

CITY OF UNION
Regular Business Meeting
MINUTES
February 1, 2016

Call to Order

The meeting was called to order at 7:00 PM on February 1, 2016 by Mayor Larry Solomon.

Pledge of Allegiance

Mayor Solomon led all attendees in the pledge to the flag.

Roll Call

A quorum was present:

Mayor Larry Solomon

Commissioner Ken Heil

Commissioner John Mefford

Commissioner Bryan Miller (via Skype)

Commissioner Jeremy Ramage

Also present:

City Attorney- Greg Voss, Esq.

City Clerk- Kathy Porter

City Administrator- David Martin

Approval of Minutes

The commissioners reviewed the minutes prior to the meeting and other than a spelling correction requested by Commissioner Miller, no other changes were made.

Commissioner Miller moved to approve the minutes. Commissioner Mefford seconded the motion. **Motion carried 4-0.**

Bills for Payment: As of February 1, 2016.

Commissioner Miller asked for an addendum to the bills presented for payment. The addendum gave approval to pay the Davis H. Elliot Company for emergency work done on the Farmview Road striping project and traffic loop repair as soon as the bill arrived. All commissioners and Mayor Solomon agreed to this addendum. Commissioner Heil moved to approve the bills presented for payment and Commissioner Ramage provided the second. **Motion carried 4-0.**

Financial Balance Sheet Summary Report: As of January 31, 2016.

Commissioner Miller observed that the line item, Professional Fees, seemed high and asked for clarification. Mayor Solomon and Clerk Porter stated that those fees were for new computers and server improvements

done several months ago. With no further discussion, Commissioner Mefford moved to accept the Financial Balance Sheet Summary Report as presented. Commissioner Heil seconded. **The motion carried 4-0.**

Mayor Comments

Mayor Solomon began his comments by reporting on changes being proposed to the state's six year highway plan. He stated that the initial draft of the State's six year highway indicated that funding for road improvements for Route 536/Mt. Zion Road (to which he referred to as the "new road") have been moved back to 2020 for building the new road from I-75 to Route 42, and 2021 for building the new road from Route 42 to Hathaway Road. It was anticipated that funding for the entire new road would be approved for the coming year...the 2017 Budget. Moving funding for the new road back to 2020-21 will generate greater pressure to develop the down Route 42 corridor, because there is no new road being built to draw investors to convert the fifteen year old Town Plan into a Town until 2020-21! He went onto say that it is extremely important to work to move funding up to the 2017 Budget if we want the new Union town built.

To get funding for the new road moved up to 2017 Budget, Mayor Solomon has been in contact (via texting) with State Senator John Schickel, State Representative Sal Santoro, and Boone County Judge Executive Gary Moore. All three of these representatives are now working to move new road building to the 2017 Budget. In a meeting with Judge Moore, Mayor Solomon reported that Judge Moore read to him a letter addressed to the Transportation Committee and Governor Bevin where he made passionate case for the building of the new road. So in all, he reported that the right officials are working to move funding up to this budget year. Mayor Solomon will keep everyone posted on this issue.

Committee Reports

Economic Development Committee

Mr. Apke told the commissioners that over the past year, the EDC has been promoting the Union Town Center to businesses on the premise that Mt. Zion Road would be widened soon. He said that new road funding being moved back to 2020-21 would deter developer interest in building the new Union town. He went onto say there would be a negative impact on building the new Union town if new road expansion is delayed until 2020-21.

Commissioner Ramage reported that the EDC has talked with county officials and asked them to change the process for sharing information about development in and around Union. These changes, along with internal cooperation between the EDC and the Communications Committee, will make it easier to keep the community informed about new developments.

Leadership of the EDC has changed due to Mr. Apke's new role as our Planning and Zoning Representative. Commissioner Ramage will now serve as Chairman of the EDC, and Mr. Apke (in addition to his Planning and Zoning Representative duties) will maintain his seat on the EDC...he just will not be Chairman; Commissioner Ramage will take over that role.

Planning & Zoning

Mr. Apke reported on two Planning and Zoning issues related to Union.

- The first involved the Harmony townhomes. There is a request to change the curb cut for one of the lots in that community. This would move the driveway from Old Union Road to Sweet Harmony Drive.
- The second issue is that St. Timothy Church has asked for a zone change for property it owns near the church building on Route 42. The property in question is currently zoned residential and the church is asking to rezone the property in order to build a school. The school would have an initial enrollment of 250 students and grow to 600 students over a period of a few years. Currently, the projected start time for classes is 7:45 A.M. Due to the similar start times and proximity to Ryle High School and Gray Middle School, Mr. Apke is concerned about the additional cars the new school will bring to that area which already has a high volume of traffic at that time of day. The Planning and Zoning board discussed solving that problem with a later start time, possibly 8:30 A.M which would also put the school more in line with the county elementary schools. Commissioner Mefford asked if St. Tim's would be utilizing Boone County school busses to transport students...Mr. Apke said that is a consideration.

Commissioner Heil asked Mr. Apke to try and log how much time out of each Planning and Zoning meeting is actually spent on issues relating to Union. Boone County, Florence, Walton and Union have a cost sharing agreement for the Boone County Planning Commission and knowing what percentage of meeting time is spent on issues directly related to Union will help us to make our share of that funding more equitable.

Mr. Apke asked the Commissioners what kind of information they wanted him to report on each month, whether they wanted a full report of each P&Z meeting or just a report of items directly involving and/or impacting Union. The consensus was that the Commissioners only needed to hear about those items that directly involved Union.

Finally, Administrator Martin reported that Kroger may be breaking ground as early as late February. He went onto explain that there is a 17 acre land parcel still owned by Arlinghaus Group that will not be developed as part of building the new Kroger. However, Kroger will be using the Arlinghaus property to park heavy duty equipment and their property will be re-graded. Mayor Solomon said that Kroger need to communicate to Arbor Springs and other adjacent communities that they are not building right up to the Arbor Springs property...that they are just using the land to park vehicles. This is important to calm any potential fears. Mayor Solomon asked the Communications Team to work with Kroger to develop a plan to communicate these homeowners to avoid any misunderstandings.

Communications Committee

Travis Shraffenberger reported on the work the committee has been doing over the past several months in improving the city website. The new website is nearing completion. The committee is working on the content of the site and finalizing the look and features. The Communication Team plans to present the new website to the Commission at the March meeting to get Commissioner feedback before taking then new website public.

Visitors and Guests

There were no visitors wishing to speak.

Committee Reports (cont.)

Annual Budget/Five-year Fiscal Planning - AUDIT REPORT FYE June 30, 2015:

Paul Maddox with Maddox and Associates presented the results of the annual audit for fiscal year ending June 30, 2015. The commission was provided with a complete copy of the audit report prior to the meeting. Mr. Maddox pointed out a new line item that represents Union's share of the underfunded state employee retirement system. The retirement system that Union participates in is the CERS, the County Employee Retirement System. Even though the city and its employees that participate in the system have always made every required contribution into the system, there is now a rule that every participating entity in the KRS list a portion of the unfunded liability on their financial statements. Mr. Maddox explained that the \$105,000 listed on the report was determined by the percentage of contributions made into the plan compared to the contributions in total.

When asked when this liability would need to be paid by the city, Mr. Maddox replied that there were no answers as to how the unfunded liability would be solved and that every year, depending on how well the retirement systems investments did each year, the amount would fluctuate. In conclusion, Mr. Maddox said that overall, the audit went well and there were no issues found with the accounts or accounting practices.

The only possible concern was in the segregation of accounting duties due to the number of full time city employees. The city clerk is responsible for disbursements and accounts receivable as well as consolidating the books for the commissioners to review at the end of the month.

In response to the concern over the absence of the segregation of fiscal duties, Mayor Solomon proposed that the city contract with Maddox and Associates to provide extended accounting services for the city. Under the new contract, the accounting firm would reconcile the books each month for the commission and conduct one annual audit. The annual cost of the new contract would change the amount paid to Maddox & Associates from \$4,500 for the one time audit to \$6,400 for the monthly reconciliations and annual audit combined.

Commissioner Mefford asked if the extra expense was a necessary expenditure because in all the years he has served on the commission, he has never seen a problem with the accounting practices found on the annual audit. Commissioner Heil said that even though there are no current problems, there is an issue with the segregation of duties and short of hiring another full time employee, moreover there is no way to correct that situation. Commissioner Miller stated that his understanding was that having the accounting firm reconcile the books would help Clerk Porter and free up her time to pursue and complete other duties. Clerk Porter answered that having the outside agency reconcile the books each month would be helpful and the extra reports that the accountants could provide would be extremely insightful to the commissioners. The contract would extend from February 1, 2016, and end on January 31, 2017, and would be voted on later in the evening as **Municipal Order 2016-2**.

Building Committee

Administrator Martin reported that a small church, Fairhope Community Church, was interested in renting the office space in the Old Firehouse. This rental would bring us closer to breaking even on the monthly cost of the building loan. Commissioner Miller asked if there would be a conflict or problem with the city renting to a church organization and if that would require the city to make space available to all religious groups. Attorney Voss stated that since the church would be paying market value rent for the space. Because they are paying market value for the space and not getting the space without charge, the city would not have to accommodate other groups.

Administrator Martin is also in contact with the owner of the property adjacent to the Old Firehouse about removing a tree that Commissioner Heil found to be in danger of falling onto the Old Firehouse building.

Public Works/Engineering

Administrator Martin has been contacted about Eagle Drive and Winters Lane near the Ryle High School campus because of the lack of lighting. With the early start of school and many school events happening late in the evening, the young people that attend Ryle are driving and walking along that section of road in the dark which poses a safety risk. Administrator Martin has contacted the Duke Energy and the Boone County Schools central office to put together a lighting plan.

There have also been some complaints about 2 speed bumps on Cedarwood Drive. The complainant has stated that the humps on both sides are very steep with lower sitting cars scraping the pavement as they drive over. Engineer Burke has looked at the speed bumps in the past and has reported that their dimensions are within code. Administrator Martin and Commissioner Ramage will find out how many residents in the immediate area want the speed bumps changed and may suggest that the complainant acquire a certain amount of signatures from residents that have the same complaint.

Ohio-Kentucky-Indiana Regional Council of Governments (OKI)

Commissioner Miller reported that the OKI Board would be meeting on February 11, 2016, and that he would not be able to attend. Because the board will be prioritizing transportation projects at this meeting, he asked Mayor Solomon to contact Boone County Judge Executive Gary Moore and urge him to push for the inclusion of the road expansion of Route 536 as a priority for the region.

Union Cares

Nothing to report.

City Attorney Report

The Secretary of State has rejected the annexation confirmation packet sent in last fall. There were no real problems, only some procedural issues that will be cleared up and the package will be resubmitted.

City Administrator Report

Administrator Martin reported that the Annual Easter Egg Hunt would take place on March 19, 2016. The hunt will be held at a local church and the location will be announced at a later date.

City Clerk Report

Nothing to report.

Legislation: Ordinances/Resolutions/Municipal Orders (prepared by Attorney Greg D. Voss)

MUNICIPAL ORDERS

- **MUNICIPAL ORDER 2016-1:** A MUNICIPAL ORDER APPOINTING BARBARA MCNEELY AS PART-TIME OFFICE ASSISTANT FOR THE CITY OF UNION, KENTUCKY, BEGINNING ON MARCH 1, 2016. Motion to approve made by Commissioner Mefford. Second by Commissioner Ramage. **Motion Passed 4-0**
- **MUNICIPAL ORDER 2016-2 :** A MUNICIPAL ORDER ACCEPTING THE CONTRACT OF MADDOX & ASSOCIATES TO PROVIDE ACCOUNTING AND AUDITING SERVICES TO THE CITY OF UNION, KENTUCKY, AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT. Motion to approve made by Commissioner Heil. Second by Commissioner Ramage. **Motion passed 3-1.** (Commissioner Mefford against.)
- **MUNICIPAL ORDER 2016-3 :** A MUNICIPAL ORDER ACCEPTING THE PROPOSAL OF PNC BANK TO PROVIDE BUSINESS BANKING SERVICES TO THE CITY OF UNION, KENTUCKY. Motion to pass made by Commissioner Miller. Second by Commissioner Mefford. **Motion passed 4-0.**

Announcements

- The city will be closed on Monday, February 15, 2016 for President's Day.
- The next regular business meeting will be held on Monday, March 7, 2016 at 7:00 P.M.
- From February 10th through the 18th, Commissioner Mefford will stand in for Mayor Solomon as Mayor Pro Tem while Mayor Solomon is out of town.

Adjournment

Motion to adjourn was made by Commissioner Heil. This motion was seconded by Commissioner Mefford. **Motion Carried 4-0.** Meeting adjourned at 8:47 P.M.

Signed this 7th day of March plp;;l, 2016.

APPROVED:

ATTEST:

Larry Solomon, Mayor

Kathy Porter, City Clerk/Treasurer