

Lexington-Fayette Urban County Government

200 E. Main St
Lexington, KY 40507



Packet

Tuesday, January 31, 2012

3:00 PM

Attachments:

Council Chamber

Urban County Council Work Session

URBAN COUNTY COUNCIL
SCHEDULE OF MEETINGS
JANUARY 30-FEBRUARY 6, 2012

Monday, January 30

No Meetings

Tuesday, January 31

Environmental Quality Committee Meeting.....11:00 am
Council Chambers-2nd Floor Government Center

Budget & Finance Committee Meeting.....1:00 pm
Council Chambers-2nd Floor Government Center

Council Work Session.....3:00 pm
Council Chambers-2nd Floor Government Center

Wednesday, February 1

Infill & Redevelopment Committee Meeting.....10:00 am
Conference Room-7th Floor Phoenix Building

Affordable Housing Trust Fund Task Force.....1:00 pm
Conference Room-5th Floor Government Center

Thursday, February 2

No Meetings

Friday, February 3

No Meetings

Monday, February 6

Fayette County Rural Land Management Board Meeting.....3:00 pm
Conference Room-12th Floor Government Center

URBAN COUNTY COUNCIL
WORK SESSION SUMMARY
& TABLE OF MOTIONS
January 24, 2012

Mayor Gray chaired today's Work Session Meeting. All Council Members were present except, CM Lawless.

- I. Public Comment – Issues on Agenda – None
- II. Requested Rezoning / Docket Approval – Yes

A motion by CM Crosbie to place on the docket without a hearing an ordinance changing the zone to a High Rise Apartment (R-5) Zone for 8.10 net (8.29 gross) acres, and from a Wholesale & Warehouse Business (B-4) Zone to a High Rise Apartment (R-5) Zone for 2.03 net (2.4 gross) acres, for property located at 474, 497, and 498 Angliana Ave (Trinitas Ventures, LLC) seconded by CM Blues, passed without dissent.

A motion by CM Kay to place on the docket for the January 26, 2012, Council Meeting a resolution authorizing the Mayor to execute a Services Agreement with On-Site, Rx, Inc. to provide pharmacy services at the Dr. Samuel Brown Health Center, seconded by VM Gorton, passed without dissent.

A motion by CM Stinnett to approve the docket, seconded by CM McChord, passed without dissent.

- III. Approval of Summary – Yes

A motion by CM Beard to approve the summary of 1.17.12 Work Session was seconded by CM Myers and passed without dissent.

- IV. Budget Amendments – Yes

A motion by CM Farmer to approve Budget Amendments, seconded by CM Myers, passed without dissent.

A motion by CM Stinnett to table journal entry # 57575 until next Tuesday (1.31.12), seconded by VM Gorton, passed without dissent.

- V. New Business

- A. Authorization to submit application to Kentucky Office of Homeland Security for funding under the Law Enforcement Protection Program - FY 2012. (L007-12) (Gooding/Mason)

- B. Authorization to approve the Rental Agreement with The Lexington Center Corporation for use of the Opera House for the Kiddie Kapers Program. (L033-12) (Hancock/Hamilton)
- C. Authorization to approve the Purchase of Service Agreement with the Lexington Humane Society for animal control services provided by Lexington - Fayette Animal Care and Control and the related Lease Agreement. (L036-12) (Mason)
- D. Authorization to execute a Class A Incentive Grant Award Agreement with Friends of Wolf Run Inc. funded by the Water Quality Management Fee. (L042-12) (Martin/Bush)
- E. Authorization to execute a Class A Incentive Grant Award Agreement with Andover Estates Homeowners Association, Inc. funded by the Water Quality Management Fee. (L043-12) (Martin/Bush)
- F. Authorization to execute agreements with various nonprofit organizations for participation in the Adopt-A-Spot Roadway Cleanup Program under the Kentucky Pride Grant for FY 2012. (L049-12) (Gooding/Bush)
- G. Authorization to execute a Conditional Offer to lease property located at 913 Georgetown St. to HealthFirst Bluegrass, Inc. for the purpose of operating an outpatient ambulatory health care facility. (L052-12) (Moloney)

A motion by CM Farmer to adjust item 'B' to read as \$126,152.32, seconded by CM Lane, passed without a dissent.

A motion by CM Ellinger to approve the amended new business items, seconded by CM Myers passed without dissent.

VI. Continuing Business / Presentations – Yes

A. NDF Motion

A motion by CM Myers to approve the NDF list, seconded by CM Beard, passed without dissent.

B. Committee of the Whole (COW) Economic Development Update

This update was given by Chair CM Beard. There were no motions to come forward.

C. Streetlight Presentation

This presentation was given by Budget Dir. Ryan Barrow. He discussed fee vs. tax. Several CMs asked questions and made comments.

A motion by CM Lane to refer this item (Streetlight Presentation) to the Budget & Finance Committee, seconded by CM Martin, passed without dissent.

D. On-Site Rx Presentation

This presentation was given by Dan Doeblar. Melissa Luecker, Office of CAO, project manager, answered many questions also.

VII. Council Report

CM Stinnett-Spoke about the coyote that was spotted in Hamburg and that ACC will be trying to trap it tonight

CM Lane-A motion by CM Lane to place into the Budget & Finance Committee the issue of activity based accounting, seconded by CM Martin, passed without dissent.

VM Gorton-Spoke about the zone change hearing scheduled and asked if there would be a quorum; CM Martin said that he had to recuse because of his wife being associated with one of the entities. VM Gorton said this action was disrespectful to Fayette County.

CM Kay-Spoke about the constituents who have called his office in reference to the redistricting law that the Legislature passed and Gov. Beshear signed into law; he passed out 2 different versions of what could be sent to the Legislature and the governor.

CM Henson-A motion by CM Henson to place on the docket a resolution accepting the collective bargaining agreement with Fraternal Order of Police, Town Branch Lodge #83, on behalf of officers and sergeants in the division of Community Corrections, seconded by CM Ellinger, passed without dissent.

CM Martin-Stated that he had met with the Harrods Hill NA and thanked CM Kay for being there; stated that he was disappointed in the Legislature's action by it diluting Lexington's representation; he followed-up with that we should not go quiet and we should do everything that we can do through the judicial system.

CM Beard-Stated that he would be for the harsher version of the 2 versions from CM Kay; asked Comm. Graham if we could do anything about this-she

answered that she had not researched it but that someone would look into it now.

CM Blues-Wanted the citizens of Lexington to know that the Council had nothing to do with this redistricting change-it was all the KT General Assembly.

Keith Horn from Dept. of Law came forward to give Council their options about the hearing and if there was no quorum. If no quorum for Council to make a legal decision, then the Planning Commission's decision will stand.

VIII. Mayor's Report –Yes

A motion by CM Lane to approve the Mayor's Report, seconded by VM Gorton, passed without dissent.

IX. Public Comment – Issues not on the agenda – None

X. Adjournment

A motion by VM Gorton to adjourn, seconded by CM Ellinger, passed without dissent.

Work Session adjourned at 5:11 pm.

LEXINGTON-FAYETTE URBAN COUNTY COUNCIL

WORK SESSION AGENDA

January 31, 2012

- I. Public Comment – Issues on Agenda**
- II. Requested Rezoning / Docket Approval – None**
- III. Approval of Summary –Yes, January 24, 2012, pp.1-4**
- IV. Budget Amendments –None**
- V. New Business – Yes, pp.8-42**
- VI. Continuing Business / Presentations – Yes**
 - A. NDF Motion, p. 43**
 - B. 1.10.12 General Government Committee Update-CM Lane (separate)**
 - C. 1.10.12 Social Service & Community Dev Committee Update-CM Myers, pp.44-49**
- VII. Council Reports**
- VIII. Mayor’s Report – None**
- IX. Public Comment – Issues Not on Agenda**
- X. Adjournment**

ADMINISTRATIVE SYNOPSIS

January 31, 2012

New Business Items

- A. Authorization to execute an Assistance Amendment to the award from the Environmental Protection Agency, under the Consolidated Appropriations Act of 2008, for the South Elkhorn Pump Station project. (L071-12) (Gooding/Bush)
This is a request to execute an Assistance Amendment (Modification No. 2) to the award from the Environmental Protection Agency, under the Consolidated Appropriations Act of 2008, for the South Elkhorn Pump Station project for an extension of the performance period through June 30, 2012.**p.8**
- B. Authorization to accept 27 fee simple right of way and temporary construction easements from owners of record needed for the Bates Creek Road Sidewalk Improvements Project. (L077-12) (Gooding/Bush)
This is a request to accept 27 fee simple right of way and temporary construction easements from owners of record needed for the Bates Creek Road Sidewalk Improvements Project at a cost not to exceed \$130,000.00. Funds are budgeted.**p.9**
- C. Authorization to approve a Class A Incentive Grant with Martin Luther King Neighborhood Association, Inc. funded by the Water Quality Management Fee. (L082-12) (Martin/Bush)
This is a request to approve a Class A (Neighborhood) Incentive Grant with Martin Luther King Neighborhood Association, Inc. at a cost not to exceed \$17,000 funded by the Water Quality Management Fee. A minimum 20% match is required by the grant recipient.**pp.10-19**
- D. Authorization to execute a Treasury Consulting Services Agreement with PFM Asset Management, LLC to assist in the RFP and selection of a financial institution for primary banking services to LFUCG. (L081-12) (Driskell)
This is a request to execute a Treasury Consulting Services Agreement with PFM Asset Management, LLC at a cost in the amount of \$50,000.00 to assist in the RFP and selection of a financial institution for primary banking services to LFUCG. Funds are budgeted.**pp.20-29**
- E. Authorization to execute a Facility Usage Agreement with the Fayette County Board of Education for use of the Winburn Middle School Gymnasium for the Winburn Community Center Learning program. (L083-12) (Hancock/Hamilton)
This is a request to execute a Facility Usage Agreement with the Fayette County Board of Education for use of the Winburn Middle School

Gymnasium for the Winburn Community Center Learning program at a cost in the amount of \$10,043.98. Funds are budgeted.**pp.30-33**

- F. Authorization to execute Agreement with the Kentucky Office of Homeland Security for the continuation of the communications grant project. (L084-12) (Gooding/Mason)
This is a request to execute Agreement with the Kentucky Office of Homeland Security for the continuation of the communications grant project through June 30, 2012.**p.34**
- G. Authorization to approve a Consultant Service Agreement with GRW, Inc. to provide engineering design services to 3 elevators in the Phoenix Building and 4 elevators in the Police Headquarters building. (L085-12) (Hamilton)
This is a request to approve a Consultant Service Agreement with GRW, Inc. to provide engineering design services for the repair, modification, and/or replacement of three (3) elevators in the Phoenix Building and four (4) elevators in the Police Headquarters building at a cost in the amount of \$56,000.00. Funds are budgeted.**p.35**
- H. Authorization to approve the Alarm Contract and Addendum with Sonitrol of Lexington, Inc. for improvements to the alarm system at the Technical Services Unit facility. (L091-12) (Bastin/Mason)
This is a request to approve the Alarm Contract and Addendum with Sonitrol of Lexington, Inc. to increase the capability of the existing alarm system at the Technical Services Unit facility at a cost in the amount of \$132.00 monthly. Funds are budgeted.**pp.36-40**
- I. Authorization to execute a Paramedic Training Agreement between LFUCG Division of Fire and Emergency Services and Madison County Emergency Medical Services (MCEMS). (L095-12) (Jackson/Mason)
This is a request to execute a Paramedic Training Agreement with MCEMS Services allowing MCEMS personnel to participate in the paramedic program offered by the LFUCG Division of Fire. There is no budgetary impact.**p.41**
- J. Authorization to submit a grant application to the U.S. Department of Justice requesting federal funds under the Intellectual Property Theft Enforcement Program. (L098-12) (Gooding/Mason)
This is a request to submit a grant application to the U.S. Department of Justice requesting federal funds under the Intellectual Property Theft Enforcement Program in the amount of \$44,000.00 for enhanced investigation by the Major Violator Unit.**p.42**



Mayor Jim Gray

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Division of Grants and Special Programs

TO: JIM GRAY, MAYOR
URBAN COUNTY COUNCIL

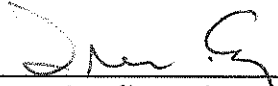
FROM: IRENE GOODING, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS

DATE: JANUARY 18, 2012

SUBJECT: AUTHORIZATION TO EXECUTE ASSISTANCE AMENDMENT
(MODIFICATION NO. 2) TO AWARD FROM THE ENVIRONMENTAL
PROTECTION AGENCY, UNDER THE CONSOLIDATED
APPROPRIATIONS ACT OF 2008, FOR THE SOUTH ELKHORN PUMP
STATION PROJECT FOR EXTENSION OF PERFORMANCE PERIOD
THROUGH JUNE 30, 2012

On July 8, 2008 (Ordinance No. 179-2008), Council approved acceptance of an award from the Environmental Protection Agency in the amount of \$1,146,000 under the Consolidated Appropriations Act of 2008 for reconstruction of the South Elkhorn Pump Station. The Environmental Protection Agency has offered the LFUCG an Assistance Amendment that amends the performance period of the project through June 30, 2012. Construction is complete; however, extended performance period is needed in order to file all close-out documents.

Council authorization to execute the Assistance Amendment is hereby requested.



Irene Gooding, Director

Xc: Susan Bush, Acting Commissioner of the Department of Environmental Quality and Public Works

HORSE CAPITAL OF THE WORLD



Mayor Jim Gray

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Division of Grants and Special Programs

TO: JIM GRAY, MAYOR
URBAN COUNTY COUNCIL

FROM: IRENE GOODING, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS

DATE: JANUARY 18, 2012

SUBJECT: REQUEST COUNCIL AUTHORIZATION TO ACCEPT FEE
SIMPLE RIGHT OF WAY AND TEMPORARY CONSTRUCTION
EASEMENTS FROM OWNERS OF RECORD NEEDED FOR
THE TATES CREEK ROAD SIDEWALK IMPROVEMENTS
PROJECT

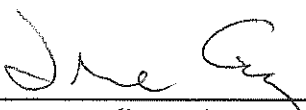
On June 11, 2009 (Ordinance No. 92-2009), Council approved the acceptance of federal funds from the Kentucky Transportation Cabinet for the Tate's Creek Road Sidewalk Improvements project.

Division of Engineering is in process of appraising properties. Council authorization is requested to accept fee simple right of way and construction easements on approximately 27 properties from owners of record at a cost not to exceed \$130,000.

Funds are budgeted as follows:

FUND	DEPT ID	SECT	ACCT	BUD REF	PROJECT	ACTIVITY
3160	303202	3222	91714	2009	TCSDWALK 2009	FED GRANT

Council authorization to purchase necessary easements for project is hereby requested.


Irene Gooding, Director

XC: Susan Bush, Acting Commissioner of Environmental Quality and Public Works

HORSE CAPITAL OF THE WORLD



Lexington-Fayette Urban County Government
DEPARTMENT OF ENVIRONMENTAL QUALITY & PUBLIC WORKS

Jim Gray
Mayor

Susan Bush
Acting Commissioner

To: Mayor Jim Gray
Urban County Council

From: 
Charles H. Martin, P.E., Director

Via: _____
Susan C. Bush, Acting Commissioner

Date: January 17, 2012

**Re: Requesting authorization to execute an agreement awarding a Class A
(Neighborhood) Incentive Grant to Martin Luther King Neighborhood Association,
Inc. to perform a stormwater quality project, at a cost not to exceed \$17,000.00.**

The grant application of Martin Luther King Neighborhood Association, Inc. was reviewed and recommended by the Water Quality Fees Board at its July 21, 2011 meeting. Funding is provided by revenue from the Water Quality Management Fee and is budgeted and available in the Fund **4051 303204 3373 78112**. All Class A grants require a minimum 20% match by the grant recipient. The Grant Award Agreement requires the Mayor's signature.

Grantee: Martin Luther King Neighborhood Association, Inc.

Incentive Grant Amount: \$17,000.00

Minimum Match Required: \$4,250.00

Target Watershed: Town Branch

Project Overview: Grantee is coordinating with the William Wells Brown Neighborhood Association and the North Limestone Neighborhood Association. Educate neighborhood residents about stormwater management and water quality issues through a website, newsletters and promotional items. Provide materials and support to residents to design and construct 25 rain gardens in the neighborhood.

Questions regarding this agreement should be directed to Susan Plueger, the Incentive Grant Program Administrator, at 859-425-2482.

Attachment

Pc: Susan Bush, Acting Commissioner, Department of Environmental Quality & Public Works
Ed Gardner, Department of Law
Julie Mantrom, Division of Water Quality
Susan Plueger, P.E., Division of Water Quality

GRANT AWARD AGREEMENT
Fiscal Year 2012 Class A Incentive Grant Program

THIS AGREEMENT, made and entered into on the _____ day of _____, 2012, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky, pursuant to KRS Chapter 67A (hereinafter "Government"), on behalf of its Division of Water Quality, and **MARTIN LUTHER KING NEIGHBORHOOD ASSOCIATION, INC., 467 Silver Maple Way, Lexington, Kentucky 40508**, (hereinafter "Grantee").

WITNESSETH:

WHEREAS, the Government has funds available through the Stormwater Quality Projects Incentive Grant Program to assist qualified applicants in the implementation of projects that meet the goals of the program; and

WHEREAS, the Grantee represents directly or indirectly a group of single-family residences in Fayette County who are fee-payers of the Government's Water Quality Management Fee; and

WHEREAS, the Grantee has proposed a need for the funds requested to develop and implement a proposed project by submitting a valid grant application; and

WHEREAS, the Grantee desires to implement a specific project that meets one or more Incentive Grant program goals to improve water quality, reduce stormwater runoff, and provide public or private education related to stormwater quality for the benefit of its members, community, and the general public; and

WHEREAS, the Grantee's grant application has been reviewed and selected for funding by the Government's Water Quality Fees Board in accordance with Sections 16-408 and 16-410 of the Government's Code of Ordinances;

THAT FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS HEREIN EXPRESSED, GOVERNMENT AND GRANTEE AGREE AS FOLLOWS:

- (1) The Government hereby grants the Grantee the sum of **\$17,000.00** (hereinafter "the Grant"), for use in implementing the project elements as listed in Attachment A which is incorporated herein by reference as if fully set out herein.
- (2) The Grantee agrees to match the Grant with contributions, labor and other services equal to or greater than 20% of the total project cost.
- (3) The Grantee agrees to use the Grant only for the activities set forth in Attachment A.
- (4) The Grantee agrees to perform periodic reporting as detailed in Paragraph 5 herein below, and provide to the Government a Project Final Report, in digital and hard copy, within thirty (30) calendar days of the completion of the project elements following a standardized format to be provided by the Government summarizing all work completed and detailing the total grant expenditures.

- (5) The Grant to the Grantee shall be disbursed in the following manner:
- (a) The Grantee shall submit, at least once every three (3) months, a *Grant Reimbursement Form* and a *Request for Funds*, in standardized format provided by the Government, to the Government's Grant Manager designated by the Director of the Division of Water Quality for the project. The *Request for Funds* shall include documentation that the Grantee has already expended the requested funds or shall be in a position to expend properly the requested funds within thirty (30) days of receipt of the funds. The *Request for Funds* shall include full accounting of all eligible grant-related expenses, as listed in Attachment A. Copies of invoices, purchase orders, or receipts showing vendor, date, amount, and items purchased or ordered shall be provided with the *Request for Funds*.
 - (b) Each *Request for Funds* shall include documentation of all of the Grantee's Match Costs listed in Attachment A and claimed for the prior period. For cash expenditures this shall include receipts, showing vendor paid, date, amount, and items purchased. For volunteer hours this shall include sign-in sheets describing the events with signatures, name, address, time in and time out (or length of event), for each participant (volunteers must be 12 years of age or older). For mileage, this shall include driver name, type of vehicle, location to and from, date, and miles driven.
 - (c) Each *Request for Funds* shall be accompanied by a *Project Status Report*, in a standardized format provided by the Government, describing the progress of the project to date, including a description and schedule of all activities completed, and hardcopy or electronic copies of materials completed and/or used to date. For educational events (if applicable), copies of the class sign-in sheets documenting the number of attendees shall be provided.
 - (d) The Government's Grant Manager shall review each *Request for Funds* and supporting documents for compliance with the terms of this Agreement and the guidelines of the Stormwater Quality Projects Incentive Grant Program. If the Government's Grant Manager finds the Grantee's *Request for Funds* is in compliance with the terms of this Agreement and the Program's guidelines and that the activity progress and management program of the Grantee satisfy the terms of this Agreement, he or she shall approve the *Request for Funds* within 15 days of receipt, and then forward it to the Division of Accounting for payment.
 - (e) Should the Government's Program Administrator determine that the Grantee is not in compliance with the terms of this Agreement and/or the Stormwater Quality Projects Incentive Grant Program, including deficiencies in progress and/or management of the project, the Division of Water Quality shall notify the Mayor's Office and the appropriate district Council person and shall meet with the Grantee on matters that prevent approval of the *Request for Funds*. Failure to resolve any such matters to the satisfaction of the Government may lead to termination of the Agreement for cause pursuant to Paragraph 25 herein below.
 - (f) The Government shall release payment of the final 3% of the Grant only after receipt and acceptance of the Project Final Report. The Government's Grant Manager shall review the Project Final Report and provide comments to the Grantee within 15 calendar days or, if acceptable, forward approval to the Division of Accounting for payment.
- (6) For any project which includes installation of permanent capital infrastructure as listed in Attachment A (not to include individual rain barrels, small rain gardens, and pond equipment), the Grantee agrees to meet all design standards specified in the Government's Engineering Manuals and/or as further described in Attachment A in the design of all Grant-funded improvements. This includes all associated activities including but not limited to erosion and sediment control, traffic control, utility relocations, seeding, etc. The Grantee further agrees to design the facilities in such a way as not to preclude the potential for future water quality/quantity monitoring by the Government.

- (7) For any project which includes installation of permanent capital infrastructure as listed in Attachment A, the Grantee agrees to provide in hard copy and electronic format the following deliverables as they become available, each sealed by a Professional Engineer licensed in the Commonwealth of Kentucky (or Registered Landscape Architect when allowed by Kentucky Revised Statutes 323A.010):
- Design calculations;
 - Final construction plans, including erosion and sediment control plans, traffic control plans, grading plans, etc.;
 - Final specifications and bidding documents (if applicable);
 - Detailed engineer's construction cost estimate including quantities;
 - Inspection, Operation, and Maintenance Plan laying out the plan for regular inspection and maintenance of each proposed facility for design performance and safety in accordance with manufacturer's specifications and the Government's Stormwater Manual.
 - Copies of all federal, state, and local permits, approvals, encroachments, etc. obtained for the project.
 - Record Drawing showing all field changes, and signed and sealed by the professional of record certifying the project as shown meets all original design intent.
 - Photo documentation of site conditions and improvements before, during, and after construction.
- (8) For any project which includes installation of permanent capital infrastructure listed in Attachment A, the Grantee shall provide, by the end of the design phase, certification by a Professional Engineer or Registered Landscape Architect licensed in Kentucky that all stormwater control facilities proposed for this project are feasible and viable Best Management Practices (BMPs) for controlling stormwater quality and/or quantity and are appropriate for the project site.
- (9) The Grantee agrees that any and all stormwater control facilities, including equipment and infrastructure, constructed or purchased with Grant monies shall remain the property of the Grantee, or the current property owner, or his successors and assigns, unless otherwise noted in Attachment A.
- (10) The Grantee agrees that all stormwater control facilities, including equipment and infrastructure shall remain in service and maintained by the Grantee or its representatives for at least the Service Life listed in Attachment A. For capital infrastructure, this shall include following the Inspection, Operation, and Maintenance Plan developed for each facility referenced in Paragraph 7 above. For capital infrastructure, the Grantee further accepts and agrees to enter into the "*Agreement to Maintain Stormwater Control Facilities for Class A Incentive Grant Projects*" attached hereto as Attachment B and which is incorporated herein by reference as if fully set out herein.
- (11) The Grantee agrees, and all individual property owners with grant-funded improvements installed on their properties shall agree, to allow the Government access to perform monitoring of the project elements for compliance with this Agreement.
- (12) The Grantee agrees to comply with all applicable local, state, and federal rules, regulations, ordinances, and laws in implementation of the project.
- (13) The Grantee agrees to obtain all necessary local, state, and federal permits and approvals in a timely manner and prior to the start of any work requiring such permits or approvals.
- (14) The Grantee agrees to obtain written approval from the Government's Grant Manager or Program Administrator for any proposed changes to the Project Team or Project Plan as listed in Attachment A prior to implementing the changes. Failure to gain written approval prior to making changes may lead to termination of the Agreement for cause pursuant to Paragraph 25 herein below.
- (15) The term of this Agreement shall be from the date of this Agreement until completion of the project outlined herein. The Grantee agrees to complete the project within 18 months from the date of this Agreement. The Grantee agrees to obtain written approval from the

Government's Grant Manager or Program Administrator for any time extensions beyond the grant period. Failure to gain written approval prior to making changes may lead to termination of the Agreement for cause pursuant to Paragraph 25 herein below.

- (16) The Grantee understands that the **Grant shown herein in Paragraph 1 is a not-to-exceed amount**, and any additional funding needed to complete the project elements listed in Attachment A is the responsibility of the Grantee. If it becomes apparent to the Grantee or the Government that the Grantee will be unable to complete the project either in the manner or for the amount described in this Agreement, then the Grantee must immediately notify the Government's Grant Manager and Program Administrator by providing a complete and detailed written explanation of its inability to comply with the terms of the Agreement. The Grantee must further provide the Government's Grant Manager and Program Administrator with a complete and detailed written explanation of any proposed changes, and the reasons for those changes.
- (17) The Grantee asserts that it is an incorporated organization registered in active status with the Commonwealth of Kentucky Secretary of State, and is in full compliance with all applicable provisions of the Lexington-Fayette Urban County Government's Code of Ordinances Chapter 5 – Buildings and Building Regulations, Chapter 7 – Finance and Taxation, Chapter 12 – Housing, and Chapter 16 – Sewage, Garbage, Refuse, and Weeds, or in compliance with Kentucky Department of Housings Buildings and Construction rules and requirements as is appropriate for those state institutions, parcels, or buildings which are subject to state regulations and oversight as opposed to local ordinances and regulations. If the Grantee becomes out of compliance with any of these provisions, it will contact the Government's Program Administrator immediately. Failure to resolve any such matters to the satisfaction of the Government may lead to termination of the Agreement for cause pursuant to Paragraph 25 herein below.
- (18) This Agreement may not be modified except by written agreement of the Government and the Grantee.
- (19) In any advertisement of the grant-funded project, whether oral or written communications, the Grantee agrees to identify the Lexington-Fayette Urban County Government as the source of the above referenced funds; the Grantee shall not specifically identify any individual or elected official as being responsible for the funds donated by the Government.
- (20) The Grantee agrees to allow the Government to publicize the Grantee's project through the Government's website and other media.
- (21) The Grantee agrees to reference the Lexington-Fayette Urban County Government's Water Quality Management Fee and the Stormwater Quality Projects Incentive Grant Program as a source of funding for the project on any permanent signage or educational brochures, presentations, websites, etc. produced using grant monies.
- (22) The Grantee is solely responsible for assuring that adequate and appropriate insurance or other necessary coverage is maintained during the term of this Agreement.
- (23) The Grantee shall provide equal opportunity in employment as required by applicable federal, state, and local laws, regulations and ordinances.
- (24) The Government assumes no responsibility whatsoever in the Grantee's project activities. Grantee shall defend, indemnify, and hold harmless the Government from and against any and all liability, claims, damages, losses, actions, costs, expenses, obligations, fines, and assessments of whatever kind, including defense costs and attorney's fees that are in any way incidental to or connected with, or that arise or are alleged to have arisen, directly or indirectly, in whole or in part, from or by Grantee's or its contractor(s), agents, or assigns, negligent acts or misconduct, or errors or omissions, or in any way connected with the activities carried out pursuant to this Agreement, the Grant award or the Stormwater Quality Projects Incentive Grant Program.
- (25) If, through any cause, the Grantee shall fail to fulfill in timely and proper manner its obligations under this Agreement, or if the Grantee shall violate any of the covenants, agree-

ments or stipulations of this Agreement, the Government shall provide the Grantee thirty (30) calendar days to address the deficiency or violation. If the Grantee does not, after the thirty (30) days, come into compliance with this Agreement, the Government shall thereupon have the right to terminate this Agreement by giving written notice to the Grantee of such termination and specifying the effective date thereof, at least five (5) calendar days before the effective date of such termination. In that event, all finished or unfinished documents, receipts and reports prepared by the Grantee shall, at the option of the Government, become its property and the Grantee shall immediately repay to the Government all monies received pursuant to this Agreement less any amount representing just and equitable compensation for the Government's share of any satisfactory work completed pursuant to the Agreement.

- (26) The Grantee's sole remedy for a breach of this Agreement by the Government shall be limited to the amount of the Grant.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at Lexington, Fayette County, Kentucky, this the day and year first above written.

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

BY: _____

JIM GRAY, MAYOR

ATTEST:

CLERK, URBAN COUNTY COUNCIL

**MARTIN LUTHER KING NEIGHBORHOOD
ASSOCIATION, INC.**

467 SILVER MAPLE WAY

LEXINGTON, KY 40508

BY: Rachel Carpenter

NAME: Rachel Carpenter

TITLE: President, MLKNA

The foregoing Agreement was subscribed, sworn to and acknowledged before me by Rachel Carpenter, as the duly authorized representative for and on behalf of MLKNA, on this the 17 day of January, 2012.

My commission expires: August 7, 2014.

Patricia A. Smith 423489
NOTARY PUBLIC

ATTACHMENT A
to the GRANT AWARD AGREEMENT
between Lexington-Fayette Urban County Government (LFUCG) and
Martin Luther King Neighborhood Association, Inc.

GRANT PROGRAM: FY2012 Stormwater Quality Projects Incentive Grant Program
Class A (Neighborhood) Projects

- Funded through the LFUCG Water Quality Management Fee
- Administered by the LFUCG Division of Water Quality in the Department of Environmental Quality & Public Works

PROJECT TEAM AND CONTACT INFORMATION

Organization: **Martin Luther King Neighborhood Association, Inc.**
467 Silver Maple Way
Lexington, Kentucky 40508

Organization President: **Rachel Carpenter** *RC*
rachel@silvercarp.org
(859) 806-6259

Primary Project Contact and Project Manager: **Rachel Carpenter**
859-806-6259
rachel@silvercarp.org
Will provide Raingarden Consultations; Newsletter Design, Printing and Distribution; Survey Design, Distribution and Analysis; and Administration of the Grant

Secondary Project Contact: **Angela Baldridge**
859-816-6830
Angela.baldridge@gmail.com

Neighborhood Association Partners: William Wells Brown Neighborhood Association
North Limestone Neighborhood Association (Marty Clifford)
William Wells Brown Neighborhood Association (Billie Mallory)

Project Consultants: **Rachel Carpenter:** Rain Garden planting and design
Seedleaf (Rebecca Self): Garden consulting
Charles Carpenter: Webmaster

Project Organizations: **Bluegrass PRIDE:** Will provide water conservation and rain garden information, and pamphlets

UK Cooperative Extension: Will provide plant information and Pamphlets

Kentucky Waterways Alliance: Will provide water conservation information

LFUCG Division of Water Quality: Will provide water conservation information

UK Professor/EPA Liaison: Amanda Gumbert: Will provide water conservation information

Plant Suppliers: **Shooting Star Nursery**
Micheler's

Other Project Participants: **Cricket Press:** calendar design and printing
Hands on Originals: T-shirt design and printing

University of Kentucky Students: Will have volunteer opportunities available to them to help fulfill class requirements. They may also be asked to help residents who are unable to build a Rain Garden. (As these hours are undetermined at this time, they are not included in the Grant Budget)

Master Gardeners: Volunteer opportunities will be available to them to enable them to fulfill program requirements. Their assistance may be requested in the case of residents who are physically unable to build a Rain Garden. (Because these hours cannot be predicted at this time, they are not included in the Grant Budget)

PROJECT PLAN ELEMENTS

1) EDUCATIONAL OUTREACH:

- a. ***T-Shirts:*** T-shirts will be provided to project participants to help promote enthusiasm for water conservation, rain gardens, and water quality awareness. Grant stipulations related to the T-Shirts include:
 - The theme of the shirts must be approved by LFUCG prior to printing
 - No sponsors shall be listed
 - No ads shall appear
 - T-shirts shall not be sold for profit
- b. ***Website:*** Charles Carpenter will design a new web page for the existing website, www.mlkna.org, and will update it with continuing project information.
- c. ***Monthly Newsletter:*** A monthly newsletter, covering all three neighborhoods, will be published by Rachel Carpenter to educate the community on water conservation.
- d. ***Water Awareness Calendar:*** Graphic Designer, Cricket Press, will design and publish a 12-month calendar to inspire and educate the neighborhood. Calendars will be provided to neighborhood residents and not sold for profit.

2) RAIN GARDEN PLANNING AND IMPLEMENTATION:

The project goal is to educate residents about rain gardens and assist in the construction of 25 rain gardens. Consultants, University of Kentucky volunteers, and Master Gardener volunteers will be involved in assisting property owners with rain garden design and implementation.

Residents receiving supplies funded by this grant shall sign an agreement developed by the Organization that specifies design and monitoring criteria (see below) and agreement to maintain.

REPORTING REQUIREMENTS

In addition to the reporting requirements outlined in the Grant Award Agreement, the following special items are noted for this project: None.

EQUIPMENT

Any equipment purchased with the Grant shall remain the property of the Organization.

PERMANENT CAPITAL INFRASTRUCTURE

Does not apply to this grant. Attachment B is not required for this Agreement.

PERMANENT FACILITIES/INFRASTRUCTURE

Ownership: The rain gardens are expected to reside on private property in Fayette County and be owned by the resident.

Permitting: The Organization is responsible to ensure all permits and approvals related to their project are obtained. Any work proposed within or on public right-of-way or LFUCG owned property will require one or more permits. Please contact the appropriate staff:

- Parks and Recreation, Alana Insko – ainsko@lexingtonky.gov
- Planning (greenways, green space), Keith Lovan – klovan@lexingtonky.gov
- Streets, Roads, & Forestry (street trees), Tim Queary – tqueary@lexingtonky.gov
- Engineering (right-of-way), Dan Kiser – dkiser2@lexingtonky.gov
- Sanitary Sewers, Rod Chervus – rchervus@lexingtonky.gov
- Stormwater, Susan Plueger – splueger@lexingtonky.gov

Design Criteria: Rain gardens shall not be placed within 10 feet (at a minimum) of any house with a basement, nor on top of any existing utility line alignment (e.g. sanitary sewer, storm drain, underground cable, overhead line, etc.), nor in any location deemed unsuitable by the rain garden specialist. Rain gardens shall be designed to receive runoff from at least one of the downspouts from the house.

Monitoring: The property owner agreements for rain gardens will include a stipulation that allows LFUCG staff access to the property to monitor the installed features for compliance with this agreement.

GRANT PERIOD & PROJECT SCHEDULE

The grant period starts on the date of execution by the Mayor and extends for the time period as listed in the Grant Award Agreement. Any time extensions must be approved in writing by the LFUCG Grant Manager. The project schedule shown in Table 1 is preliminary. Proposed changes to the project which alter this schedule significantly shall be discussed with the LFUCG Grant Manager prior to implementation.

TABLE 1. PROJECT SCHEDULE-Martin Luther King Neighborhood Association Rain Gardens and Outreach

Activity	Anticipated Date (s)
Approval of Grant Award Agreement	January/February 2012
Newsletter with Water Education: Monthly for 18 months	February 2012 – July 2013
Website: Continue with updates through April, 2013	February 2012 –April 2013
Initial Graphic Design: Logo	March 2012
T-shirts Printed	May 2012
Provide Rain Garden Consultants to Participants	March – October 2012
Provide Tools and Incentive Gifts	March – October 2012
Provide Plant Design Consultation	March – October 2012
Provide Plants	March – November 2012

PROJECT BUDGET – GRANT ELIGIBLE EXPENSES & ORGANIZATION MATCH

Table 2. lists the Eligible Expenses for this project. Only properly invoiced items shall be reimbursed with grant monies or counted toward the Organization’s match.

NOTE: Only the service hours provided by volunteers 12 years of age and older can qualify to be counted toward Grant match.

Any work performed on this project prior to grant award by Urban County Council and Notice-to-Proceed from the LFUCG Grant Manager is NOT an eligible expense and shall not be reimbursed or counted toward the match.

TABLE 2. ELIGIBLE EXPENSES

Type of Expense	Participants	Item	Unit Price		Quantity	Funded by Organization	Funded by Grant	Total Expense
Project Element: Grant Management								
Volunteer Hours	Rachel Carpenter	Grant Management	\$ 7.25	per hour	72	\$ 522.00	\$ -	\$ 522.00
Project Element: Raingarden Planning and Implementation								
Professional Service Hours (rate per Occupation Code 25-3999 KY - Calculated Mean)	Rachel Carpenter	Raingarden consultations (based on Twenty-five 2-hour consultations)	\$ 21.85	per hour	50	\$ 1,092.50	\$ -	\$ 1,092.50
Supplies	Shooting Star, Micheler's Carpenter's	Plants for Raingardens (In Kind = Negotiated at 10% discount)	\$ 200.00	per rain garden	25	\$ 500.00	\$ 4,500.00	\$ 5,000.00
Supplies	Lowe's	Raingarden Tools given to residents: Utility Gloves (2/raingarden)	\$ 7.50	per pair	25	\$ -	\$ 187.50	\$ 187.50
Supplies	Lowe's	Raingarden Tools given to residents: Corona Tool/Weeder (1/raingarden)	\$ 9.00	per weeder	25	\$ -	\$ 225.00	\$ 225.00
Project Element: Educational-Newsletters								
Volunteer Hours	Rachel Carpenter	Designing/Editing Newsletters	\$ 7.25	per hour	36	\$ 261.00	\$ -	\$ 261.00
Volunteer Hours	MLKNA President	Printing and Distributing Newsletters	\$ 7.25	per hour	36	\$ 261.00	\$ -	\$ 261.00
Volunteer Hours	Neighborhood Block Captains	Handing Out/Distributing Newsletters	\$ 7.25	per hour	144	\$ 1,044.00	\$ -	\$ 1,044.00
Materials	Printer TBD	Printing Newsletters (500/month for 18 months)	\$ 0.18	per newsletter	9000	\$ -	\$ 1,620.00	\$ 1,620.00
Project Element: Educational-Calendars								
Volunteer Hours	MLKNA President and Secretary	Gather calendar Information	\$ 7.25	per hour	36	\$ 261.00	\$ -	\$ 261.00
Volunteer Hours	Neighborhood Block Captains	Handing out Calendars	\$ 7.25	per hour	8	\$ 58.00	\$ -	\$ 58.00
Professional Service Hours (assumed rate per Occupation Code 27-1024 KY)	Graphic Designer TBD	Concept layout for calendars	\$ 17.58	per hour	25	\$ -	\$ 439.50	\$ 439.50
Professional Services	Cricket Press	Design and graphics for calendars	\$ 3,250.00	lump sum	1	\$ -	\$ 3,250.00	\$ 3,250.00
Supplies	Printer TBD	Printing copies of Calendars	\$ 5.00	per copy	895	\$ -	\$ 4,475.00	\$ 4,475.00
Project Element: Website								
Donated Professional Service Hours (per Occupation Code 15-1179 KY)	MLKNA Webmaster	Web Design (18 hours)	\$ 27.14	per hour	18	\$ 488.52	\$ -	\$ 488.52
Project Element: T-Shirts								
Supplies	Hands On Originals	T-shirts printed on front and back	\$ 6.24	per shirt	369	\$ -	\$ 2,303.00	\$ 2,303.00
TOTAL PROJECT BUDGET:						\$ 4,488.02	\$ 17,000.00	\$ 21,488.02
** Organization share at end of project must be \$4,250.00 or greater (i.e. 20% of total)						ORGANIZATION SHARE ** 20.89%	GRANT SHARE 79.11%	




Lexington-Fayette Urban County Government
DEPARTMENT OF FINANCE & ADMINISTRATION

Jim Gray
Mayor

Jane C. Driskell
Commissioner

MEMORANDUM

TO: Jim Gray, Mayor
Richard Moloney, Chief Administrative Officer
Council Members

FROM: 
Jane C. Driskell, Commissioner
Division of Finance

DATE: January 23, 2012

SUBJECT: Treasury Consulting Services

Attached please find documentation pertinent to the selection of a Treasury Consulting Service per RFP #42-2011. PFM Asset Management LLC has been selected to provide consulting services to assist with requirements gathering and the performance of a needs assessment for banking services.

The fiscal impact for FY2012 is budget neutral since these services were funded in the FY2012 adopted budget.

If you have questions or need additional information please contact Cynthia Schuster at 258-3304.

TREASURY CONSULTING SERVICES AGREEMENT

THIS AGREEMENT, entered into as of the _____ day of February in the year of 2012, by and between LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, a municipal corporation (hereinafter the "Client" or "LFUCG"), and PFM ASSET MANAGEMENT LLC, a Delaware limited liability company with an office in Harrisburg, Pennsylvania (hereinafter the "Advisor").

W I T N E S S E T H

WHEREAS, the Client desires to avail itself of the experience, sources of information, advice, assistance and facilities available to the Advisor and to have the Advisor undertake certain duties and responsibilities and to perform certain services on behalf of the Client as a treasury management consultant, as provided herein; and

WHEREAS, this Agreement, under which such services shall be performed, resulted from a bid and award following publication by the Client of a Request for Proposal *42-2011, incorporated by reference in this Agreement; and

WHEREAS, the Advisor is willing to provide such services on the terms and conditions hereinafter set forth in this Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto, intending to be legally bound, agree as follows:

1. SERVICES OF ADVISOR.

The Advisor will serve as a treasury consultant to the Client regarding its banking services. The scope of the engagement will include:

(a) Preliminary Review

- i. Review of current banking contracts/agreements
- ii. Review of current banking services, fees, and earnings
 - a. Disbursement Services and Reconciliation
 - b. Payables Processing
 - c. Payroll Cards
 - d. Employee Banking

- e. Overnight Investment Vehicles
 - f. Collateralization of Deposits
 - g. Cash Concentration
- iii. Examine LFUCG's line item services, volumes, and pricing and perform a comparison to actual prices paid within the treasury management industry
- iv. Consider the benefits of new banking technology services
- v. Assess controls
- vi. Provide an opinion on the sufficiency of pledged collateral
- vii. Identify fee reduction options
- viii. Review online banking services and fees
- (b) Recommendations for Services to be Included in the RFP
 - i. Elimination of unnecessary services
 - ii. Use of new services
 - iii. Recommendations for earnings improvement on sweep balances
 - iv. Determine the best service compensation option for LFUCG (ECR, interest, etc)
 - v. Recommendations for controls efficiency
 - vi. Define cost reduction options
 - vii. Propose a methodology for LFUCG to monitor account analysis cost of services via the use of bank relationship management software
- (c) Develop RFP for Banking Services
 - i. Create a work plan and develop a timeline for the RFP process
- (d) Evaluation of Proposals
 - i. Develop evaluation criteria
 - ii. Provide standardized evaluation forms for reviewers
 - iii. Compute proposed fees based on actual usage for all proposals to include consideration of indirect costs
 - a. Earnings credit rate
 - b. Sweep investment rate
 - c. Different fees for hard or soft dollar payment
 - iv. The Finance Commissioner's office will evaluate the proposals and rank them. The consultant will then perform a comprehensive review of the top (up to four) proposals
- (e) Participate in (up to four) Bank Interviews
 - i. Clarify proposal discrepancies
 - ii. Pose technical questions
 - iii. Assess bank staff capabilities

(f) Make Recommendations

- i. Finalize quantitative analysis
- ii. Provide assessment of strengths and weaknesses of finalists
- iii. Provide a ranking of the finalists
- iv. Assist with fees negotiation with selected bank(s)

(g) Contract Review

- i. Serve as a technical resource (subject matter expert) to the LFUCG legal team regarding bank contracts

2. COMPENSATION.

(a) For services performed hereunder, the Advisor will invoice the Client for an agreed upon sum not to exceed \$49,500, as follows. The Advisor will invoice the Client in two installments; \$25,000 upon satisfactory completion of the tasks described in Section 1, a - c, and \$24,500 upon completion of the tasks described in Section 1, d – g and acceptance by the Client. The Client agrees to pay the Advisor within thirty (30) days of receipt of each invoice.

(b) In addition to the foregoing fees, the Advisor shall be reimbursed for reasonable out-of-pocket expenses, including the expense of reasonable and necessary travel, meals and lodging incurred in the performance of services. Such reimbursement shall be based upon the Client's adopted travel expense policies and guidelines for its employees. Any extraordinary costs or expenses for which the Advisor seeks reimbursement shall be approved, in writing, in advance.

(c) If and to the extent that the Client shall request the Advisor to render services other than those to be rendered by the Advisor hereunder, such additional services shall be compensated separately on terms to be agreed upon between the Advisor and the Client.

3. EXPENSES.

(a) The Advisor shall furnish at its own expense all necessary administrative services, office space, equipment, clerical personnel, telephone and other communication facilities, investment advisory facilities, and executive and supervisory personnel for its consulting services.

(b) Except as expressly provided otherwise herein, the Client shall pay all of its own expenses including, without limitation, taxes, commissions, fees and expenses of the Client's independent auditors and legal counsel.

4. REGISTERED ADVISOR; DUTY OF CARE.

The Advisor hereby represents it is a registered investment advisor under the Investment Advisers Act of 1940. The Advisor shall immediately notify the Client if at any time during the term of this Agreement it is not so registered or if its registration is suspended. The Advisor agrees to perform its duties and responsibilities under this Agreement with reasonable care. The federal securities laws impose liabilities under certain circumstances on persons who are required to act in good faith. Nothing herein shall in any way constitute a waiver or limitation of any rights which the Client or the Advisor may have under any federal securities laws.

5. ADVISOR'S OTHER CLIENTS.

The Client understands that the Advisor performs investment and advisory services for various other clients which may include investment companies, commingled trust funds and/or individual portfolios. The Client agrees that the Advisor, in the exercise of its professional judgment, may give advice or take action with respect to any of its other clients which may differ from advice given or the timing or nature of action taken with respect to the Client.

6. TERM.

This Agreement may be terminated by the Client in the event of any material breach of its terms by providing the Advisor with notice by certified mail, return receipt requested, and providing at least ten (10) days to cure.. This Agreement may be terminated by the Client at any time and for any reason, on not less than thirty (30) days' written notice to the Advisor. The Advisor may terminate this Agreement immediately upon any material breach of its terms by the Client or a by providing the Client with notice by certified mail, return receipt requested, and providing at least ten (10) days to cure.

7. FORCE MAJEURE.

The Advisor shall have no liability for any losses arising out of the delays in performing or inability to perform the services which it renders under this Agreement which result from events beyond its control, including interruption of the business activities of the Advisor or other financial institutions due to acts of God, acts of governmental authority, acts of war, terrorism, civil insurrection, riots, labor difficulties, or any action or inaction of any carrier or utility, or mechanical or other malfunction.

8. DISCIPLINARY ACTIONS.

The Advisor shall promptly give notice to the Client if the Advisor shall have been found to have violated any state or federal securities law or regulation in any criminal action or civil suit in

any state or federal court or in any disciplinary proceeding before the Securities and Exchange Commission or any other agency or department of the United States, any registered securities exchange, the Financial Industry Regulatory Authority ("FINRA"), or any regulatory authority of any State based upon the performance of services as an investment advisor.

9. INDEPENDENT CONTRACTOR.

The Advisor, its employees, officers and representatives, shall not be deemed to be employees, agents, partners, servants, and/or joint ventures of the Client by virtue of this Agreement or any actions or services rendered under this Agreement.

10. BOOKS, RECORDS AND REPORTS.

The Advisor shall maintain appropriate records of all its activities hereunder. The Advisor shall provide the Client with a treasury management report and other supporting documents. The treasury management report shall be in the format and manner that is mutually agreed upon by the Advisor and the Client.

11. THE ADVISOR'S BROCHURE.

The Advisor warrants that it has delivered to the Client the Advisor's current Securities and Exchange Commission Form ADV, Part 2A (brochure) and Part 2B (brochure supplement). The Client acknowledges receipt of such brochure and brochure supplement prior to the execution of this Agreement.

12. INDEMNIFICATION; HOLD HARMLESS.

The Advisor agrees to defend, indemnify and hold harmless the Client, its elected and appointed officials, employees, agents, boards, assigns, volunteers, and successors in interest from any and all losses resulting from negligent or willful acts of the Client or its employees, agents, owners, principals, licensees, assigns, and subcontractors or consultants of any tier, or arising from any errors or omissions of the Advisor. Such losses include, but are not limited to, claims, liens, demands, causes of action, judgments, penalties, interest, court costs, legal fees, and litigation expenses that arise or are incurred as a result of personal injury or death (including employees of the Client) or property damage (including property of the Client).

The above agreement to defend includes: (1) investigating, handling, responding to, providing a defense for, and defending all such claims, liens, demands, and causes of action; (2) paying all reasonable expenses related thereto; and (3) using attorneys approved in writing by the Client, which approval shall not be unreasonably withheld. This Indemnification and Hold

Harmless Provision shall in no way be limited by any financial responsibility or insurance requirements, and shall survive the termination of this Agreement.

13. **INSURANCE.**

The Advisor shall procure and maintain for the duration of this Agreement the following or equivalent insurance policies at no less than the limits shown below and cause its subcontractors to maintain similar insurance with limits acceptable to the Client in order to protect the Client against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Advisor.

<u>Coverage</u>	<u>Limits</u>
General Liability (Insurance Services Office Form CG 00 01)	\$1 million per occurrence, \$2 million aggregate or \$2 million combined single limit
Commercial Automobile Liability (Insurance Services Office Form CA 0001)	combined single, \$1 million per occurrence
Professional Liability	\$1 million per occurrence, \$2 million aggregate
Worker's Compensation	Statutory
Employer's Liability	\$500,000.00

The policies above shall contain the following conditions:

- (a) All Certificates of Insurance forms used by the insurance carrier shall be properly filed and approved by the Department of Insurance for the Commonwealth of Kentucky. The Client shall be named as an additional insured in the General Liability Policy and Commercial Automobile Liability Policy using the Kentucky DOI approved forms.
- (b) The General Liability Policy shall be primary to any insurance or self-insurance retained by the Client.
- (c) The General Liability Policy shall have a Professional Liability endorsement (including Errors and Omissions) for any services performed pursuant to this Agreement, and/or a separate Professional Liability Policy shall be obtained unless it is deemed not to apply by the Client.

- (d) The Professional Liability policy shall be maintained for a minimum of three years beyond the completion date of the project, to the extent commercially available. If not commercially available, the Advisor shall notify the Client and obtain similar insurance that is commercially available and acceptable to the Client.
- (e) The Client shall be provided at least 30 days advance written notice via certified mail, return receipt requested, in the event any of the required policies are canceled or non-renewed.
- (f) Said coverage shall be written by insurers acceptable to the Client and shall be in a form acceptable to the Client. Insurance placed with insurers with a rating classification of no less than Excellent (A or A-) and a financial size category of no less than VIII, as defined by the most current Best's Key Rating Guide shall be deemed automatically acceptable.

Renewals - After insurance has been approved by the Client, evidence of renewal of an expiring policy must be submitted to the Client, and may be submitted on a manually signed renewal endorsement form. If the policy or carrier has changed, however, new evidence of coverage must be submitted in accordance with the requirements of this Section 13.

Right to Review, Audit and Inspect - The Advisor understands and agrees that the Client may review, audit and inspect any and all of its records and operations to insure compliance with the requirements of this Section 13.

Default - The Advisor understands and agrees that the failure to comply with any of these insurance, safety, or loss control provisions shall constitute default and that the Client may elect at its option any single remedy or penalty or any combination of remedies and penalties, as available, including but not limited to purchasing insurance and charging the Advisor for any such insurance premiums purchased, or suspending or terminating the work.

14. MODIFICATION.

This Agreement shall not be changed, modified, terminated or discharged in whole or in part, except by an instrument in writing signed by both parties hereto, or their respective successors or assigns.

15. SUCCESSORS AND ASSIGNS.

The provisions of this Agreement shall be binding on the Advisor and its respective successors and assigns, provided, however, that the rights and obligations of the Advisor may not be assigned without the consent of the Client.

16. NOTICE

Written notices required under this Agreement shall be sent by regular mail, certified mail, overnight delivery or courier, and shall be deemed given when received at the parties' respective addresses shown below. Either part must notify the other party in writing of a change in address.

Client's Address

Lexington-Fayette Urban County Government
Government Center
200 East Main Street
Lexington, KY 40507
Attn: Jane Driskell, Commissioner of Finance & Administration

Advisor's Address

PFM Asset Management LLC
One Keystone Plaza, Suite 300
N. Front & Market Streets
Harrisburg, PA 17101
Attn: Barbara L. Fava

With a copy to:

PFM Asset Management LLC
Two Logan Square, Suite 1600
18th & Arch Streets
Philadelphia, PA 19103-2770
Attn: Controller

17. SUBCONTRACTING.

Unless otherwise required or permitted under this Section 15, the Advisor shall not assign any interest in this Agreement or subcontract any of the work performed under the Agreement without the prior written consent of the Client. The Advisor shall enter into a contract with CJVolk Associates ("CJVolk") or another qualified Small, Women and Minority enterprise ("SWaM"), wherein SWaM will be delegated to perform at least 10 percent (10%) of the services to be performed under Section 1 hereof. The Advisor shall provide to the Client a copy of the Advisor's contract with SWaM.

18. APPLICABLE LAW.

This Agreement shall be construed, enforced, and administered according to the laws of the Commonwealth of Kentucky. The Advisor and the Client agree that, should a disagreement arise

as to the terms or enforcement of any provision of this Agreement, each party will in good faith attempt to resolve said disagreement prior to filing a lawsuit.

19. EXECUTION AND SEVERABILITY.

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision. Each party to this Agreement represents that the person or persons signing this Agreement on behalf of such party is authorized and empowered to sign and deliver this Agreement for such party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized representatives as of the date set forth in the first paragraph of this Agreement.

PFM ASSET MANAGEMENT LLC

By: _____

Name: Barbara L. Fava

Title: Managing Director

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

By: _____

Name: _____

Title: _____



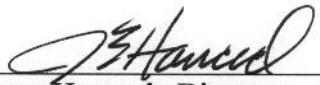
Lexington-Fayette Urban County Government
DEPARTMENT OF GENERAL SERVICES

Jim Gray
Mayor

Richard Moloney
Chief Administrative Officer

MEMORANDUM

TO: Jim Gray, Mayor
Urban County Council Members

FROM: 
Jerry Hancock, Director
Parks and Recreation

RE: Facility Usage Agreement

DATE: January 19, 2012

This is a request for Council approval of a Facility Usage Agreement between the Fayette County Board of Education and the Lexington Fayette Urban County Government.

This agreement is for the purpose of using FCPS facilities for our Winburn Community Center Program for rental of the Winburn Middle School Gymnasium from September 10th through May 4th, 2012 for a total rental fee of \$10,043.98. This amount is fully budgeted in account 1101-707604-7292-71300-835.

1/7/2012

L08331
MIDDLE SCHOOL**EXHIBIT A****THIS IS NOT A BILL -- INVOICE TO FOLLOW****DESIGNATION OF FACILITY/GROUNDS, PERSONNEL AND EQUIPMENT**

APPLICANT: Lexington-Fayette Urban County Government
(Parks & Recreation)

FACILITY: Winburn Middle School

DATE(S): Mondays - Thursdays -- 6:00 - 8:00 pm

TIME(S): Third Saturday of Monday -- 10:00 am - 2:00 pm

USAGE FEE:**\$10,043.98**

AREA(S) TO BE USED	NO. AREAS	NO. HOURS PER AREA	TOTAL NO. HOURS	HOURLY UTILITY / MAINTENANCE FEE	TOTAL UTILITY / MAINTENANCE COST
Classroom / Library	0	0	0	\$16.60	\$0.00
Auditorium	0	0	0	---	---
Cafeteria	0	0	0	\$27.55	\$0.00
Kitchen	0	0	0	\$18.45	\$0.00
Gymnasium	1	28	28	\$18.45	\$516.60
Football Field	0	0	0	---	---
Running Track	0	0	0	---	---
Baseball Field	0	0	0	---	---
Softball Field	0	0	0	---	---
Other	0	0	0	\$18.45	\$0.00
Subtotal	---	---	---	---	\$516.60
DISTRICT EMPLOYEES (If Applicable)	NO. EMPLOYEES	NO. HOURS PER EMPLOYEE	TOTAL NO. HOURS	HOURLY PERSONNEL FEE	TOTAL PERSONNEL COST
Custodian(s)	1	225.5	225.5	\$42.25	\$9,527.38
Food Service Manager(s) II	0	0	0	\$44.10	\$0.00
Technical Support Staff	0	0	0	\$47.35	\$0.00
Law Enforcement Officer(s)	0	0	0	\$55.40	\$0.00
Other	0	0	0	\$0.00	\$0.00
Subtotal	---	---	---	---	\$9,527.38
Total	---	---	---	---	\$10,043.98
ADDITIONAL RENTAL FEES (If Applicable)					
	0	0	0	\$0.00	\$0.00
Grand Total	---	---	---	---	\$10,043.98

COMMENTS:

See attached schedule of specific dates and hours. Time will be reconciled at end of each semester to finalize actual billings.

LFUCG Parks and Rec
Use of Winburn Middle School
2011-2012

32
L083-12

First Semester

Week #	Dates	Total Scheduled Hours / Billable Custodian OT	Billable Utilities*	Comments
1	Sept. 10 - 16	3.5		
2	Sept. 17 - 23	4		
3	Sept. 24 - 30	6		
4	Oct. 1 - 7	6		
5	Oct. 8 - 14	4		Fall Break
6	Oct. 15 - 21	6		
7	Oct. 22 - 28	8	4	Saturday, 10/22
8	Oct. 29 - Nov. 4	4		
9	Nov. 5 - 11	4		
10	Nov. 12 - 18	0		
11	Nov. 19 - 25	8	4	Saturday, 11/19/11
12	Nov. 26 - Dec. 2	6		
13	Dec. 3 - 11	6		
14	Dec. 12 - 16	12	4	Saturday, 12/10/11
Subtotal:		77.5	12	

77.5 x \$42.25/hour = \$3,274.38

12 x \$18.45/hour = \$221.40

1st Semester Actual Fee = \$3,495.78

*Any time past 8:00 pm on weekdays & all hours on Saturdays

Second Semester

Week #	Dates	Total Scheduled Hours / Billable Custodian OT	Billable Utilities*	Comments
15	Dec. 30 - Jan. 6	8		
16	Jan. 7 - 13	8		
17	Jan. 14 - 20	6		
18	Jan. 21 - 27	12	4	Saturday, 1/21/12
19	Jan. 28 - Feb. 3	8		
20	Feb. 4 - 10	8		
21	Feb. 11 - 17	8		
22	Feb. 18 - 24	10	4	Saturday, 2/18/12
23	Feb. 25 - Mar. 2	8		
24	Mar. 3 - 9	8		
25	Mar. 10 - 16	8		
26	Mar. 17 - 23	12	4	Saturday, 3/17/12
27	Mar. 24 - 30	8		
28	Mar. 31 - Apr. 6	0		Spring Break
29	Apr. 7 - 13	8		
30	Apr. 14 - 20	8		
31	Apr. 21 - 27	12	4	Saturday, 4/21/12
32	Apr. 28 - May 4	8		
Subtotal:		148	16	148 x \$42.25/hour = \$6,253.00 16 x \$18.45/hour = \$295.20 2nd Semester Estimated Fee = \$6,548.20
Grand Total:		225.5	28	Grand Total Estimated Fee: \$10,043.98

*Any time past 8:00 pm on weekdays & all hours on Saturdays



Mayor Jim Gray

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Division of Grants and Special Programs

TO: JIM GRAY, MAYOR
URBAN COUNTY COUNCIL

FROM: IRENE GOODING, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS

DATE: JANUARY 20, 2012

SUBJECT: REQUEST COUNCIL AUTHORIZATION TO EXECUTE
AGREEMENT WITH THE KENTUCKY OFFICE OF
HOMELAND SECURITY FOR CONTINUATION OF
COMMUNICATIONS GRANT THROUGH JUNE 30, 2012

On November 19, 2010 (Ordinance # 199-2010) Council approved acceptance of federal funds for the following project:

Purchase of Portable Radios in the amount of \$69,400 to facilitate interoperable communications between Police, Fire, and E 9-1-1.

Department of Public Safety was unable to complete project within the original performance period. Kentucky Office of Homeland Security has offered extension of project through June 30, 2012.

Council authorization to execute agreement is hereby requested.

Irene Gooding, Director

Xc: Clay Mason, Commissioner, Department of Public Safety



Lexington-Fayette Urban County Government
DEPARTMENT OF GENERAL SERVICES

Jim Gray
Mayor

Sally Hamilton
Commissioner of General Services

MEMORANDUM

TO: Mayor Jim Gray
Urban County Council

FROM: Sally Hamilton, Commissioner
Department of General Services

DATE: January 23, 2012

RE: Bid Recommendation RFQ #44-2011 Phoenix /Police Headquarters Building Elevator Systems

I am requesting Urban County Council approval of a consultant services agreement with GRW, Inc. to provide engineering design services for the repair, modification, and/or replacement of the three (3) elevators in the Phoenix building and the four (4) elevators in the Police Headquarters building. The selection committee found that GRW submitted the best overall response to the RFQ among the two responses received and was also low bid.

The cost for these engineering design services will be \$56,000. The funds are budgeted.

Fund	Dept ID	Account	Bud Ref	Section	Budget
2516	707501	91014	2012	7041	\$700,000.00

PROJECT: ANNEX GRG 2012 - \$32,000
PHOENIX GRG 2012 - \$24,000

ACTIVITY: CONSTRUCT

BUDGET REFERENCE: 2012



LEXINGTON DIVISION OF POLICE

150 East Main Street • Lexington, KY 40507 • (859) 258-3600

TO: Mayor Jim Gray
Urban County Council

FROM: Chief Ronnie Bastin
Division of Police

DATE: January 20, 2012

RE: Sonitrol of Lexington, Inc. - Alarm Contract & Addendum

Please find attached documentation requesting approval of the attached Alarm Contract and Addendum with Sonitrol of Lexington, Inc. and Lexington-Fayette Urban County Government.

The attached contract is in regards to increasing the capability of the existing alarm system at the Technical Services Unit facility. Increased alarm monitoring is necessary to protect the increased number of assets stored, which includes Division owned equipment previously stored in the Property and Evidence Unit. Once the alarm system is enhanced, additional equipment will be moved to the Technical Services Unit facility to improve the efficiency of tracking equipment and personnel.

The expanded alarm service provided by this contract will be covered by existing budgeted funds. Upon approval and signing, please forward a copy of the agreement to my office.

A handwritten signature in cursive script, appearing to read "R. Bastin".

Ronnie Bastin
Chief of Police

RB/rmh

Attachment

cc: Clay Mason, Commissioner of Public Safety

Requesting approval of the attached Alarm Contract and Addendum with Sonitrol of Lexington, Inc. The attached contract is in regards to increasing the capability of the existing alarm system at the Technical Services Unit facility. Increased alarm monitoring is necessary to protect the increased number of assets stored, which includes Division owned equipment previously stored in the Property and Evidence Unit. Once the alarm system is enhanced, additional equipment will be moved to the Technical Services Unit facility to improve the efficiency of tracking equipment and personnel.



JUSTIFICATION FOR SOLE SOURCE CERTIFICATION

Sole Source Purchases are defined clearly, based upon a legitimate need, and are limited to a single supplier. Sole source purchases are normally not allowed except when based upon strong technological grounds such as operational compatibility with existing equipment and related parts or upon a clearly unique and/or cost effective feature requirement. The use of sole source purchases must be justified and shall be limited only to those specific instances in which compatibility or technical performance needs are being satisfied.

Sole Source Services are defined as a service provider providing technical expertise of such a unique nature that the service provider is clearly and justifiably the only practicable source available to provide the service. The justification shall be based on the uniqueness of the service, sole availability at the location required, or warranty or defect correction service obligations of the service provider.

This form must be filled out for the request to purchase any good or non-professional service that requires a competitive procurement process (informal quotes (\$1001-\$10,000), formal quotes (\$10,001 - \$19,999.99), or formal bid (\$20,000 or more) as defined in the LFUCG's Purchasing Manual. This form must be completed in its entirety and attached to the purchase requisition.

Note: Sole Source Purchase requests for goods exceeding \$20,000 will require approval by the Urban County Council by submitting an Administrative Review Form. A copy of this form must be signed off by Central Purchasing and attached to the Administrative Review Form.

Requesting Division

Name Lieutenant Gregg Jones Division/Dept Police/Public Safety

Phone 859-258-3615 Email gjones@lexingtonky.gov

Type of Purchase: () Goods/Materials/Equipment (X) Services

Cost: \$132.00 monthly

Sole Source Request for the Purchase of: Monthly monitoring service for 2269 Frankfort Court

☐ One Time Purchase

☒ To Establish Sole Source Provider Contract

(subject to annual review and approval by Central Purchasing and/or Urban County Council)

Vendor Information

Business Name Sonitrol of Lexington

Contact Name Scott Green

Address 213 Walton Avenue, Lexington, KY

Phone (859) 225-7386 Email sgreen@sonitrollexington.com

STATEMENT OF NEED: (Add additional pages as needed)



JUSTIFICATION FOR SOLE SOURCE CERTIFICATION

My division/department's recommendation for sole source is based upon an objective review of the product/service required and appears to be in the best interest of the LFUCG. I know of no conflict of interest on my part, and I have no personal involvement in any way with this request. No gratuities, favors, or compromising actions have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials, persons or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

1. Describe the product or service and list the necessary features this product provides that are not available from any other option.

Sonitrol can provide 24 -hour audio monitoring of the Technical Services building at 2269 Frankfort Court. Only Sonitrol can provide audible monitoring. Sonitrol is currently providing the existing service. This would expand the existing service which could not be completed by another vendor without substantial cost.

2. Below are eligible reasons for sole source. Check one and describe.

☐ Licensed or patented product or service. No other vendor provides this. Warranty or defect correction service obligations to the consultant. Describe why it is mandatory to use this licensed or patented product or service.

☒ Existing LFUCG equipment, inventory, custom-built information system, custom-built data inventory system, or similar products or programs. Describe. If product is off-the-shelf, list efforts to find other vendors (i.e. web site search, contacting the manufacturer to see if other dealers are available to service this region, etc.) Service is already existing for this facility with this vendor.

☒ Uniqueness of the service. Describe. Only this company provide audible 24/7 monitoring

☐ The LFUCG has established a standard for this manufacturer, supplier, or provider and there is only one vendor. Attach documentation from manufacturer to confirm that only one dealer provides the product.

☐ Factory-authorized warranty service available only from this single dealer. Sole availability at the location required. Describe.

☐ Used item with bargain price (describe what a new item would cost). Describe.

☐ Other – The above reasons are the most common and established causes for an eligible sole source. If you have a different reason, please describe:

-



JUSTIFICATION FOR SOLE SOURCE CERTIFICATION

3. Describe efforts to find other vendors or consultants (i.e. phone inquires, web site search, contacting the manufacturer to see if other dealers are available to service region, etc.).

No known provider of this type of service in the area.

4. How was the price offered determined to be fair and reasonable?

(Explain what the basis was for comparison and include cost analyses as applicable.)

This pricing is consistent with other pricing with LFUCG

5. Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier.

The current cost includes monthly monitoring fees with no hardware costs. Any attempts for a similar service would necessitate additional equipment and new equipment to the government.



Lexington-Fayette Urban County Government
DIVISION OF FIRE & EMERGENCY SERVICES

Jim Gray
Mayor

Keith Jackson
Interim Fire Chief

TO: Mayor Jim Gray
Clay Mason, Public Safety Commissioner
LFUCG Councilmembers

FROM: Michael Gribbin, Assistant Chief

RE: Paramedic Training Agreement, Madison County EMS

DATE: Monday, January 23, 2012

This is a request to execute a Paramedic Training agreement between LFUCG Division of Fire and Emergency Services and Madison County Emergency Medical Services (MCEMS). The agreement defines the roles and responsibilities of each agency for providing initial Paramedic training for members of MCEMS.

This agreement will allow MCEMS personnel to participate in the Paramedic program being offered by the LFUCG Division of Fire to include the classroom training, clinical training and field internship. The successful completion of the course is a prerequisite to becoming a Kentucky Licensed Paramedic.

There will be no budgetary impact in this agreement as there are no additional resources required.



Mayor Jim Gray

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Division of Grants and Special Programs

TO: JIM GRAY, MAYOR
URBAN COUNTY COUNCIL

FROM: IRENE GOODING, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS

DATE: JANUARY 23, 2012

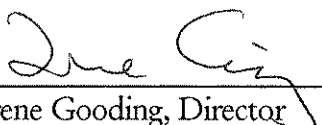
SUBJECT: REQUEST COUNCIL AUTHORIZATION TO SUBMIT A GRANT
APPLICATION TO THE U.S. DEPARTMENT OF JUSTICE
REQUESTING FEDERAL FUNDS UNDER THE INTELLECTUAL
PROPERTY THEFT ENFORCEMENT PROGRAM IN THE AMOUNT
OF \$44,000 FOR ENHANCED INVESTIGATION BY THE MAJOR
VIOLATOR UNIT IN THE DIVISION OF POLICE

The Division of Police has prepared an application for submission to the U.S. Department of Justice under the Intellectual Property Theft Enforcement Program requesting federal funds in the amount of \$44,000 to enhance the capability of the Major Violator Unit (MVU) to investigate crimes relating to counterfeit goods. The efforts of MVU will focus on the following areas of Intellectual Property Crimes including the following: (1) seizure of counterfeit media and merchandise; (2) investigation of trafficking sources in counterfeit media and merchandise; (3) extend public education of counterfeit merchandise in an effort to reduce part 1 crimes generally associated with intellectual property crimes.

If approved funds will be used for officer overtime, training, and other miscellaneous expenses. No matching funds are required.

The Intellectual Property Theft Enforcement Program, administered by Bureau of Justice Assistance, is designed to provide national support and improve the capacity of state, local, and tribal criminal justice systems to address intellectual property criminal enforcement, including prosecution, prevention, training, and technical assistance.

Council authorization to submit the application is hereby requested.


Irene Gooding, Director

Xc: Clay Mason, Commissioner, Department of Public Safety

HORSE CAPITAL OF THE WORLD

Neighborhood Development Funds
January 31, 2012
Work Session

Amount	Recipient	Purpose
\$600.00	March Madness Marching Band 125 Edgemoor Drive Lexington, KY 40503 Lori Houlihan	Funding to assist with transportation costs to attend the HonkTx festival in Austin, Texas.



Social Services and Community Development Committee

January 17, 2012

11:00 A.M., Council Chambers

Minutes & Motions

Members of the Social Services and Community Development Standing Committee in attendance were Chair George Myers, Vice Chair Peggy Henson, Councilmember Chris Ford, Councilmember Diane Lawless, Councilmember Jay McChord, Councilmember Kevin Stinnett, , Councilmember K.C. Crosbie, and Councilmember Ed Lane. Members absent were Councilmember Chuck Ellinger and Councilmember Steve Kay..

Approval of Minutes and Motions (2)

A motion by Ed Lane to Approve, seconded by Jay McChord, the motion tied.

[Determining which elements in each of the current Community Development Block Grant \(CDBG\) public improvement slated projects are eligible for funding through the Storm Water Quality Management Fee \(SWQMF\)](#)

[Copy of Stormwater Priority Projects Master List January 2012 \(2\)](#)

Charlie Martin, Director of Water Quality presented background on the SWQMF to the Committee. The Storm Water Flooding Priority list was conceived in the 1990's to formalize the process for addressing storm water projects by considering 22 different factors to develop an overall rank-score. Mr. Martin said the prioritization methodology currently in use is clunky and thus under evaluation through the Consent Decree's Commonwealth Supplemental Environmental Project (SEP).

There are currently 52 outstanding or uncompleted projects on the priority list with an estimated cost of \$122 million. Mr. Martin noted that one issue with the current list and process is the exclusion of commercial properties. Mr. Martin pointed to this issue as another reason for reevaluating the process.

Under SEP LFUCG is committed to spend \$30 million on projects from the priority list within 10 years (by January 3, 2021).

The Water Quality Management Fee is a component of SEP intended to provide funding for projects on the priority list. The cash flow analysis model has capital of approximately \$1.45 million in FY 2011 and projects a gradual increase in revenue up to \$1.65 million by FY 2015. Mr.

Martin said that if LFUCG focuses on its obligation to spend \$30 million in a ten-year period there will be limited if any funds available for other projects. The total annual estimated revenue starts at \$12.9 million in FY 2011 and increases to \$13.2 million by the end of the cash flow analysis modeling period. Mr. Martin said he thinks this was an ambitious projection by the consultant. The revenue projections for the FY 2011 budget were less than what the consultant projected in the analysis. Mr. Martin thinks the actual revenue in FY 2011 is close to the FY 2011 budget projection. Mr. Martin said this cash flow analysis model was presented to Council in April 2009 based on best estimates but it is somewhat unrealistic in terms of revenue.

CM Myers asked Mr. Martin what types of projects are eligible to receive funds from the SWQMF. Mr. Martin stated that anything is eligible as long as it is storm water related. He said the issue with spending the SWQMF on anything other than flood projects is the risk of not meeting the SEP deadline and exposing LFUCG to civil penalties under the Consent Decree. Mr. Martin said the current revenue projections are not going to cover the Consent Decree obligation if the fund is used to fix storm water systems that do not meet the terms of the SEP because they must be on the project priority list to satisfy the Consent Decree.

CM Lane asked Mr. Martin if he has actual FY 2011 expense and income data in addition to the budget projections. Mr. Martin said he could get those. CM Lane said it seems the preponderance of revenue should be put into projects adding that over five years there is \$1.2 million allocated to incentives. CM Lane asked if the incentives are considered as remediation for flooding issues. Mr. Martin said the incentives came out in response to rate payer requests for a credit program. The incentives are required by ordinance and eliminating them would require modification of Section 16. Last year there were request totaling \$1.7 million for \$1.2 million worth of grant incentive funds. The grant's purpose is to make water quality-type of improvements that lessen flooding. Mr. Martin said he agrees it is a good idea to go through the fee schedule carefully to ensure capital is being spent rationally and to meet the SEP obligation. He would not recommend starting with a cut to the incentives program. CM Lane said when looking at the budget and comparing capital projects to other line items it appears that administrative costs are way too high and the capital improvement projects are too low.

CM Lane asked if public improvements are being paid for in cash or through bonding. Mr. Martin said it is being paid in cash. CM Lane discussed the merits of bonding the debt and cited the SWQMF as a dedicated fund. CM Lane asked for a mini-report of actual SWQMF expenses and revenue from FY 2011 as well as the outlook for FY 2012. CM Lane said administrative costs are too high if there is not enough funding for \$30 million in capital improvement projects from a fund that will generate \$10 to \$12 million annually over the course of 10 years.

CM Stinnett asked the Committee to keep in mind that there will be an audit scheduled in the third year of the SWQMF (February 2013). LFUCG cannot bond the projects until there are two-years of data. A decision on bonding will have to be made going into the next budget cycle.

CM Stinnett said storm water maintenance also needs to be discussed and he would guess some funds will have to go towards that issue. Mr. Martin says he has a budget of \$250,000 a year for small repairs and his list for repairs now totals close to \$400,000. In the past Water Quality did not go out and look for problems; now they are looking for the problems that need repairing thus spending more.

CM Stinnett said a decision should be made within the next year as to whether or not street cleaning should be incorporated as part of the SWQMF program and that this was always part of the maintenance program vision. CM Stinnett said someone in the Administration needs to start working towards making a decision on this issue.

CM Lane asked Mr. Martin if he has received input from the Finance Department about how much cash on hand the Division of Water Quality would need to bond in the future. Mr. Martin said he just started Sanitary Sewer monthly meetings but it is on the list of items to discuss. Mr. Martin said he hopes to bring more information on the issue when he returns to the Environmental Quality Committee on January 31, 2012.

CM Myers asked Mr. Martin about the plan to update the priority list when the new methodology is adopted and asked how set the priority list is with regards to the EPA allowing LFUCG to make changes. Mr. Martin said it is a local priority list and Lexington has tremendous latitude in determining the priorities as long as there is consistency in applying the methodology. CM Myers asked what the EPA expects LFUCG to accomplish through the Consent Decree with the \$30 million. Mr. Martin said the EPA expect LFUCG to complete \$30 million worth of capital construction on flooding projects from Fayette County's priority list.

Bob Bayert discussed the Meadows Northland Arlington (MNA) project and presented a map showing the entire area consisting of 511 acres and spanning Loudon Rd, Broadway Rd, New Circle Rd and Meadows Lane. The area was first studied in 1997 and with an estimated cost of \$16 million to upgrade the sewers in this entire area. In the past 10 years there have been \$9 million spent on only a fraction of the area. The project area consists of approximately 12.6 miles of streets and roads.

Mr. Bayert was asked to look at which elements of CDBG projects are parts of the storm sewer. He discussed the break down of costs for the MNA phase scheduled between 2012 and 2017

and separated out the cost of storm water improvements being funded through CDBG funds. Storm water costs range anywhere from 11 to 29 percent of CDBG costs in those years. All projects scheduled in 2012 are storm water and sewer related. CM Myers asked if that project deals with a flood issue. Mr. Bayert said there is no known structure flooding in that area.

Mr. Bayert discussed the Municipal Aid program which is allocated from the state gas tax and ranges from \$4.4 to \$5.2 million annually. KRS dictates that these funds must be used for the Urban Service Area and cannot be used for the Rural Service Area. It is used by Streets and Roads as well as the Division of Engineering and goes towards some capital repaving projects.

CM Lawless said that it seems LFUCG is taking one step forward and two steps back in the 3rd District by allowing entire backyards to be paved with no storm water basin. She asked if there are any attempts to address those types of issues. Mr. Bayert said that those types of program would not be eligible for Municipal Aid money. CDBG is typically an income qualifying program.

CM Myers said that a lot of cities use CDBG as a means to abdicate the responsibility of government in lower income neighborhoods. He said that if this project had been bonded and completed in the beginning it would have been completed in a much shorter time frame, residents would not have to put up with construction around their home for 15-plus years, and the project would not have risen as steeply as it has where it was \$11 million originally and currently estimated to have cost \$30 million in total.

CM Myers asked if there are elements of this project that are flooding related and could be moved over to the SWQMF. Mr. Bayert stated that the areas with flooding issues were addressed first. Mr. Martin said there are no known future storm water projects related to flooding in that area: [Stormwater Priority Projects Master List January 2012 \(2\)](#).

CM Myers asked how much it will cost to finish the MNA project and for a projected timeframe until completion. Mr. Bayert said based on historical data it will cost around \$45 million to complete the project, \$10 million of which has already been spent. CM Myers asked what factors have contributed to the drastic increase in cost. Mr. Bayert said that the amount of construction estimated in the original report is much lower than the actual requirements. When storm water and sewer repairs are being provided in the area the utility companies also want to replace their lines which often causes delays during the construction season. The scale of construction also requires redoing the entire street which was not originally anticipated.

CAO Moloney said that in 1996 the MNA project was a priority. Since then the cost has increased from \$16 million to \$45 million. He added that the reason for this discussion was to see if money

can be saved from CDBG. After hearing some of the comments from CM Lane and CM Stinnet, the Administration may go back and reevaluate how some of the SWQMF is being applied and whether some of it can be put back in CDBG.

[Update on CDBG & HOME funds and the future funding forecast Director of Community Development, Irene Gooding](#)

Irene Gooding, Director of Community Development discussed the future of CDBG funding. Ms. Gooding said Lexington is very fortunate to be one of two formula cities in Kentucky receiving an increase in its FY 2013 CDBG funding while several Kentucky communities are receiving a decrease. The HOME fund was not as fortunate and is receiving nearly a 30 percent decrease in FY 2013 funding.

Ms. Gooding discussed the Community Development section from the 2010 Consolidated Plan. She said a project that has been in the plan for several years is a new Senior Citizen's Center. It is eligible under the CDBG program but there is not enough funding in a one- year period to build it. It would be eligible for funding through the Section 108 program.

CM Myers asked about the 28% drop in the HOME program and how that program will be reevaluated. Ms. Gooding stated that according to an agreement with the Kentucky Transportation Cabinet LFUCG is responsible for making sure that the rental housing project in the Newtown Pike Extension project gets underway and is a priority. Sixteen units of housing must be renovated and HOME dollars will have to be invested. Other projects will not be eliminated but they will be cut.

CM Myers asked if there will be a plan presented to Council. Ms. Gooding said that the plan will be developed and a draft distributed for a thirty-day review around March 1st. It will go to Council for approval in April. CM Myers asked how soon until the process starts. Ms. Gooding said she has reviewed all applications and the CAO has a draft of the recommendations. The Mayor will receive the draft in mid-February.

[Items in Committee List \(27\)](#)

CM Ford said he looks forward to the presentation on the Section 108 at the next meeting. His take on this meeting is that the resources are dwindling yet needs are increasing. He said that on behalf of his residents he feels fortunate that the CDBG funding source still exists. One thing CM Ford would like for the Committee to do is figure out how to lend and express its support to ensuring that CDBG funds are not cut going forward. CM Ford asked Commissioner Beth Mills for an overview of the recovery for Social Services.

CM Myers asked Com. Mills if she could pull that request together. Com. Mills stated that if the Committee can be specific about what is needed for the meeting she can be ready for either the February or March meeting. CM Ford agreed to work with her on that.

A motion by K.C. Crosbie to Adjourn, seconded by Kevin Stinnett, the motion passed without dissent.