

**CITY OF EDGEWOOD
SPECIAL COUNCIL MEETING MINUTES
September 29, 2008
6:30 PM**

CALL TO ORDER – Mayor Link called the meeting of the Edgewood City Council to order at 6:30 PM in the council chambers of the Edgewood City Building. The following council members were present: Nancy Atkinson, David MacMillan, Jeff Schreiber, Chris Link, and Ray Spears. Also in attendance were City Administrator Roger Rolfes, City Attorney Frank Wichmann and City Clerk Jeanette Kemper. Dale Henson and Mark Steffen were absent.

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA – No changes.

APPROVAL OF MINUTES – August 25, 2008 Meeting Minutes – Mrs. Atkinson made a motion to adopt the August 25, 2008 meeting minutes as written; second by Mr. Link. Mr. Spears abstained. **Motion passed: 4 ayes – 1 abstention.**

REPORTS/PRESENTATIONS

Swearing in of School Resource Officer Gary Linn and Patrolman Phil Harney – Mayor Link read the oath of office to School Resource Officer Gary Linn and Patrolman Phil Harney.

Advanced Life Support (ALS) – the city has contracted with the City of Erlanger to provide ALS services and they were in attendance to provide any information to council that they needed. In attendance from the City of Erlanger were City Administrator Linda Carter, Finance Director Greg Engelmann and Fire/EMS Chief Tim Koenig.

Mr. Schreiber asked how they will deal with the increases in the contract in the future. Ms. Carter stated they have recently formed a committee made up of all the entities involved to discuss the agreement and hope to have a meeting soon and discuss such items and pass that information on to all involved. Ms. Carter said the system was flawed in the beginning due to it being new to everyone and they apologized for any misunderstandings. The committee will meeting quarterly. Mr. MacMillan thanked Chief Amon for his hard work on his report. He said Erlanger's service is impeccable and no one doubts that. He asked what type of increases they are anticipating for the future. Mr. Engelmann said they're not caught up yet and are still in the process of closing their June 30th books for 07/08 but that will be a topic of one of the quarterly meetings. Mr. MacMillan said that one member may be pulling out of the agreement and asked how that will affect the service. Chief Koenig said everyone is in for this year and he is anticipating one partner may pull out and he would rather wait and see what the changes may be. He said there will be changes but they don't know yet what those will be until it happens. Mr. Schreiber asked if Erlanger was providing ALS to our contract area Crestview Hills and are we passing on these increases to them as well. Mr. Rolfes said yes they are providing service to Crestview Hills and no we're not passing on the increase. Mr. Rolfes said we have a contract with Crestview Hills and we'll try to roll that in the contract when it comes up for renewal. He said the amount of runs we make to Crestview Hills versus the rest of the city isn't a lot of money. Mr. Schreiber disagreed saying that the last report shows 64 runs in Edgewood and 18 in

Crestview Hills; he said that's a big number. He doesn't know how many times ALS was called to those 18 calls. Approximately 25% of the \$33,000, Crestview Hills contract, is squad calls. The contract calls for a flat five percent increase annually which may need to be re-negotiated next time. Mr. Schreiber said the cost is being passed onto to us and it should be passed onto them. Mr. Rolfes said he'll read the contract again but doesn't believe there is a provision for that. Mr. Spears asked about our contracted portion of Crestview Hills and asked if Erlanger was providing service there as mutual aid or through the contract terms. Chief Koenig said it's included in the contract with Edgewood; there is no contract with Crestview Hills. Mayor Link said it's a fire agreement as well and fuel costs have increased. Mr. Schreiber said we need to pass those increases on. Ms. Carter stated that if anyone ever wanted to visit with them they would be more than happy to do that and show council the books or whatever council may want.

Request from Rosedale Manor Board of Directors – Mr. Rolfes stated that Kenton County Fiscal Court owns the real estate (land and building) of Rosedale Manor located in Latonia and Kenton Housing, Inc. owns the licenses for the 240 beds that are contained in that facility. The county accepted proposals for a qualified purchaser to make an offer on the real estate. Kenton Housing, Inc. won the bid and they are now seeking a tax exempt bond to be issued by the city. According to KRS Chapter 103, a city within the county would be authorized to issue tax exempt bonds of this nature without having the facility located within the corporate limits. The federal government limits the amount of tax exempt bonds that may be issued each calendar year to \$10,000,000. It is because of this limitation that neither Covington nor Kenton County can issue these bonds. They expect this project to close in October, 2008 so, therefore, come January 1, 2009; our \$10,000,000 limit would be fully restored. There is no cost or risk to the city.

Nick Ziegler, Chairman of the Board, introduced Gene Weaver, Finance Committee Chairman, Londa Knollman, Rosedale Manor Executive Director and Bond Council Ian Koffler with Peck, Shaeffer and Williams. Mr. Ziegler stated they need someone to be a conduit for them to provide tax free municipal bonds; Rosedale cannot obtain these on their own. Mr. Ziegler said there are Edgewood residents at Rosedale Manor. Mr. Koffler reiterated the bond limits as stated above. Ms. Knollman stated that Rosedale has been in Kenton County since 1962 they are the eighth largest in the state of Kentucky. 80% of the 240 residents are taken care of by the Medicare program through the State of Kentucky. Their mission is to continue this service. She stated the Board was appointed because of the bond that built the building 18 years ago through the payroll tax through Kenton County. They wish to buyout the property to be out from the lease arrangement so that they can actually own the building. Mr. Schreiber asked if the bond payments will be more than the lease payments. Ms. Knollman said the bond payments will be more they currently lease the building for \$1 a year because the Kenton County payroll taxes fund the building. Mr. Schreiber asked how the bond would be repaid. Ms. Knollman said they have a good financial operation and it'll come from that as well as investments. They're looking at going through the Bank of Kentucky. Mr. Spears said he doesn't think anyone has a problem with issuing the bond but just worried about the potential risk. Mr. Koffler said that the statutes state that no revenues of Edgewood can be put at risk or pledged to this project. The bank will do a credit analysis of Kenton Housing, Inc. and the bonds are sold to them in a private placement and they are assuming all the risk. The bonds will be issued, purchased by the Bank of Kentucky and they give those funds to the city. The city then loans those funds to Kenton Housing for the promise to make repayments. Those repayments are then assigned to the bank. Mr. Koffler said the city will not handle the money or never be involved. It'll look like a direct loan. The only reason the city is involved is to receive the tax exempt status. Mr. Rolfes stated that section 10 of the ordinance states that there is no liability to the issuer. Mr. Koffler said it

also appears on the caption of any bond. Once the bonds are printed and given to the Bank of Kentucky it'll say "the bonds shall not represent or constitute a debt or pledge of the faith and credit or the taxing power of the issuer, City of Edgewood, the Commonwealth of Kentucky or any political subdivision of the Commonwealth of Kentucky". This will not affect the city's credit rating either. Mr. Schreiber asked what taxes they would be exempt from paying. Mr. Koffler said the interest on the bonds will be exempt from federal and state income taxes.

Mr. Rolfes said with this being a calendar year we only have two months left where the \$10M limit is impacted. January 1, 2009 starts a new year and will have the full \$10M limit. Mr. Wichmann said the city doesn't have plans to issue any bonds anyway so it's not an issue. Mr. Wichmann further stated that if both the nursing home and the bank folded the city does not have any liability.

Norbert Meyer, 3118 Locust Hollow, asked if Edgewood residents would have preference for admittance to the nursing home. Ms. Knollman said placement preference is not allowed under federal law. Mr. Meyer asked about their Standard & Poor rating. Mr. Ziegler said it's not issue because they have a private placement with the bank and they have taken all the responsibility; they're rating is of little value to them they have accepted the risk and the nursing home has to make the mortgage payments. Mr. Meyer said banks sell these loans. Mr. Koffler said the bonds are being sold in private placement and at the time of closing the Bank of Kentucky will certify that they are buying the bonds to be held in their own account and if they were to resell the bonds they only sell to another institutional, a qualified, investor. These are not being sold at retail.

Mr. Weaver said they do have Edgewood residents as employees as well. He thanked everyone for their time and opportunity to work with the city.

First reading of the ordinance will take place at the October 6th council meeting.

Mayor's Report – Mayor Link thanked the staff for their work during the recent windstorm and power outage.

Administrator's Report – Mr. Rolfes had nothing to report.

Staff Reports – Council reviewed reports from the following staff members: City Administrator, City Clerk, Fire/EMS, General Services, Police, and Recreation.

CITIZENS DESIRING RECOGNITION ON LEGISLATIVE MATTERS NOT ON THE AGENDA – none

UNFINISHED BUSINESS – **Review enforcement of Rental Property Ordinance 2008-03-03** – Mr. MacMillan inquired about the enforcement of this ordinance. Mr. Rolfes said that we are waiting for the county to provide us with access to data that would identify those rental properties that have business licenses. That is in progress and has not yet been activated. Once that is up and running then we will have that list of those who have a license. There are ways to find out certain information and then we'll proceed and check as best as we can. Mr. MacMillan said when police or fire/EMS respond to homes they complete a form about the call and we should ask on the form "do you own or rent". If it's rental then administration should be made aware of the address. Mr. Rolfes said that would be fine if we can get that information. Until recently there wasn't any realistic way of getting the information. Now we have a fairly decent means and we'll be checking it for a number of reasons.

Evaluation of the new pay plan – Mr. MacMillan received feedback from police and fire employees concerning the pay plan. He knows council's intent to adopt the pay plan and give the supervisor's a tool so that they could reward those people that exceed expectations. Some of the feedback he received was that they didn't have enough latitude and those at the top of the pay scale had nowhere to go. He would like to solicit feedback and make it the tool that they thought they were giving the supervisors. Mr. Rolfes said we can do a survey. He has also heard that employees that are maxed out aren't happy because they are maxed out. Everyone has to remember that when the first plan was put in place the intent was to get people to the top of their bracket as quickly as possible and keep them there. Now that those people are there and they've been there for a while and there's no promotional opportunities they then say all I'm getting is COLA. Employees have to understand why that's all they're getting. Mr. Rolfes said if we do a survey it's important to reiterate that. Mr. MacMillan agreed and wants to get some feedback. He said there are issues with the fire part time employees it doesn't work real well in that area. Mr. Rolfes said another thing to look at it is for those people who moved by time and made it to the top of their bracket it may not be as good of a deal in terms of advancement. But for those people starting out at the bottom of the bracket they will now be based on merit so it may take a little longer for them to move.

NEW BUSINESS – Emergency power for Public Works – Mr. MacMillan said during the recent power outage the gas pumps were not working and he asked council to allow public works to obtain a generator that is hard wired in their building. They currently don't have one and they need it. Mr. Rolfes advised Mr. Goetz to obtain the information on a generator. In the mean time they went to manual pumps in order to provide fuel and that will continue as a backup. The generator will operate the doors, break room, restrooms, telephones and gas pumps. Mr. Goetz spoke with Quinn Electric who estimated it may cost approximately \$35,000 to \$40,000; therefore the item would have to be bid out. It would run on natural gas. Mrs. Atkinson asked if we priced one for the Senior Center as well. Mr. Rolfes said we were talking about getting a generator for there ideally through the state or feds but we never priced it. We still have that request outstanding.

Mr. Goetz advised that the crew went through the city twice picking up brush from the windstorm. On Wednesday they get the chipper back and will go through one last time. Mr. Begnoche said they have six dumpsters full and he called Rumpke and asked for two more. There is also brush piled on the ground behind their building; they'll dispose of it. Mr. MacMillan thanked the crew for their work.

ORDINANCES, MUNICIPAL ORDERS, AND RESOLUTIONS – Municipal Order 2008-08 declare the bucket truck as surplus property – Mr. Schreiver made a motion to adopt municipal order 2008-08; second by Mr. MacMillan. Motion passed: 5 ayes – 0 nays.

ORDINANCE 2008-08-12 Setting the 2008/2009 Property Tax Rate at \$0.240 per \$100 – 2nd Reading. Mr. Wichmann read the ordinance – AN ORDINANCE OF THE CITY OF EDGEWOOD, IN KENTON COUNTY, KENTUCKY, PROVIDING FOR THE ASSESSMENT OF ALL REAL ESTATE AND PERSONAL PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF EDGEWOOD, THAT IS SUBJECT TO TAXATION FOR CITY PURPOSES, BY THE USE OF THE ANNUAL COUNTY ASSESSMENT THEREOF BY THE PROPERTY VALUATION ADMINISTRATOR OF KENTON COUNTY; AND LEVYING AN AD VALOREM TAX THEREON FOR CITY PURPOSES DURING THE FISCAL YEAR WHICH BEGINS JULY 1, 2008, AT THE RATE

OF \$0.240 DOLLARS FOR EACH ONE HUNDRED (\$100.00) DOLLARS OF THE VALUATION THEREOF SO ASSESSED; AND PROVIDING FOR THE PAYMENT AND COLLECTION OF SUCH TAXES, AND PENALTIES AND INTEREST THEREON; AND DESCRIBING THE PURPOSES FOR WHICH SUCH TAXES SO COLLECTED SHALL BE APPROPRIATED AND USED.

Mayor Link stated this lowered from last year's rate by 1.6 cents. Mr. Schreiver made a motion to adopt ordinance 2008-08-12; second by Mr. Link. **Motion passed: 5 ayes – 0 nays.**

ORDINANCE 2008-08-13 Setting the garbage collection fee at \$191.88 per year per Rumpke contract – 2nd Reading. Mr. Wichmann read the ordinance – AN ORDINANCE OF THE CITY OF EDGEWOOD, IN KENTON COUNTY, KENTUCKY, INCREASING THE ANNUAL RESIDENTIAL GARBAGE COLLECTION ASSESSMENT AND FEE FROM \$182.76 TO \$191.88. Mayor Link reminded council that this is a contractual agreement with Rumpke and this fee is reflecting the 5% increase on an annual basis. Mrs. Atkinson made a motion to adopt ordinance 2008-08-13; second by Mr. Spears. **Motion passed: 5 ayes – 0 nays.**

ORDINANCE 2008-08-14 Permit for extraordinary use or access to public way – 2nd Reading. Mr. Wichmann read the Ordinance – AN ORDINANCE OF THE CITY OF EDGEWOOD, IN KENTON COUNTY, KENTUCKY, REQUIRING A PERMIT FOR ANY ACTIVITY WITHIN OR THE USE OF ANY PUBLIC WAY IN THE CITY BEYOND THAT OF THE GENERAL PUBLIC'S RIGHT TO USE OF THAT PUBLIC WAY. Mr. MacMillan made a motion to adopt ordinance 2008-08-14; second by Mrs. Atkinson. **Motion passed: 5 ayes – 0 nays.**

ANNOUNCEMENTS:

- Fire Department Open House is October 5th from 1 p.m. to 4 p.m.
- Spooky Sunday is October 19th at Presidents Park, 4 P.M.

ADJOURNMENT

Mr. MacMillan made a motion to adjourn at 7:50 p.m.; second by Mr. Spears. **Motion passed: 5 ayes – 0 nays.**

Attest:


Jeanette Kemper, City Clerk

Date passed: 10/6/08


Mayor John D. Link