



General Government & Social Services

March 6, 2018

Summary and Motions

Chair Lamb called the meeting to order at 1:03 p.m. Committee members Moloney, F. Brown, Henson, J. Brown, Evans, Farmer, Kay, Stinnett, and Smith were present. Council Members Plomin and Bledsoe were also in attendance as a non-voting member.

I. Approval of February 6, 2018 Committee Summary

A motion was made by CM Farmer to approve the February 6, 2018 General Government & Social Services Committee Summary, seconded by CM Henson. The motion passed without dissent.

II. Bluegrass Area Development District Update

CM Moloney asked Commissioner Chris Ford to introduce the Bluegrass Area Development District (BGADD) presentation, who listed the representatives that were present. David Duttlinger, Executive Director of BGADD, outlined the structure of the BGADD, their board structure and membership, including the counties that fall within the district. He highlighted the three pillars of services they provide; Community Planning, Aging Services, and Workforce Services. A hand-out was given to the council prior to the presentation regarding their services. He explained each area in detail and the impacts for Lexington. Duttlinger referenced a blue binder that will be left with the city that goes into more detail about their workforce services. Despite some challenges and transitions over the past year, he reported that BGADD provided services to 250 individuals in Lexington, each qualifies for \$8,500 worth of training assistance. He emphasized BGADD's core responsibilities and mission. He shared a story about his experience in the Navy to explain his vision for BGADD; how Lexington and the bluegrass area are part of a joint venture to get the bluegrass to live up to its fullest potential.

CM Moloney thanked BGADD for being there and asked about the lawsuit with the state and where that is in the process. Duttlinger clarified CM Moloney was referring to the disallowed cost identified by the Kentucky Education and Workforce Development Cabinet. He explained that beginning in 2013, after the APA (Auditor of Public Accounts) exam, a corrective action plan was imposed upon the BGADD by the cabinet. Part of that plan included onsite monitoring of BGADD, as well as additional forensic audits that identified \$2.6M of disallowed cost. He explained how BGADD believed there was a total of less than \$100,000 of disallowed cost and disputed the cost, eventually appealing to an administrative law judge. He said BGADD is currently in negotiations with the state to come to an agreement. If they cannot settle, they will go to court on April 17. Duttlinger said the whole dispute will be determined by May. CM Moloney asked if Lexington would have to come up with money to help settle any possible fees. Duttlinger explained how the fiscal agent, being the BGADD, is solely responsible as the first line of defense and the participating counties would only become responsible if, for example, BGADD becomes insolvent.

CM Henson said her biggest concern is workforce development. She has always gotten the impression it was not simple to use services provided by BGADD and that it is not beneficial to people in need.

Duttlinger described the whole system as dysfunctional prior to 2013. He explained that since then the elected officials have recognized ownership of BGADD and their responsibility to oversee the budget, funds, and programs. He explained they now have the appropriate people assigned to the Bluegrass Workforce Investment Board by organizing the elected officials and that they are training their employees. CM Henson said she is hopeful we are moving in the right direction.

CM Plomin asked what percentage of the BGADD's budget comes from Lexington. Duttlinger explained that Lexington pays about \$40,000 in local dues and that their operating budget is about \$32M (about \$27M of that is pass-through money). CM Plomin explained how she believes in regional planning and applauded BGADD's involvement in her regional land use item in the Planning and Public Safety Committee.

CM Bledsoe acknowledged Lexington's high level of accountability in its economic development initiatives and asked how BGADD is tracking their workforce development success, as well as economic development impacts. Duttlinger explained how they are required to report monthly for workforce development, to the Kentucky Education and Workforce Cabinet who monitors its success against the goals set by the local elected officials. He explained they provide an annual report for economic development that documents their activity, as well as their requirement to write the five-year comprehensive economic development strategy, which is reviewed each year. CM Bledsoe asked how they determine their workforce solutions and Duttlinger said it is by sector. She asked about the amount of \$8,500 an individual can receive through BGADD, comparing to Lexington's economic development grants, spending about \$450,000 over the last two years, which impacted about 400 people. Duttlinger said the amount is appropriate, particularly for people who are going back to get a technical degree. CM Bledsoe mentioned a recent graduate student's presentation who identified 30 entities doing economic development/workforce development and why collaboration is really important.

CM Stinnett asked Duttlinger to provide an example of how BGADD is benefiting Fayette County residents. Duttlinger gave an example of an individual with an opioid addiction, also mentioning regional planning such as land use and commuter planning. CM Stinnett asked how he coordinates with Lexington. Duttlinger explained Ford is generally his point person but that there are other city officials through the committee structure. CM Stinnett asked if BGADD is coordinating with Lexington's workforce and economic development efforts, as well as the University of Kentucky and Commerce Lexington, in which Duttlinger responded that they work with Elodie Dickinson in the Mayor's Office often, they do work with University of Kentucky but have had limited coordination with Commerce Lexington over the last five years. CM Stinnett encouraged better communication. He asked Duttlinger to break down their \$32M budget. Duttlinger said that only about 10 percent of their budget is administrative costs. The rest is contracted out or pass through money, pointing out a change in workforce and how the money shifted from internal use within BGADD to the use of direct service providers. He said the contracts vary depending on the program and its requirements.

CM Evans mentioned how she spoke to the BGADD's tourism committee. She said we need to have more discussions with BGADD. Duttlinger explained he is willing to come back before council and spread the understanding of regionalism.

CM Lamb explained she hopes this relationship continues, with more transparency and asked how Duttlinger plans to make sure this happens. He explained their regular reporting methods such as the executive director's update at the quarterly board meetings, the annual report, and their weekly email outreach.

CM Henson commented about their standing committee structure and her experience with how priorities change overtime. She asked who chooses the issues the committees work on. Duttlinger explained the board chooses what issues to focus on, which then get assigned to committees. She mentioned the opioid problem since it has a more regional impact, as well as school safety. Duttlinger admitted they are behind on the opioid problem, comparing to the Northern Kentucky Area Development District and pointed out the need for BGADD to gain 501c3 status to qualify for certain funding. He said they are not currently working on school safety specifically.

CM Moloney commented about regional planning and how many people come to Lexington for the services and programs offered in Lexington, suggesting that individuals should utilize the services in their home county before turning to Lexington. He pointed out the value of Ford being on the board and how successful programs in Lexington might be applied in the surrounding counties. Duttlinger said BGADD does not currently receive any funding to work on the opioid problem. He explained the impact of the region versus an individual county when applying for federal funds.

CM Lamb thanked them for attending and encouraged the BGADD to come back. She said she hopes this presentation can take place on an annual basis. She asked about the 17 counties and how they work with other area development districts. Duttlinger explained how the directors of area development districts from across the state work together, meeting on a monthly basis, as well as the group's committee structure.

No further comment or action was taken on this item.

III. Lexington History Museum Update

CM Plomin introduced Foster Ockerman and the Lexington History Museum presentation. She highlighted how Lexington needs and deserves a history museum. Ockerman explained how the Lexington History Museum continues to collect artifacts, such as recent acquisitions of three portraits of African American jockeys, a confederate \$100 dollar bill and the Phoenix Hotel doorware. He mentioned the Phoenix Park projector project to incorporate old post cards into the slides displayed and various materials related to the Curd House. He explained how they are supporting the Henry Clay School History Club to participate in the book benches project. He referenced a recent article in the Herald Leader, which was included in the packet, pointing out the third floor of the Downtown Arts Center as a possible location for their museum. He said the feasibility study estimated \$800,000 is needed to renovate the space to "white box" conditions and that the museum would raise the remaining funds to complete the museum elements. He explained the proposed lay out for the museum in the Downtown Arts Center. (The presentation time was extended by three minutes.) Ockerman explained they are hoping for a public private partnership, particularly for the initial \$800,000.

CM F. Brown commented about the Downtown Arts Centers, clarifying the space referred to on the third and fourth floor, about 5,500 square feet. Ockerman said the fourth floor would provide room for offices and staff without taking up museum space on the third floor. CM F. Brown asked about a revenue stream and mentioned \$60,000 the Lexington History Museum receives from the city. Ockerman explained the ongoing debate of charging a general admission fee and that they will probably have free admission, with suggested donation amounts identified. CM F. Brown said he is very supportive of the project.

CM Moloney asked if the Mayor plans to include this in his budget. Ockerman explained how they have asked for \$150,000 for this coming fiscal year.

CM Henson said she thinks this project is important for Lexington and that she likes the plan.

CM Stinnett asked if the \$150,000 included the \$60,000 the history museum has been receiving annually from the city, and about any money they have raised. Ockerman said \$150,000 is the total amount they requested in the upcoming budget. He said they have raised about \$13,000 so far, with hopes to raise \$30,000 next year, as part of their annual fund drive. He mentioned how it will be easier when they have a physical project to sell and explained the different funding pieces to reach their goals.

CM Lamb is very supportive of the Lexington History Museum. She pointed out the mayoral portrait project and thanked Ockerman for the presentation. CM F. Brown pointed out that this is part of the Division of Parks and Recreation's budget and CAO Hamilton clarified that it is actually under the Department of General Services' budget.

No further comment or action was taken on this item.

IV. Removing Elected Officials

VM Kay summarized the memorandum that was provided by the Law Department, which explains how Lexington does not have the authority to remove elected officials from office at this time. He explained how Louisville does have the authority to take such action and if Lexington would like similar power, the council would need to go to the state legislature requesting this change. He pointed out that the state statute that governs Louisville's ability to do this was included in the packet as well. He said he is looking for approval from the committee to ask the administration to move this forward with their legislative delegation.

CM Moloney acknowledged that Louisville's council is partisan and Lexington's council is non-partisan and asked who the removal authority for Louisville applies to, if it is just their council members, or whether it includes their state representatives, county judge, etc. Managing Attorney Glenda George said they can follow up with a response. CM Moloney asked about this question coming up during the review of the ethics ordinance and whether the ethics commission would be an appropriate body to review the potential removal of an elected official. George explained that committee stopped looking into this question during their review because KRS does not provide Lexington the authority to take such action. George explained there are many details that would need to be worked out if this is something

the council decides to pursue and she highlighted that VM Kay is looking for general direction from the committee. VM Kay confirmed that is accurate and that they would be working towards a proposal for the next legislative session of the state's general assembly.

CM Evans explained how she is not in favor of Lexington's council having the authority to remove elected officials right now and how she thinks Lexington is a different type of body than Louisville's council. She explained that she does not think Lexington's council should have this kind of authority and that she has great concern about this idea.

CM J. Brown said he is in favor of exploring this further, including what body should have the removal authority, such as the Ethics Commission if not the council.

CM F. Brown explained he is not in favor of looking into this further. He pointed out how Lexington's body is non-partisan, how they have operated since 1974 without this kind of authority and how the court system takes care of people who are committing illegal activity.

VM Kay said he was mystified by the comments about Lexington being a non-partisan body and how that might lend itself to be more fair. He said that this kind of request could be pre-filed with the state, moving early without objection, and couldn't understand why anyone in Frankfort would object to Lexington having this authority since they allow Louisville. He reminded the committee that we could have had someone on the council that was convicted of a relatively serious crime who would have had the option to continue serving on this council and the council would have had no authority to do anything about it.

A motion was made by VM Kay to ask the Law Department to draft regulation for this committee to review that would allow Lexington the authority to remove an elected official, which would be directed to the state delegation in Frankfort, seconded by CM J. Brown.

Discussion of the motion occurred. CM Moloney asked if VM Kay was trying to copy the authority that Louisville has or if this motion includes the consideration of the Ethics Commission as a possibly body with removal authority. VM Kay said that he not proposing that we consider the Ethics Commission at this time but it could be considered down the line.

The motion failed with a 4 - 5 vote (yes: Henson, J. Brown, Kay, Smith; no: Moloney, F. Brown, Lamb, Evans, Farmer).

V. Items Referred to Committee

No action was taken on this item.

A motion was made by CM Farmer to adjourn, seconded by CM J. Brown. The motion passed without dissent.

The meeting adjourned at 2:37 p.m.

HA
3/19/2018