# Lexington-Fayette Urban County Government

*200 E. Main St*
*Lexington, KY 40507*

**Tuesday, August 25, 2020**

**3:00 PM**

**Virtual Meeting Packet**

**Council Chamber**

## Urban County Council Work Session

**Urban County Council**
**Schedule of Meetings**
**August 24, 2020 – August 31, 2020**

**<u>Monday, August 24</u>**
No Meetings

**<u>Tuesday, August 25</u>**
Special Budget, Finance & Economic Development Committee……………………….11:00 am
Video Teleconference

Council Work Session………………………………………………………………………………3:00 pm
Video Teleconference

**<u>Wednesday, August 26</u>**
Transportation Policy Committee (TPC)……………………………………………………1:30 pm
Video Teleconference

**<u>Thursday, August 27</u>**
Quarterly Committee of the Whole (COW)……………………………………………….4:30 pm
Video Teleconference

Council Meeting………………………………………………………………………………….6:00 pm
Video Teleconference

**<u>Friday, August 28</u>**
No Meetings

**<u>Monday, August 31</u>**
No Meetings

**Lexington-Fayette Urban County Council**
**Work Session Agenda**
**August 25, 2020**

**I. Requested Rezonings/ Docket Approval – Yes**

**II. Approval of Summary – Yes, p. 1**

**a** Table of Motions: Council Work Session, August 18, 2020

**III. Budget Amendments – Yes, p. 2-5**

**IV. New Business – Yes, p. 6-18**

**V. Continuing Business/ Presentations**

**a** Neighborhood Development Funds: August 25, 2020, p. 19

**b** Committee Summary: Budget, Finance & Economic Development, June 23, 2020, p. 20-27

**VI. Council Reports**

**VII. Mayor's Report – Yes**

**VIII. Adjournment**

**Administrative Synopsis - New Business Items**

| | | |
|---|---|---|
| **a** | **0776-20** | Authorization to execute a Purchase Service Agreement with Hope Center, for the operation of their emergency shelter program, at a cost not to exceed $650,000. Funds are budgeted. (L0776-20) (Ruddick/Hamilton) p. 6-7 |
| **b** | **0784-20** | Authorization to accept a federal Year 3 Continuation Grant in the amount of $508,928 from the U.S. Department of Health and Human Services under the First Responders - Comprehensive Addiction and Recovery Act Program which will be used to reduce the number of overdose fatalities by facilitating access to naloxone through first responders and members of other key community sectors. (L0784-20) (Baker/Ford) p. 8 |
| **c** | **0792-20** | Authorization to allow the Division of Aging and Disability Services to enter into a Ride Service Agreement with ITN Bluegrass for transportation services for Senior Center participants. Fiscal year impact is $12,000.00. Funds are budgeted. (L0792-20) (Stambaugh/Ford) p. 9 |
| **d** | **0794-20** | Authorization to amend and restate Ordinance No. 42-2020, as amended and restated by Ordinance No. 54-2020, which allows for expanded restaurant, bar, and retail businesses uses, and to extend the deadline through November 8, 2020. No budgetary impact. (L0794-20) (Scott) p. 10 |
| **e** | **0795-20** | Authorization to send a resolution to the Kentucky Economic Development Finance Authority supporting the University of Kentucky's Coldstream Research Campus application for matching grant funds from the Product Development Initiative (PDI). No budgetary impact. (L0795-20) (Atkins) p. 11 |
| **f** | **0796-20** | Authorization to execute Change Order No. 6 to the agreement with Banks Engineering, Inc., for the Southland Area Stormwater Improvement Project, increasing the contract price by the sum of $20,000.00, from $654,815.00 to $674,815.00. Funds are budgeted. (L0796-20) (Martin/Albright) p. 12-15 |
| **g** | **0797-20** | Authorization to amend the grant agreement with the Bluegrass Area Development District to include the budget and breakdown of eligible reimbursable expenses for operation of the Senior Citizens Center in FY 2021. Fiscal year impact is $9,016.00, budget amendment in process. (L0797-20) (Stambaugh/Ford) p. 16 |
| **h** | **0798-20** | Authorization to enter into a Memorandum of Understanding (MOU) with the Department of Veterans Affair. The MOU is regarding patrolling and policing responsibilities for the properties assigned for the Burr Initiative EUL (Victory Point Apartments). No budgetary impact. (L0798-20) (Weathers/Armstrong) p. 17-18 |

**URBAN COUNTY COUNCIL**
**WORK SESSION**
**TABLE OF MOTIONS**
**August 18, 2020**

Mayor Gorton called the meeting to order at 3:22pm. Council Members Kay, Moloney, Ellinger, J. Brown, McCurn, Swanson, Lamb, Farmer, Higgins-Hord, Worley, F. Brown, Bledsoe and Reynolds were present. Council Members Mossotti and Plomin were absent.

Gorton opened the meeting with the following statement: "Due to the COVID-19 pandemic and State of Emergency, this meeting is being held via live video teleconference pursuant to 2020 Senate Bill 150, and in accordance with KRS 61.826, because it is not feasible to offer a primary physical location for the meeting."

I. Requested Rezonings/Docket Approval

II. Approval of Summary

Motion by Kay to approve the August 11, 2020 work session summary. Seconded by McCurn. Motion passed without dissent.

III. Budget Amendments

IV. New Business

Motion by Kay to approve new business. Seconded by McCurn. Motion passed without dissent.

V. Continuing Business/Presentations

Motion by McCurn to approve neighborhood development funds. Seconded by Lamb. Motion passed without dissent.

Council Member J. Brown provided a summary of the June 16, 2020 Planning & Public Safety Committee meeting. There were no motions to report from the meeting.

VI. Council Reports

VII. Mayor's Report

VIII. Adjournment

Motion by Swanson to adjourn at 3:48pm. Seconded by Higgins-Hord. Motion passed without dissent.

SAM, 8/19/20

# BUDGET AMENDMENT REQUEST LIST

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124715-16 | **DIVISION** | Social Services Administration | **Fund Name**<br>**Fund Impact** | General Fund<br>17,408.61<br>17,408.61CR<br>.00 |

To recognize repayment of ESR allocation from University of Kentucky Research Foundation and provide funds for Substance Abuse Intervention office's Sober Living Assistance Pilot Program.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124719 | **DIVISION** | Office of the CAO | **Fund Name**<br>**Fund Impact** | General Fund<br>1,900,000.00<br>.00<br>1,900,000.00 |

To provide funds for Household Assistance Program to support Lexington residents experiencing hardship due to the impact of Covid-19.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124662-63 | **DIVISION** | Parks and Recreation | **Fund Name**<br>**Fund Impact** | Donation Fund<br>1,527.00<br>100.00CR<br>1,427.00 |

To provide funds for memorial benches and plaque by recognizing donations for this purpose in FY 2021 and FY 2020.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124664 | **DIVISION** | Parks and Recreation | **Fund Name**<br>**Fund Impact** | Donation Fund<br>505.00<br>.00<br>505.00 |

To provide funds for youth golf and tennis camp by recognizing donations for that purpose in previous fiscal year.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124554 | **DIVISION** | Waste Management | **Fund Name**<br>**Fund Impact** | Urban Fund<br>1,431.00<br>14,307.00CR<br>12,876.00CR |

To correct funding for one position of Safety Specialist by decreasing budget in Urban Services Fund in the Division of Waste Management. This decrease is offset by an increase in the Landfill Fund.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124544-45 | **DIVISION** | Grants and Special Projects | **Fund Name**<br>**Fund Impact** | US Dept of Justice<br>113.82<br>113.82CR<br>.00 |

To budget accumulated interest for Justice Assistance FY 2020.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124546-47 | **DIVISION** | Grants and Special Projects | **Fund Name**<br>**Fund Impact** | US Dept of Justice<br>117.19<br>117.19CR<br>.00 |

To budget interest accumulated for Justice Assistance FY 2019 grant.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124660-61 | **DIVISION** | Grants and Special Projects | **Fund Name** | US Dept of Justice |
| | | | | **Fund Impact** | 508,928.00<br>508,928.00CR<br>.00 |

To establish year three grant budget for Substance Abuse and Mental Health Services Administration FY 2021.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124713 | **DIVISION** | Grants and Special Projects | **Fund Name** | US Dept of Justice |
| | | | | **Fund Impact** | 25,193.71<br>25,193.71CR<br>.00 |

To reallocate funds within Street Sales FY 2019 grant to match expenses.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124576-77 | **DIVISION** | Grants and Special Projects | **Fund Name** | US Dept of Transportation |
| | | | | **Fund Impact** | 225,000.00<br>225,000.00CR<br>.00 |

To establish grant budget for Congestion Management/Bottleneck Study in Congestion Management - FY 2021 grant.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124578-79 | **DIVISION** | Grants and Special Projects | **Fund Name** | US Dept of Transportation |
| | | | | **Fund Impact** | 80,000.00<br>80,000.00CR<br>.00 |

To budget expected grant match from Lextran for Transit Study in Federal Transportation Section 5303 - FY 2020.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124476 | **DIVISION** | Grants and Special Projects | **Fund Name** | US Dept of Homeland Sec |
| | | | | **Fund Impact** | 13,402.00<br>13,402.00CR<br>.00 |

To provide funds for Audio Visual Equipment by decreasing funds for Equipment Under $5000 within the Chemical Stockpile Emergency Preparedness Program (CSEPP) FY 2019 grant.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124616 | **DIVISION** | Grants and Special Projects | **Fund Name** | US Dept of Homeland Sec |
| | | | | **Fund Impact** | 9,900.00<br>9,900.00CR<br>.00 |

To move funds from Equipment Under $5000 to Air Conditioning/Ventilation within Chemical Stockpile Emergency Preparedness Program (CSEPP) FY 2019 grant.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124698 | **DIVISION** | Grants and Special Projects | **Fund Name** | US Dept of Homeland Sec |
| | | | | **Fund Impact** | 14,000.00<br>14,000.00CR<br>.00 |

To reallocate funds within Chemical Stockpile Emergency Preparedness Program (CSEPP) FY 2019 grant to provide funds for professional services.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124717 | **DIVISION** | Facilities & Fleet Management | **Fund Name** | PFC - General Fund |
| | | | | **Fund Impact** | 681,129.00 |
| | | | | | .00 |
| | | | | | 681,129.00 |

To reallocate funds remaining in FY 2020 for District and Circuit Courthouse repairs and maintenance to cover renovations and additional deferred maintenance items.

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | 124555 | **DIVISION** | Waste Management | **Fund Name** | Landfill Fund |
| | | | | **Fund Impact** | 14,307.00 |
| | | | | | 1,431.00CR |
| | | | | | 12,876.00 |

To correct funding for one position of Safety Specialist by increasing budget in Landfill Fund in the Division of Waste Management. This increase is offset by a decrease in the Urban Services Fund.

## BUDGET AMENDMENT REQUEST SUMMARY

| | | |
|---|---|---|
| 1101 | General Services District Fund | 1,900,000.00 |
| 1103 | Donation Fund | 1,932.00 |
| 1115 | Full Urban Services District Fund | 12,876.00CR |
| 3140 | US Department of Justice | .00 |
| 3160 | US Department of Transportation | .00 |
| 3200 | US Department of Homeland Security | .00 |
| 4022 | PFC - General Fund | 681,129.00 |
| 4121 | Landfill Fund | 12,876.00 |

**YEAR END BUDGET AMENDMENT REQUEST LIST**

| | | | | | |
|---|---|---|---|---|---|
| **JOURNAL** | PO00124164<br>PO00124166 | **DIVISION** | Various | **Fund Name**<br>**Fund Impact** | General Fund<br>11,260.00CR |
| | | | | **Fund Name**<br>**Fund Impact** | Urban Fund<br>193,400.49CR |
| | | | | **Fund Name**<br>**Fund Impact** | Municipal Aid Program<br>230,320.44CR |
| | | | | **Fund Name**<br>**Fund Impact** | Sanitary Sewer Fund<br>2,101.83CR |
| | | | | **Fund Name**<br>**Fund Impact** | Water Quality Fund<br>20,737.76CR |

To correct the budget for purchase orders rolled to FY 2021. Accounting has moved expenses to FY 2020 for these accounts based on when the expenses were incurred and funds are no longer needed in FY 2021.

**BUDGET AMENDMENT REQUEST SUMMARY**

| | | |
|---|---|---|
| 1101 | General Services District Fund | 11,260.00CR |
| 1115 | Full Urban Services District | 193,400.49CR |
| 1136 | Municipal Aid Program Fund | 230,320.44CR |
| 4002 | Sanitary Sewer Revenue and Operating Fund | 2,101.83CR |
| 4051 | Water Quality Management Fund | 20,737.76CR |

MAYOR JIM GRAY

LEXINGTON

SALLY HAMILTON
CHIEF ADMINISTRATIVE OFFICER

TO: Mayor Linda Gorton

Lexington-Fayette Urban County Council

FROM: Polly A. Ruddick, Office of Homelessness Prevention and Intervention

CC: Sally Hamilton, CAO

DATE: August 10, 2020

SUBJECT: Purchase Service Agreement with Hope Center for Emergency Shelter Operations FY2021

---

Request

Authorization for the Mayor on behalf of the Urban County Government to execute a Purchase Service Agreement with Hope Center for operation of the Emergency Shelter program not to exceed $650,000.

Why are you requesting?

Department needs this action completed because: The agreement establishes funding for the men's emergency shelter program operations. The Hope Center has identified this service needs as an essential component of its community programming, however, the emergency shelter presents the most challenging of its service functions to adequately fund. The Hope Center has operated the emergency shelter at 360 West Loudon Avenue since 1992 and provides a dedicated 114 beds each night for those in a housing crisis.

What is the cost in this budget year and future budget years?

The cost for FY20 is: $650,000.00

The cost for future FY is: 0

Are the funds budgeted? Yes

The funds are budgeted or a budget amendment is in process:

Account number: 1101-900311-0001-71101

File Number: 0776-20

Director/Commissioner: Ruddick/Hamilton

MAYOR LINDA GORTON

LEXINGTON

CHARLIE LANTER
DIRECTOR
GRANTS & SPECIAL PROGRAMS

**TO:** LINDA GORTON, MAYOR
URBAN COUNTY COUNCIL

**FROM:** CHARLIE LANTER, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS

**DATE:** AUGUST 14, 2020

**SUBJECT:** SAMHSA First Responders - Comprehensive Addiction and Recovery Act Program Year 3 Continuation Grant for the Department of Social Services

**Request:** Council authorization to accept a federal Year 3 Continuation Grant in the amount of $508,928 from the U.S. Department of Health and Human Services under the First Responders - Comprehensive Addiction and Recovery Act Program which will be used to reduce the number of overdose fatalities by facilitating access to naloxone through first responders and members of other key community sectors.

**Purpose of Request:** On June 11, 2017 (Resolution 461-2017), Council authorized the submission of a grant application to the U.S. Department of Health and Human Services requesting $2,000,000 under the First Responders - Comprehensive Addiction and Recovery Act Program. The U.S. Department of Health and Human Services awarded the LFUCG $2,000,000 of grant funds over a four-year period. On November 11, 2018 (Resolution 668-2018), Council authorized acceptance of $469,884 of federal funds for Year 1 of the project. On September 12, 2019 (Resolution 485-2019), Council authorized acceptance of $510,594 of federal funds for Year 2 of the project. Grant funds are used for the following activities:

- Fund a project coordinator;
- Make naloxone available to be carried and administered by first responders and members of other key community sectors;
- Train and provide resources for first responders and members of other key community sectors on carrying and administering naloxone;
- Continue working with community partners to facilitate admission to treatment or harm reduction services; and
- Establish processes and protocols for referrals to appropriate treatment and recovery communities to connect individuals receiving opioid reversal drugs to follow-up services.

**What is the cost in this budget year and future budget years?** $2,000,000 is awarded for the four-year period from October 1, 2018 through September 30, 2022. $508,928 has been awarded for Year 3; $510,594 is estimated for year 4. No matching funds are required.

**Are the funds budgeted?** Budget amendment 10750 is in process to budget $508,928 for year three.

**File Number:** 0784-20

**Director/Commissioner:** Baker/Ford

MAYOR LINDA GORTON

LEXINGTON

CHRIS FORD
COMMISSIONER
SOCIAL SERVICES

TO: Mayor Linda Gorton
Honorable Members, Urban County Council

FROM: ____________________________________
Chris Ford, Commissioner of Social Services

DATE: August 17, 2020

SUBJECT: Ride Service Agreement with ITN *Bluegrass* for Lexington Senior Center Participants

---

**Request:**

Request Council Authorization for the Mayor to sign agreement to allow the Division of Aging and Disability Services to enter into a Ride Service Agreement with *ITN Bluegrass* for transportation services for Senior Center participants.

**Why are you requesting?**

*ITN Bluegrass* provides home delivery of hot – prepared lunches for approximately 12 senior center participants. This delivery is 3 days per week, and for the benefit of senior participants who regularly attended the senior center prior to COVID-19, was transported by senior center transportation staff, and participated in the daily lunch program. This service allows the senior center participant to retain access to nutritional meals, while mitigating the barriers in lack of personally-owned transportation or dependence on public transportation.

This agreement will also provide the option for transporting senior center participants to the senior center when social distancing guidelines are lifted, and on-site programming is permitted to resume safely. This date has yet to be determined. This option will afford more access to participants and may result in cost savings to the government.

**What is the cost in this budget year and future budget years?**

The cost for FY 2021 is $12,000. Half of this cost is supported by CARES Act grant funding.

**Are the funds budgeted?**

Yes, $6,000 in 1101-606102-6081-71207 and $6,000 in 3190 606102 6051 71299 SRCTZN_CV_2020.

**File Number:** 0792-20

**Director/Commissioner:** Kristy Stambaugh / Chris Ford

MAYOR LINDA GORTON

LEXINGTON

Brandi Peacher
OFFICE OF THE MAYOR

TO: Linda Gorton, Mayor
Urban County Council

FROM: Brandi Peacher
Director of Project Management

DATE: August 17, 2020

SUBJECT: Authorization to amend and restate Ordinance No. 42-2020, as amended and restated by Ordinance No. 54-2020, which allows for expanded restaurant, bar, and retail businesses uses, and to extend the deadline through November 8, 2020.

**Request:**
Authorization to amend and restate Ordinance No. 42-2020, as amended and restated by Ordinance No. 54-2020, which allows for expanded restaurant, bar, and retail businesses uses, and to extend the deadline through November 8, 2020.

**Why are you requesting?**
Restaurants, bars, and retail businesses have limited capacity due to the impact of COVID-19. Ordinance No. 42-2020 was originally approved to allow for expanded businesses footprints outdoors. Ordinance No. 54-2020 amended and restated this ordinance and extended the program through September 8, 2020. This request is to extend the program a second time through November 8, 2020 as various businesses continue to expand outdoors and have expressed their desire for the program to extend into the fall.

**What is the cost in this budget year and future budget years?**
The cost for this FY is: none
The cost for future FY is: none

**Are the funds budgeted?** Yes

**Account number:**

**Director/Commissioner:** Tyler Scott

MAYOR LINDA GORTON

LEXINGTON

KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER

**TO:** **Linda Gorton**
**Mayor**

**FROM:** **Kevin Atkins**
**Chief Development Officer**

**DATE:** **August 17, 2020**

**RE:** **Approve resolution in support of University of Kentucky Research Campus Economic Development Fund/Product Development Initiative**

**Request:**
Authorization to send a resolution to the Kentucky Economic Development Finance Authority supporting the University of Kentucky's Coldstream Research Campus application for matching grant funds from the Product Development Initiative (PDI).

**Why are you requesting:**
The University of Kentucky Coldstream Research Campus will offer land to private developers interested in working with the Coldstream Research Campus and their Public Private Partnership (P3) effort. The estimated $15 million investment will be the match for the requested $500,000 grant. The new building will add approximately 10,000 square feet of wet lab space to provide a location for companies growing out of the university's campus incubator.

The funding from the Kentucky Economic Development Finance Authority must come to the local government in the jurisdiction the grant is awarded. LFUCG will receive the grant and distribute to the university.

**What is the cost in this budget year and future budget years?**
The cost for FY2020 is: N/A
The cost for future FY is: N/A

**Are the funds budgeted?**
N/A

**Director/Commissioner:**
Kevin Atkins

MAYOR LINDA GORTON

**LEXINGTON**

CHARLES H. MARTIN, P.E.
DIRECTOR
WATER QUALITY

TO: Mayor Linda Gorton
Urban County Council

FROM: Charles H. Martin, P.E., Director
Division of Water Quality

DATE: August 11, 2020

SUBJECT: Change Order #6 for Banks Engineering to provide Add Alternate – Yuma Court Pipe Alternate Design for the Southland Area Stormwater Project.

---

**Request**

The purpose of this memorandum is to request approval of Change Order #6 to the Southland Area Stormwater Project agreement with Banks Engineering. This change order is to provide Add Alternate – Yuma Court Pipe Alternate Design, in accordance with Banks Engineering's Proposal dated August 11th, 2020.

**Purpose of Request**

Banks Engineering is currently performing design and construction administration assistance services for the WGPL portion of the Southland Area Stormwater Project agreement. Two properties on Yuma Court were presented offers to purchase, but both properties declined, and as such creates the need for the Alternate Alignment Design. The scope of the additive alternate is to perform additional field surveying and design services for a storm sewer on a new alignment on Wichita Drive and Topeka Road, from Pasadena Drive to Southland Park

Banks Engineering has conducted all of the initial outreach, analysis and mitigation concept development for the Southland Area Stormwater Project improvements, and is very familiar with the issues in this area.

**Project Cost in FY20 and in Future Budget Years**

Banks Engineering has provided a fee quote of $20,000 for the proposed work. The total amount of this contract is $674,815.

**Are Funds Budgeted**

Funds are budgeted in: 4052-303204-3334-92211 WR_SOUTHLAND CONSENT_DE Bud Reference 2019

**Director/Commissioner**

Martin/Albright

Cc: Gregory S. Lubeck, P.E., Deputy Director

125 Lisle Industrial Ave., Suite 180, Lexington, KY 40511 / 859.425.2400 Phone / 859.254.7787 Fax / lexingtonky.gov

| LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT CONTRACT CHANGE ORDER | DATE: | August 6, 2020 |
|---|---|---|
| | Contract Modificaiton: | 6 |
| | CONTRACT #: | 035-2017 |

PROJECT: Southland Area Stormwater Project

TO: Banks Engineering, Inc.

| | |
|---|---|
| Original Contract Amount | $305,000.00 |
| Cumulative Amount of Previous Contract Modifications | $349,815.00 |
| Percent Change of Previous Contract Modifications | 115% |
| Existing Contract Amount | $654,815.00 |
| Net (increase/decrease) in Contract Amount - (From following pages) | $20,000.00 |
| Percent Change of This Contract Modification | 7% |
| Original Contract Amount | $305,000.00 |
| Cumulative Amount of all Contract Modifications | $369,815.00 |
| Percent Change of all Contract Modifications | 121% |
| New Contract Amount Including this Change Order | $674,815.00 |

Recommended by____________(Proj. Engr.) Date 8/11/2020

Accepted by John B. Steinmetz (Consultant) Date 8/11/20

Accepted by____________(Contractor) Date______

Approved by____________(Director) Date 8/14/20

Approved by____________(Commissioner) Date______

Approved by____________(Mayor or CAO) Date______

# LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
## CONTRACT MODIFICATION

| | |
|---|---|
| DATE: | August 6, 2020 |
| Contract Mod #: | 6 |
| CONTRACT #: | 035-2017 |

Project: Southland Area Stormwater Project

TO: Banks Engineering, Inc.

You are hereby requested to comply with the following changes from the contract plans and specifications;

| Item No. | ADD / DEL | Description of changes | Units | Quantity | Unit Price | Decrease in contract price | Increase in contract price |
|---|---|---|---|---|---|---|---|
| 1 | ADD | Add Alternate - Yuma Ct. Pipe Alternate | LS | 1 | $ 20,000.00 | $ - | $ 20,000.00 |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| #REF! | | | | | | $ - | $ - |
| Total decrease | | | | | | $ - | |
| Total increase | | | | | | | $ 20,000.00 |
| Net (increase) in contract price | | | | | | | $ 20,000.00 |

| | | |
|---|---|---|
| **JUSTIFICATION FOR CHANGE** | PROJECT: | Southland Area Stormwater Project |
| | CONTRACT NO. | 035-2017 |
| | CHANGE ORDER: | 6 |

1. Necessity for change: **Change Order is for detail design, permitting, and bidding/construction administration assistance of stormwater management facilities in the Southland Park, Yuma Ct., and Tucson Dr. area.**

2. Is proposed change an alternate bid? _X__Yes ___No

3. Will proposed change alter the physical size of the project? __X__Yes ____No

   If "Yes", explain. Realignment of proposed storm system.

4. Effect of this change on other prime contractors: N/A

5. Has consent of surety been obtained? ___Yes _X_Not Necessary

6. Will this change affect expiration or extent of insurance coverage? ___Yes _X_No

   If "Yes", will the policies be extended? ___Yes ___No

7. Effect on operation and maintenance costs: N/A

8. Effect on contract completion date: N/A

____________________________ _______________
Mayor Date

MAYOR LINDA GORTON

LEXINGTON

CHARLIE LANTER
DIRECTOR
GRANTS & SPECIAL PROGRAMS

**TO:** **LINDA GORTON, MAYOR**
**URBAN COUNTY COUNCIL**

**FROM:** **CHARLIE LANTER, DIRECTOR**
**DIVISION OF GRANTS AND SPECIAL PROGRAMS**

**DATE:** **AUGUST 17, 2020**

**SUBJECT:** **Amendment to Senior Citizens Agreement for Fiscal Year 2021**

**Request:**
Council Authorization to amend the grant agreement with the Bluegrass Area Development District to include the budget and breakdown of eligible reimbursable expenses for operation of the Senior Citizens Center in FY 2021.

**Purpose of Request:**
On July 7, 2020 (Resolution 307-2020), Council approved acceptance of federal funds in the amount of $130,000 from the Bluegrass Area Development District. Budget amendment 10757 was completed to include an additional $47,108 in state funds, a reduction of $292 in federal funding and to reduce local funding by $37,800 for a net increase of $9,016. The original grant agreement did not specify the breakdown of eligible reimbursable expenses. An amendment has been requested by the Bluegrass Area Development District to incorporate the budget and breakdown of eligible costs into the agreement.

**What is the cost in this budget year and future budget years?** None.

**Are the funds budgeted?** BA 10757 is in process.

**File Number:** 0797-20

**Director/Commissioner:** Stambaugh/Ford

Lexington-Fayette Urban County Government
DEPARTMENT OF PUBLIC SAFETY

Linda Gorton
Mayor

Kenneth Armstrong
Commissioner

TO: Mayor Linda Gorton
Urban County Council

Lawrence B. Weathers

FROM: Chief Lawrence B. Weathers
Lexington Police Department

CC: Commissioner Kenneth Armstrong
Department of Public Safety

DATE: August 17, 2020

SUBJECT: Memorandum of Understanding – Department of Veterans Affairs

---

**Request**
Authorization to enter into a Memorandum of Understanding (MOU) with the Department of Veterans Affair.

**Why are you requesting?**
The attached MOU is regarding patrolling and policing responsibilities for the properties assigned for the Burr Initiative EUL (Victory Point Apartments).

1. Continuing questions regarding the duties and jurisdictional constraints of police officers at the Lexington Veterans Affairs Health Care System (Lexington VAHCS) with regard to properties leased and occupied by private entities pursuant to the general provisions of the VA Enhanced Use Leasing Authority (EUL) sections 8161-8169, title 38, United States Code (USC), necessitate clarification of the jurisdictional authority to enforce federal law on leased property.
2. The VA property in Lexington, specifically the Franklin Sousley Division located at 2250 Road, maintains concurrent jurisdiction with the city of Lexington and State of Kentucky and emergency responder duties are similarly shared between state and local authorities and VA.
3. EUL authority allows VA to out-lease real estate under its jurisdiction and control to private or state entities for development. These partnerships with community, state, and private entities are a valuable and innovative tool that provides and expanded range of services to those individuals and families in need that would otherwise by unobtainable.
4. The EUL properities, Victory Point Apartments, at 141 Opportunity Way are all within the confines of the Franklin Sousley Campus. Therefore, VA Police retain authority to enforce federal law and regulations upon the property. Accordingly, in an emergency situation or if no state or local law enforcement agency is available for response, VA Police can respond to an emergency on EUL property and would do so under the full

police authority conferred by 38 USC 901 and pursuant to 38 CFR 1.218(a), as the subject properties remain "under the charge and control" of VA.

5. Although VA Police have statutory authority to provide police services on EUL properties located on the Lexington VAHCS Franklin Sousley Campus, the EUL properties pay local taxes to LFUCG for police and fire services. Therefore, VA Police will not actively patrol EUL properties and will respond there only in emergency situations. Lexington-Fayette Urban County Government (LFUCG) Police, via agreement between LFUCG and Lexington VAHCS, will provide primary policing services to the EUL. Should Lexington VAHCS Police be called to respond to the EUL properties, they will secure the scene and make it as safe as possible, detain any individuals necessary, and wait for LFUCG Police to respond and take control of the scene.

Upon Council approval and Mayor Gorton signing, please return a signed copy of the document to the Chief's Office.

**What is the cost in this budget year and future budget years?** No budgetary impact

**Are the funds budgeted?** N/A

**File Number: 0798-20**

**Director/Commissioner:** **Lawrence B. Weathers, Chief**
**Lexington Police Department**

LBW/rmh

# Neighborhood Development Funds
## August 25, 2020
## Work Session

| Amount | Recipient | Purpose |
|---|---|---|
| **$ 300.00** | Wellesley Heights Neighborhood Assoc.<br>1604 Tropicana Drive<br>Lexington, KY 40513<br>Leslie Burd | To assist with the purchase of a tent for neighborhood meetings and gatherings. |
| **$ 350.00** | 16th District PTA c/o Hayes Middle School<br>260 Richardson Place<br>Lexington, KY 40509<br>Carla Jackson | To assist with materials for their back to school rally. |
| **$ 350.00** | Old Paris Neighborhood Assoc., Inc.<br>201 Strawberry Fields Road<br>Lexington, KY 40516<br>Benjamin Durant | To assist with neighborhood beautification projects. |
| **$ 243.00** | LFUCG-Urban Forestry<br>1101-313201-3702-75105<br>Susan Plueger | To fund a tree replacement for a recently removed diseased tree in Cave Court median. |

**Budget, Finance & Economic Development Committee**
June 23, 2020
Summary and Motions

Committee chair, Amanda Bledsoe, called the meeting to order at 1:01 p.m. Committee members Steve Kay, Richard Moloney, Chuck Ellinger, James Brown, Susan Lamb, Bill Farmer, Angela Evans, Fred Brown, and Jennifer Mossotti were in attendance. Councilmembers Josh McCurn, Preston Worley, Jennifer Reynolds, and Kathy Plomin were in attendance.

Bledsoe read the following statement: "Due to the COVID-19 pandemic, state of emergency and Governor Beshear's Executive Orders regarding social distancing, this meeting of the Urban County Council is being held via video-teleconference pursuant to Senate Bill 150 (as signed by the Governor on March 30, 2020) and Attorney General Opinion 20-05, and in accordance with KRS 61.826, because it is not feasible to offer a primary physical location for the meeting."

**I. Approval of February 25, 2020, Committee Summary**

A motion was made by Farmer to approve the February 25, 2020, Budget, Finance & Economic Development Committee summary; seconded by Mossotti. The motion passed without dissent.

**II. Approval of March 17, 2020, Committee Summary**

A motion was made by Kay to approve the March 17, 2020, Special Budget, Finance & Economic Development Committee summary; seconded by Mossotti. The motion passed without dissent.

**III. Monthly Financials Update – May 2020**

Bill O'Mara, Commissioner of Finance, provided a financial update through May 2020. All top four revenue sources had a negative variance (year to date). He said they predicted erosion in these categories due to COVID-19, citing examples such as the delayed tax filing deadline and insurance rebates. He reported the city about $15 million below budget. Melissa Lueker, Director of the Division of Budgeting, said expenses are maintaining a positive variance. She said the biggest savings in personnel is due to health insurance. She said the overall expense savings totaled $17.7 million. They concluded the city has a fund balance of $2.9 million for the first 11 months of the year; typically about $4 million is used each year to cover pre-paid and purchase orders rolls. He reviewed year to date (actual to budget) variances as of May, as of April, and the change over that month's time showing a negative impact in every revenue stream between April and May, a total loss of $9.9 million. He showed that same comparison for expenses, concluding the actual additional savings since April (extracting the partner agencies variance) is $4 million. He pointed out the largest savings in personnel are related to medical filings and how they don't know if the city will retain that variance. He anticipates continued erosion in payroll withholdings in June and said net profit will be unknown until August 10.

F. Brown was encouraged by the payroll withholding variance being $1.3 million. O'Mara said $3.2 million was lost in May, explaining the positive variance leading into the pandemic has since run out. He expects the negative variance in payroll withholding to grow and pointed out the unknown impact on Lexington's withholding relative to the federal PPP stimulus funds allocated to the state. F. Brown confirmed the FY2020 books will remain open until about August 10 and talked about making up for the originally projected $11 million shortfall to date but O'Mara questioned whether the city will maintain that position. They discussed balancing the budget versus cash flow and noted $2 million of budget stabilization is reserved for cash flow in June. They concluded the city will manage the fourth quarter and have the ability to close the books through June 30.

Moloney expressed concerns about people not paying net profit taxes, the closing of restaurants, and COVID-19 spiking across the country. He asked about increasing payroll and property taxes and the threshold or amount that would require public input, noting 4 percent for property tax. David Barberie, Managing Attorney, said there is no threshold for payroll tax. Moloney talked about balancing the budget, having issues with more expenses versus revenue, and the need to see net profit after July 15.

Kay asked about typical medical filings and how it is different now. O'Mara explained how subsidies from the general fund are used regularly to ensure there is enough money to pay all of the claims, adding that subsidies were not necessary this year. Lueker said the current health insurance variance is $2.9 million; she outlined other significant savings in personnel: $500,000 in overtime, $500,000 less in payouts for people leaving the government, and $700,000 by limiting seasonal and part-time employment. Kay concluded that because of the delay of net profit to July, the net profit variance should improve rather than get worse. <u>No further comment or action was taken on this item.</u>

<u>FY2020 – Cash Flor Variance Revenue (Actual to Budget):</u>

| *For the eleven months ended May 31, 2020* | | | | |
|---|---|---|---|---|
| | **Actuals** | **Budget** | **Variance** | **% Var** |
| **<u>Revenue</u>** | | | | |
| Payroll Withholding | 190,380,333 | 191,653,431 | (1,273,098) | -0.7% |
| Net Profit | 25,898,089 | 38,432,812 | (12,534,723) | -32.6% |
| Insurance | 34,949,067 | 35,684,638 | (735,571) | -2.1% |
| Franchise Fees | 23,593,835 | 24,620,954 | (1,027,119) | -4.2% |
| Other Licenses & Permits | 4,996,017 | 4,970,260 | 25,757 | 0.5% |
| Property Tax Accounts | 25,597,398 | 25,730,043 | (132,646) | -0.5% |
| Services | 23,044,578 | 22,747,009 | 297,569 | 1.3% |
| Fines and Forfeitures | 171,440 | 238,517 | (67,077) | -28.1% |
| Intergovernmental Revenue | 386,652 | 377,957 | 8,695 | 2.3% |
| Property Sales | 80,592 | 137,500 | (56,908) | -41.4% |
| Investment Income | 1,187,376 | 1,038,383 | 148,993 | 14.3% |
| Other Income | 2,862,330 | 2,710,738 | 151,592 | 5.6% |
| **Total Revenues** | **$333,147,706** | **$348,342,241** | **($15,194,535)** | **-4.4%** |

<u>FY2020 – Cash Flor Variance Expense (Actual to Budget):</u>

| *For the eleven months ended May 31, 2020* | | | | |
|---|---|---|---|---|
| | **Actuals** | **Budget** | **Variance** | **% Var** |
| **<u>Expense</u>** | | | | |
| Personnel | 213,484,682 | 218,497,892 | 5,013,210 | 2.3% |
| Operating | 38,374,831 | 49,609,978 | 11,235,147 | 22.6% |
| Insurance Expense | 8,493,015 | 8,467,741 | (25,274) | -0.3% |
| Debt Service | 44,740,327 | 44,757,694 | 17,367 | 0.0% |
| Partner Agencies | 19,590,874 | 20,890,323 | 1,299,449 | 6.2% |
| Capital | 305,336 | 522,848 | 217,512 | 41.6% |
| **Total Expenses** | **$324,989,065** | **$342,746,476** | **$17,757,411** | **5.2%** |
| **Transfers** | **5,215,164** | **5,833,211** | **618,047** | **96.5%** |
| **Change in Fund Balance** | **$2,943,477** | **($237,446)** | **$3,180,923** | |

## IV. Minority Business Enterprise Program and Software Update

Sherita Miller, Minority Business Enterprise Liaison, first talked about the Diverse Business Management System that all primary and sub-contractors are required to register with. She reviewed the system's capabilities such as contract compliance audits and reporting mechanisms. She showed a comparison for total purchase-order spend over the last six years, reporting FY2020 at $75 million. She showed the city's DBE/MBE/WBE combined spend since 2015 (purchase order spend to contract per payment), reporting FY2020 at $8.7 million or 20.53 percent, which exceeded the city's combined MBE/WBE goal of 10 percent. She reviewed similar charts for service-disabled and veteran-owned small businesses, pointed out the city's 3 percent goal, and reported FY2020 at 8.46 percent. She said the majority of the city's business is with Caucasian male and female-owned businesses. She outlined the differences between an availability goal study versus a disparity study and highlighted some advantages and disadvantages for a joint or multi-jurisdiction disparity study.

Mossotti concluded the city's spend percentages are based on the number of minority businesses available; if we had more minority businesses, the numbers would increase. She asked how to improve. Miller said through with outreach, such as her annual Construction Connection networking event and the Lexington Minority Women Contractor Training Program. They discussed the communication of opportunities and bonding as other barriers. Businesses must be certified to qualify as MBE/WBE with the city. Mossotti added the lack of access to capital as another issue, such as approval for loans or not applying for fear of rejection.

Lamb and Miller clarified how subcontractors and payments are tracked within the system with POs for each contract, noting that salary and wages are separate from this system. Miller pointed out that the prevailing wage can be tracked but that isn't common.

In response to Plomin, Miller listed LFUCG, University of Kentucky, and Fayette County Public Schools as potential partners and said she would limit the area to Lexington only. She cited Louisville's school district and the city of Cincinnati as examples for a disparity study, as well as FCPS conducting an availability study a couple of years ago.

Reynolds asked Miller if shes seeing a variety of minorities through her outreach and training. Miller said it is mostly Black or African-American. Reynolds talked about expanding outreach to other minority groups. Miller said she would have to look at the businesses in those communities, whether they are interested in doing business with the city, and mentioned using her training webinar on how to do business with the city.

J. Brown talked about exceeding the goal of 10% overall but not doing well in the race category. He asked what we can do to breakdown the categories with separate goals for each category where we would like to see improvement. Miller said we can't look at individual goals for race or ethnicity without conducting an availability or disparity study first, something she has confirmed with the Law Department. She pointed out a disparity study is defendable in court. J. Brown said this would be an important investment for the city to make sure the sub-groups are given opportunities. Miller said an availability study is at least $50,000 and a disparity study is $500,000 or more. J. Brown said we have the opportunity to do better in diversity spending in various categories and that the mayor's Commission on Racial Justice and Equity may circle back to these issues because of protestors suggestion to aim for 15 percent.

Evans talked about the level of a contractor, asking how the city engages with subcontractors, and grows that pool to partner with or become themselves, primary contractors. Slatin explained the bid process, how proposals include the goals of 10 and 3 percent as part of the solicitation, and that contractors are actively working to find subcontractors to meet these goals. He said some of the improvement in the spend percentage is a result of simply tracking subcontractors. Evans asked about the continued engagement of subcontractors. Miller said she knows women-owned or minority-owned businesses and keeps the DBA community apprised of bids.

Ellinger asked about the FY2020 spend percentage by race and ethnicity. Miller said it is the PO spend percentage with the contract pay percentage. They discussed that 11.4 percent Caucasian represents white male and female-owned businesses, but only the women-owned businesses from this category count towards the goal. The African-American owned businesses who have contracts with the city makes up 0.93 percent. Miller explained this data is based on the contracts that are already in the database, which is connected to other certifying entities; race and ethnicity are declared by the contractors within the system.

Lamb asked if a breakdown of locally owned businesses in Lexington by race and ethnicity exists to compare our percentages in relation to the bigger picture. Miller said that data should be available through Commerce Lexington or the Kentucky Cabinet for Economic Development but the only information she has is from LFUCG contracted businesses. Lamb said this might be helpful for encourages new businesses. <u>No further comment or action was taken on this item.</u>

**V. Administration of Local, Small Business Stimulus Package of $2.5 Million**

Worley explained this item was approved with the FY21 budget and at the same time referred to the committee to set the criteria for the program to give Kevin Atkins, Chief Development Officer, guidance; he referenced the financial presentation earlier in the meeting that outlines the necessity to support businesses. Hilary Angelucci, Council Office, first recognized the people who helped with the small business stimulus package proposal. She provided data about Lexington businesses outlining how most businesses have less than 20 employees. She explained the business requirements including location, max number of employees to be less than 50, and to have been in operation since January 1, 2020. She talked about the 50 percent commitment to minority and women-owned businesses, which dedicates $1.25M to businesses that are 51 percent minority or women-owned. She reviewed the grant award that reimburses expenses up to $25,000 per business or business group, which could serve at least 100 businesses.

Angelucci outlined the eligible expenses as costs that are necessary expenditures incurred due to the public health emergency of COVID-19. She highlighted the priorities for grant awards and eligible expenses, as well as key components for the application. The approval process would utilize two review committees, including a partnership with Tyrone Tyra of Commerce Lexington and the Access Loan Committee that would make recommendations to the Economic Development Investment Board. Angelucci outlined the distribution of funds in waves, limiting the first wave to 50 percent of the program funding to provide the opportunity to adjust the program if needed. She outlined two next steps, to adopt the framework of the program and to determine whether the city would seek reimbursement from the Coronavirus Relief Fund through the Kentucky Department of Local Government.

J. Brown asked if allowing non-profits will increase the number of applicants or dilute the applicant pool. Angelucci said if they employ people in Lexington, they will not be excluded but said we will take into consideration other funding sources an entity has received. J. Brown pointed out how guidelines under the CARES Act and the PPP Loan excluded companies owned by previously convicted felons and confirmed this was not a restriction in this grant program. Angelucci talked about their effort to avoid restrictions for who could apply. Bledsoe said this was not considered as part of the criteria and we tried to keep it as open as possible. J. Brown said he would not want the way someone pays themselves or their employees (i.e. IRS Tax Form 1099) to be a barrier to apply.

Ellinger confirmed the plan to finalize the program by July 9th. Angelucci explained a resolution adopting the framework of the program could get approval through the council meetings on July 7th and July 9th, adding that the intent is to get the money to businesses as quickly as possible, with the application window in July, and potentially distribute the first round of funding before the council comes back from summer recess. Ellinger mentioned some reporting he has read that projects 40 percent of minority-owned businesses will not make it and said the sooner we get these funds out the better. He asked about marketing and outreach and Angelucci said we would rely on all internal structures including council member's newsletters, social media, etc. as well as outside partners. Ellinger said the inclusion of non-profits was something he hadn't considered before. Bledsoe pointed out not-for-profits and non-profits are eligible to be as open as possible.

Evans referenced the previous presentation and talked about carving out 25 percent of the funds specifically for minority businesses because of the amount of business the city does with white women-owned businesses and the racial disparity that remains. She expressed concern about unilateral decision making when the qualifications are subjective. She talked about this going through the council or receiving a list of the businesses who are awarded funds, saying there is a need for the council to be involved. She compared the unilateral decision making with the Industrial Authority, which the council had concerns with, and wanting to avoid problems other federal programs have had. She said she appreciates the expediency but said it needs to be tweaked.

Lamb said she is concerned with the management for $2.5M, eluding to the possibility of more than 100 applications. She had concerns about the time to put forward the methodology that is necessary to manage this transparently with oversight of public funds. She asked what the city would need to be considered for reimbursement from COVID-19 relief funds. Charlie Lanter, Director of the Division of Grants and Special Programs, said we would have to seek and receive prior approval from the DLG for the program. The individual grant contracts with the businesses would have to be tracked and monitored carefully because it would involve federal funds, including extensive documentation of expenses. He said it will be complex to run this through the federal chain. He did confirm that the DLG would only require the agreements to determine what was reimbursed but LFUCG would have to ensure compliance through thorough documentation of the expenses. Lamb commented about volunteers committing to review the applications and expressed concerns about the listed LFUCG employees having the time to work on this because the program is a huge undertaking. She is curious about the database to manage the information for auditing purposes. She has concerns about the EDIB making final approval because the applications they currently review are forwarded to the council. She said some questions need to be answered while pointing out her understanding of the desire to get this into the community.

Mossotti shares similar concerns as Lamb and said the management of the program is critical. She asked who will receive the applications; Angelucci said she could help and disburse them to the review committees. Mossotti said this could be overwhelming and mentioned the idea to farm the entire program out, for example to Commerce Lexington. She outlined important details such as who receives the applications, sifts through them, and determines who is eligible or not. She said this is a grant and there will be a lot of applications and talked about the need to know how we are running the whole program before moving forward. She expressed concern about the inclusion of non-profit and not-for-profits because she thought the intent was to reach businesses. She said we are addressing non-profits in another way.

Worley said the item in committee is to look at the eligibility criteria and the administration of the program is developing but in large part, it will be under the Chief Development Officer because that is where the money is budgeted. About unilateral agreements, he talked about the review committees consisting of business leaders, bankers, and Commerce Lexington who are familiar with this kind of work and what these businesses need, which adds to the level of scrutiny and credibility as well as depoliticizes it. He recalled Mossotti building in a quarterly review so it will come back to the council for review and oversight and pointed out why the unilateral agreement would be useful due to the council calendar and timing of the program. He said that with the administration working on the EDA Revolving Loan program, there are processes and people in place to handle the program and tracking. He talked about the priority to determine the criteria, such as the inclusion of non-profits, which were included because they are job creators. He said the review committees will look at the merits of the application and that his priority lies with the job.

Moloney talked about minority businesses that didn't get stimulus money and a priority to get the grant funds to those businesses first. He asked about a high demand for this portion of the funds carrying over into the other part of the funding, particularly because minority businesses are struggling. Worley said it wouldn't require council action if more than 50 percent of the funds went to those businesses so if there is more need, the money can go to that. Angelucci said the first wave would limit both pools of the funds to 50 percent. Moloney said this should not be handled by the council office and that it will be more overwhelming than the social services grant program and require a lot of people to get the funds out quickly.

Kay clarified this program was approved so that "at least" 50 percent of the funds are dedicated to minority and women-owned businesses. He said this raised some questions about how the review process will be handled and agreed it will be a lot of work, noting that the administration is responsible for this. Angelucci clarified that she was not saying she would do this all on her own and that there is time to determine the process behind the scenes to implement the program. Kay said it will be helpful to identify who manages this process. He also said it is important to consider non-profits because they employ people.

Lamb compared the applications she reviewed as a member of the EDIB that had specific criteria; she wants to see this program's criteria more developed, including the reasons why expenses are justified and awarded to what extent, to prevent issues. She questioned if there should be a minimum amount required to seek reimbursement. Worley said we did not set a minimum. He compared the work of the Corridors Commission and neighborhood action match program, saying the review committees consist of those who analyze businesses' needs every day. Lamb questioned the management and staffing of the review committees, eluding to tons of questions, and said she wanted to hear from the administration on this program. She mentioned having a special committee meeting over the council break to ensure we properly vet this.

Farmer said this is a starting point and we should move ahead with the framework, using the next couple of weeks to follow up on the questions raised today. He made a motion to accept a resolution outlining the framework of the small business stimulus package 2020 to move to the full council on July 7th at Work Session. Discussion on the motion included the following. Kay said he shares some of the expressed concerns but to move forward in a timely fashion they should approve the motion while allowing time for more information to be provided. He said a special meeting could be considered at the end of their currently scheduled meeting, if necessary.

Lamb made a motion to amend to have Angelucci summarize the questions and concerns raised today regarding how this program will be developed and who will be involved and to distribute that list to the council, to make sure they are answered before July 7th. Discussion on the motion to amend included the following. Evans talked about significant questions that need to be answered and the need to get this right the first time.

> <u>A motion was made by Lamb to amend, directing Angelucci to summarize the questions and concerns raised today regarding how this program will be developed and who will be involved and to distribute that list to the council, to make they are answered before July 7th; seconded by Evans. The motion passed with a 5-3 vote. (Moloney, Ellinger, Lamb, Evans, Mossotti voted yes; Kay, J. Brown, and Farmer voted no; F. Brown was absent, Bledsoe did not vote)</u>

<u>A motion was made by Farmer to accept a resolution outlining the framework of Small Business Stimulus Package 2020 to move to the full council on July 7th at work session; seconded by J. Brown. As amended, the motion passed with an 8-1 vote. (Kay, Moloney, Ellinger, J. Brown, Lamb, Farmer, Mossotti, and Bledsoe voted yes; Evans voted no; F. Brown was absent)</u>

**VI. Economic Development Partnership Services RFP**

Craig Bencz provided a presentation on Economic Development Partnership Services RFP to distribute $300,000 to implement the city's four economic development strategies. He reviewed the scope of work for each strategy and the scoring committee, providing a list of committee members. He said the scoring criteria were broken down by the quality of the entity, approach, innovation and efficiencies, and price. Nine agencies applied. He reviewed the funding recommendations that awarded Euphrates International Investment Company, Commerce Lexington, EHI Consultants, and the Urban League. He explained each award was funded at 77 percent of the request to meet the initial program budget.

Lamb asked about the new business development award to Euphrates and what set them apart since they are a new company. Bencz said they were objectively scored using a rubric and scored the highest score. He added that the firm was established in 1981 and that the application showed a variety of experience; Aaron Persley is the lead for the firm. Lamb asked if the business could have been under another name because it looks like it was started in March 2020. She confirmed there were multiple applicants for this category and the PSAs would go through council. Atkins said half of the funds will be distributed upon execution of the agreement and the second half isn't paid until EDIB does a year-end review with the partner.

Moloney, a new member of the EDIB, talked about Euphrates paperwork that was filed in March and their experience. Atkins explained the team assigned to this project has years of experience. He said we can provide resumes for the team members. Moloney referred back to experience in Lexington, highlighting resources such as banks ready to loan money, connections to preachers in the African American community.

Evans referenced the earlier presentation on minority business and questioned the minority make-up of the awardee for the new business development category. She eluded to her desire for them to go above and beyond LFUCG's goals. Slatin said this addressed in their proposal and he can pull the exact make-up of the company.

J Brown talked about being familiar with the community and challenges with being a newcomer in the market but the committee recognized an opportunity to select this company. He said this is a new process and some of its integrity will be based on the results so he is interested in how we monitor the goals and success of what is being asked. He asked about the additional funds of $250,000 approved in the budget for economic development that requires a match. Bledsoe said the EDIB agreed they would work with the three awarded partners to come up with a framework for those funds, which would come back [to the council]. J Brown said we need to give our community the best chance possible to be successful so a lot hinges on economic development, pointing out opportunity with the additional funds.

Bledsoe said one person from Euphrates currently works for the state and believes this is a conflict of interest. Bencz said that was not in the criteria the scoring committee looked at but would likely be part of the PSA process. Bledsoe talked about holding the new partners to a higher standard than previously done, highlighting detailed quarterly analysis partners provided in the past on deliverables. She suggested that given the financial situation, this should be an annual process rather than a two-year process.

Moloney asked when the potential conflict of interest would be addressed. Bledsoe said the person is part of the state's economic development team. Slatin said any conflict would arise during the PSA process when the agreement is drafted. No further comment or action was taken on this item.

**VII. Allocation of $30,000** (a reduction from FY21 council budget, reserved in fund 1105)

Bledsoe said this item was referred from the Budget COW on June 2, 2020. Moloney suggested this money goes back into the general fund, to start saving money due to current and future shortfalls. J. Brown suggested deferring the reallocation of these funds for a council initiative it could be used for. Bledsoe gained consensus from the committee; it will remain in committee.

**VIII. Items Referred to Committee**

No comment or action was taken on this item.

A motion was made by J. Brown to adjourn (at 3:35 p.m.); seconded by Farmer. The motion passed without dissent.

Link to video of the meeting: http://lfucg.granicus.com/MediaPlayer.php?view_id=4&clip_id=5159
HBA 8/18/20