott Clark, Community Liaison Bev Holiday, and City Clerk Amy Able.

PRESENTATIONS, AWARDS & PROCLAMATIONS

Campbell County Judge Executive Steve Pendery and NKADD Executive Director Lisa Cooper presented grant funds in the amount of \$5,000 for equipment for Buena Vista Park. The Fiscal Court submitted the project to DLG. Judge Pendery noted that Representative Dennis Keene was also involved in securing the grant funding.

PUBLIC FORUM

No one present responded to the Mayor's invitation to address the Board.

APPROVAL OF MINUTES

Commissioner Guidugli made a motion to approve the minutes of the Monday, October 15, 2018 regular meeting, and the Monday, October 29, 2018 special meeting. Commissioner Peluso 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 Guidugli:	Yes	Commissioner Rehtin:	Yes	Mayor Peluso:	Yes
Commissioner Peluso:	Yes	Commissioner Fennell:	Yes	<u>Motion carried 5-0.</u>	

NEW BUSINESS

The city clerk gave first reading of **O-2018-012**

**AN ORDINANCE AMENDING SECTION 2.2 AND 9 OF COMMISSIONERS
ORDINANCE 2007-016 REGARDING THE ESTABLISHMENT AND DESIGNATION OF
THE DEVELOPMENT AREA AND LOCAL PARTICIPATION AGREEMENT
PROVISIONS OF THE DEVELOPMENT PLAN FOR THE OVATION PROJECT.**

Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mr. Tom Banta, Managing Director of Corporex addressed the Board and responded to questions. He was accompanied by Mr. Casey Bolton of Commonwealth Economics. Corporex is funding Phase I rather than having bonds issued due to the speculative nature and \$70m investment required for the first phase involving the "podium". Sixty percent of the land has been acquired and there has already been \$1m in infrastructure. The development plan called for a thirty-year window in a 35-year process; for the State to approve requested modifications there is a need to extend the period to forty years. The requested extension is to 2047 (meaning 29 years remain). This changes the determination date of the bonds. Current plans call for 942 residential units, just under one million square feet of office space, 524 hotel rooms, and 380,000 square feet of retail, entertainment, and restaurant space. Estimated economic impact includes 4,395 direct and 3,800

indirect jobs. The project requires approval from the Army Corps of Engineers. There is no plan to remove and replace (a portion of) the earthen levee with concrete; the two-level parking structure with a vertical structure above will be an improvement to the existing levee. Upon hearing all comments and questions, the mayor called for a roll call vote.

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

The city clerk gave first reading of **O-2018-013**

AN ORDINANCE PURSUANT TO SECTION 71.60 OF THE CODE OF ORDINANCES AMENDING THE ONE-WAY STREET SCHEDULE IN CHAPTER 73, **CHANGING THE RESTRICTIONS TO THE DIRECTION OF TRAFFIC ON FOURTH AND FIFTH STREET NEAR VETERANS MEMORIAL BRIDGE**

Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. This updates a table in the codification to reflect the new traffic pattern at the Rt. 9 traffic circles. After asking for 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	<u>Motion carried 5-0.</u>	

The city clerk read Order **R-2018-070**

AN ORDER AUTHORIZING THE CITY MANAGER TO ENTER INTO AGREEMENTS WITH CUSTOM DESIGN BENEFITS TO ACT AS THE CITY'S THIRD-PARTY ADMINISTRATOR WITH VARIOUS INSURANCE COMPANIES AND WITH BEAM DENTAL TO PROVIDE FOR THE CITY OF NEWPORT'S **EMPLOYEES' HEALTH AND DENTAL INSURANCE NEEDS.**

Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Peluso. Ms. Lisa Stamm of Sherrill Morgan and Associates reviewed the process and recommendations. Five stop loss carriers quoted with the renewal (Optum) offer flat and several better than flat and Sun Life at a 12% decrease in premium. From the fully insured market only Humana submitted a quote (a 27% increase). The recommendation from the Health Insurance Committee and SDMA is to continue with third-party administrator Custom Design Benefits, stop loss coverage moved to Sun Life, renew with Beam Dental (3% increase), increase the specialty drug co-pay to \$150 (which may be offset by manufacturer assistance), and increase to the new maximum for flex. 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	<u>Motion carried 5-0.</u>	

The city clerk read Order **R-2018-071**

AN ORDER GRANTING A **PROPERTY ASSESSMENT MORATORIUM** TO 402 OVERTON, LLC (APPLICANTS CLAIRE CANTER, RICHARD CANTER, AND AMANDA CANTER) RELATING TO THE RESTORATION OF PROPERTY AT **402 OVERTON STREET, NEWPORT, KENTUCKY**

Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. The former grocery will be a boutique with living space above. Mr. Clark noted the property rehabilitation is a State tax credit project; the artificial stone front has been removed revealing original cast iron work. 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	<u>Motion carried 5-0.</u>	

The city clerk read Order **R-2018-072**

AN ORDER REAPPOINTING COMMISSIONER ELISABETH FENNEL AS REPRESENTATIVE AND APPOINTING LARISA SIMS AS ALTERNATE FROM THE CITY OF NEWPORT, KENTUCKY TO THE **OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS.**

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

Commissioner Fennell thanked the other Board members and commented that through staff efforts and cooperation with OKI, millions of dollars in transportation money has helped the City including funding the Carother's Road project. The underpass renovation and work for the remaining portion of Carother's are on the list.

The city clerk read Order **R-2018-073**

AN ORDER ACCEPTING THE BOARD OF COMMISSIONERS **MEETING SCHEDULE FOR THE YEAR 2019.**

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.

At 7:40 the Mayor called for a recess to enter a meeting of the City of Newport Public Properties Corporation. Commissioner Peluso made a motion to recess from the regular meeting of the Board of Commissioners and to convene the City of Newport Public Properties Corporation; second to the motion was offered by Commissioner Guidugli. The mayor called for a vote.

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

CITY OF NEWPORT, KENTUCKY, PUBLIC PROPERTIES CORPORATION MEETING

The meeting convened at 7:40. Mayor Peluso, Commissioners Peluso, Guidugli, Rehtin and Fennell were in attendance. Mr. Fromme reviewed some history and explained years ago various bonded properties were in the name of the Public Properties Corp. such as the old city garage, the old stadium, Riverside Ford and the NOL parking garage. The recommendation here is for the Public Properties Corporation to accept ownership of the old landfill with the Public Properties Corporation's scope being expanded to be more fitting. There is no new or additional liability as the City has already been paying for maintenance for thirty years per EPA requirements. This cannot be challenged because of the consent decree settling the federal litigation. The landfill was originally sold to the Port Authority (in the late 1970's/early 1980's) for \$1 and litigation (of EPA matters) concluded in the 1990's. A reverter clause from the early 1980's was removed in the 1990's. The Port Authority has now agreed to turn the site back over. Should there be any future use, any revenue generated would go to the owner (which will now be the Public Properties Corporation, not the Port Authority.) The City cannot re-annex property that is not contiguous or which is completely surrounded by another City (here, Wilder); therefore, the property will transfer to the Public Properties Corporation.

Commissioner Peluso made a **motion to approve Resolution 2018-002** authorizing the **execution and filing of amended and restated articles of incorporation of the City of Newport Public Properties Corporation**; 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.

Commissioner Guidugli made a **motion to approve Resolution 2018-003** authorizing the **transfer of ownership of the old landfill site** from the Newport Port Authority; 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.

Commissioner Fennell made a **motion to adjourn** the meeting of the City of Newport Public Properties Corporation; second to the motion was offered by Commissioner Peluso. Upon hearing no objection, 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.

Commissioner Fennell made a **motion to reconvene the regular meeting of the Board of Commissioners**; second to the motion was offered by Commissioner Guidugli. 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.

COMMENTS FROM THE CITY MANAGER

- There have been many challenges following the recession since the inception of Ovation in 2006 but it will be as great as expected and the impact of the Route 8 and 9 improvement is coming into focus. There have been significant developments along the corridor and this will continue in the ongoing response to the call to “invest in the West.”
- Christmas Tree lighting will be December 1 at 5.
- Pearl Harbor Memorial Service will be December 2 at noon.

COMMENTS FROM THE BOARD

Board members wished everyone a Happy Thanksgiving.

Mayor Peluso

- After witnessing a recent aggressive interaction everyone is reminded to be alert and use caution if approached by panhandlers as such situations can be scams or turn dangerous.

ADJOURNMENT

There being no further business, Commissioner Guidugli made a **motion to adjourn**; second to the motion was offered by Commissioner Fennell. 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 meeting adjourned at 8:00 p.m.

Date Approved/Signed

Jerry R. Peluso, Mayor

Attest:

Amy B. Able, City Clerk