

CITY OF FORT MITCHELL, KY
CITY COUNCIL MEETING
April 5, 2010

CALL TO ORDER / PLEDGE OF ALLEGIANCE / ROLL CALL

Mayor Holocher called the meeting to order at 7:00 p.m. and led the Pledge of Allegiance.

PRESENT: Vicki Boerger, Mary Burns, Bill Reis, David Schrand, David Stoeckle Will Terwort, Christopher Wiest and Dennis Zahler **Others Present:** Mayor Thomas Holocher, Police Chief/City Administrator Steve Hensley, City Attorney Robert Ziegler, Public Works Director Robert Zerhusen, Fire Chief McVey, Police Capt. Jim Bussman.

APPROVAL OF AGENDA AND MINUTES

Mr. Wiest asked to add Resolution 2010-6 regarding Sanitation District 1 (SD1) to the agenda. **Mrs. Boerger made a motion to approve the agenda as amended;** a second was offered by Mr. Schrand. Motion carried by voice vote. A correction to the minutes was noted for the vote tally on page 3. **Mr. Reis made a motion to approve the minutes** of the March 1, 2010 meeting as corrected; a second was offered by Mr. Stoeckle. The motion carried by voice vote.

CITIZENS NOT ON THE AGENDA

Mayor Holocher recognized several students in attendance at the meeting, Lindsey White, Dierra Harris and Tressa Caldwell were welcomed.

Steve Arlinghaus, a resident of Villa Hills and candidate for Judge Executive addressed Council.

MAYOR'S REPORT

Mayor Holocher stated the city's ASA Adopted Unit is currently deployed in Iraq, due to return in August. Representatives from the unit may again be visiting in the fall.

There will be a meeting with residents of East Drive this week. There have been several delays relating to scheduling utility work as well as other matters. Reconstruction is slated to begin this summer.

CITY ATTORNEY'S REPORT

Mr. Ziegler read **Resolution 2010-5 supporting HR 3745, the Community Access Preservation Act.** Mayor Holocher explained the Cable Board asked cities to approve the resolution. Insight's Channel 6 is currently used for Northern Kentucky public access programming. There has been a proposal to have that channel combined with Louisville and Lexington which would result in less local programming aired. **Mr. Zahler made a motion to adopt Resolution 2010-5, Mr. Schrand offered a second to the motion.** Upon hearing that there were no questions Mayor Holocher called for a vote; **the motion carried by voice vote.**

Regarding the resolution proposed by Mr. Wiest, Mayor Holocher stated there had been some phone conversations between SD1, Chief Hensley and Mr. Ziegler as well as some conversation between Mr. Wiest and Mr. Fosset (counsel for SD1). Mayor Holocher explained there were concerns about any accusations about illegal activity by an SD1 employee and that there was a threat of a lawsuit. The Mayor said his recommendation was to not have a reading or discussion of the resolution or an alternative would be going into executive session to discuss the potential lawsuit. Mr. Wiest suggested removing portions from the drafted version to allow discussion in open session or go into executive session briefly. Mr. Zahler was in favor of removing certain paragraphs and having discussion in open session. It was noted the drafted copy also requests an audit of SD1 by the State Auditor. Mr. Zahler said in light of recent newspaper articles he would like to see an independent audit done.

Mr. Ziegler read **Resolution 2010-3 on the history of Fort Mitchell on the occasion of the City Centennial.** **Mr. Terwort made a motion to adopt Resolution 2010-3, Mrs. Boerger offered a second to the motion.** Mr. Terwort expressed gratitude to Senator Westwood and Representative Webb-Edgington for passing similar resolutions in Frankfort and noted the Fiscal Court offered a proclamation for the occasion. Upon hearing that there were no questions Mayor Holocher called for a vote; **the motion carried by voice vote.**

Mr. Ziegler read **Resolution 2010-4 regarding reform at the KLC.** The matter was discussed at length. Ms. Burns asked about the legality of requesting repayment of funds used as compensation to buy back

years in the retirement system. Mr. Wiest advised this is permissible through the contract, because it was done without executive board approval and there was a provision in the audit addressing such loans being forbidden. There discussion of how this question has been addressed by the KLC. Mr. Wiest noted the amount in question is \$400,000 in taxpayer money. Mr. Terwort expressed concerns for undocumented credit card expenses and there being no clear business purpose for \$68,000 in expenses. Mr. Wiest stated he reviewed the audit and the KLC response. He said one of the most cited issues in the audit is a lack of enforcement and oversight. Mr. Wiest said he feels more action by member cities is warranted. Mr. Terwort added the City spends \$90,000 on insurance policies through KLCIS and the organization had no procurement policy. Mr. Wiest noted other cities have saved \$30,000 by switching their insurance. Chief Hensley stated other cities in a three year rate agreement with KLCIS who are happy with service as we are have said they plan to go out to bid at the end of the agreement just as we do. Mr. Zahler said in commercial insurance there is the ability to discount, it is called concessions and done all the time on the commercial side. Mr. Reis expressed concerns that it seems KLC is not acting in response to the audit. Chief Hensley stated he is not defending the actions of the KLC and while thorough answers have not been offered to each finding, KLC has said they are still analyzing the report. The City does receive a lot of services for our \$2,165 dues such as policy review and revision, training for newly elected officials, some legislative work including work on HB117. The KLC also helped work on Court Based Revenue in 2007 which has resulted in \$107,000 of fees being recovered. They assist with certification as drug free workplace, score cards and site assessments which reduce premiums and improve safety. Chief Hensley said he agrees there are a lot of questions but we get a lot in return for our dues and if we have to go elsewhere for those services we will pay a lot more. Mr. Terwort asked if KLC advises cities on government policies why had they adopted none. Mr. Wiest said he questions the KLC's ability to lobby effectively given their credibility issues. Ms. Burns asked why there was only one change on the KLC Board and what about CFO accountability. Mr. Terwort stated there should be a change in the executive board and executive staff. Ms. Burns asked how these things were addressed on tax returns. Mr. Reis said after hearing about the KLC question and answer session for local members he has more questions and doesn't believe they proved they are making a concerted effort. Mayor Holocher responded to some of the concerns noted. He stated the credit cards have been frozen, the finance committee comprised of the executive board meets once a month to go through all expenditures and checking for documentation. Once a quarter an auditing firm reviews activity of the finance committee reviewing expenditures over and above the salary expenditures that are in place. In November KLC discussed complying with open records requests as a government agency would and the executive board has agreed to being subject to open records requirements. There had been some concern because of legislative items and positions discussed by the executive board. They asked to have an allowance added to the legislation to allow closed sessions for discussion of legislative items only but the bill sponsor would not allow the change. Some items on the insurance side such as rates, premiums, settlement amounts and pay for attorneys is considered proprietary information. A competing insurance company would not be required to reveal the same information. Mr. Zahler stated insurance rates are submitted to the State Department of Insurance. Mayor Holocher responded that specific strategies are not reported and government agencies are non-competitive in nature. Mr. Terwort said proprietary information should be kept private. Mayor Holocher said if it keeps KLCIS from getting contracts it ultimately hurts cities. Mrs. Boerger asked about the due date of membership dues and Mayor Holocher said the extension date is at the end of the month. Mayor Holocher said the audit report came in December and work on the findings began following the holidays. For a board comprised of members from across the state getting together, having meetings and reviewing the items will all take some time. Mr. Stoeckle stated they are not where they need to be but the amount of meetings and time devoted show they are working diligently and considering the hours of volunteer service from mayors on the board it is not fair to say they do not care. Mr. Zahler said he favored paying dues this year and take a hard look at where they are next year, giving them one year for correction. Mrs. Boerger suggested paying to bring the dues current and taking the four to five months until renewal to see if changes were made and if not could dues be pro-rated or refunded. Mayor Holocher said the due date was already extended and will come due again in September. Mr. Terwort noted the audit only covered three years. Mr. Wiest said the KLC response speaks for itself. Mr. Stoeckle said changes are being implemented. **Mr. Terwort made a motion to withhold payment of the KLC membership dues. Mr. Wiest offered a second to the motion.** Mayor Holocher called for any questions and upon hearing that there were none called for a vote.

Mr. Terwort: Yes

Mr. Reis: Yes

Mr. Wiest:	Yes	Mr. Schrand:	No
Mrs. Boerger:	No	Mr. Stoeckel:	No
Ms. Burns:	Yes	Mr. Zahler:	Yes

Yes: 75 No: 3 Absent: 0 Motion carried.

Mr. Ziegler read **Municipal Order 2010-3 appointing Mayor Holocheer as the representative to the Northern Kentucky Area Planning Council and appointing Mr. Stoeckle as the alternate.** Mayor Holocheer called for any questions. Mr. Zahler asked if there would be any conflict in having elected officials serve and it was noted there is not. **Mrs. Boerger made a motion to adopt Municipal Order 2010-3, Mr. Zahler offered a second to the motion.** Upon hearing that there were no questions Mayor Holocheer called for a vote; the motion carried by voice vote.

CITY ADMINISTRATOR'S REPORT

The annual **Planning Session for Council** will be set for late March. The annual appreciation dinner will be held April 17.

The **USA Hotel** is now in compliance with the former violations that presented life safety issues but they are still working to correct other violations. Because the business has addressed the life safety issues and paid the delinquent taxes they were allowed to reopen. Mr. Wiest asked that Council be advised if police calls are up or down.

Snow emergency policies will be reviewed including fines for on street parking during a snow emergency. The current fine for these parking citations is \$10. Cars not moved from the streets can present safety hazards and make it difficult to clear the streets. Other cities charge as much as \$25-\$50 for such violations. Primary routes are marked with signs but when we declare a snow emergency we specifically announce that it pertains to all streets in the city.

Ms. Burns asked the status of the **Kroger expansion project.** Chief Hensley advised the land has been transferred and once all paperwork is finalized construction could begin in four weeks. Kroger is now working in a vacant storefront to relocate the pharmacy during renovations.

Mr. Zerhusen was asked for a road report. He expressed thanks to the Police and Fire Departments for assisting Public Works during the recent snow. There have been nineteen snow events this year, 225 tons of material were used, 942 gallons of diesel/gas were used, and 244 hours of overtime were required all totaling \$16,000 in costs related to snow this year. There is still a good amount of salt stored. He thanked the many residents who do move their cars from streets during snow events even before or without a snow emergency is declared which is very helpful. Potholes are now being addressed as a part of the daily work schedule and more permanent repairs will be made when the weather breaks. **Orphanage Road** is maintained by the State, the City does treat the road, the State will address the repairs (potholes). The **project for portions of Gettysburg, Williamstown, Thompson and Allentown** will be out to bid. New water mains will be installed. There will be a meeting for residents on Wednesday. Gas services will be lowered and Duke will begin mobilizing this week. The Water District will begin by the second week of April and the first phase should be complete by September or October. For **East Drive** as well as the turning radius at **Dixie and Beechwood** work continues to require the necessary right-of-way. **Louise Drive** will start in mid-May.

COMMENTS FROM COUNCIL

Mr. Terwort commended the Police Department for their work recently highlighted in the newspaper. Chief Hensley noted the burglary case is pending but involved collection of blood evidence and an arrest following a DNA match.

Mr. Zahler stated a neighbor found two hunting arrows in a rear yard. He suggested reminding residents of the ordinance prohibiting the discharge of weapons within the city.

Mr. Zahler announced that his son is leaving for his tenth deployment to the Middle East.

ADJOURNMENT

There being no further business on the agenda, **Mr. Terwort made a motion to adjourn the meeting in honor of the Centennial and Mr. Zahler offered a second to the motion.** Motion carried by voice vote, **the meeting adjourned at 9:05 p.m.**

Respectfully submitted by:

Signed _____, 2010

Amy B. Able, City Clerk

Thomas E. Holocher, Mayor