

City OF NEWPORT, KY
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
Monday, November 28, 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 Thomas Guidugli, Commissioner John Hayden, Commissioner Frank Peluso, and Mayor Jerry Peluso. Absent: Commissioner Beth Fennell. Also in attendance were: City Manager Thomas Fromme, Assistant to the City Manager Larissa Sims, Assistant City Attorney Robert List, Police Chief Thomas Collins, Fire Capt. Randy Childress, Historic Preservation Officer Scott Clark, Community Liaison Bev Holiday, and City Clerk Amy Able.

PUBLIC FORUM

Ms. Heidi Fausz announced the 23rd **'Annual East Row Victorian Christmas Tour** on December 3 and 4. Nine properties will be on the tour which is the biggest fundraiser for the East Row.

Mr. Don Spaulding announced the **Newport Parks Renaissance Commission** will be showing "It's a Wonderful Life" at 7 p.m. on December 17 at St. Vincent DePaul Church in the Clifton Neighborhood.

APPROVAL OF MINUTES

Commissioner Peluso made a motion to approve the minutes of the regular meeting on Monday, October 24, 2016 and the caucus meeting on November 14, 2016. Commissioner Hayden 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 Guidugli:	Yes	
Commissioner Hayden:	Yes	Mayor Peluso:	Yes	<u>Motion carried 4-0.</u>

OLD BUSINESS

The city clerk gave second reading to tentative **O-2016-023**, an Ordinance of the Board of Commissioners of the City of Newport, Kentucky **creating an Energy Project Assessment District (EPAD)** within the City pursuant to the provisions of KRS 65.205-.209 and establishing a program to advance conservation and efficient use of energy and water resources. Commissioner Guidugli made a **motion to approve**; 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.

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

NEW BUSINESS

The city clerk read **R-2016-076**, an Order of the Board of Commissioners of the City of Newport, Kentucky authorizing Mayor Jerry Peluso to enter into and execute a **master development agreement with the Greater Cincinnati Energy Alliance**. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. (The city clerk exited the meeting.) Mrs. Sims addressed the Board and introduced representatives from GCEA, Mr. Chris Jones and Mr. Jerry Schmits. This is a follow up to the creation of the district, GCEA will be contracted to administer the projects. They will help identify projects and walk applicants through

the process. Outreach and marketing are the next steps, program information is on the city website. Upon hearing there were no further comments or questions, the mayor called for a roll call vote. The city attorney called the roll.

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

The city attorney read **R-2016-077**, an Order of the Board of Commissioners of the City of Newport, Kentucky authorizing the city manager to enter into an **agreement with Custom Design Benefits to act as the city's third party administrator with various insurance companies** 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 addressed the Board and responded to questions. Recommendations are to stay with third-party administrator Custom Design Benefits and stop-loss carrier Optum, to not change plans and not increase premiums. Changes recommended are an increase to the specific deductible (from \$60k to \$65k). With that change the City's increase in premium will be 3.4% and the increase in total fixed costs will be 3.5%. (The city clerk returned.) It is being recommended that spouses be allowed to stay on the plan (even if they have coverage available from work) but that they enroll in the True Cost plan. An increase to the flex spending maximum is recommended from \$2,550 to \$2,600. A genetic testing program for pharmaceuticals is being recommended to reduce adverse drug reactions and wasteful spending by detecting if certain drugs would be dangerous or ineffective for individuals (currently over 400 drugs can be screened for with the oral rinse test). Initially this program would be offered at the Care Here clinic at the discretion of the provider but would later be administered at pharmacies when certain drugs are prescribed. Overall the cost is down 3%. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2016-078**, an Order of the Board of Commissioners of the City of Newport, Kentucky authorizing Mayor Jerry Peluso to enter into and execute a **real estate development and purchase agreement with O'Neil & Kukla, LLC concerning the real property located at 15 East Seventh St.** including options for the lease or purchase of certain real property owned by the City of Newport located at 17 East Seventh Street and 25 East Seventh street relating to the development thereof pursuant to the terms and conditions set forth therein. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mr. Fromme explained this is the property that was once Sylvia's restaurant and has had several short-term businesses since then. Mr. Glenn Kukla, Mr. Daniel Streicher, and Mr. Jay Voss were introduced and addressed the Board stating the "E7" project will be an \$8-10m project bringing up to 200 jobs if fully occupied with an addition of up to 40k square feet; it will be built to suit. With this approval they will move forward with the rest of due diligence, design and marketing with hopes of attracting a large single or two-user tenant commercial space. There have been preliminary discussions with architects, engineers, general contractors, environmental assessors, surveyors, and they have identified a creative source for financing through Kentucky new market tax credits and a Saint Louis investor to partner with and a list of ten potential tenants has been developed. The Board thanked the developers for their past work on the Marx Cromer project and for this exciting proposal. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2016-079**, an Order of the Board of Commissioners of the City of Newport, Kentucky authorizing Mayor Jerry Peluso to enter into and execute a **development agreement with Pegasus Project, LLC concerning a 5.50 acre riverfront parcel** of real property owned by the City of Newport pursuant to the terms and conditions set forth therein. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Hayden. Mr. Fromme stated there were many drafts and extensive negotiations to arrive at this agreement and this is only the beginning. Many options are being considered. He added this is the group that brought the Newport Pavilion to completion. Mr. Charles Townsend was introduced and addressed the Board stating they are excited about the potential and are at beginning stages of due diligence; it is perceived that the best use will be mixed-use and it will continue the development along the riverfront with goals to create a pedestrian friendly environment. Mr. Fromme added this will be a nice centerpiece for Riverfront Commons. The Board thanked Mr. Townsend for his past involvement finishing the Pavilion with great attention to detail and for his vision. The mayor invited any questions or comments and a member of the audience (unidentified) expressed an interest in preservation of the large poplar tree on the riverfront. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2016-080**, an Order of the Board of Commissioners of the City of Newport, Kentucky authorizing Mayor Jerry Peluso, City Manager Thomas Fromme, and Historic Preservation Officer/Specialist Scott Clark to enter into and execute a **programmatic agreement with the Kentucky State Historic Preservation Officer and the Advisory Council** on Historic Preservation for the administration of the City's community development programs. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mr. Clark addressed the Board explaining the purpose is to streamline the work of the Heritage Council and the City's Historic Preservation office. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2016-081**, an Order of the Board of Commissioners of the City of Newport, Kentucky **declaring certain personal property of the City of Newport as surplus** and authorizing disposal in accordance with state law. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Hayden. It is most likely this item will be sold through online auction. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

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

The city clerk read **R-2016-082**, an Order of the Board of Commissioners of the City of Newport, Kentucky **reappointing commissioner Elisabeth Fennell as representative** and J. Gregory Tulley 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 Hayden: Yes
Commissioner Guidugli: Yes Mayor Peluso: Yes Motion carried 4-0.

The city clerk read **R-2016-083**, an Order of the Board of Commissioners of the City of Newport, Kentucky an order accepting the board of commissioners **meeting schedule** for the year 2017. 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 Hayden: Yes
Commissioner Guidugli: Yes Mayor Peluso: Yes **Motion carried 4-0.**

The city clerk gave first reading to tentative **O-2016-024**, an Ordinance of the Board of Commissioners of the City of Newport, Kentucky amending various sections of the Official Zoning Ordinance of the City of Newport, Kentucky. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mr. Braun explained there are several changes being made for consistency or clarity. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

The city clerk gave first reading to tentative **O-2016-025**, an Ordinance of the Board of Commissioners of the City of Newport, Kentucky establishing the "York Street Local Historic District" and establishing the boundaries therefore. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Peluso. Mr. Clark gave a presentation on the District and the reason for the designation. He thanked Mr. Ed Davis and Ms. Margo Warminski for all the work preparing the proposal. Mr. Nick Miller, Chair of the Historic Preservation Commission, thanked the Board for their support and Mr. Clark and everyone who has contributed. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

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

COMMENTS FROM CITY DEPARTMENT HEADS

Mr. Braun stated it has been a pleasure working with Mr. Townsend and the Pegasus group as well as Mr. Kukla on the development agreements.

CITY MANAGERS COMMENTS

- There will be a celebration to open the new Overlook Park on November 30, it is anticipated there will be a naming of the park and dedication at some point in the future. This greenspace, constructed during repair to the Taylor Creek culvert, will be a great compliment to the rest of Riverfront Commons. Provisions such as electric and water were included.
- The Christmas Tree lighting will be on December 3 at 5:00.
- There will be a Pearl Harbor Memorial on Sunday, December 4 at noon at Gen. James Taylor Park.

COMMENTS FROM THE BOARD OF COMMISSIONERS

Commissioner Guidugli

- It's an exciting time with investment with "E7" coming in. And the new York Street Historic District will spur investment and provide great opportunities.

Mayor Peluso

- Pleased to know Mr. Schmits will now be a part of GCEA.
- A heroine response update will be part of the NBA meeting on November 30.
- There will be an open house at the Detention Center on December 1.
- There will be an open house of the Health District on December 1.

ADJOURNMENT

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

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

The meeting adjourned at 8:27 p.m.

Date Approved/Signed

Jerry R. Peluso, Mayor

Attest:

Amy B. Able, City Clerk

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