

CAMPBELL COUNTY FISCAL COURT MINUTES

FEBRUARY 21, 2018

A regular meeting of the Campbell County Fiscal Court was held on Wednesday, February 21, 2018 at 5:30p.m. at the Campbell County Administration Building, Fiscal Court Chambers, 1098 Monmouth Street, Newport, Kentucky.

Cable Access was present to film the public hearing and meeting.

Preceding the opening of the Fiscal Court meeting, a public hearing was held at 5:30 p.m. to receive public comment on the issuance of tax-exempt bonds for Continental Silver Grove LLC. Present at the hearing were:

Steve Pendery, Judge Executive
Charlie Coleman, County Commissioner
Tom Lampe, County Commissioner
Brian Painter, County Commissioner
Steve Franzen, County Attorney
Matt Elberfeld, County Administrator
Paula Spicer, Fiscal Court Clerk
Kim Serra, Assistant County Administrator
Colonel Craig Sorrell, Police Chief
Frank Spataro, Human Resources Director
Will Weber, Development and Communications Manager

Judge Pendery introduced Jim Parsons, counsel for the Continental Silver Grove bond issue. Mr. Parsons explained that a public hearing is required any time there is an application for tax-exempt private activity bonds. Continental has requested that the Fiscal Court issue up to \$18 million tax-exempt bonds (the interest on the bonds is exempt from federal income tax) for an expansion project. The bonds are not the debt of the County, Continental is exclusively responsible for repayment of the bonds. These types of bonds are commonly issued and are for private development. John Fessler, 224 East 2nd Street, Silver Grove, requested that the bond issue be put on hold until a later date. Continental requested that property zoned RE be rezoned to I-4. The Silver Grove City Council denied the zone change and Continental appealed the decision to the Circuit Court. His understanding is that Continental wants to build a truck terminal accommodating 180-200 trucks per day within 150 feet of residents on Route 8. The property is currently flooded. Mr. Fessler requested that until the litigation is settled, the issue be put on hold. A woman in the audience asked if there is any risk to the County. Mr. Parsons stated that there is none; it is the debt of Continental. He added that this is only a public hearing, it is not for the issuance of the bonds. There are several more steps before bonds can be issued. The Plant Manager for Continental Silver Grove plant introduced himself and offered to answer questions. He further stated that Mr. Fessler's comments were not accurate. He stated that the facility was built in 2000, expanded in 2008 and 2009 and currently employs about 260 people. The operation has been growing over the past several years and is running at about 80% of capacity. Both the market and the company are growing and want to expand slightly. Some

funds will be used to fund projects of minimal expansion, not adding another line or building a new plant. They would typically spend \$8-10 million per year on capital projects. Commissioner Coleman asked about traffic. The Plant Manager replied that they proposed a plan to the County and the County approved the necessary zoning. However, the City had some misconceptions about the project and voted it down. While on appeal, Continental is looking at alternative plans to not add any traffic or build on the 28-acres in question and coming up with alternate designs to keep it on the current footprint. Commissioner Coleman asked if they could hear from Mr. Bedel. Mr. Bedel declined to comment. Mr. Parsons added that there is no property tax exemption under this issue, including school taxes. Judge Pendery asked if there were further comments. Mr. Fessler added that whatever Continental spends the money on, it does not make sense to give them money until the lawsuit is resolved. He is not saying that they don't need the money and it's a good idea to let them use the money, but put it on hold until the issue is resolved. Mr. Parsons stated that the only action taken at this meeting is to acknowledge the public hearing. The resolution on the agenda is to acknowledge the fact that the public hearing was conducted in accordance with federal law. Judge Pendery stated that no action would be taken on the bonds tonight. There being no further questions or comments, the public hearing was closed at 5:40 p.m.

The regular meeting was called to order at 5:40 p.m. by Judge Pendery.

In attendance at the regular meeting were:

COUNTY JUDGE/EXECUTIVE
STEVE PENDERY

COUNTY COMMISSIONERS
CHARLIE COLEMAN
TOM LAMPE
BRIAN PAINTER

Steve Franzen
Matt Elberfeld
Kim Serra
Paula Spicer
Colonel Craig Sorrell
Frank Spataro
Will Weber

County Attorney
County Administrator
Assistant County Administrator
Fiscal Court Clerk
Police Chief
Human Resources Director
Development and Communications Manager

Judge Pendery asked for a moment of silence followed by the Pledge of Allegiance. Following roll call, a quorum was declared present.

Minutes from the Fiscal Court regular meeting of February 7, 2018 were presented. Commissioner Lampe made a motion to adopt the minutes, seconded by Commissioner Painter. All voted "AYE" and the motion passed.

Judge Pendery introduced Adam Branscomb, Development Project Manager with Fairmont Properties, the selected developer for the Nunn Drive/NKU development project. Mr. Branscomb explained that Fairmont is a full service real estate development firm that specializes in working with universities, hospitals and other institutional partners to create mixed-use districts that support the institutional partners. The vision for this property has been in the works many years prior to their involvement. Mr. Branscomb discussed the development vision and goals for the project site at US 27 and Nunn Drive in Highland Heights and implementation strategy including leveraging an anchor tenant (St. Elizabeth Hospital). He then listed tasks completed to date showing an aerial view of the site indicating the 70,000 square foot medical office building, mixed-use 4 and 5 story buildings with shops, restaurants, public gathering space, apartments and hotels, below-grade parking and an area reserved for future development. All plans are works in progress and Fairmont continues to work with tenants and other stakeholders. Residential neighborhood buffers will be achieved through landscaping and hardscaping. Mr. Branscomb listed some of the collaborative partners that they are working with on the project who have been a tremendous asset. He then talked about the project's benefits to the community. He anticipates that Phase I of the project will begin in spring-summer of 2018, phase II in fall-winter of 2018 and construction of the 1A larger mixed-use site in late 2019 with sequential opening in late 2019 through 2020. Judge Pendery stated that this is the culmination of many years of work to have the development about to break ground and the Fiscal Court is here to help in any way that it can to see that the project is successful.

Judge Pendery noted that John Fessler had signed in to speak. Mr. Fessler acknowledged that he had signed in to speak during the public hearing and had done so.

Old business was presented by Paula Spicer. Ordinance O-01-18 was read by title and summary given. O-01-18 approves the execution of a First Amendment to the Local Participation Agreement relating to the US 27 Development Area within the City of Highland Heights, Kentucky. Judge Pendery made a motion to adopt O-01-18, seconded by Commissioner Painter. All voted "AYE" and the motion passed.

New business was presented next with Resolution R-14-18 by title and summary. R-14-18 approves the issuance of Campbell County revenue bonds for purposes of Section 147(F) of the Code; ratifies a public hearing held with respect thereto and approves the form of notice thereof; and provides an effective date. Jim Parsons stated that this resolution recognizes that the public hearing occurred; it is not the bond resolution. Mr. Elberfeld stated that the resolution title says "approve". Mr. Parsons stated that bond counsel drafted the resolution, but the body of the resolution clearly approves just the public hearing process. Commissioner Coleman pointed out that the resolution title says "approving the issuance of revenue bonds". Mr. Franzen agreed. Mr. Parsons stated that it is not a bond resolution. He suggested that they could omit the "approves the issuance" adding that the County already induced the project for revenue bonds. If they are concerned they could just indicate "ratifying the public hearing" and take out the word approve. Mr. Franzen stated "A resolution of the Fiscal Court of the County of Campbell ratifying a public hearing held with respect thereto and approving the form of notes". Mr. Parsons stated that that language would be fine. He stated that the County actually already induced the project and indicated that it would move forward with the issuance and this is the next step in the process. If they are concerned about the heading, it can be changed. Mr.

Franzen asked that the Clerk read the corrected resolution and then vote. The amended R-14-18 was read as follows: a resolution of the Fiscal Court of the County of Campbell, Kentucky for purposes of Section 147(F) of the Code; ratifying a public hearing held with respect thereto and approving the form of notice thereof; and providing an effective date. Judge Pendery stated that the language in the body referring to the issuance of the bonds has to do with the inducement that was approved in November. Judge Pendery made a motion to adopt R-14-18 if it has not been done. Mr. Franzen stated that technically they should withdraw the motion and second of the previous resolution. Judge Pendery withdrew the original motion, seconded by Commissioner Lampe. All voted "AYE" and the motion passed. Commissioner Lampe made a motion to adopt R-14-18 as amended, seconded by Commissioner Painter. All voted "AYE" and the motion passed.

Resolution R-13-18 was read by title and summary given. R-13-18 approves Terri and Gene Martin for participation in the Campbell County Property Assessment and Reassessment Moratorium Program for the property at 301 East Eighth Street, Newport, Kentucky. Commissioner Coleman asked if the property was not going to be a residence, but a mixed use event and dance studio. Will Weber agreed. Commissioner Coleman stated that originally he heard that it was also going to be a residence. Mr. Elberfeld stated that it is a mixed use. There have been properties approved in the past with residential (apartments) and commercial mixed uses, but this is not. Mr. Weber stated that the proposed use is for an event venue with a ballroom dance studio. There is no indication on the application of apartments or residences. Judge Pendery made a motion to adopt R-13-18, seconded by Commissioner Painter. Commissioner Painter stated that these moratoriums are not bad things since they take property that is not being used to its full potential and convert it. The County holds the property tax at the same rate for five years to induce the development of businesses. It is a good program. Commissioner Coleman stated that it is a good program as long as people don't live there and get the tax break for their home. All voted "AYE" and the motion passed.

Resolution R-12-18 was read by title and summary given. R-12-18 amends Section 360 of the Administrative Code entitled "Prohibited Conduct and Harassment" at subsections 360.02 regarding prohibited workplace conduct and 361 regarding the processing of sexual harassment complaints. Judge Pendery made a motion to adopt R-12-18, seconded by Commissioner Lampe. Commissioner Coleman asked who would do the investigations – a third party should do it. This resolution calls for the Chief of Police or the Human Resources Director. He reiterated that a third party should investigate complaints. Judge Pendery stated that the Police Chief/Police Department would be involved if there were a potentially criminal complaint to be investigated. Some of these complaints may not rise to the level of criminal harassment. In the case of prohibited workplace conduct, the HR Director would be in the best position to determine if there is a violation. Mr. Elberfeld stated that if a complaint were about the Police Chief or the HR Director, it would be referred to him and the County Attorney. The previous policy was unclear on who did the initial investigation. He added that Fiscal Court staff recently had EEOC training. Mr. Elberfeld stated that in the Fiscal Court organization, those two positions are the most qualified. He is not a professional investigator. A criminal complaint would be referred to the County Attorney or Commonwealth's Attorney. If necessary, they would consider using an outside law firm for investigation. He thinks that it is reasonable and appropriate for preliminary investigation to be done internally. Commissioner Coleman asked Mr. Spataro if he was a

professional investigator. Mr. Spataro stated that he has investigated a number of harassment complaints including sexual harassment. Chief Sorrell stated that different things come into play with the police officers such as the Policemen's Bill of Rights that has rules, policies and procedures, and the Police Merit Board. Most other investigators would not be aware of these rules. If he were included in a complaint, he would not participate in the investigation. Commissioner Coleman stated that the right way to do this would be a third party investigator. He asked if there is a binding agreement with the road workers and what their contract says about this. Mr. Spataro stated that there is no language in the contract about investigating harassment complaints. Mr. Elberfeld added that their contract mostly addresses pay, working conditions and call-outs. The items referenced by Chief Sorrell are not part of the FOP working agreement but are part of state laws and statutes related to police. Commissioners Lampe and Painter and Judge Pendery voted "AYE", Commissioner Coleman voted "NAY" and the motion passed.

A motion was requested to appoint Rebecca Wilson to the part-time position of Kennel Technician at the Animal Shelter effective February 22, 2018 with compensation set at Pay Grade 10, \$13.25 per hour. Motion was made by Judge Pendery, seconded by Commissioner Lampe. All voted "AYE" and the motion passed.

A motion was requested to appoint the following seasonal Parks and Recreation Maintenance Workers at \$11.10 per hour effective March 1, 2018: Steven Fields, William Heck, Paul Kramer, Thomas Kramer, and Michael Weber, and Robert Giles who will also serve as the Work Release Inmate Supervisor at \$12.10 per hour. Motion was made by Judge Pendery, seconded by Commissioner Lampe. All voted "AYE" and the motion passed.

A motion was requested to appoint the following Golf Course Maintenance Workers effective February 22, 2018 at \$11.10 per hour: Roger Church, Charles Rauch, Michael Rimer, Blake Stormer and Donald Thomas. Motion was made by Judge Pendery, seconded by Commissioner Lampe. All voted "AYE" and the motion passed.

A motion was requested to approve the annual salary for Judge/Executive Steve Pendery and Jailer James Daley as prescribed by KRS 64.5275 and set by the Kentucky Department for Local Government for calendar year 2018 effective January 1, 2018. Motion was made by Judge Pendery, seconded by Commissioner Lampe. Commissioner Coleman asked if the public should know what the salaries are. Judge Pendery stated that both are \$117,908.09. All voted "AYE" and the motion passed.

A motion was requested to set the annual compensation for the County Attorney as calculated by the Kentucky Department for Local Government based on the Consumer Price Index rate of 2.1% over the previous twelve-month period, effective January 1, 2018. Motion was made by Judge Pendery, seconded by Commissioner Lampe. Judge Pendery pointed out that the State government also calculates this salary. Commissioner Coleman stated that he has the same comment. Judge Pendery stated that the annual salary is \$47,586.28. All voted "AYE" and the motion passed.

A motion was requested to accept the resignation of Ashley Murray, Human Resources Specialist, effective March 2, 2018. Motion was made by Judge Pendery, seconded by Commissioner Lampe. All voted “AYE” and the motion passed. Judge Pendery stated that Ms. Murray did a wonderful job. This is an example of the County’s ability to hire people even though some salaries are not at market; she will be making a lot more money at her new job. He hopes that if people find better opportunities, the Fiscal Court congratulates them and helps them on their way. In this case, the Fiscal Court had the advantage of a very good employee.

A motion was requested to authorize staff to advertise, interview and hire a Human Resources Specialist to fill the vacancy created by the resignation of Ashley Murray. Motion was made by Judge Pendery, seconded by Commissioner Lampe. All voted “AYE” and the motion passed.

Commissioner Coleman stated that he wanted to respond to Commissioner Painter. At the last meeting, Commissioner Painter asked him to withdraw his recommendation for the Ethics Commission, Andrea Janovic, because she had run for public office sometime – 5-10 years ago. Because it was a partisan race, she should not be on the Ethics Commission. Commissioner Coleman reminded Commissioner Painter that he had no problem voting for Adam Haas who ran for State legislature that was a partisan race. He stated that it seems there is a gender bias against women.

Commissioner Painter responded that it probably was not a good idea to vote for a partisan politician for the Ethics Board, it is something that you learn as you are involved in public policy. People who run for partisan offices are usually involved metaphysically, it is hard to extract their judgment sometimes, which is understandable as it is a difficult thing to do. He added that Mr. Haas was running for a state office, not a county office.

Judge Pendery announced that the Sanitation District No. 1 will hold an open house to accept public comments on the route for a possible new sewer improvement in Campbell County in the US 27 and AA Highway corridor. The open house will be on Thursday, February 22, 2018 from 5-8pm at the Alexandria Community Center, 8236 West Main Street, Alexandria. Those unable to attend may provide feedback or ask questions by emailing US27AAPProject@sdl.org. The Fiscal Court is always grateful for investment in Campbell County especially when it enables growth or solves environmental problems. He hopes that people will participate in the open house. He will be there and is sure many of the Commissioners will be also.

Matt Elberfeld requested a motion to authorize staff to advertise for bids to resurface Baynum Hill (CR 1114) and Kohls (CR 1523). These roads are additions to the Fiscal Year 2018 spring resurfacing projects with work beginning this spring and completed before the end of this fiscal year. The total length resurfaced on these two roads is 1.3 miles. Motion was made by Judge Pendery, seconded by Commissioner Painter. All voted “AYE” and the motion passed.

A motion was requested to approve budget transfers as presented for February 21, 2018. Mr. Elberfeld explained that the transfers do not increase the size of the budget they only move items within it. Motion was made by Commissioner Lampe, seconded by Commissioner Painter. All voted “AYE” and the motion passed.

Mr. Elberfeld then requested a motion to approve the claims and supplemental claims as presented for February 21, 2018. County Attorney Steve Franzen stated that he has reviewed the claims and determined that they all appear appropriate. Commissioner Painter made a motion to approve the claims and supplemental claims, seconded by Commissioner Lampe. All voted “AYE” and the motion passed.

There being no further business to come before the Fiscal Court, Commissioner Lampe made a motion to adjourn, seconded by Commissioner Painter. All voted “AYE” and the meeting adjourned at 6:30 p.m.

Attachments:

Ordinance O-01-18 Amend Local Participation Agreement for US 27 Project
Resolution R-14-18 Continental Silver Grove LLC Bond Issue
Resolution R-13-18 Property Assessment Moratorium
Resolution R-12-18 Amend Administrative Code – Prohibited Conduct & Harassment
Budget Transfers Dated February 21, 2018
Claims and Supplemental Claims Dated February 21, 2018

Approved:

STEVE PENDERY
Judge/Executive

Attest:

Paula K. Spicer, Fiscal Court Clerk