

General Government Committee

Steve Kay-At-Large - CHAIR
Linda Gorton-Vice Mayor
Chris Ford-1st District
Shevawn Akers-2nd District
Diane Lawless-3rd District
Julian Beard-4th District
Jenny Scutchfield-7th District
George Myers-8th District
Harry Clarke-10th District
Ed Lane-12th District

Staff:

Jenifer Benningfield

AGENDA
GENERAL GOVERNMENT COMMITTEE
May 7th, 2013
11:00am

- | | | | |
|----|---|----------------------------------|---------|
| 1. | Approval of Summary | Steve Kay | (1-3) |
| 2. | Metro Employees Credit Union Lease and MOA | Sally Hamilton/David
Barberie | (4-40) |
| 3. | CAO Policy #3 Vehicle Use and Assignment | Jamshid Baradaran | (41-45) |
| 4. | Restructuring Government to Move the Division's
of Building Inspection and Code Enforcement to
The Commissioner of Planning | Derek Paulsen | (46-61) |
| 5. | Items Referred to Committee | Steve Kay | (62) |

Future Committee Meetings

June 4th, 2013

July 2nd, 2013

August 13th, 2013

September 10th, 2013

October 1st, 2013

November 5th, 2013

“The General Government Committee, to which shall be referred matters relating to the general
administration of government; The Department of Law; The Department of General Services; each
department’s respective divisions; and, any related partner agencies.”



General Government Committee

April 9th, 2013

Summary and Motions

Chair Steve Kay called the meeting to order at 11:00am. Council Members present were Linda Gorton, Harry Clarke, Chris Ford, Diane Lawless, Julian Beard, Jennifer Scutchfield, and Ed Lane. Shevawn Akers and George Myers were absent. Kevin Stinnett attended as a non-voting member.

1. Approval of Summary

Motion by Gorton to approve the summary. Seconded by Lawless.

Motion by Gorton to amend the summary to list Diane Lawless as absent for the March 2013 meeting. Seconded by Lane. Amended motion passed without dissent.

2. Quorum

Glenda George from the Law Department came to the podium to present on the Quorum issue referred to committee by Gorton. George said that she received direction from Gorton to draft an amendment to the Council Rules and Procedures to revise Section 2.201. George said that she added the following language for standing committees:

If more than one councilmember who is not on the committee is present and councilmembers not on the committee are needed to constitute a quorum, the chair shall only recognize the number of councilmembers not on the committee as are deemed necessary to constitute a quorum. If a quorum is not present, the standing committee shall take one of the following procedural actions: 1) Take measures to obtain a quorum including recessing for a specified amount of time; 2) Fix the time which to adjourn; or 3) adjourn.

The committee members discussed the issue of how many non-committee members could be recognized as voting members to constitute a quorum. Gorton told the committee members that in the past, the chair recognized the first non-committee member who entered the meeting as voting if a quorum was not present. Gorton said that if a committee chair recognizes more voting members than is necessary, it can, and has, swayed votes on issues.

Stinnett suggested that they set a time limit to obtain a quorum. He recommended setting the time limit to 15 minutes and the committee members were agreeable.

Motion by Gorton to add to Section 2.201 of the Council Rules and Procedures that each standing committee has 15 minutes to obtain a quorum and will adjourn after 15 minutes if a quorum has not been obtained. Seconded by Scutchfield. Motion passed without dissent.

Motion by Clarke to forward the draft amendment of Section 2.201 to the full Council. Seconded by Lawless. Motion passed without dissent.

George said that she will provide a draft of the revision to Council Members prior to the Work Session where Kay will report out the summary from the General Government Committee.

3. Metro Employees Credit Union (MECU) Update

Chief Administrative Officer, Sally Hamilton, came to the podium to present the update. Hamilton said that she wanted to discuss the Memorandum of Agreement (MOA), not the lease. Hamilton said that David Barberie had drafted the MOA. Hamilton then called a meeting to discuss it. Piper Graham from the MECU had not seen a copy of the draft prior to that meeting, and asked Hamilton for time to review the draft with the MECU Board of Directors.

Lane asked about referring to employees as 'employees of Lexington' instead of 'employees of the LFUCG.' Barberie said legally it can be written either way but he prefers to use 'Lexington.'

Lane asked Hamilton about a commencement date. Hamilton said that since it is now April, they would make the MOA effective with the lease on July 1, 2013. Lane suggested that the MECU provide the Council a yearly financial report and documentation of accreditation.

Beard asked Graham to come to the podium. He asked her if the FDIC regularly examines the MECU. Graham said that they get a yearly examination by the Department of Financial Institutions. They also have an internal audit, done yearly, that the MECU pays for.

Stinnett asked Hamilton about the status of the lease with MECU. Hamilton said the draft 5-year lease has not yet been adopted by the General Government committee. The 5-year lease is acceptable to the MECU. Hamilton said that the MOA and the lease are not tied together.

Graham said that she thought the MOA would determine what the relationship between the LFUCG and MECU is. Graham said that she thinks the MOA and the lease are tied together.

Kay said that the MECU MOA and lease will be on the May 2013 agenda.

4. Items in Committee

Motion by Lawless to remove the *Franchise Agreements* from the referral list. Seconded by Clarke. Motion passed without dissent.

Kay told committee members that the *CAO Policy #3 Vehicle Use and Assignment / Fleet Right-Sizing* item will be on the May agenda.

Gorton said that the Commissioner of Planning, Derek Paulsen, will be ready to present on the *Restructuring Government to move the Divisions of Building Inspection and Code Enforcement to the Commissioner of Planning* item at the May meeting.

5. Adjournment

Motion by Lane to adjourn. Seconded by Gorton. Motion passed without dissent.

Submitted by Jenifer Benningfield, Council Administrative Specialist

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2012 by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, whose address is 200 East Main Street, Lexington, Kentucky 40507, (the "Owner"), and **METRO EMPLOYEES CREDIT UNION**, whose address is 1306 Versailles Road, Suite 140, Lexington, KY 40504, (the "Tenant").

WITNESSETH:

1. **PREMISES.** The leased premises, hereinafter called the "Premises", are identified and described as follows: approximately 3,866 square feet of rentable area consisting of space located on the first floor/front building of the LFUCG Versailles Road Campus, located at **1306 Versailles Road** in Lexington, Kentucky, and more specifically identified on Exhibit A of this Agreement, together with access to unassigned common parking area for customer and employee use and such right-of-way as is necessary for ingress thereto and egress therefrom, and a drive-thru facility (said areas combined hereinafter referred to as the "Premises").

2. **USE.** The Premises shall be used by Tenant for conducting credit union business and shall not be used for any other purpose without the prior written consent of Owner. Tenant shall not use the Premises in any manner constituting a violation of any ordinance, statute, regulation, or order of any governmental authority. Tenant shall use the Premises in a safe, careful, proper, and lawful manner and shall keep and maintain the Premises in as good a condition as when Tenant first took possession thereof, and Tenant shall not commit, or allow to be committed, any act of waste, in or about the Premises or the Building. Tenant shall not create, maintain, or permit any nuisance in the Premises or the Building, or permit any objectionable or offensive noise or odors to be emitted from the Premises. If Tenant uses the Premises in any manner which would invalidate any policy of insurance now or hereafter carried on the Building or increase the rate of premiums payable on any such insurance policy, Owner may, at its option, require Tenant to discontinue such use or to reimburse Owner as additional rent for any increase in premiums attributable to the use being made by the Tenant. Tenant shall comply with the Rules and Regulations governing the use and occupancy of the building, which Rules and Regulations are attached hereto as Exhibit "C". Owner may amend the Rules and Regulations from time to time, and a written copy of such amendments will be given to Tenant who shall thereafter comply with the same.

- 3A. **TERM.** The initial term of this Agreement shall be for a period of one (1) year, beginning on July 1, 2013, and ending June 30, 2014.

- 3B. The initial term of this Agreement and any extensions thereof may be renewed for four (4) subsequent terms of one year each subject to the termination provision stated in Section 15. The Tenant may request an extension of the

Agreement from year-to-year after the expiration of the initial lease term or any extension term by giving such written notice to the Owner, ninety (90) days prior to the expiration of the initial or an extension term. Owner will respond to request for an extension of the lease within thirty (30) days of receipt of the Tenant's request.

4. RENT. Tenant agrees to pay the Owner annual rent as specified in Exhibit B for use of the Premises. The rental payments shall be made at the Owner's notice address in paragraph 25 in advance on or before first (1st) day of the month. Payments shall be made on the following basis: ■ Monthly □ Quarterly
5. UTILITIES AND SERVICES. Owner shall be responsible for providing and paying for all utilities to the Premises except for any utility that is separately metered for the Premises. In such case, Tenant shall be responsible for payment of the utility charge. Owner shall provide janitorial and cleaning services for common areas of the building, if there be any. Owner does not warrant that any services provided by Owner will be free from interruption due to causes beyond Owner's reasonable control. The temporary interruption of services or delay in the making of repairs will not be deemed an eviction or disturbance of Tenant's use and possession of the Premises or render Owner liable to Tenant for damages by set-off or abatement of rent or otherwise, nor will it relieve Tenant from performance of Tenant's obligations under this Agreement.
6. SECURITY DEPOSIT. Tenant shall pay a Security Deposit, equal to zero (0) month's rent to Owner upon the full execution of the Agreement. The security deposit is refundable by Owner to Tenant at the expiration of the lease term or any extension thereof, and surrender of the Premises subject to the Tenant's performance of its duties and obligations under the terms of the Agreement.

Upon the expiration or earlier termination of this Lease, Tenant shall immediately surrender the Premises to Owner in broom clean condition and in good order, condition, and repair, except for ordinary wear and tear and damage which Tenant is not obligated to repair, failing which Owner may restore the Premises to such conditions at Tenant's expense.

7. TAXES AND FEES. Tenant agrees to pay all applicable taxes and assessments against its personal property, and any applicable permit, regulatory and/or license fees. Tenant is not responsible for any applicable real property taxes.
8. COMPLIANCE WITH ORDINANCES, STATUTES, STATE AND FEDERAL LAWS. Tenant shall comply and cause its employees and agents to comply with all ordinances, statutes, state and federal laws, and reasonable operational procedures and standards established by the Owner in connection with the use of the Premises.

9. INSPECTIONS. Owner shall have the right to inspect the Premises at any time during Tenant's normal hours of operation. Owner shall have free access to the Premises at all reasonable times for the purpose of examining the same, or to make any alterations or repairs to the Premises that Owner deems necessary for its safety or preservation. Owner shall have the right to inspect the Premises outside Tenant's normal hours of operation with 24 hours prior notice.
10. ALTERATIONS TO THE PREMISES AND FIT-UP COSTS. Before any physical improvements or changes to the Premises may be made by Tenant, including painting, Tenant shall obtain prior written approval for such changes from Owner, which approval may be withheld. Any and all improvements once installed, affixed or located in or on the Premises shall be and remain on the Premises and belong to Owner as further consideration of this Agreement. All inventory, furnishings, fixtures and other equipment (not permanently attached to the Premises) may be removed by Tenant upon termination of the Agreement, at Tenant's sole expense, provided such removal does not damage the Premises.

Tenant, at Owner's request, shall remove its personal property and fixtures and shall restore the Premises to the condition existing prior to the items so removed.

11. MAINTENANCE AND USAGE OF THE PREMISES.
- a. Owner shall at its expense keep in good order, condition and state of repair the structural portions of the Premises the plumbing, heating, air-conditioning, electrical service to the Premises and the common areas in the Building; provided, however, that Owner's obligation to make such repairs shall not relieve Tenant of the obligation of paying its share of any operating costs under the provisions of Exhibit B, and provided further that Tenant shall reimburse Owner upon demand for the cost of repairing any damage to the Premises or the Building caused by the deliberate act or negligent act of Tenant or its employees, agents or invitees. Tenant shall, at its expense, keep in good order, condition, state of repair all portion of the Premises with the exception of those to be maintained and repaired by Owner under the foregoing provisions. In the event Tenant fails to comply with the requirements of the foregoing sentence, Owner may make such maintenance and repair and the costs thereof with interest at fifteen (15%) percent per annum shall be immediately payable to Owner as additional rent.
 - b. Excepted from Owner's obligation to repair are any repairs made necessary by reason of damage due to fire or other casualty loss covered by standard fire and extended coverage insurance.
 - c. Tenant shall use common areas, if there are any, in such manner so as not to interfere with the use of common areas by other occupants of the building.

- d. Tenant shall reimburse Owner for any fines, penalties and costs and all liability for violation or non-compliance with any requirements related to the Premises imposed as a result of Tenant's failure to repair.

Intentional damage to the Premises shall entitle Owner to terminate the Lease, to repossess the Premises, and to require Tenant to make necessary repairs to the Premises.

- e. With the exception of service animals, dogs and other animals are not permitted on the Premises.

- 12. SECURITY. Tenant shall have adequate procedures in place to ensure that, if needed, office doors are secured at the end of the business day and that outside doors are secured and keys are distributed to personnel only as necessary. Owner shall maintain a master key in its possession for emergency access to the Premises.

- 13. PARKING. Tenant shall direct all Tenant employees to park only in those spaces that may be assigned in writing to Tenant by Owner.

- 14. INDEMNIFICATION AND INSURANCE.

- a. Indemnification - Tenant agrees to indemnify, defend and hold harmless Owner and its agents, officials and employees, from any and all claims, liabilities, loss, damages, actions of whatever kind or expense including defense costs and attorney fees that are in anyway incidental or connected with or that arise or alleged to have arisen, directly or indirectly in whole or in part from Tenant's or its invitees' use of the Premises. Owner shall not be liable for any loss or damage to persons or property of the Tenant or others located in the Premises or the loss of or the damage to any property of Tenant or others by theft or otherwise from the Premises. Owner shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling material, steam, gas, electricity, water, rain, snow, leaks from any part of the Premises, pipes, appliances or plumbing works, or any other cause of any nature, except to the extent such injury or damage results from a negligent or willful act or failure to act of the Owner. Any property of Tenant kept for storage at the Premises shall be so kept or stored at the exclusive risk of Tenant.

- b. Insurance –Tenant shall procure and maintain, at its cost, throughout the term of this Agreement, and annually for any extension thereof, commercial general liability insurance, including premises and operations liability, broad form contractual coverage, and fire legal liability for said Premises, and any other appropriate insurance,

deemed proper and necessary for its use and occupation of the Premises. Liability limits should be in an amount not less than \$1,000,000.00 per occurrence with an aggregate of not less than \$2,000,000.00. Said insurance company shall be authorized to do business in the Commonwealth of Kentucky, with a Best's Key Rating of no less than Excellent (A or A-) and a financial size category of no less than VIII, and must include the provision that "it is agreed and understood that the Lexington-Fayette Urban County Government, its agents, employees, officers and elected officials, as their interests may appear, are additional insured, under the provisions of this Agreement." Tenant shall furnish to the Owner's Division of Risk Management a certificate of insurance and make available for inspection a copy of the policy.

Any Tenant improvements to the Premises must be approved in writing by Owner prior to construction. Upon completion of construction, Tenant must provide copies of all required governmental approvals and permits, a copy of the certificate of occupancy, and original copies of full lien waivers from all contractors and materialmen. Such documents must be delivered by Tenant to Owner prior to Tenant occupying the Premises.

- c. Other requirements –Tenant shall require that all contractors/ vendors used by Tenant for fit-up improvements and betterments of the space during occupancy shall be pre-approved by Owner's Division of Building Maintenance and Construction. Furthermore, Tenant shall comply with Owner's risk management provisions and shall provide Owner with copies of certificates of insurance and/or any contracts entered into relating to the above, prior to commencement of work.

15. TERMINATION. After the expiration of the initial lease term, either party may terminate any lease extension at any time, without penalty, upon one hundred eighty (180) days prior written notice to the other party. Owner may perform ongoing evaluations to determine whether the Premises are being used by Tenant as stipulated in this Agreement. If Tenant does not utilize the Premises in accordance with the use specified in Paragraph 2 of this Agreement, Tenant upon written notice from Owner shall immediately vacate the Premises and this Agreement will be terminated and of no further force and effort.
16. SIGNAGE. Tenant will be allowed to place, at its sole expense, its name or sign on its Premises in the building, provided such signage complies with the applicable guidelines as set forth by Owner and applicable local sign ordinances.
17. AGREEMENT IS NOT ASSIGNABLE. This Agreement is not assignable and Tenant may not sublease or grant any other individual, agency or organization use or occupancy of Tenant's Premises.

18. PROPERTY ON PREMISES IS RESPONSIBILITY OF TENANT. All personal property kept upon the Premises shall be at the sole risk and responsibility of Tenant. This shall include property of contractors/ vendors engaged by Tenant to perform fit-up or conduct other maintenance or improvement activities throughout the term of this Agreement.
19. DESTRUCTION OF PREMISES. If the Premises should be destroyed or damaged by fire or other casualty covered by the Owner's policy of fire and extended coverage insurance, Owner may, at its sole option and expense, elect to make repairs or restore the building and Premises or to cancel this Agreement instead of making the necessary repairs. If the Premises are damaged to such extent that repairs or restoration cannot be effected within one hundred twenty (120) days, either party shall have the right to cancel this Agreement by giving the other party such notice in writing within thirty (30) days from the date such damage occurred. In the event of partial destruction or damage whereby Tenant shall be deprived of the use or occupancy of only a portion of the Premises, then minimum rent shall be equitably apportioned according to the area of the Premises which is usable by Tenant until such time as the Premises are repaired or restored. Owner is not obligated to commence repair or reconstruct the Premises until after it receives the proceeds of insurance in connection with such partial loss. Should the destruction or damage be of such extent that the Premises are entirely unrentable and then the Agreement shall automatically terminate.
20. HAZARDOUS MATERIALS. Tenant will not discharge, release, dispose of, store, or deposit on the Premises any waste, including any pollutants or hazardous materials ("Hazardous Materials"), in violation of any federal, state or local law or regulation. Any Hazardous Materials generated by Tenant will be removed from the Premises at Tenant's expense in the manner required by law and disposed of in compliance with federal, state and local laws and regulations. If at any time Tenant fails to comply with the terms of this section, Owner may remedy such default and Tenant must fully reimburse Owner for any cost or expense it incurs within ten (10) days of written notification from Owner.
21. QUIET ENJOYMENT. Owner hereby covenants and agrees that if Tenant performs all the covenants and agreements herein stipulated to be performed on Tenant's part, Tenant shall at all times during the Lease term and any extensions or renewals thereof have the peaceable and quiet enjoyment and possession of the Premises without any manner of, or hindrance from, Owner or any person or persons lawfully claiming the Premises.
22. VACATION OF PREMISES. Tenant shall deliver up and surrender to Owner possession of the Premises upon the expiration or termination of the Agreement in as good a condition and repair as the Premises were at the commencement of the Agreement (the elements, ordinary wear and deterioration accepted).

23. DEFAULT AND REMEDIES

- a. If Tenant shall abandon the Premises, or fail to pay any installment of rent or additional rent when due or fail to pay any costs or expenses provided for in this Agreement when said payments are due, or fail to perform any of its other obligations under the terms, conditions, and covenants of the Agreement, then Tenant shall be in default and breach of the Agreement.
- b. In the event of a default and the continuance of such default ten (10) days after written notice thereof is given by Owner to Tenant, in addition to Owner's rights and remedies allowed by law, Owner may, without further notice to or demand upon Tenant, apply the security deposit or re-enter the Premises and cure any default of Tenant. Tenant shall reimburse Owner in curing such default, and Owner shall not be liable to Tenant for any loss or damage which Tenant may sustain by reason of Owner's actions. Further, in addition to any other rights and remedies allowed by law, Owner may terminate the Agreement as of the date of such default and Tenant shall immediately thereafter surrender the Premises to Owner. If Tenant shall not immediately surrender the Premises, Owner may reenter the Premises and dispossess Tenant or any other occupants of the Premises and remove their effects, without prejudice to any other remedy which Owner may have for possession or arrearages in rent.
- c. The failure or delay by either party to insist upon the strict performance by the other or any of the terms, conditions, or covenants of this Lease or to exercise any right or remedy consequent upon a breach thereof, shall not be construed to be a waiver or affect the right of either party to thereafter enforce each and every such provision of right. The waiver of any default and breach of this Lease shall not be held to be a waiver of any other default and breach. The receipt of rent by Owner after said rent is due and payable shall not be construed as a waiver of such default, and the receipt by Owner of less than the full amount of rent due shall be a payment without prejudice to its right to recover the balance of the rent or to pursue any other remedies provided in the Lease.

24. MEMORANDUM OF LEASE. This Agreement, or a memorandum describing the Premises herein demised, stating the term of the Agreement, and referring to this document, may be recorded by either party.

25. NOTICES. Any notice or consent required to be given by or on behalf of either party upon the other shall be in writing and shall be given by hand delivery or U.S. Mail. If mailed, such notice shall be via certified mail, return receipt requested.

Notice shall be sent to the Owner at the following:

Lexington-Fayette Urban County Government
 Attn: Commissioner of General Services
 200 East Main Street
 Lexington, KY 40507

Notice shall be sent to the Tenant at the following:

Metro Employees Credit Union
 Piper L. Graham, President
 1306 Versailles Road, Suite 140
 Lexington, KY 40504

26. WAIVER. No waiver of any condition of legal right shall be implied by the failure of either party to declare forfeiture, or for any other reason, and no waiver of condition or covenant shall be valid unless it be in writing signed by party so waiving. The waiver of a breach by either party of any condition shall not excuse, or be claimed to excuse, a future breach of the same condition or covenant or any other condition or covenant.
27. EMINENT DOMAIN. In the event that the Premises or any part thereof shall be at any time after the execution of the Agreement are taken for public or quasi-public use, or condemned under eminent domain, Tenant shall not be entitled to claim or have paid to it any compensation or damages whatsoever for or on account of any loss, injury, damage or taking of any right, interest or estate of Tenant, and Tenant hereby relinquishes to Owner any rights to any such damages. Should all of the Premises be taken by eminent domain, then this Agreement shall be deemed terminated, and Tenant shall be entitled to no damages or any consideration by reason of such taking.
28. INTERPRETATION. If any clause, sentence, paragraph or part of the Agreement shall for any reason be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Agreement, but be confined in its operation to the clause, sentence, paragraph or part thereof directly involved in the controversy in which such judgment shall have been rendered, and in all other aspects this Agreement shall continue in full force and effect. The Agreement, having been negotiated in good faith between the parties with advice of their respective counsel, shall not be construed against one party or the other.
29. INTERPRETATION AS PARTNERSHIP PROHIBITED. It is understood and agreed that nothing herein contained shall be construed in any way to constitute a partnership between the parties.

30. NON-DISCRIMINATION. Tenant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, national origin or handicap and will state in all solicitations or advertisements for employees placed on behalf of Tenant that all qualified applicants will receive equal consideration for employment without regard to race, color, religion, sex, age, national origin or handicap.
31. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties with respect to Tenant's occupancy, use, and lease of the Premises, and there are no other promises or conditions in any other agreement either oral or written. The Agreement may be amended only in writing and only if such writing is signed by both parties. The parties acknowledge that any amendment to the Agreement must be approved by the Lexington-Fayette Urban County Council.
32. HOLDOVER. Should the Tenant hold over after termination of the Lease without a properly signed extension agreement, the Lease will become month-to-month subject to termination upon thirty (30) days written notice by either party. Monthly rent shall be one hundred fifty percent (150%) of the fair market value.
33. ATTORNEYS FEES. Should either party expend attorney's fees, and cost to enforce any provision of this Agreement, the prevailing party shall recover its attorney's fees and costs from the other party.
34. APPLICABLE LAW AND VENUE. This Agreement shall be governed by the laws of the Commonwealth of Kentucky and any action will be brought in a court of competent jurisdiction situated in Fayette County, Kentucky.
35. NO THIRD PARTY BENEFICIARIES. Nothing contained herein shall create any relationship, contractual or otherwise or any rights in favor of any third party.
36. SUCCESSORS AND ASSIGNS. This Agreement shall be binding on both parties and their successors and assigns.

IN WITNESS WHEREOF, the parties hereto have set their hands the date first above written.

The foregoing terms and conditions are accepted by the Owner this ____ day of _____, 20____.

OWNER:

LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

BY: _____
Jim Gray, Mayor

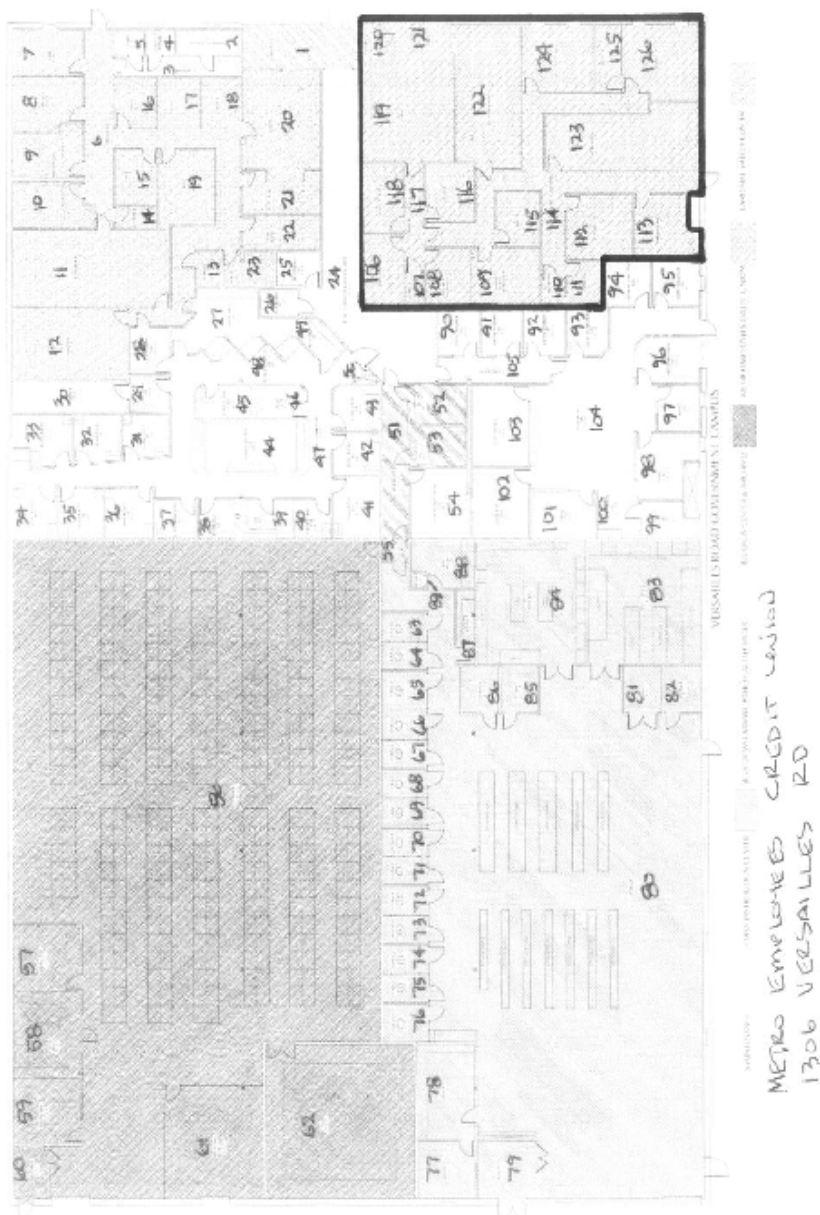
The foregoing terms and conditions are accepted by the Tenant this ____ day of _____, 20____.

TENANT:

BY: _____

Its: _____

EXHIBIT A



Tenant:	Metro Employees Credit Union
Premises:	Versailles Road Campus
Address:	1306 Versailles Road
RSF:	3,866
Initial lease term:	1 year, with 4 one year term automatic extensions

EXHIBIT B

RENT SCHEDULE

<u>FY</u>	<u>FMV Rental Rate per s.f.</u>	<u>Annual FMV Rent</u>	<u>Adjusted Annual Rent</u>	<u>Adjusted Payment</u> ■ Monthly □ Quarterly
2013	<u>\$ 9.71</u>	<u>\$ 37,544.75</u>	<u>\$18,977.16</u>	<u>\$1,581.43</u>
2014	<u>\$ 9.71</u>	<u>\$ 37,544.75</u>	<u>\$25,608.44</u>	<u>\$2,134.04</u>
2015	<u>\$ 9.71</u>	<u>\$ 37,544.75</u>	<u>\$29,587.21</u>	<u>\$2,465.60</u>
2016	<u>\$ 9.71</u>	<u>\$ 37,544.75</u>	<u>\$33,565.98</u>	<u>\$2,797.17</u>
2017	<u>\$ 9.71</u>	<u>\$ 37,544.75</u>	<u>\$37,544.75</u>	<u>\$3,128.73</u>

- B.1 Rent. Tenant shall pay to Owner as rent for the Premises the annual sums specified in Exhibit B (Adjusted Annual Rent column). If the lease term commences on a day other than the first day of a calendar month or expires on a day other than the last day of a calendar month, the base rent installment for such first or last month shall be prorated.
- B.2 Annual Rental Adjustment (if applicable). If in any calendar year or partial calendar year during the term hereof (or renewal periods, if any), the Operating Expenses of the Building as hereinafter defined shall exceed \$4.75 per Rentable Square Foot of an area therein, then Tenant shall pay as additional rental for that year or partial calendar year Tenant's Proportionate Share of the excess Operating Expenses exceeding \$4.75 per Rentable Square Foot. Tenant's Proportionate Share of operating expenses is the percentage determined by dividing the rentable area in Tenant's Premises by the total rentable area in the building.
- B.2-1. For the purposes of this Agreement, Operating Expenses shall mean any and all costs paid or incurred in the discretion of the Landlord, in connection with the operation, service, maintenance, repair of the Building (including fire and extended insurance costs) determined in accordance with generally accepted accounting principles (on an accrual basis) consistently applied.
- B.2-2. Notwithstanding the Landlord's discretion as to Operating Expenses, no expense incurred for the following shall be included in Operating Expenses:
- (1) Cost incurred by Owner for Tenant's alterations;
 - (2) Depreciation of the building;

- (3) Costs of capital improvements which do not improve the building's operating efficiency, reduce utility expenses, or which may not be required by governmental authorities;
- (4) Payments of principal on any mortgage or debt service;
- (5) Utility cost separately metered for each tenant's premises.

B.2-3. Tenant shall pay all charges for all separately metered utility services used by it in the Premises and supplied by Owner, a public utility or public authority or any other person, firm or corporation; provided, however, that the Tenant shall not be charged more by Owner than the rates it would be charged for the same service if furnished by a public utility company or governmental unit.

B.3 Payment of Annual Rental Adjustment (if applicable). Tenant's Annual Rental Adjustment shall be estimated annually by Owner and written notice of the estimated amount given to Tenant prior to the beginning of each fiscal year commencing on July 1. Tenant shall pay one-twelfth (1/12) of the estimated amount each month, as additional rent, along with the monthly installment of base rent. Within ninety (90) days after the end of each such calendar year, Owner shall prepare and deliver to Tenant a statement showing in reasonable detail the actual amount of Operating Expenses for the preceding fiscal year and the actual amount of Tenant's Annual Rental Adjustment. Within thirty (30) days after receipt of the aforementioned statement, Tenant shall pay to Owner, or Owner shall credit to Tenant, the difference between the actual amount of Tenant's Annual Rental Adjustment for the preceding fiscal year and the estimated amount paid by Tenant during such year provided however, that notwithstanding anything to the contrary herein contained, Tenant shall not be entitled to a credit for any amount of annual base rent paid.

B.4 Service Charge. If any installment of base rent or additional rent provided for in this Agreement is not paid within ten (10) days after its due date, it shall be subject to a service charge of five percent (5%) of the unpaid rent due for each month or fraction thereof or such lesser amount as may be the maximum amount permitted by the law, until paid.

Exhibit C
RULES AND REGULATIONS

1. No advertisement, sign, lettering, notice or device shall be placed in or upon the Premises, its windows or doors, or upon the Building except such as may be approved in writing by Owner.
2. Owner shall maintain a Building directory with the name of Tenant, its organizational divisions and the name of any other business entities lawfully occupying the Premises or any part thereof.
3. No additional locks other than building standard shall be placed upon any doors of the Premises without Owner's consent and Tenant agrees not to have any duplicate keys made without the consent of Owner. If more than two keys for any door lock are desired such additional keys shall be acquired from Owner and shall be paid for by Tenant. Upon termination of this Lease Tenant shall surrender all keys to Owner. Tenant shall not replace the locks on any doors. Should Owner consent to the replacement of such lock Owner shall replace the lock at Tenant's sole expense.
4. No furniture, freight, supplies not carried by hand, or equipment of any kind shall be brought into or removed from the building without the consent of Owner. Owner shall have the right to limit the weight and size to designate the position of all safes and other heavy property brought into the building. The furniture, freight, supplies, equipment, safes and such other heavy property shall be moved in or out of the Building only at the times and in the manner permitted by Owner. Owner will not be responsible for loss of or damage to any such items and all damage done to the Premises or to the Building by moving or maintaining such items shall be repaired at the expense of Tenant. Any merchandise not capable of being carried by hand shall utilize hand trucks equipped with rubber tires and rubber side guards.
5. Tenant, its invitees or guests, shall not disturb other occupants of the Building by making any undue or unseemly noise, or otherwise. Tenant shall not, without Owner's written consent, install or operate in or upon the Premises any machine or machinery causing noise or vibration perceptible outside the Premises, electric heater, stove, device for the preparation of food, or machinery of any kind or carry on any mechanical business thereon, or keep or use thereon oils, burning fluids, camphene, kerosene, naphtha, gasoline, or other combustible materials. Notwithstanding the foregoing, Tenant may operate within the Premises a device for the brewing of coffee to be consumed on the Premises. No explosives shall be brought into the Building.
6. Tenant shall not mark or drive nails or screws into the woodwork or plaster, or paint, or in any way deface the Premises, the Building, or any parts thereof or

fixtures therein. The expense of remedying any breakage or stoppage resulting from a violation of this rule shall be paid by Tenant.

7. Canvassing, soliciting and peddling in the Buildings are prohibited and each Tenant shall cooperate to prevent such activity, however, Owner, in its discretion, may allow beverage and snack vending in the Building.
8. Tenant may request the assistance of Owner's employees only upon approval of the Owner's manager. Owner's employees are not required to perform any work or do anything outside of their regular duties, except on issuance of special instructions from the Owner's manager. If Owner's employees are made available to assist Tenant, Owner shall be paid for their services by Tenant at reasonable hourly rates.
9. Owner reserves the right to close and keep locked all entrance and exit doors the Building on Sundays and legal holidays and between the hours of 6:00p.m. on any day and 8:00 a.m. of the following day during such further hours and Owner may deem advisable for access control of the Building. Notwithstanding the foregoing, Tenant shall have access to the Building at all hours.
10. Owner may utilize an outside agency to control access to the Building when it is locked. Owner does not assume any responsibility for, and shall not be liable for, and damage resulting from any error in regard to any identification of Tenant or its employees and from admission to, or exclusion from, the Building by such outside agency.
11. The heating and air conditioning systems shall be operated at such times as the Building Owner shall designate from time to time. Tenant shall not utilize any equipment requiring extraordinary services without the prior written consent of Owner.
12. Tenant shall exercise care and caution to insure all water faucets or water apparatus, electricity and gas are carefully and entirely shut off before Tenant or its employees leave the Premises so as to prevent waste or damage. Tenant shall be responsible for any damage to the Premises or the Building and for all damage or injuries sustained by other tenants or occupants of the Building arising from Tenant's failure to observe this rule.
13. Owner reserves the right to exclude or remove from the Building any person who, in the judgment of Owner, is under the influence of liquor or drugs, or who is in the judgment of Owner disturbing other Tenants or occupants of the Building arising from Tenant's failure to observe this rule.
14. Toilet facilities shall be provided for men and women by Owner. Plumbing fixtures and appliances shall be used for the purpose for which they were designed and no rubbish, rags or other unsuitable material shall be thrown or

placed therein. Repairs resulting from such damage to any such fixtures or appliances from misuse by a Tenant shall be paid by Tenant and Owner shall not in any case be responsible therefore.

15. Owner will replace tubes and lamps for lighting fixtures at Tenant's expense if requested by Tenant to do so.
16. Owner reserves the right to rescind any of these rules and regulations and to make such other and further reasonable rules and regulations as in its judgment may from time to time be needed or desirable for the care and cleanliness of the Premises and the Building. Such rules and regulations when made and upon written notice to Tenant, shall be binding upon Owner and Tenant in like manner as if originally set forth herein.
17. Tenant agrees that Owner shall not be responsible for lost or stolen personal property, money or jewelry from the Premises or Building regardless of whether such loss occurs when the area is locked against entry or not.

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Initials
Owner _____
Tenant _____

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2012 by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, whose address is 200 East Main Street, Lexington, Kentucky 40507, (the "Owner"), and **METRO EMPLOYEES CREDIT UNION**, whose address is 1306 Versailles Road, Suite 140, Lexington, KY 40504, (the "Tenant").

WITNESSETH:

1. **PREMISES.** The leased premises, hereinafter called the "Premises", are identified and described as follows: approximately 604 square feet of rentable area consisting of space located on the first floor of the Phoenix Building, located at **101 East Vine Street** in Lexington, Kentucky, and more specifically identified on Exhibit A of this Agreement.

2. **USE.** The Premises shall be used by Tenant for conducting credit union business and shall not be used for any other purpose without the prior written consent of Owner. Tenant shall not use the Premises in any manner constituting a violation of any ordinance, statute, regulation, or order of any governmental authority. Tenant shall use the Premises in a safe, careful, proper, and lawful manner and shall keep and maintain the Premises in as good a condition as when Tenant first took possession thereof, and Tenant shall not commit, or allow to be committed, any act of waste, in or about the Premises or the Building. Tenant shall not create, maintain, or permit any nuisance in the Premises or the Building, or permit any objectionable or offensive noise or odors to be emitted from the Premises. If Tenant uses the Premises in any manner which would invalidate any policy of insurance now or hereafter carried on the Building or increase the rate of premiums payable on any such insurance policy, Owner may, at its option, require Tenant to discontinue such use or to reimburse Owner as additional rent for any increase in premiums attributable to the use being made by the Tenant. Tenant shall comply with the Rules and Regulations governing the use and occupancy of the building, which Rules and Regulations are attached hereto as Exhibit "C". Owner may amend the Rules and Regulations from time to time, and a written copy of such amendments will be given to Tenant who shall thereafter comply with the same.

- 3A. **TERM.** The initial term of this Agreement shall be for a period of one (1) year, beginning on July 1, 2013, and ending June 30, 2014.

- 3B. The initial term of this Agreement and any extensions thereof may be renewed for four (4) subsequent terms of one year each subject to the termination provision stated in Section 15. The Tenant may request an extension of the Agreement from year-to-year after the expiration of the initial lease term or any extension term by giving such written notice to the Owner, ninety (90) days prior to the expiration of the initial or an extension term. Owner will respond to request

for an extension of the lease within thirty (30) days of receipt of the Tenant's request.

4. RENT. Tenant agrees to pay the Owner annual rent as specified in Exhibit B for use of the Premises. The rental payments shall be made at the Owner's notice address in paragraph 25 in advance on or before first (1st) day of the month. Payments shall be made on the following basis: ■ Monthly □ Quarterly
5. UTILITIES AND SERVICES. Owner shall be responsible for providing and paying for all utilities to the Premises except for any utility that is separately metered for the Premises. In such case, Tenant shall be responsible for payment of the utility charge. Owner shall provide janitorial and cleaning services for common areas of the building, if there be any. Owner does not warrant that any services provided by Owner will be free from interruption due to causes beyond Owner's reasonable control. The temporary interruption of services or delay in the making of repairs will not be deemed an eviction or disturbance of Tenant's use and possession of the Premises or render Owner liable to Tenant for damages by set-off or abatement of rent or otherwise, nor will it relieve Tenant from performance of Tenant's obligations under this Agreement.
6. SECURITY DEPOSIT. Tenant shall pay a Security Deposit, equal to zero (0) month's rent to Owner upon the full execution of the Agreement. The security deposit is refundable by Owner to Tenant at the expiration of the lease term or any extension thereof, and surrender of the Premises subject to the Tenant's performance of its duties and obligations under the terms of the Agreement.

Upon the expiration or earlier termination of this Lease, Tenant shall immediately surrender the Premises to Owner in broom clean condition and in good order, condition, and repair, except for ordinary wear and tear and damage which Tenant is not obligated to repair, failing which Owner may restore the Premises to such conditions at Tenant's expense.

7. TAXES AND FEES. Tenant agrees to pay all applicable taxes and assessments against its personal property, and any applicable permit, regulatory and/or license fees. Tenant is not responsible for any applicable real property taxes.
8. COMPLIANCE WITH ORDINANCES, STATUTES, STATE AND FEDERAL LAWS. Tenant shall comply and cause its employees and agents to comply with all ordinances, statutes, state and federal laws, and reasonable operational procedures and standards established by the Owner in connection with the use of the Premises.
9. INSPECTIONS. Owner shall have the right to inspect the Premises at any time during Tenant's normal hours of operation. Owner shall have free access to the Premises at all reasonable times for the purpose of examining the same, or

to make any alterations or repairs to the Premises that Owner deems necessary for its safety or preservation. Owner shall have the right to inspect the Premises outside Tenant's normal hours of operation with 24 hours prior notice.

10. ALTERATIONS TO THE PREMISES AND FIT-UP COSTS. Before any physical improvements or changes to the Premises may be made by Tenant, including painting, Tenant shall obtain prior written approval for such changes from Owner, which approval may be withheld. Any and all improvements once installed, affixed or located in or on the Premises shall be and remain on the Premises and belong to Owner as further consideration of this Agreement. All inventory, furnishings, fixtures and other equipment (not permanently attached to the Premises) may be removed by Tenant upon termination of the Agreement, at Tenant's sole expense, provided such removal does not damage the Premises.

Tenant, at Owner's request, shall remove its personal property and fixtures and shall restore the Premises to the condition existing prior to the items so removed.

11. MAINTENANCE AND USAGE OF THE PREMISES.
- a. Owner shall at its expense keep in good order, condition and state of repair the structural portions of the Premises the plumbing, heating, air-conditioning, electrical service to the Premises and the common areas in the Building; provided, however, that Owner's obligation to make such repairs shall not relieve Tenant of the obligation of paying its share of any operating costs under the provisions of Exhibit B, and provided further that Tenant shall reimburse Owner upon demand for the cost of repairing any damage to the Premises or the Building caused by the deliberate act or negligent act of Tenant or its employees, agents or invitees. Tenant shall, at its expense, keep in good order, condition, state of repair all portion of the Premises with the exception of those to be maintained and repaired by Owner under the foregoing provisions. In the event Tenant fails to comply with the requirements of the foregoing sentence, Owner may make such maintenance and repair and the costs thereof with interest at fifteen (15%) percent per annum shall be immediately payable to Owner as additional rent.
 - b. Excepted from Owner's obligation to repair are any repairs made necessary by reason of damage due to fire or other casualty loss covered by standard fire and extended coverage insurance.
 - c. Tenant shall use common areas, if there are any, in such manner so as not to interfere with the use of common areas by other occupants of the building.

- d. Tenant shall reimburse Owner for any fines, penalties and costs and all liability for violation or non-compliance with any requirements related to the Premises imposed as a result of Tenant's failure to repair.

Intentional damage to the Premises shall entitle Owner to terminate the Lease, to repossess the Premises, and to require Tenant to make necessary repairs to the Premises.

- e. With the exception of service animals, dogs and other animals are not permitted on the Premises.

- 12. SECURITY. Tenant shall have adequate procedures in place to ensure that, if needed, office doors are secured at the end of the business day and that outside doors are secured and keys are distributed to personnel only as necessary. Owner shall maintain a master key in its possession for emergency access to the Premises.

- 13. PARKING. Tenant shall direct all Tenant employees to park only in those spaces that may be assigned in writing to Tenant by Owner. One (1) parking space shall be provided at no cost to the Tenant in the Phoenix Parking lot, or, other parking area as may be designated by the Owner. One (1) on-street parking space located on Hernando Alley shall be marked for use by MECU visitors. Additional parking space(s) that may be required by the Tenant shall be secured and paid for by Tenant.

- 14. INDEMNIFICATION AND INSURANCE.

- a. Indemnification - Tenant agrees to indemnify, defend and hold harmless Owner and its agents, officials and employees, from any and all claims, liabilities, loss, damages, actions of whatever kind or expense including defense costs and attorney fees that are in anyway incidental or connected with or that arise or alleged to have arisen, directly or indirectly in whole or in part from Tenant's or its invitees' use of the Premises. Owner shall not be liable for any loss or damage to persons or property of the Tenant or others located in the Premises or the loss of or the damage to any property of Tenant or others by theft or otherwise from the Premises. Owner shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling material, steam, gas, electricity, water, rain, snow, leaks from any part of the Premises, pipes, appliances or plumbing works, or any other cause of any nature, except to the extent such injury or damage results from a negligent or willful act or failure to act of the Owner. Any property of Tenant kept for storage at the Premises shall be so kept or stored at the exclusive risk of Tenant.

- b. Insurance –Tenant shall procure and maintain, at its cost, throughout the term of this Agreement, and annually for any extension thereof, commercial general liability insurance, including premises and operations liability, broad form contractual coverage, and fire legal liability for said Premises, and any other appropriate insurance, deemed proper and necessary for its use and occupation of the Premises. Liability limits should be in an amount not less than \$1,000,000.00 per occurrence with an aggregate of not less than \$2,000,000.00. Said insurance company shall be authorized to do business in the Commonwealth of Kentucky, with a Best's Key Rating of no less than Excellent (A or A-) and a financial size category of no less than VIII, and must include the provision that "it is agreed and understood that the Lexington-Fayette Urban County Government, its agents, employees, officers and elected officials, as their interests may appear, are additional insured, under the provisions of this Agreement." Tenant shall furnish to the Owner's Division of Risk Management a certificate of insurance and make available for inspection a copy of the policy.

Any Tenant improvements to the Premises must be approved in writing by Owner prior to construction. Upon completion of construction, Tenant must provide copies of all required governmental approvals and permits, a copy of the certificate of occupancy, and original copies of full lien waivers from all contractors and materialmen. Such documents must be delivered by Tenant to Owner prior to Tenant occupying the Premises.

- c. Other requirements –Tenant shall require that all contractors/ vendors used by Tenant for fit-up improvements and betterments of the space during occupancy shall be pre-approved by Owner's Division of Building Maintenance and Construction. Furthermore, Tenant shall comply with Owner's risk management provisions and shall provide Owner with copies of certificates of insurance and/or any contracts entered into relating to the above, prior to commencement of work.

15. TERMINATION. After the expiration of the initial lease term, either party may terminate any lease extension at any time, without penalty, upon one hundred eighty (180) days prior written notice to the other party. Owner may perform ongoing evaluations to determine whether the Premises are being used by Tenant as stipulated in this Agreement. If Tenant does not utilize the Premises in accordance with the use specified in Paragraph 2 of this Agreement, Tenant upon written notice from Owner shall immediately vacate the Premises and this Agreement will be terminated and of no further force and effort.

16. SIGNAGE. Tenant will be allowed to place, at its sole expense, its name or sign on its Premises in the building, provided such signage complies with the applicable guidelines as set forth by Owner and applicable local sign ordinances.
17. AGREEMENT IS NOT ASSIGNABLE. This Agreement is not assignable and Tenant may not sublease or grant any other individual, agency or organization use or occupancy of Tenant's Premises.
18. PROPERTY ON PREMISES IS RESPONSIBILITY OF TENANT. All personal property kept upon the Premises shall be at the sole risk and responsibility of Tenant. This shall include property of contractors/ vendors engaged by Tenant to perform fit-up or conduct other maintenance or improvement activities throughout the term of this Agreement.
19. DESTRUCTION OF PREMISES. If the Premises should be destroyed or damaged by fire or other casualty covered by the Owner's policy of fire and extended coverage insurance, Owner may, at its sole option and expense, elect to make repairs or restore the building and Premises or to cancel this Agreement instead of making the necessary repairs. If the Premises are damaged to such extent that repairs or restoration cannot be effected within one hundred twenty (120) days, either party shall have the right to cancel this Agreement by giving the other party such notice in writing within thirty (30) days from the date such damage occurred. In the event of partial destruction or damage whereby Tenant shall be deprived of the use or occupancy of only a portion of the Premises, then minimum rent shall be equitably apportioned according to the area of the Premises which is usable by Tenant until such time as the Premises are repaired or restored. Owner is not obligated to commence repair or reconstruct the Premises until after it receives the proceeds of insurance in connection with such partial loss. Should the destruction or damage be of such extent that the Premises are entirely unrentable and then the Agreement shall automatically terminate.
20. HAZARDOUS MATERIALS. Tenant will not discharge, release, dispose of, store, or deposit on the Premises any waste, including any pollutants or hazardous materials ("Hazardous Materials"), in violation of any federal, state or local law or regulation. Any Hazardous Materials generated by Tenant will be removed from the Premises at Tenant's expense in the manner required by law and disposed of in compliance with federal, state and local laws and regulations. If at any time Tenant fails to comply with the terms of this section, Owner may remedy such default and Tenant must fully reimburse Owner for any cost or expense it incurs within ten (10) days of written notification from Owner.
21. QUIET ENJOYMENT. Owner hereby covenants and agrees that if Tenant performs all the covenants and agreements herein stipulated to be performed on Tenant's part, Tenant shall at all times during the Lease term and any extensions or renewals thereof have the peaceable and quiet enjoyment and possession of

the Premises without any manner of, or hindrance from, Owner or any person or persons lawfully claiming the Premises.

22. VACATION OF PREMISES. Tenant shall deliver up and surrender to Owner possession of the Premises upon the expiration or termination of the Agreement in as good a condition and repair as the Premises were at the commencement of the Agreement (the elements, ordinary wear and deterioration accepted).

23. DEFAULT AND REMEDIES

- a. If Tenant shall abandon the Premises, or fail to pay any installment of rent or additional rent when due or fail to pay any costs or expenses provided for in this Agreement when said payments are due, or fail to perform any of its other obligations under the terms, conditions, and covenants of the Agreement, then Tenant shall be in default and breach of the Agreement.
- b. In the event of a default and the continuance of such default ten (10) days after written notice thereof is given by Owner to Tenant, in addition to Owner's rights and remedies allowed by law, Owner may, without further notice to or demand upon Tenant, apply the security deposit or re-enter the Premises and cure any default of Tenant. Tenant shall reimburse Owner in curing such default, and Owner shall not be liable to Tenant for any loss or damage which Tenant may sustain by reason of Owner's actions. Further, in addition to any other rights and remedies allowed by law, Owner may terminate the Agreement as of the date of such default and Tenant shall immediately thereafter surrender the Premises to Owner. If Tenant shall not immediately surrender the Premises, Owner may reenter the Premises and dispossess Tenant or any other occupants of the Premises and remove their effects, without prejudice to any other remedy which Owner may have for possession or arrearages in rent.
- c. The failure or delay by either party to insist upon the strict performance by the other or any of the terms, conditions, or covenants of this Lease or to exercise any right or remedy consequent upon a breach thereof, shall not be construed to be a waiver or affect the right of either party to thereafter enforce each and every such provision of right. The waiver of any default and breach of this Lease shall not be held to be a waiver of any other default and breach. The receipt of rent by Owner after said rent is due and payable shall not be construed as a waiver of such default, and the receipt by Owner of less than the full amount of rent due shall be a payment without prejudice to its right to recover the balance of the rent or to pursue any other remedies provided in the Lease.

24. MEMORANDUM OF LEASE. This Agreement, or a memorandum describing the Premises herein demised, stating the term of the Agreement, and referring to this document, may be recorded by either party.
25. NOTICES. Any notice or consent required to be given by or on behalf of either party upon the other shall be in writing and shall be given by hand delivery or U.S. Mail. If mailed, such notice shall be via certified mail, return receipt requested.

Notice shall be sent to the Owner at the following:

Lexington-Fayette Urban County Government
Attn: Commissioner of General Services
200 East Main Street
Lexington, KY 40507

Notice shall be sent to the Tenant at the following:

Metro Employees Credit Union
Piper L. Graham, President
1306 Versailles Road, Suite 140
Lexington, KY 40504

26. WAIVER. No waiver of any condition of legal right shall be implied by the failure of either party to declare forfeiture, or for any other reason, and no waiver of condition or covenant shall be valid unless it be in writing signed by party so waiving. The waiver of a breach by either party of any condition shall not excuse, or be claimed to excuse, a future breach of the same condition or covenant or any other condition or covenant.
27. EMINENT DOMAIN. In the event that the Premises or any part thereof shall be at any time after the execution of the Agreement are taken for public or quasi-public use, or condemned under eminent domain, Tenant shall not be entitled to claim or have paid to it any compensation or damages whatsoever for or on account of any loss, injury, damage or taking of any right, interest or estate of Tenant, and Tenant hereby relinquishes to Owner any rights to any such damages. Should all of the Premises be taken by eminent domain, then this Agreement shall be deemed terminated, and Tenant shall be entitled to no damages or any consideration by reason of such taking.
28. INTERPRETATION. If any clause, sentence, paragraph or part of the Agreement shall for any reason be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Agreement, but be confined in its operation to the clause, sentence, paragraph or part thereof directly involved in the controversy in which such judgment shall have been rendered, and in all other aspects this Agreement shall continue in full force and effect. The Agreement, having been negotiated in good

faith between the parties with advice of their respective counsel, shall not be construed against one party or the other.

29. INTERPRETATION AS PARTNERSHIP PROHIBITED. It is understood and agreed that nothing herein contained shall be construed in any way to constitute a partnership between the parties.
30. NON-DISCRIMINATION. Tenant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, national origin or handicap and will state in all solicitations or advertisements for employees placed on behalf of Tenant that all qualified applicants will receive equal consideration for employment without regard to race, color, religion, sex, age, national origin or handicap.
31. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties with respect to Tenant's occupancy, use, and lease of the Premises, and there are no other promises or conditions in any other agreement either oral or written. The Agreement may be amended only in writing and only if such writing is signed by both parties. The parties acknowledge that any amendment to the Agreement must be approved by the Lexington-Fayette Urban County Council.
32. HOLDOVER. Should the Tenant hold over after termination of the Lease without a properly signed extension agreement, the Lease will become month-to-month subject to termination upon thirty (30) days written notice by either party. Monthly rent shall be one hundred fifty percent (150%) of the fair market value.
33. ATTORNEYS FEES. Should either party expend attorney's fees, and cost to enforce any provision of this Agreement, the prevailing party shall recover its attorney's fees and costs from the other party.
34. APPLICABLE LAW AND VENUE. This Agreement shall be governed by the laws of the Commonwealth of Kentucky and any action will be brought in a court of competent jurisdiction situated in Fayette County, Kentucky.
35. NO THIRD PARTY BENEFICIARIES. Nothing contained herein shall create any relationship, contractual or otherwise or any rights in favor of any third party.
36. SUCCESSORS AND ASSIGNS. This Agreement shall be binding on both parties and their successors and assigns.

IN WITNESS WHEREOF, the parties hereto have set their hands the date first above written.

The foregoing terms and conditions are accepted by the Owner this ____ day of _____, 20____.

OWNER:

LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

BY: _____
Jim Gray, Mayor

The foregoing terms and conditions are accepted by the Tenant this ____ day of _____, 20____.

TENANT:

BY: _____

Its: _____

EXHIBIT A



Tenant:	Metro Employees Credit Union
Premises:	Phoenix Building
Address:	101 East Vine Street
RSF:	604
Initial lease term:	1 year, with 4 one year term automatic extensions

EXHIBIT B RENT SCHEDULE

<u>FY</u>	<u>FMV Rental Rate per s.f.</u>	<u>Annual FMV Rent</u>	<u>Adjusted Annual Rent</u>	<u>Adjusted Payment</u> ■ Monthly □ Quarterly
2013	\$ 15.91	\$ 9,611.25	\$ 5,650.97	\$470.92
2014	\$ 15.91	\$ 9,611.25	\$ 7,065.35	\$588.78
2015	\$ 15.91	\$ 9,611.25	\$ 7,913.98	\$659.50
2016	\$ 15.91	\$ 9,611.25	\$ 8,762.62	\$730.22
2017	\$ 15.91	\$ 9,611.25	\$ 9,611.25	\$800.94

NOTE:

***Includes one (1) parking space in Phoenix Parking lot.**

***Includes one (1) on-street parking space for use by credit union members on Hernando Alley.**

***Additional employee parking (if any) shall be secured and paid for by Metro Employee Credit Union.**

- B.1 Rent. Tenant shall pay to Owner as rent for the Premises the annual sums specified in Exhibit B (Adjusted Annual Rent column). If the lease term commences on a day other than the first day of a calendar month or expires on a day other than the last day of a calendar month, the base rent installment for such first or last month shall be prorated.
- B.2 Annual Rental Adjustment (if applicable). If in any calendar year or partial calendar year during the term hereof (or renewal periods, if any), the Operating Expenses of the Building as hereinafter defined shall exceed \$4.75 per Rentable Square Foot of an area therein, then Tenant shall pay as additional rental for that year or partial calendar year Tenant's Proportionate Share of the excess Operating Expenses exceeding \$4.75 per Rentable Square Foot. Tenant's Proportionate Share of operating expenses is the percentage determined by dividing the rentable area in Tenant's Premises by the total rentable area in the building.
- B.2-1. For the purposes of this Agreement, Operating Expenses shall mean any and all costs paid or incurred in the discretion of the Landlord, in connection with the operation, service, maintenance, repair of the Building (including fire and extended insurance costs) determined in accordance with generally accepted accounting principles (on an accrual basis) consistently applied.

B.2-2. Notwithstanding the Landlord's discretion as to Operating Expenses, no expense incurred for the following shall be included in Operating Expenses:

- (1) Cost incurred by Owner for Tenant's alterations;
- (2) Depreciation of the building;
- (3) Costs of capital improvements which do not improve the building's operating efficiency, reduce utility expenses, or which may not be required by governmental authorities;
- (4) Payments of principal on any mortgage or debt service;
- (5) Utility cost separately metered for each tenant's premises.

B.2-3. Tenant shall pay all charges for all separately metered utility services used by it in the Premises and supplied by Owner, a public utility or public authority or any other person, firm or corporation; provided, however, that the Tenant shall not be charged more by Owner than the rates it would be charged for the same service if furnished by a public utility company or governmental unit.

B.3 Payment of Annual Rental Adjustment (if applicable). Tenant's Annual Rental Adjustment shall be estimated annually by Owner and written notice of the estimated amount given to Tenant prior to the beginning of each fiscal year commencing on July 1. Tenant shall pay one-twelfth (1/12) of the estimated amount each month, as additional rent, along with the monthly installment of base rent. Within ninety (90) days after the end of each such calendar year, Owner shall prepare and deliver to Tenant a statement showing in reasonable detail the actual amount of Operating Expenses for the preceding fiscal year and the actual amount of Tenant's Annual Rental Adjustment. Within thirty (30) days after receipt of the aforementioned statement, Tenant shall pay to Owner, or Owner shall credit to Tenant, the difference between the actual amount of Tenant's Annual Rental Adjustment for the preceding fiscal year and the estimated amount paid by Tenant during such year provided however, that notwithstanding anything to the contrary herein contained, Tenant shall not be entitled to a credit for any amount of annual base rent paid.

B.4 Service Charge. If any installment of base rent or additional rent provided for in this Agreement is not paid within ten (10) days after its due date, it shall be subject to a service charge of five percent (5%) of the unpaid rent due for each month or fraction thereof or such lesser amount as may be the maximum amount permitted by the law, until paid.

Exhibit C
RULES AND REGULATIONS

1. No advertisement, sign, lettering, notice or device shall be placed in or upon the Premises, its windows or doors, or upon the Building except such as may be approved in writing by Owner.
2. Owner shall maintain a Building directory with the name of Tenant, its organizational divisions and the name of any other business entities lawfully occupying the Premises or any part thereof.
3. No additional locks other than building standard shall be placed upon any doors of the Premises without Owner's consent and Tenant agrees not to have any duplicate keys made without the consent of Owner. If more than two keys for any door lock are desired such additional keys shall be acquired from Owner and shall be paid for by Tenant. Upon termination of this Lease Tenant shall surrender all keys to Owner. Tenant shall not replace the locks on any doors. Should Owner consent to the replacement of such lock Owner shall replace the lock at Tenant's sole expense.
4. No furniture, freight, supplies not carried by hand, or equipment of any kind shall be brought into or removed from the building without the consent of Owner. Owner shall have the right to limit the weight and size to designate the position of all safes and other heavy property brought into the building. The furniture, freight, supplies, equipment, safes and such other heavy property shall be moved in or out of the Building only at the times and in the manner permitted by Owner. Owner will not be responsible for loss of or damage to any such items and all damage done to the Premises or to the Building by moving or maintaining such items shall be repaired at the expense of Tenant. Any merchandise not capable of being carried by hand shall utilize hand trucks equipped with rubber tires and rubber side guards.
5. Tenant, its invitees or guests, shall not disturb other occupants of the Building by making any undue or unseemly noise, or otherwise. Tenant shall not, without Owner's written consent, install or operate in or upon the Premises any machine or machinery causing noise or vibration perceptible outside the Premises, electric heater, stove, device for the preparation of food, or machinery of any kind or carry on any mechanical business thereon, or keep or use thereon oils, burning fluids, camphene, kerosene, naphtha, gasoline, or other combustible materials. Notwithstanding the foregoing, Tenant may operate within the Premises a device for the brewing of coffee to be consumed on the Premises. No explosives shall be brought into the Building.
6. Tenant shall not mark or drive nails or screws into the woodwork or plaster, or paint, or in any way deface the Premises, the Building, or any parts thereof or

fixtures therein. The expense of remedying any breakage or stoppage resulting from a violation of this rule shall be paid by Tenant.

7. Canvassing, soliciting and peddling in the Buildings are prohibited and each Tenant shall cooperate to prevent such activity, however, Owner, in its discretion, may allow beverage and snack vending in the Building.
8. Tenant may request the assistance of Owner's employees only upon approval of the Owner's manager. Owner's employees are not required to perform any work or do anything outside of their regular duties, except on issuance of special instructions from the Owner's manager. If Owner's employees are made available to assist Tenant, Owner shall be paid for their services by Tenant at reasonable hourly rates.
9. Owner reserves the right to close and keep locked all entrance and exit doors the Building on Sundays and legal holidays and between the hours of 6:00p.m. on any day and 8:00 a.m. of the following day during such further hours and Owner may deem advisable for access control of the Building. Notwithstanding the foregoing, Tenant shall have access to the Building at all hours.
10. Owner may utilize an outside agency to control access to the Building when it is locked. Owner does not assume any responsibility for, and shall not be liable for, and damage resulting from any error in regard to any identification of Tenant or its employees and from admission to, or exclusion from, the Building by such outside agency.
11. The heating and air conditioning systems shall be operated at such times as the Building Owner shall designate from time to time. Tenant shall not utilize any equipment requiring extraordinary services without the prior written consent of Owner.
12. Tenant shall exercise care and caution to insure all water faucets or water apparatus, electricity and gas are carefully and entirely shut off before Tenant or its employees leave the Premises so as to prevent waste or damage. Tenant shall be responsible for any damage to the Premises or the Building and for all damage or injuries sustained by other tenants or occupants of the Building arising from Tenant's failure to observe this rule.
13. Owner reserves the right to exclude or remove from the Building any person who, in the judgment of Owner, is under the influence of liquor or drugs, or who is in the judgment of Owner disturbing other Tenants or occupants of the Building arising from Tenant's failure to observe this rule.
14. Toilet facilities shall be provided for men and women by Owner. Plumbing fixtures and appliances shall be used for the purpose for which they were designed and no rubbish, rags or other unsuitable material shall be thrown or

placed therein. Repairs resulting from such damage to any such fixtures or appliances from misuse by a Tenant shall be paid by Tenant and Owner shall not in any case be responsible therefore.

15. Owner will replace tubes and lamps for lighting fixtures at Tenant's expense if requested by Tenant to do so.
16. Owner reserves the right to rescind any of these rules and regulations and to make such other and further reasonable rules and regulations as in its judgment may from time to time be needed or desirable for the care and cleanliness of the Premises and the Building. Such rules and regulations when made and upon written notice to Tenant, shall be binding upon Owner and Tenant in like manner as if originally set forth herein.
17. Tenant agrees that Owner shall not be responsible for lost or stolen personal property, money or jewelry from the Premises or Building regardless of whether such loss occurs when the area is locked against entry or not.

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Initials
Owner _____
Tenant _____

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is made and entered into on this ____ day of July 2013, by and between Lexington Fayette Urban County Government, an urban county government of the Commonwealth of Kentucky, created pursuant to KRS Chapter 67A (hereinafter "LFUCG") and the Metro Employees Credit Union, Incorporated, a Kentucky nonprofit corporation organized and governed as a credit union pursuant to KRS 286.6.005, et seq., with principal office located at 1306 Versailles Road, Suite 140, Lexington, Kentucky 40504 ("MECU").

WITNESSETH:

WHEREAS, MECU was originally established in 1940 by city of Lexington employees in order to serve as the credit union for city employees under the name Lexington Kentucky City Employees Credit Union;

WHEREAS, upon the merger of the City of Lexington and Fayette County the credit union changed its name to Metro Employees Credit Union, Incorporated, and expanded its services to include the employees of the Lexington-Fayette Urban County merged government; and

WHEREAS, MECU has been the exclusive continuous credit union for Lexington's and LFUCG's employees since its creation; and

WHEREAS, MECU's membership is currently limited to employees and their respective family members by blood or marriage, with such employees including employees of LFUCG, employees of accepted agencies of LFUCG, and employees of the credit union, and certain accepted organizations related to the members; and

WHEREAS, eligibility to be a MECU member is a valuable benefit to LFUCG's employees; and

WHEREAS, at LFUCG's request, MECU assists in informing employees of their eligibility for MECU membership and of the benefits related to becoming a member, and provides related information during employee orientation, open enrollment for benefits, and as otherwise requested by LFUCG; and

WHEREAS, at LFUCG's request MECU assists with training LFUCG employees to use payroll system kiosks in MECU's branch offices; and

WHEREAS, MECU provides additional support and assistance to LFUCG and its employees by providing banking services such as savings and checking accounts, cashing checks, accepting overnight deposits, waiving service fees, notarizing documents, and change, and by participating in and supporting LFUCG during certain events and fundraisers; and

WHEREAS, in recognition of the value of this relationship LFUCG has historically permitted employees serving in board or committee relationships with MECU to attend meetings without having to expend personal leave time; and

WHEREAS, LFUCG provides MECU certain payroll data and related services so MECU can offer payroll deduction-related services to LFUCG employees who are MECU members; and

WHEREAS, the parties want to acknowledge their mutually beneficial relationship and clarify their respective rights, duties, and obligations regarding these payroll deduction related-services.

NOW, THEREFORE, in consideration of the mutual covenants expressed herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, LFUCG and MECU, hereby covenant and agree as follows:

1. The above recitals are incorporated herein as if fully stated and the parties will continue supporting each other accordingly.
2. It is the intent of the parties that the historical relationship which has existed between them will continue.
3. This Agreement shall be for an initial period of five (5) years, and may be automatically renewed for additional periods of one (1) year each. If either party does not wish to have the Agreement automatically renew it shall provide the other party with at least sixty (60) days advance written notice.
4. Either party may terminate its duties, rights, and obligations related to the services further described in paragraph 6 of this Agreement at any time and for any reason by providing the other party at least ninety (90) days advance written notice.
5. MECU will continue to permit LFUCG's employees and their eligible family members to be MECU members.
6. It is the intent of the parties that they will continue to provide to each other the payroll deduction-related services which have historically been provided.
 - a. LFUCG and MECU will exchange necessary payroll data, including deductions and related information and data for employees who are MECU members receiving payroll deduction-related services, each time LFUCG runs or cycles its employee payroll.
 - b. LFUCG currently runs its employee payroll every two weeks and processes the payroll approximately two (2) days prior to any date scheduled for the distribution of paychecks to employees.
 - c. At least two (2) days prior to LFUCG processing its employee payroll, MECU will provide LFUCG with a compatible electronic file containing the deductions and related information and

data for those employees who are MECU members receiving payroll-deduction related services.

d. LFUCG will continue to use its best reasonable efforts to provide MECU with a compatible electronic file and payroll total as soon as possible in conjunction with its processing of LFUCG's employee payroll.

e. In the event that there is any issue with receiving or processing the electronic file from MECU on a timely basis, LFUCG will take steps to make sure its employees who are MECU members are timely paid and will reasonably assist MECU in rectifying any remaining issues, but shall not otherwise be responsible to MECU or its members for the delay or failure of the services.

7. LFUCG reserves the right to charge MECU for any reasonable amounts LFUCG incurs for any computer system or related changes or enhancements necessary for it to provide the payroll deduction-related services further described in paragraph 6 of this Agreement. The parties shall agree in advance to any such changes or enhancements. If LFUCG decides to charge MECU for such changes or enhancements payment by MECU to LFUCG shall be due within thirty (30) days after MECU receives the invoice.
8. In the event LFUCG's payroll processing system changes or is substantially modified, it shall be under no obligation to continue to provide these services to MECU absent a new agreement between the parties. LFUCG and MECU agree to negotiate in good faith towards reaching such an agreement and will attempt to minimize any adverse impact to employees within reason.
9. MECU shall require each LFUCG employee to whom MECU provides payroll deduction related-services to execute appropriate document(s) authorizing LFUCG to distribute his or her paycheck into the proper account(s) at MECU and will make copies available to LFUCG upon request.
10. MECU shall be solely responsible for the accuracy of the data MECU provides to LFUCG. MECU agrees to indemnify, save, and hold harmless LFUCG and its elected and appointed officials, employees, agents, volunteers, and successors in interest from and against all liability, damages, and losses, including but not limited to, demands, claims, obligations, causes of action, judgments, penalties, fines, liens, costs, expenses, interest, defense costs and reasonable attorney's fees that are in any way connected with or

that arise or are alleged to have arisen, from the deduction or treatment of an LFUCG employee's funds or payroll deposit based upon provided by MECU, or upon the performance of this Agreement by MECU.

11. LFUCG shall not be liable to MECU for any damages in the event that LFUCG's payroll system is unable to timely provide MECU with any of the information required by this Agreement due to a malfunction or similar event. LFUCG shall not be required to incur any additional costs beyond those normally and reasonably associated with maintaining and operating its current payroll data sharing exchange with MECU.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Agreement on the date first above written.

Lexington-Fayette Urban County Government

By: _____ ATTEST: _____
 JIM GRAY MAYOR SUSAN LAMB,
 Clerk of the Urban County Council

Metro Employees Credit Union, Inc. ATTEST
 BY: _____

 Piper L. Graham, President

00388070



Overview of Proposed Revisions

LFUCG CAO Policy #3

Primary Goals :

- Clarification of Fleet Management's Overall Charge & Responsibility
- Clarification of Each division and End User Operational Responsibility

Clarification of Fleet Management's overall Charge & Responsibility

1. Fleet Right Sizing Goals :

- ❖ Overall Reduction in Operational Costs Due to Gained Operational Efficiencies
- ❖ Replacement Unit's Classification
- ❖ Environmental Impact, Primary Use, and Function

2. Creation of a Vehicle Acquisition Committee:

- ❖ CAO Office
- ❖ Finance Commissioner's Office
- ❖ General Services Commissioner's Office
- ❖ Public Safety Commissioner's Office
- ❖ Divisions of Central Purchasing
- ❖ Office of Fleet Management
- ❖ Director of Facilities and Fleet Management

Clarification of Each division and End User Operational Responsibility

- Expansion and Clarification of Fleet Liaisons' Role and Responsibility
- Define Driver Requirements, Responsibility, and Expectations
- Include an Appendix Addressing Collective Bargaining Group's SOP Regarding Fleet Usage
- Clarification of Reporting Requirements

Replacement Units

Proposed Classification Adjustments

- ❖ Meet Each Customer & Divisions Needs
- ❖ Lower TCO Through Purchasing of Highly Efficient Units
- ❖ Increase Use of AFV (CNG, Hybrid, EV, ...) Thus Reducing Fleet's Carbon Footprint



Lexington-Fayette Urban County Council

TO: Jenifer Benningfield, Council Administrative Specialist

FROM: Paul Schoninger
Research Analyst

DATE: April 29, 2013

SUBJECT: Moving Building Inspection & Code Enforcement into the Department of Planning & Development

This is pursuant to your recent request pertaining to the issue of the proposed move of the divisions of Building Inspection and Code Enforcement from the Department of Public Safety to the Department of Planning & Development.

In this memo I'll provide some history about the divisions; describe how other local governments organize building inspection, zoning compliance and code enforcement activities; and provide comments about how the divisions function presently and how they might function in the new reorganization plan.

Building Inspection was part of Public Safety since at least merger in 1974. The division is actually named in the Charter as part of Public Safety (6.07 of Charter attached). The division was in Public Safety until 2007 when Council authorized its transfer to Public Works to join Planning, Historic Preservation and PDR as part of the Newberry Administration restructure. It stayed in Environmental Quality/Public Works until Council authorized the move back to Public Safety in 2011 as part of the Gray Administration initial reorganization. In addition a portion of Building Inspection that dealt with zoning compliance was moved to Planning in 2011.

The functions now performed by Code Enforcement were part of Building Inspection through 1987. In 1988 Council authorized the creation of the Division of Housing Maintenance in the Department of Housing and moved those functions to it. The division was later renamed to Code Enforcement. In 1997 Council authorized its move to the CAO's Office under CAO Ken Kerns. In 2001 Council authorized the division's move to Public Safety.

As part of this memo I examined how other local governments organize its building inspection, zoning compliance and code enforcement activities. I examined all city and

Jenifer Benningfield

April 29, 2013

Building Inspection/Code Enforcement Move to Planning & Development

Page Two

merged/consolidated city/counties that have a population of between 200,000 -500,000 as of the 2010 Census. As the chart below indicates these functions are spread out in many different areas.

Department	#	%
Housing/Development	34	32
Safety	21	20
Inspection/Permits/ Licensing	15	14
Public Works	13	12
Multi Departmental	12	11
Administrative/CAO	7	7
Unknown-Other	5	5
	107	

As you can see 32% (34) of the local governments have building inspection and code compliance functions within Housing/Development areas; another 20% (21) are within Public Safety areas; 14% (15) are segregated into a one-stop inspection/licensing/permits area; 12% (13) are within the Public Works area; 11% (12) are integrated into multiple departments; and 7% (7) are within an administrative area such as in the CAO's prevue.

As part of this review I also reviewed the web pages for both Building Inspection and Code Enforcement (attached) to determine if functionality can be explained by their mission statements and areas of responsibilities.

As I've discussed with you, in my opinion both offices are a function of development and therefore can be a good fit into the Department of Planning & Development. However both divisions also have a strong relationship with elements of public safety, particularly in the area of fire prevention and the Fire Marshall's office.

If the Council approves the proposed reorganization plan, the relationship between these activities and fire prevention responsibilities will need to be maintained.

Should you need any further information please do not hesitate to contact via e mail at paulas@lexingtonky.gov, or at 258.3208.


Paul Schominger
Research Analyst

Sec. 6.01. - General Provisions.

The Merged Government Council shall create and otherwise provide for an Office of Administrative Services. In addition, the Council shall create and otherwise provide for the following Executive Departments:

1. Department of Law
2. Department of Finance
3. Department of Public Safety
4. Department of Parks and Recreation
5. Department of Social Services
6. Department of Sanitation and Public Works
7. Department of Housing and Community Development

The Office of Administrative Services and each of the aforementioned Executive Departments shall be organized into such divisions as may be provided in this Charter or by ordinance passed by the Council pursuant thereto. All matters pertaining to the internal organization of the Office of Administrative Services and the Executive Departments below the division level shall be left to the discretion of the Council.

Sec. 6.07. - Department of Public Safety.

The Department of Public Safety shall be organized into a Division of Police, a Division of Building Inspection, a Division of Fire Protection, a Division of Detention, a Division of Animal Control, a Division of Civil Defense, and such other divisions as the Council may prescribe.

The Division of Police shall be responsible for general law enforcement in the Urban County and shall be organized and equipped to provide general police services throughout the General Services District and such additional police services as may be deemed necessary for the protection of lives and property in the Full Urban Services District. The Director of said division shall hold the rank of Chief of Police and shall be professionally trained and experienced in the art and sciences of police work.

The Division of Fire Protection shall be responsible for the provision of fire prevention and protection services in the Urban County, and shall be organized and equipped to provide general fire protection services throughout the General Services District and such additional fire services as may be deemed necessary for the protection of lives and property in the Full Urban Services District. The Director of said division shall hold the rank of Fire Chief and shall be professionally trained and experienced in the operation and management of fire prevention and protection services.

The Division of Detention shall be responsible for the detention and security of all prisoners assigned to the custody of the Merged Government under law, excepting those assigned to the care and custody of the Division of Juvenile Detention and Probation pursuant to Section 6.09 of this Charter. The Division of Detention shall be responsible for the operation of the County Jail and the City of Lexington Jail (workhouse). The latter shall be designated as a county workhouse under the provisions of KRS 441.070 thru 441.205. The County Jailer, elected under the provisions of Section 11.07 of this Charter, shall be designated as the Director of the Division of Detention.

The Division of Building Inspection shall perform all of the duties and functions pertaining to the inspection and safety of buildings and other structures performed by the Department of Building Inspection of the City of Lexington on the effective date of this Charter. Said division shall administer and enforce all zoning ordinances.

The Division of Animal Control shall enforce all laws and ordinances pertaining to the licensing, inspection and control of animals in the General Services District, which shall be the same as those imposed by order of the Fayette County Fiscal Court on the effective date of this Charter, and the Full Urban Services District, which shall be the same as those imposed by the City of Lexington on the effective date of this Charter. The Director of said division shall be designated as the county dog warden under the provisions of KRS 258.195, and shall coordinate the activities of the Division of Animal Control with the county livestock inspector to be appointed by the Council in accordance with the provisions of KRS 257.280.

The Division of Civil Defense shall be charged with the operation and administration of a civil defense program for a Merged Government in

accordance with the state civil defense plan and program. The Director of said division shall be appointed by the Mayor in accordance with the provisions of KRS 39.415 until such time as the General Assembly may provide for the Director of Civil Defense in an urban county government to be covered by civil service.

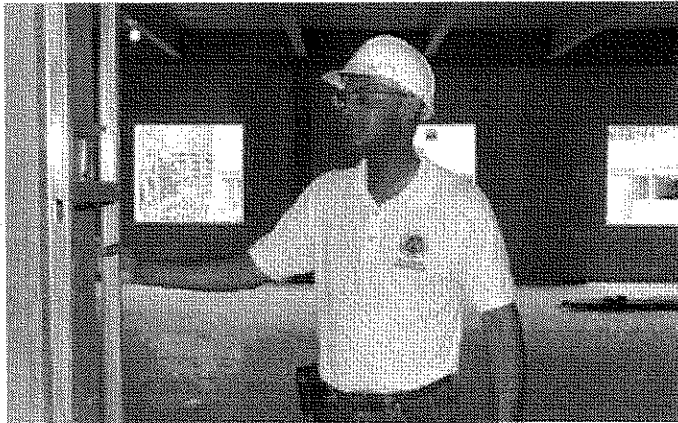
Annotation—(1) Additional fire and police protection have been deleted as additional urban services. See note at [Section 2.08](#)

(2) Ordinance No. 52-76 deleted and abolished the division of detention from the department of public safety. Subsequently, the office of jailer was abolished effective January 3, 1994, by 1990 Ky. Acts Ch. 138, and pursuant to that Act the division of detention was recreated by Ordinance No. 238-93.

(3) Resolution No. 250-75 and Ordinance No. 25-76 had the effect of deleting the division of animal control from the department of public safety and placed that service with the Lexington Humane Society. Too, the Lexington Humane Society was appointed Fayette County Dog Warden pursuant to Resolution No. 286-91. Further, KRS 257.280, relating to the county livestock inspector, was repealed by 1978 Ky. Acts Ch. 118, [§ 19](#), effective June 17, 1978.

(4) KRS 39.415, relating to civil defense, was repealed by 1998 Ky. Acts Ch. 226, § 113, effective July 15, 1998.

Building Inspection



101 E. Vine St.,
2nd Floor
Lexington, KY 40507



Tel: (859) 258-3780



Fax: (859) 258-3780



deweyc@lexingtonky.gov

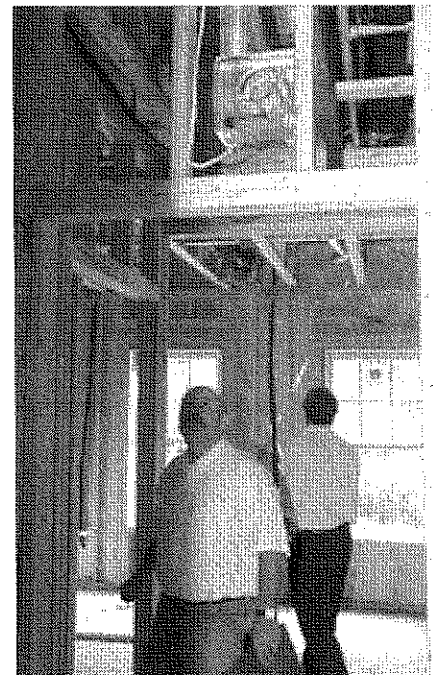
Director:

Dewey Crowe

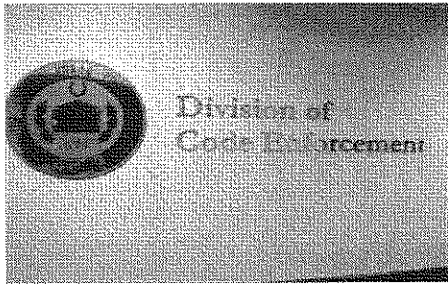
MISSION STATEMENT:

To ensure public safety and the maintenance of community standard through consistent enforcement of building codes, zoning regulations and the comprehensive plan.

The primary purpose of the Division of Building Inspection is to ensure safe minimum levels of construction through enforcement of the uniform Kentucky Building Code. This is closely followed by the enforcement of the Zoning Ordinance, which provides for the safe orderly growth of our community.



Code Enforcement



The Division of Code Enforcement is the governmental unit which deals with properties and property owners on a day-to-day basis to ensure that minimum maintenance and repair standards for all existing structures throughout the community are met. Division staff ensure that residential and commercial structures are maintained to the minimum standards set forth in the International Property Maintenance Code.

 101 E. Vine St., Suite 500
Lexington, KY 40507

 Tel: (859) 425-2255

 Fax: (859) 425-2274

 code_enforcement@lexi

Director:

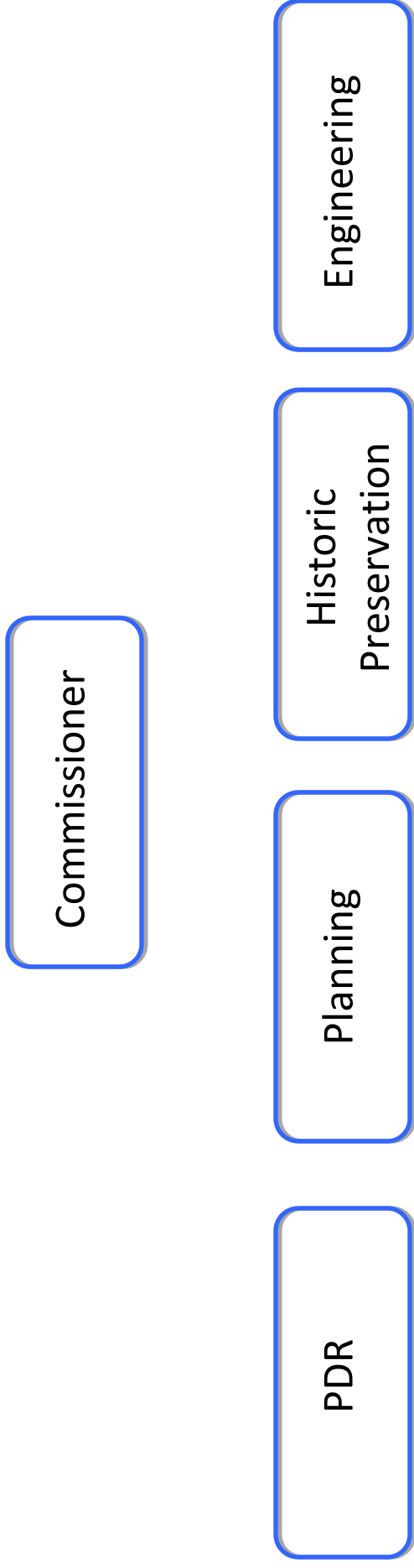
David Jarvis

Department of Planning, Preservation, and Development Reorganization

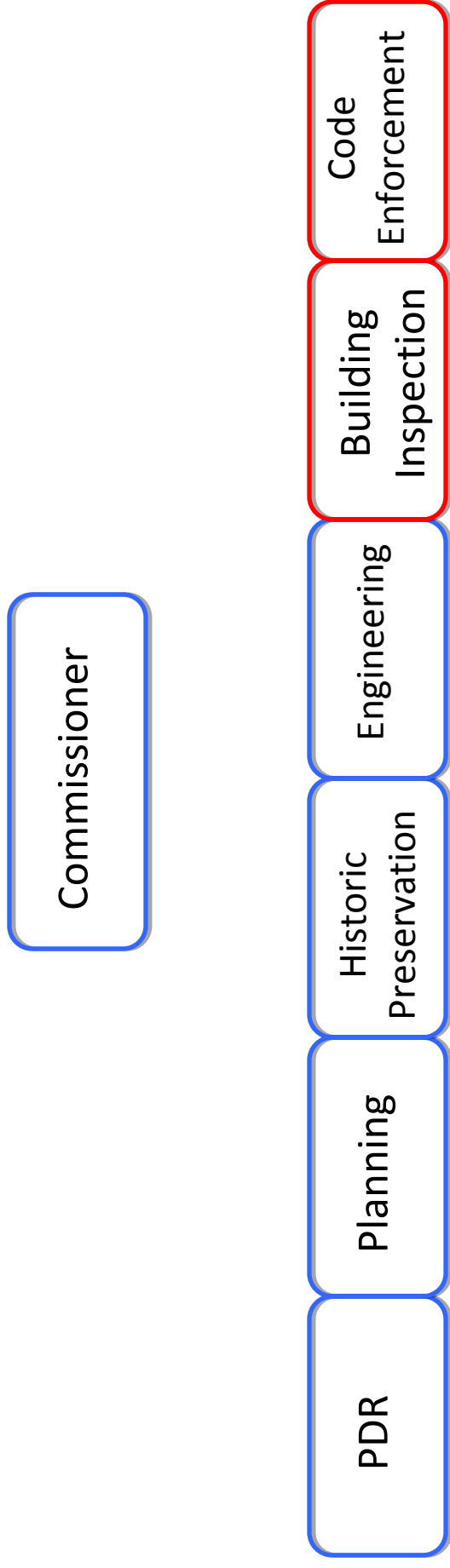
Presentation to General Government
Committee

May 7, 2013

Current Department Org. Chart



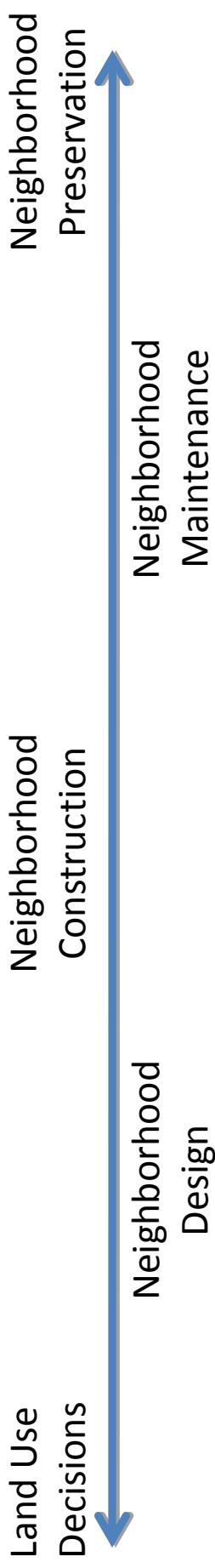
Proposed Department Org. Chart



Reorganization Benefits

- Dedicated Neighborhood Focus
- One Stop Shop
- Civil Enforcement coordination
- CAP Management

Neighborhood Focus



- PDR
- Planning

- Planning
- Engineering

- Planning
- Engineering
- Building Inspection

- Planning
- Building Inspection
- Code Enforcement

- Planning
- Historic Preservation
- Code Enforcement

One Stop Shop

- Will allow for better coordination between divisions most directly involved in commercial and residential development.
 - Planning
 - Building Inspection
 - Revenue
- Begin with Commercial permits
- Eventually move to online permitting of commercial and residential permits.

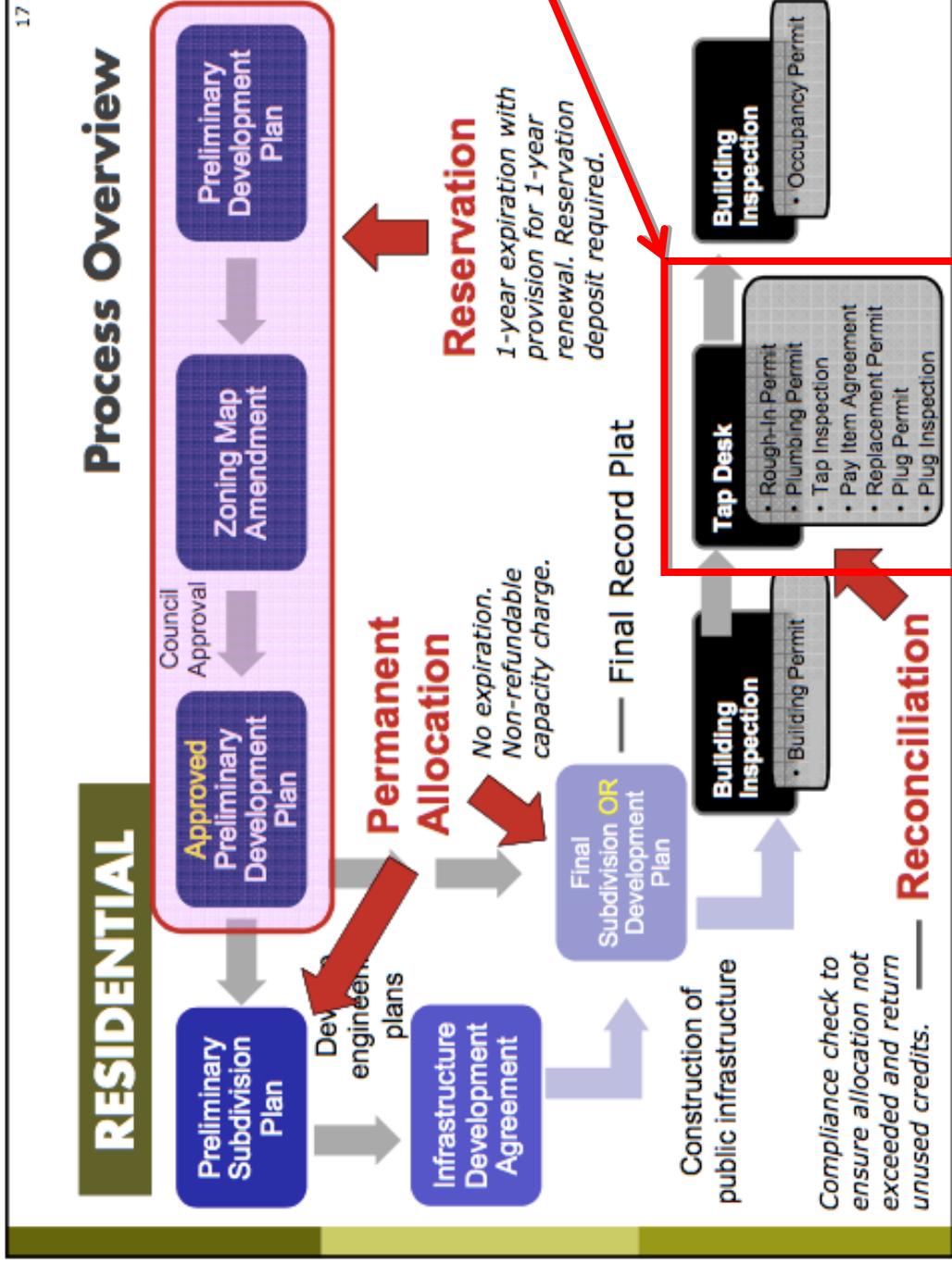
Civil Enforcement Coordination

- Combine the main divisions charged with civil enforcement.
- All 6 divisions currently have some aspect of enforcement dealing with the built environment.
 - 50 total enforcement officers
- Efficiencies and maximizing of capabilities.

CAP Management

- Planning and Building Inspection are essential to efficient management of CAP.
- Without good coordination between divisions, development may be negatively impacted.

Allocation of CAP Credits



Only part of process
NOT done by BI or
Planning

Questions?

General Government Committee Referrals

Item	Referred By	Date Referred	Status
Relationship with the BGADD	Myers	04/12/2012	
CAO Policy #3 Vehicle Use and Assignment / Fleet Right-Sizing	GS Link	05/29/2012	03/05/13, 05/07/13
Lease Agreements and PSA with the Metro Employees Credit Union	Farmer	10/16/2012	9/11/12, 11/13/12, 1/15/13, 05/07/13
Procedure for Underwriting or Sponsoring one of our Facilities or Parks	Gorton	03/06/2013	
Restructuring Government to move the Division of Building Inspection and the Division of Code Enforcement to the Commissioner of Planning from Public Safety	Gorton	04/04/2013	05/07/13