

**CITY OF FORT MITCHELL, KY**  
**CITY COUNCIL MEETING**  
**June 15, 2009**

**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/CAO Steve Hensley, City Attorney Robert Ziegler, City Treasurer Amy Guenther, Public Works Director Robert Zerhusen, Fire Chief Scott McVey, Assistant Chief David Jansing, Captain James Bussman and City Clerk Amy Able.

**APPROVAL OF AGENDA AND MINUTES**

Mr. Terwort asked to add Resolution 2009-12 to the agenda. **Mr. Reis made a motion to accept the revised agenda; Mr. Schrand offered a second to the motion. Mayor Holocher called for a vote and the motion carried by voice vote.**

Mr. Wiest asked for a title to be corrected in the minutes of the June 1, 2009 meeting. **Mr. Zahler made a motion to approve the minutes as corrected; Mrs. Boerger offered a second to the motion. Mayor Holocher called for a vote and the motion carried by voice vote.**

**CITIZENS NOT ON THE AGENDA**

**Mr. Butch Wainscott**, a resident of the City and owner of the Greyhound Tavern, addressed Council regarding the possibility of a **restaurant tax**. He stated he feels it is unfair to single out a single industry and though there is now only a potential for such a tax, it is a concern and would be fought by the state's restaurant association. Mayor Holocher explained there has been no legislation written or formally proposed. He added some fourth class cities do have a restaurant tax, but the way things stand now in our area, any funds from such a tax would be directed to the Convention and Visitors Bureau. If state legislation allowing a tax is proposed and passes, every city would have to individually consider things such as if other neighboring cities were adopting a tax. Another proposal discussed is for cities to have a local option sales tax. As mentioned in a letter from the Mayor to the restaurant owners, some cities in the state would benefit from a restaurant tax because of great amounts of traffic or tourism. If all cities in an area had such a tax it is unlikely that it would hurt business. Each city would have to weigh this option as with other options such as payroll tax.

**MAYOR'S REPORT**

The City has received a letter from Ned Wertz of the Kentucky League of Cities Insurance Services (KLCIS) announcing the **100% grade on the scorecard** for the Police Department. The perfect score results in keeping insurance rates low.

A letter from the Justice and Public Safety Cabinet following **an audit confirms the Police Department is in compliance** with Peace Officer Professional Standards and Telecommunicator Professional Standards and eligible to continue to participate in and receive funds from the Kentucky Law Enforcement Program Fund (KLEFPF).

A letter was received from the Governor's office confirming receipt of the City's letter detailing projects to be considered for **stimulus funds**.

The Northern Kentucky Area Planning Commission (**NKAPC**) **will hold an annual dinner meeting** on June 30; council members may make reservations through the city clerk.

The **2009-2010 Consensus Priorities Committee** met and voted the **Brent Spence Bridge** as the top priority. The Convention Center is the top priority for State funding.

### **Discussion of transparency**

Mayor Holocher reported that the staff met to discuss the suggested transparency ordinance and has made the following recommendation. The staff recommends posting the following: the audit (the last two audits are already posted), the budget (once approved; it will also include budget figures for the previous fiscal year), and preliminary quarterly financial statements (in a year-to-date, actual versus budget format, to be replaced quarterly). There was a suggestion that contracts also be posted. It was noted there are already purchasing procedures in place and an overview was given.

The current purchasing procedures dictate that:

- Any purchase over \$500 requires a signed purchase order
- Items over \$500 require quotes
- Items between \$750 and \$5,000 require signed approval of the city administrator
- Purchases over \$2,000 require sealed, written quotes
- Items over \$5,000 must have signed approval by the mayor

Additionally, invitations for sealed bids are advertised for all construction projects and the bids are opened publically. The preliminary results are then sent to six different clearing houses and to any bidder who has requested them. The bids are then tabulated by the engineers and contract awards are announced at the next Council meeting.

The staff has recommended that if Council decides that contracts should be included, that some considerations be given such as this being for new contracts going forward because there are so many current and past contracts. Open discussion ensued. There was discussion of possibly posting only contracts exceeding a certain dollar threshold such as contracts over \$10,000 or \$25,000. There are a tremendous number of contracts including numerous concerning cooperatives and those concerning equipment maintenance and repairs. The list would go on at great length; almost everything the city is involved with or purchases could be considered as involving some sort of contract.

Some existing financial reports that have been mentioned would be of considerable size; for example, the general ledger totals over 500 pages by the end of the year, and this may be difficult to download.

Mr. Terwort said he is requesting e-transparency on financial matters for the citizens, so they can have knowledge. ~~and~~ He is calling for accountability to the taxpayers so they know where their money is spent. Mayor Holocher stated he does not believe most people are interested in combing through extensive, detailed reports. Mayor Holocher added there has been a problem with information being put out such as the flyer that was distributed urging residents to attend a meeting because taxes would be raised. But this was an example of misleading information being circulated. Mayor Holocher said the same happened following the discussion of enabling legislation for a restaurant tax.

The staff recommendation on adding financial information to the website is based on putting out information that will be the most accurate representation and the most easily understood while accomplishing the spirit and the majority of what has been suggested. An ordinance is not required for any information to be added to the website. There are publication costs when ordinances are passed and we would need to re-advertise each time there is any change to the ordinance. Proceeding without an ordinance will allow evaluation of downloading issues, security concerns and finding which reports are useful.

After extensive discussion it was suggested that the staff should give some cursory review and consideration to the amount of contracts over certain dollar amounts. There could then be a response

to Council with some estimates of the volume of contracts and some recommendation for sharing a contract summary or a detailed report. There was more discussion of posting the General Ledger. **Mr. Zahler made a motion to accept the recommendation of the staff and direct that the staff post on the city website the annual audit, the approved budget and the unaudited quarterly financial statements. Mrs. Boerger offered a second to the motion.** Mr. Wiest asked that the General Ledger be included; Mr. Zahler asked that the vote be taken on the original motion. Mayor Holocher called for any further comments or questions and, upon hearing that there were none, called for a roll call vote.

<b>Mr. Zahler:</b>	<b>Yes</b>	<b>Mr. Schrand:</b>	<b>Yes</b>
<b>Mrs. Boerger:</b>	<b>Yes</b>	<b>Mr. Stoeckle:</b>	<b>Yes</b>
<b>Ms. Burns:</b>	<b>Yes</b>	<b>Mr. Terwort:</b>	<b>Yes</b>
<b>Mr. Reis:</b>	<b>Yes</b>	<b>Mr. Wiest:</b>	<b>Yes</b>

**Ayes: 8                      Nays: 0                      Motion carried.**

**Mr. Wiest made a motion to post the year-to-date General Ledger for the period of July 1 through March 31 for the 2008-2009 fiscal year. Mr. Terwort offered a second to the motion.** It was confirmed this will be the document estimated to exceed a few hundred pages. *Mr. Wiest stated real accountability can only be had by looking at line item expenditures and providing that information gives context to the information on the audit and the budget. Mr. Wiest asked the City Treasurer if there was any cost or difficulty in making the information available and she replied there was not and it was easy to accomplish.\** Mayor Holocher called for any comments or questions and, upon hearing that there were none, called for a roll call vote.

<b>Mr. Wiest:</b>	<b>Yes</b>	<b>Mr. Reis:</b>	<b>Yes</b>
<b>Mr. Terwort:</b>	<b>Yes</b>	<b>Ms. Burns:</b>	<b>Yes</b>
<b>Mr. Stoeckle:</b>	<b>No</b>	<b>Mrs. Boerger:</b>	<b>Yes</b>
<b>Mr. Schrand:</b>	<b>No</b>	<b>Mr. Zahler:</b>	<b>No</b>

**Ayes: 5                      Nays: 3                      Motion carried.**

#### **CITY ATTORNEY'S REPORT**

Mr. Ziegler gave second reading by title and summary of Ordinance 2009-02 Amending the 2008-2009 Budget. **Mr. Reis made a motion to adopt Ordinance 2009-02; Mr. Zahler offered a second to the motion.** Mr. Wiest asked for confirmation about any revisions from the May 27 draft; this question was answered by the Treasurer. Mayor Holocher called for any further comments or questions and, upon hearing that there were none, called for a roll call vote.

<b>Mr. Reis:</b>	<b>Yes</b>	<b>Mr. Stoeckle:</b>	<b>Yes</b>
<b>Mr. Zahler:</b>	<b>Yes</b>	<b>Mr. Schrand:</b>	<b>Yes</b>
<b>Mr. Wiest:</b>	<b>No</b>	<b>Ms. Burns:</b>	<b>No</b>
<b>Mr. Terwort:</b>	<b>No</b>	<b>Mrs. Boerger:</b>	<b>Yes</b>

**Ayes: 5                      Nays: 3                      Motion carried.**

Mr. Ziegler gave second reading by title and summary of Ordinance 2009-03 Adopting the 2009-2010 Budget. **Mr. Reis made a motion to adopt Ordinance 2009-03; Mr. Zahler offered a second to the motion.** Mr. Wiest stated his no vote was predicated upon two issues: the tax increase the budget calls for with the amount of money currently in the bank, and the planning study benefitting private land owners that allow deterioration of property. Mr. Terwort stated he cannot justify relying on a tax increase. He added the centennial budget was cut by \$70,000 and we can pass a budget without raising taxes. Mr. Zahler noted the tax rate is unknown at this time and will be voted on later. Mr. Wiest reiterated the budget was prepared with the expectation of adopting the allowable tax rate which gives

an increase in revenue. Mayor Holocher called for any further comments or questions and, upon hearing none that there were none, called for a roll call vote.

<b>Mr. Zahler:</b>	<b>Yes</b>	<b>Mrs. Boerger:</b>	<b>Yes</b>
<b>Mr. Schrand:</b>	<b>Yes</b>	<b>Mr. Wiest:</b>	<b>No</b>
<b>Mr. Reis:</b>	<b>Yes</b>	<b>Mr. Terwort:</b>	<b>No</b>
<b>Ms. Burns:</b>	<b>No</b>	<b>Mr. Stoeckle:</b>	<b>Yes</b>

**Ayes: 5**

**Nays: 3**

**Motion carried.**

#### **CITY ADMINISTRATOR'S REPORT**

Chief Hensley stated that Adam Schierberg, President of the Fire Department organization, sent an email stating the organization collectively supports **Chief McVey accepting the position as a part-time, paid chief**. Chief McVey explained another upcoming staffing change. To compensate for the dwindling number of EMS volunteers and ensure squad coverage, **three of the full time personnel will begin working revolving twenty-four hour (on) and forty-eight hour (off) shifts**. We will continue to utilize the volunteers as much as possible, and they will now serve an average of three evenings a month as opposed to three per week.

Another issue the Fire Chief will be reviewing is the request from a resident to re-write the **restrictions on open burning**.

Additional information has been requested relating to the CMAQ grant application for **sidewalks on Orphanage Road**.

Mr. Zerhusen was asked to give a road report. The **sidewalk on Dixie Highway** near Orphanage should be complete by the Fourth of July. Drainage from the downspouts has been addressed and the electric work is 70% complete. Some residents were unhappy to learn the trees in front of the businesses will not be replaced. Over the years some of the business owners in the area have stated the trees blocked signage and were messy. The trees also interfered with storm and sanitary sewers and the root systems raised the sidewalks causing a hazard. Mayor Holocher added benches and some type of decorative planters may be added later. The Lawrence **Drive** project is 99% complete with final restoration yet to be done. **Oxford Drive** is waiting on start date for work on the water main. The **vacancy in the Public Works Department has been filled by Steven Greer** who originally began working with us through the Transitions program.

Chief Hensley recalled at the time construction began in the Kruempelman subdivision, there were discussions about what time of day **construction noise** should be allowed to start. No specific restrictions were put in place. There have been some calls related to the Dixie sidewalk and Beechwood School projects.

There is no change to the route for the **Fourth of July Parade**. It will end at Beechwood; some areas may be taped off if the lots are unsafe.

**Complaints about speeding** are on the rise and police officers are out utilizing radar through the Speed Bump program. Fees for speeding tickets are a minimum of \$134 to cover court costs and fines increase based on speed. Please watch for children in our neighborhoods and comply with the speed limits.

#### **COMMENTS FROM COUNCIL**

Chief McVey confirmed the Fire Department will host an **Open House** on June 27 from 11 a.m. to 2 p.m.

Mr. Terwort requested discussion of **Resolution 2009-12** regarding matters concerning spending practices by the Kentucky League of Cities detailed in recent articles in the Lexington Herald-Leader. Mr. Terwort read the proposed Resolution. He stated Council should let the KLC know they have questions about the spending and want the (KLC) Board to provide more oversight. Discussion followed. Mr. Terwort asked the Mayor if he is concerned about the expenditures. Mayor Holocher responded such figures cannot be analyzed without data. Mr. Wiest stated the resolution is not condemning but asks for the board to look into the expenditures. Council was given a letter from the KLC sent following publication of the article. Mr. Zahler stated he would like to hear from the KLC at some point with a response more specific to the items in the news. **Mr. Terwort made a motion to adopt Resolution 2009-12. Mr. Wiest offered a second to the motion.** Mr. Stoeckle stated he would like to see more details on each of the items highlighted in the resolution but having over twenty-five pages of information presented at the meeting is a lot to digest. Mr. Zahler stated he would rather direct the Mayor to ask questions for us and then maybe have a resolution later to address any outstanding concerns. Mayor Holocher called for any other comments or questions and, upon hearing that there were none, called for a roll call vote.

<b>Mr. Terwort:</b>	<b>Yes</b>	<b>Mr. Reis:</b>	<b>Abstain</b>
<b>Mr. Wiest:</b>	<b>Yes</b>	<b>Mrs. Boerger:</b>	<b>No</b>
<b>Mr. Stoeckle:</b>	<b>No</b>	<b>Ms. Burns:</b>	<b>Abstain</b>
<b>Mr. Schrand:</b>	<b>No</b>	<b>Mr. Zahler:</b>	<b>No</b>
<b>Ayes: 2</b>	<b>Nays: 4</b>	<b>Abstain: 2</b>	<b>Motion failed.</b>

Mr. Reis asked and Chief Hensley confirmed if there is a law pertaining to **excessive noise from mufflers**.

Mr. Terwort stated Mayor Holocher made an allegation he was behind an anonymous flyer and Mr. Terwort wanted to state he was not part of that. Regarding the restaurant tax, Mr. Terwort stated businesses needed to have it pointed out that this was the agenda being pushed by the KLC. Mayor Holocher responded that what was taken to restaurant owners following the meeting was not complete and accurate information. He added he believes the others (who voted no on that resolution) understood what had been discussed was enabling legislation only which would then allow councils to decide whether or not to pass a tax. Mayor Holocher added the KLC represents 382 cities and supports what is best for the majority, not just one area of the state.

Mayor Holocher stated there has been a rumor being circulated to city employees that they would not get a raise because of the line item for the city centennial yet the budget plainly shows an increase in employee salaries. Mayor Holocher stated employees have said they heard this from Mr. Terwort. In response Mr. Terwort stated he has not made such statements to employees. **The Mayor stated if he could he may get sworn statements from the employees.**

Ms. Burns noted this is the last meeting before the **Fourth of July Parade** which will be July 4th at 12:30. Chief Hensley thanked Council for working cooperatively on the transparency matters.

#### **ADJOURNMENT**

There being no further business on the agenda, **Mrs. Boerger made a motion to adjourn, and Mr. Reis offered a second to the motion.** Motion carried by voice vote, **the meeting adjourned at 9:00 p.m.**

Signed \_\_\_\_\_, 2009

Respectfully submitted by:

\_\_\_\_\_  
Amy B. Able, City Clerk

\_\_\_\_\_  
Thomas E. Holocher, Mayor

**\*Clerk's Note: This change was requested at the 7/6/09 meeting and the minutes were approved. Upon review of a recording, the Treasurer did not say there was no cost involved.**