

RESOLUTION NO. _____ - 2014

A RESOLUTION REQUESTING THAT THE CHIEF ELECTED OFFICIAL OF THE BLUEGRASS WORKFORCE INVESTMENT BOARD TAKE THE NECESSARY STEPS TO IDENTIFY AND RETAIN A NEW FISCAL AND ADMINISTRATIVE AGENT INDEPENDENT OF THE BLUEGRASS AREA DEVELOPMENT DISTRICT TO PROVIDE SERVICES TO THE BLUEGRASS WORKFORCE INVESTMENT BOARD BEGINNING JULY 1, 2014, AND DIRECTING THE COUNCIL CLERK TO PROVIDE COPIES OF THIS RESOLUTION TO CERTAIN ADMINISTRATIVE AND ELECTED OFFICIALS.

BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Whereas, Area Development Districts were created by state statute in 1972; and

Whereas, the organizational structure of the Area Development Districts was set forth in state statute at that time; and

Whereas, the Bluegrass Area Development District (the "District") is one of 15 districts throughout the Commonwealth of Kentucky, and

Whereas, the District is comprised of 17 geographically contiguous counties in Central Kentucky, of which Fayette County is the most populous, and

Whereas, Area Development Districts have over the years become pass-through agencies for state and federal funding to flow to local governments; and

Whereas, transparency in the tracking and expenditure of public money is statutorily mandated and crucial to maintaining the confidence of the taxpayers; and

Whereas, regional workforce and job training strategies for the aforementioned Bluegrass counties are led by the efforts of the Bluegrass Workforce Investment Board (the "Board"), and

Whereas, one of the roles of the Board is to set priorities and funding allocation of federal Workforce Investment Act funds to eligible workforce training programs within the region, and

Whereas, the District serves as the fiscal agent on behalf of the Board, and the contract agreement between these parties is set to expire on June 30, 2014, and

Whereas, oversight and accountability regarding the expenditure of public money are also crucial to maintaining the confidence of the taxpayers; and

Whereas, on March 4, 2014, the Commonwealth of Kentucky Auditor of Public Accounts released findings of a recent examination of the District which identified serious deficiencies in the oversight of the operations of the District, including a lack of policies and procedures to govern the District, excessive and/or unnecessary expenditures by the District, potential non-compliance with state and federal requirements by the District, a failure by the District to report possible criminal acts to law enforcement, and the lack of proper oversight of the District, and

Whereas, the findings of the Commonwealth of Kentucky Auditor of Public Accounts revealed several existing and potential conflicts of interests with the current structured relationship between the Board and the District.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That the Lexington-Fayette Urban County Council hereby requests that Winchester Mayor Ed Burtner, as the Chief Elected Official of the Bluegrass Workforce Investment Board, take the necessary steps to identify and retain a new administrative and fiscal agent, which must be independent of the Bluegrass Area Development District, to provide services to the Bluegrass Workforce Investment Board beginning July 1, 2014.

Section 2 – That the Clerk of the Urban County Council is directed to deliver a copy of this resolution to the Chief Elected Official of the Bluegrass Workforce Investment Board, Winchester Mayor Ed Burtner; the Chairman of the Bluegrass Workforce Investment Board, Mr. Daryl Smith; the Chairwoman of the Bluegrass Area Development District, Ms. Linda Magee; the Executive Director of the Bluegrass Area Development District, Mr. David Duttlinger; the Secretary of the Kentucky Education & Workforce Development Cabinet, Mr. Thomas Zawacki; the Commissioner of the Kentucky Department of Workforce Investment, Ms. Beth Brinly; the Chairman of the Kentucky Workforce Investment

Board, Mr. Ed Holmes; the Interim Executive Director of the Kentucky Workforce Investment Board, Ms. Beth Kuhn; and the County Judge/Executive or Chief Elected Official for each of the 17 counties of the Bluegrass Area Development District.

Section 3 – That the Clerk of the Urban County Council is also directed to deliver a copy of this resolution to Governor Steve Beshear; Senator Joe Bowen, Chairman of the Senate State & Local Government Committee; Representative Steve Riggs, Chairman of the House Local Government Committee, and the following Fayette County legislators at their respective offices: Senator R.J. Palmer, Senator Tom Buford, Senator Alice Forgy Kerr, Senator Reginald Thomas, Representative Sannie Overly, Representative Robert Benvenuti, Representative Jesse Crenshaw, Representative Robert Damron, Representative Kelly Flood, Representative James Kay, Representative Stan Lee, Representative Ruth Ann Palumbo, Representative Ryan Quarles, and Representative Susan Westrom.

Section 4 – That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL

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