

LEXINGTON-FAYETTE URBAN COUNTY COUNCIL**WORK SESSION AGENDA**

October 7, 2008

- I. Public Comment – Issues on Agenda**
- II. Requested Rezoning / Docket Approval – None**
- III. Approval of Summary-separate, not in packet**
- IV. Budget Amendments – None**
- V. New Business, pp.6-28**
- VI. Continuing Business / Presentations**
 - A. Budget & Finance Committee, pp.29-32**
 - B. Family Care Center Health Clinic Update
Mark Birdwhistell and Dr. Jay Perman**
 - C. Recognition of Customer Service Employees**
 - D. Introduction of Junior Fire Chief**
 - E. Monument to the Fallen –Lt Jeff Garris,
Committee Co-Chair, Fraternal Order of Firefighters**
 - F. Lexington-Fayette Emergency Operations –
Commissioner Bennett**
- VII. Council Report**
- VIII. Mayor's Report – None**
- IX. Public Comment – Issues Not on Agenda**
- X. Closed Session – Homeland Security**

ADMINISTRATIVE SYNOPSIS

New Business Items

- A. Authorization to Amend Section 22-5 of the Code of Ordinances within the Department of Social Services. (528-08) (Allen/Helm)
This request will authorize an amendment to Section 22-5 of the Code of Ordinances to transfer one (1) position of Social Services Coordinator (Grade 114E) from the Department of Social Services to the Division of Adult and Tenant Services. The fiscal impact for FY2009 is budget neutral.**p.6**
- B. Authorization of a 2008 Direct and Counter-Cyclical Program Contract with the US Department of Agriculture (USDA). (529-08) (Hancock/Cole)
This request will authorize a 2008 Direct and Counter-Cyclical Program Contract with the USDA for participation in the US Department of Agriculture Commodities Program.**p.7**
- C. Authorization of a Purchase of Service Agreement (PSA) and Lease Agreement with the Lexington-Fayette Animal Care and Control, LLC. (532-08) (Bennett)
This request will authorize a PSA and a Lease Agreement in the amount of \$1,017,020 with the Lexington-Fayette Animal Care and Control, LLC for animal control services within Lexington-Fayette County. The agreement is for a period of 12 months beginning July 1, 2008. Funds are authorized in the FY2009 Budget.**pp.8-19**
- D. Authorization of a Purchase of Service Agreement (PSA) with the Lexington Humane Society to Administer the Spay and Neuter Grant Fund. (534-08) (Bennett)
This request will authorize a PSA with the Lexington Humane Society to administer the Spay and Neuter Grant Fund Program. Funds are used to spay and neuter qualified or partially qualified animal owner's unaltered dog or cat. The agreement is for a period of 12 months beginning July 1, 2008.**p.20**
- E. Authorization of a Department of Defense (DOD) 1033 Program Agreement with the Commonwealth of Kentucky, Kentucky State Police on Behalf of the Department of Public Safety, Division of Police. (536-08) (Bastin/Bennett)
This request will authorize a DOD 1033 Program Agreement with the Commonwealth of Kentucky, Kentucky State Police, on behalf of the Division of Police. This agreement will allow the Division to search US Military Inventory website, at no cost, to view and select military helicopter surplus parts. The only cost incurred is shipping and handling for the part. There is no budgetary impact.**pp.21-23**

F. Authorization to Execute Amendment No. 1 to Agreement with MASH Services of the Bluegrass, Inc. for Additional Community Development Block Grant (CDBG) Funds. (531-08) (P. King/Koch)

This request will authorize the execution of Amendment No. 1 to Agreement with MASH Services of the Bluegrass, Inc. for additional CDBG funds in the amount of \$3,800 to support life-safety improvements to facilities that provide services to homeless and runaway youth. The improvements include upgrades to fire escapes and installation of self-closing fire doors. The proposed Amendment increases the total funding to \$14,000 and provides MASH with additional time to complete the project.**p.24**

G. Authorization of a Memorandum of Agreement (MOA) with the University of Kentucky (UK) and the Fayette County Public Schools (FCPS) for the Bluegrass Partnership for a Green Community. (538-08) (Marcum/Koch)

This request will authorize a MOA with UK and FCPS to make cooperative purchases for the benefit of the local community and environment under the Bluegrass Partnership for a Green Community. Each entity will promote, when possible and appropriate, cooperative purchasing opportunities and incorporate environmentally friendly language in their respective purchasing processes. This partnership will be used to promote the potential for joint purchases to gain economies of scale for future contracts and will examine existing contracts that promote environmentally friendly products or elements. Each entity will work to make these contracts available to other parties from which to purchase.**pp.25-28**

NEW BUSINESS ITEMS REQUIRING BUDGET AMENDMENTS

October 7, 2008 Work Session

If the item listed below is on the Agenda, approval of the listed Item includes approval of the attached Budget Amendment. These Budget Amendments are not voted upon as part of section IV on the Agenda and are for information only.

NEW BUSINESS ITEM	BUDGET JOURNAL	DIVISION	DESCRIPTION OF REQUEST	
528-08	CB 0011	Social Services	To reallocate funds for one position of Social Services Coordinator (grade 114E) to the Division of Adult and Tenant Services from the Commissioner of Social Services and to correct the status to non-civil service.	
A			1101	40,470
			1101	40,470CR
				0*
531-08	BA 1777	Community Development	To reduce budgeted amount for civil service salaries (unexpended in FY 2008). To provide additional funds for Life-Safety Improvements to the M.A.S.H. Drop Inn Facility.	
F			3120	3,800
			3120	3,800CR
				0*

EFFECT ON FUND BALANCES

FUND 1101	0*	NO EFFECT ON:	GENERAL SERVICES DISTRICT
FUND 3120	0*	NO EFFECT ON:	US DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

Budget Information For New Business Items
October 7, 2008 Work Session

Item	Number	Amount	Fund	Name / Description
A	528-08	40,470	1101	General Service District – General Fund Budget Journal
B	529-08	NA		
C	532-08	1,017,020	1101	General Service District – General Fund
D	534-08	42,000	1134	Spay and Neuter Fund
E	536-08	NA		
F	531-08	3,800	3120	US Department of Housing & Urban Development Budget Journal
G	538-08	NA		



528-08

Jim Newberry, Mayor

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Division of Human Resources**MEMORANDUM**

TO: Mayor Jim Newberry
Senior Advisor Joe Kelly
Council Members

FROM:

Michael Allen by DNF
Michael Allen, Director
Division of Human Resources

DATE: September 24, 2008

RE: Transfer Position—Department of Social Services

The attached action amends Section 22-5 of the Code of Ordinances, transferring one (1) position of Social Services Coordinator (Grade 114E) from the Department of Social Services to the Division of Adult and Tenant Services, effective upon passage by Council.

The Department requests this action to better serve the public. This position serves as the supervisor of the Cardinal Valley Center which is overseen by the Division of Adult and Tenant Services.

The fiscal impact for FY2009 is budget neutral.

If you have questions or need additional information, please contact Daniel H. Fischer at 258-3030.

Attachment

cc: Marlene Helm, Commissioner, Department of Social Services
Cheryl Lewis-Talbert, Director, Division of Adult and Tenant Services
Darrylyn Combs, Human Resources Manager, Division of Human Resources
Jim Dodson, Human Resources Analyst, Division of Human Resources

Log #09-0026



529-08

Jim Newberry, Mayor
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Division of Parks & Recreation
Jerry Hancock, Director

MEMORANDUM

To: Jim Newberry, Mayor
Urban County Council Members
Joe Kelly, Senior Advisor to the Mayor

FROM:


Jerry Hancock

RE: U.S. Dept of Agriculture 2008 Contract

DATE: September 18, 2008

This is a request for Council approval of a 2008 Direct and Counter-Cyclical Program Contract between the U.S. Department of Agriculture and the Lexington Fayette Urban County Government.

The Counter-Cyclical Program Contract provides for participation in the U.S. Department of Agriculture Commodities Program. We have participated for several years.

Please contact me if there are any questions.

CC: Kimra Cole, Commissioner of General Services

JEH/bac



532-08

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Department of Public Safety
Office of the Commissioner

TO: Mayor Jim Newberry
Members, Urban County Council

FROM: Timothy E. Bennett, Commissioner
Department of Public Safety

DATE: September 26, 2008

RE: Purchase of Service Agreement with
Lexington-Fayette Animal Care and Control, LLC

Attached is the annual Purchase of Service Agreement and related Lease Agreement for animal control services with Lexington-Fayette Animal Care and Control, LLC. The proposed agreement incorporates compensation in the amount of \$1,017,020 to the Humane Society as authorized in the FY 2009 budget.

I recommend approval of these Agreements with the Lexington-Fayette Animal Care and Control, LLC for FY 2009 and the funds are budgeted.

Attachment

HORSE CAPITAL OF THE WORLD

200 East Main Street, Room 320

Lexington, KY 40507

(859) 258-3280

Fax (859) 258-3103

532-08

PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT, is made and entered into on the ____ day of _____, 2008, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky pursuant to KRS Chapter 67A (hereinafter "Government") on behalf of its Department of Public Safety (hereinafter "Sponsor"), and **LEXINGTON-FAYETTE ANIMAL CARE AND CONTROL, LLC**, a Kentucky limited liability company (hereinafter "Organization"), with offices located at 1600 Old Frankfort Pike, Lexington, Kentucky 40504;

WITNESSETH:

That for and in consideration of the mutual promises and covenants herein expressed, Government and Organization agree as follows:

1. Government hereby employs Organization for the period beginning on July 1, 2008, and continuing for a period of twelve (12) months from that date.
2. Government shall pay Organization the sum of One Million Seventeen Thousand and Twenty Dollars (\$1,017,020.00) for the services required by this Agreement, said services being more particularly described in the Addendum attached hereto and incorporated herein by reference, one-twelfth (1/12) of which shall be payable on or before the fifteenth day of each month, July to June, inclusive.
3. Government shall lease up to twelve (12) vehicles and up to fourteen (14) mini-Digital Video Device (DVD) video recorders, with which the vehicles are to be equipped, to Organization as further consideration for the services required by this Agreement. Said vehicles and video equipment shall only be used for purposes of animal

control, shall be leased to Organization for use during the term and for the purposes authorized by this Agreement and shall be subject to the additional terms of a lease agreement between the parties.

4. Organization shall perform all duties and services included in the Addendum attached hereto faithfully and satisfactorily at the time, place and for the duration prescribed herein.

5. Organization shall keep itself informed of all national and state laws and all municipal ordinances and regulations in any manner affecting the work or performance of this Agreement, and shall at all times observe and comply with such laws, ordinances and regulations, whether or not such laws, ordinances or regulations are mentioned herein, and shall indemnify Government, its officers, agents and employees against any claim or liability arising from and based on the violations of any such laws, ordinances or regulations.

6. Organization represents that it has filed federal, state and local income tax returns required by law in the legally prescribed time and manner. Upon request, Organization will provide copies of all of the executed originals of the aforementioned tax returns filed for Organization's most recent or current tax year.

7. Organization shall, at the end of each month and by no later than the tenth (10th) working day of the succeeding month, on such forms as the Sponsor shall provide, submit to Sponsor: a report containing, for each of the services enumerated in the Addendum attached hereto, which were provided in the preceding month, (a) a description of the services provided, including the quantity and quality of the services provided, and (b) any monies collected on behalf of the Urban County Government with

an invoice requesting payment. Any and all provisions of this Agreement to the contrary notwithstanding, the compensation of Organization for each month of the Agreement shall not be paid unless and until Organization submits the monthly report and invoice required hereunder.

8. Books of accounts related to this Agreement shall be kept by Organization and entries shall be made therein of all money, goods, effects, debts, sales, purchases, receipts, payments and any other transactions of Organization. The books of accounts, together with all bonds, notes, bills, letters and other writings belonging to Organization, shall be maintained at the principal place of business of Organization set forth in this Agreement. Government shall have free and complete access to the books, papers and affairs of Organization at all reasonable times and, if it desires, it may have the books and papers of Organization audited and examined by auditors, accountants or attorneys. Any examination shall be at the expense of the Government.

9. Government may designate such persons as may be necessary to monitor and evaluate the services rendered by Organization. Government shall have reasonable access to all places where or in which the services required hereunder are being carried on and conducted. Inspection and monitoring of the work by these authorities shall in no manner be presumed to relieve in any degree the responsibility or obligations of Organization, or to constitute Organization an agent of the Government.

10. Organization shall provide equal opportunity in employment for all qualified persons, shall prohibit discrimination in employment because of race, color, creed, national origin, sex, age, sexual orientation or gender identity, or handicap, and shall promote equal opportunity in employment through a positive, continuing program of equal

opportunity employment. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices.

11. Organization shall adopt a written sexual harassment policy, which shall, at a minimum, contain a statement of current law; a list of prohibited behaviors; a complaint process; and a procedure that provides for a confidential investigation of all complaints. The policy shall be given to all employees and shall be posted at all locations where Organization conducts business. The policy shall be submitted to the Commissioner of the Department of Public Safety for review within thirty (30) days of the execution of this Agreement.

12. Unless either party, not less than ninety (90) days prior to June 30, 2009, gives the other party notice in writing that this Agreement shall not be extended, the Agreement shall automatically be extended for successive periods of three (3) months each upon the expiration of each period, upon the same terms and conditions as are contained herein, unless either party shall, not less than ninety (90) days next preceding the termination of any period, give the other party notice in writing that this Agreement shall not be so extended.

13. This instrument and the Addendum incorporated herein contain the entire agreement between the parties and no statement, promise or inducement made by either party or agent of either party that is not contained in this written Agreement shall be valid and binding; and this Agreement may not be enlarged, modified or altered except in writing signed by the parties and endorsed thereon.

14. Organization agrees that it shall apply all funds received by it from Government in accordance with the following investment policy guidelines:

A. Objectives--Capital preservation with surety of income. Reasonable competitive income consistent with high investment quality and purpose of funds. All investments shall conform with state and local law and regulations and these Policies.

B. Investment Funds Management--The governing board may elect to either:

(1) manage its investment through its president where the size or complexity of funds to be managed is deemed by the board to be within the training, expertise and/or available time capacity of the president and the operating staff;

-or-

(2) utilize the professional investment management facilities of a local bank trust department acting in a fiduciary capacity within the same approved investment policies and federal, state, local and trust laws and regulations. The trust department may utilize its regular short-term 100% U.S. Treasury Fund for daily funds investment. The election of option 1 or 2 should be made consistent with the relative cost incurred and in the case of option 2 the cost shall be competitive among local trust departments.

C. Investment Policies--Safety and Prudence.

(1) Short-term liquidity funds shall be invested in "riskless" investments, i.e., deposits in Kentucky commercial banks or savings and loan associations that are fully federally insured or deposits collateralized by U.S. Treasury securities with a current market value of at least 100%, or in direct obligations of U.S. Treasury securities.

Investments shall be diversified according to maturity in order to meet projected cash flow needs.

Collateral pledged to secure uninsured deposits shall be held at a federal reserve bank with the receipt providing absolute control by the agency.

(2) Retirement funds, endowment funds, long-term capital reserve funds and any other special funds may be held and invested by a local bank trust department under investment objectives and diversification in accordance with the individual

nature of the funds and pursuant to the "prudent man" investment rule as well as general trust law.

- (3) All investments shall be reviewed monthly by a finance or investment committee of the agency.
- (4) Local brokerage firms may hold and invest funds provided that investments are located within Kentucky and are fully insured.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

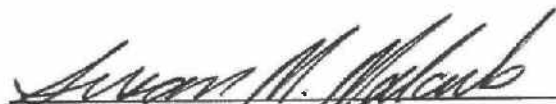
LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

LEXINGTON-FAYETTE ANIMAL CARE
AND CONTROL, LLC

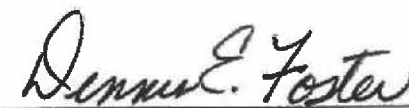
BY: _____
JIM NEWBERRY, MAYOR

BY: LEXINGTON HUMANE SOCIETY,
ITS MEMBER

ATTEST:

BY: 
SUSAN M. MALCOMB, PRESIDENT

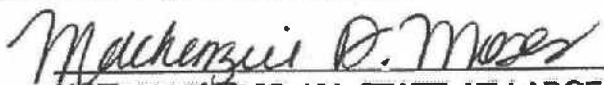
URBAN COUNTY COUNCIL CLERK

BY: 
DENNIS FOSTER, CHAIRMAN
BOARD OF DIRECTORS

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF FAYETTE)

The foregoing Purchase of Service Agreement was acknowledged before me on this the 3rd day of September, 2008, by Susan M. Malcomb, as President of the Lexington Humane Society, for and on behalf of the Humane Society, acting as the sole member of Lexington-Fayette Animal Care and Control, LLC, for and on behalf of the company.

My commission expires: 02-26-2012


NOTARY PUBLIC, KY, STATE-AT-LARGE

COMMONWEALTH OF KENTUCKY)

COUNTY OF FAYETTE)

The foregoing Purchase of Service Agreement was acknowledged before me on this the 3rd day of September, 2008, by Dennis Foster, as Chairman of the Board of Directors of the Lexington Humane Society, for and on behalf of the Humane Society, acting as the sole member of Lexington-Fayette Animal Care and Control, LLC, for and on behalf of the company.

My commission expires: 02-26-2012

Mackenzie A. Moss
NOTARY PUBLIC, KY, STATE-AT-LARGE

00171198

532-08

ADDENDUM

1. Organization shall operate the Urban County Government's animal care and control program.
2. Pursuant to Lexington-Fayette Urban County Government Code of Ordinances (the "Code") Section 4-22(a), Organization shall provide and maintain an animal shelter as the urban-county animal shelter and designated licensing facility for Government's use. The animal shelter and designated licensing facility shall comply with all applicable federal, state and local laws.
3. In compliance with all applicable federal, state and local laws, Organization shall employ and maintain a staff of animal control officers for the pick-up and handling of animals within Fayette County in accordance with Code Sections 4-2 through 4-9, 4-11.1 (to the extent facilities and qualified staff are available for enforcement of Section 4-11.1), 4-12.2, 4-12.3, 4-12.4, 4-12.5, 4-14, 4-16 through 4-22 (excluding the provisions in Section 4-21.1 and 4-21.2 related to the implementation of the Spay and Neuter Grant Program, but including the enforcement provisions thereof), and Article III of Chapter 4 as it relates to the mistreatment of horses. The staff shall include a minimum of twelve (12) individuals with animal control authority at all times. Exceptions to the minimum staff requirement are authorized for reasonable periods to accommodate normal employee turnover. Any expansions in staffing levels for FY2009 shall be distributed and accomplished over the entire fiscal year.
4. Due to the nature of the duties involved and possibility of conflict between Organization's employees and the general public, Organization shall make every reasonable effort to train and counsel its employees so that they are able to conduct

themselves in a courteous and professional manner while carrying out their duties.

5. Organization shall employ sufficient personnel to respond to requests for services during regular business hours and after-hours in response to emergency calls. Emergency calls are defined as calls involving injured animals when the location and type of animal involved is provided, police or fire assistance with animals or animal bite cases when police or fire personnel remain on the scene with the animal until the Organization responds, and livestock running at-large. Organization shall not be required to respond to citizen requests after 11:00 p.m. on Monday through Saturday and after 8:00 p.m. on Sunday.

6. Organization shall provide for response to emergency calls from the Government's Division of Police and Division of Fire and Emergency Services on a 24-hour daily basis, including weekends and holidays.

7. Organization shall maintain an office at least six hours per day, six days per week, exclusive of legally declared urban county government holidays, for the purpose of returning to owners animals picked up or received by Organization, collecting fees, and issuing licenses.

8. Under normal circumstances and when determined by Organization to be necessary and feasible, Organization shall provide for patrols to seek out and capture animals running at-large within the county. Organization shall establish the routes of said patrols in an effort to provide more frequent coverage of those areas that prove to be problem areas.

9. Organization shall make a reasonable effort to notify the owner of any properly tagged animal that it picks up or receives prior to the sale, adoption, or

532-08

destruction of the animal.

10. Organization shall, in addition to other duties enumerated herein, assist the public in capturing loose small and large animals, capture and impound quarantined animals which have bitten someone, and inspect animal-related facilities as required by the Code. Organization's duty to assist the public in capturing loose animals extends only to assistance serving a public purpose, not a private purpose. For example, Organization is required to assist the public in capturing loose cattle or other livestock on a public road or other public location, not on private property. Accordingly, Organization is not required to assist the public in capturing wildlife (as defined by KRS 150.010(41), including animals such as chickens, ducks, geese, squirrels, skunks, raccoons or opossums) that is a private nuisance or inconvenience and does not pose a risk to public health or safety.

11. Organization shall collect and remit to the Urban County Government twenty dollars (\$20.00) of the pick-up fee set forth in Section 4-21(c) of the Code and shall maintain records indicating the number of and type of animal picked up, the disposition of said animals, and the amount received therefore.

12. Organization shall collect and remit to the Urban County Government the redemption fee set forth in Section 4-21(d) of the Code for impounded dogs and cats, twenty-five dollars (\$25.00) of which shall be paid into the general fund and the balance of which shall be paid into the Spay and Neuter Fund.

13. Organization shall collect and remit to the Urban County Government, for deposit into the Spay and Neuter Fund, twenty-five dollars (\$25.00) of the license fee for each unaltered dog or cat license issued by Organization (or its agent) as set forth in Section 4-12.3(d) of the Code of Ordinances.

14. Organization shall act as Government's agent for the issuance of animal licenses and may retain six dollars (\$6.00) of the fee for each altered dog or cat license and ten dollars (\$10.00) for each unaltered dog or cat license that it (or its agent) issues pursuant to Section 4-12.3(e) of the Code.

00171200



534-08

Mayor Jim Newberry
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Department of Public Safety
Office of the Commissioner

TO: Mayor Jim Newberry
Members, Urban County Council

FROM: Timothy E. Bennett *TJB* Commissioner
Department of Public Safety

DATE: September 26, 2008

RE: Purchase of Service Agreement with
Lexington Humane Society

Attached is a Purchase of Service Agreement with the Lexington Humane Society to administer the Spay and Neuter Grant Fund Program for and with the oversight of the Urban County Government. This Grant Fund Program shall be used to determine eligibility for grant money to spay or neuter the applicant's dog or cat.

This Program will have no budgetary impact on the Lexington-Fayette Urban County Government.

Attachment

HORSE CAPITAL OF THE WORLD



536-08

LEXINGTON DIVISION OF POLICE

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

TO: Mayor Jim Newberry
Urban County Council

FROM: Chief Ronnie Bastin
Division of Police

DATE: September 26, 2008

RE: Department of Defense 1033 Program Agreement

Please find attached blue sheet and documentation for a Department of Defense 1033 Agreement between the Lexington-Fayette Urban County Government and the Commonwealth of Kentucky, Kentucky State Police. This agreement allows the Division of Police to search the U.S. Military Inventory website to view and select at no cost, military helicopter surplus parts for Division use. The only cost incurred will be shipping and handling for the part. I have attached the original agreement requiring the Mayor's signature.

Upon approval and signing, please forward the original agreement to the Chief's Office to acquire additional signatures.

There will be no budgetary impact. If you have any questions or require additional information, please contact me.

A handwritten signature in cursive script that reads 'R. Bastin'.

Ronnie Bastin
Chief of Police

Attachment

cc: Tim Bennett, Commissioner of Public Safety

536-08

**KENTUCKY STATE POLICE**

Steven L. Beshear
Governor

919 Versailles Road
Frankfort, Kentucky 40601
www.kentuckystatepolice.org

Rodney Brewer
Commissioner

**Department of Defense 1033 Program Agreement
Between
Commonwealth of Kentucky
And
Lexington Fayette Urban County Government**

Purpose:

This Memorandum of Agreement (MOA) is entered into between the Commonwealth of Kentucky and the Lexington Fayette Urban County Government, to set forth the terms and conditions which will be binding on the parties with respect to excess Department of Defense (DOD) personal property which is transferred pursuant to the National Defense Authorization Act of 1997, and to promote the efficient and expeditious transfer of the property.

General Terms and Conditions:

All requests for property must support bona fide law enforcement activities. Property may not be obtained for the purpose of sale, lease, rent, and exchange, barter, to secure a loan or to otherwise supplement the normal Law Enforcement Agency budgets. Property obtained under this MOA must be placed into use within one year of receipt and utilized for a minimum of one year unless the condition of the property renders it unusable. Costs of shipping the property will be borne by the Lexington Fayette Urban County Government. Any repair, maintenance, insurance, or other expenses associated with these items is the sole responsibility of the Lexington Fayette Urban County Government. To the extent permitted by state law, the Lexington Fayette Urban County Government shall indemnify and hold the U.S. Government and the Commonwealth of Kentucky harmless from any and all suits, actions, demands or claims of any nature arising out of the use of the property. The U.S. Government and the Commonwealth of Kentucky assumes no liability for damages or injuries to any persons or property arising from the use of the property. This is not deemed a waiver of sovereign immunity or any other defense available to the Lexington Fayette Urban County Government.

The Lexington Fayette Urban County agrees to maintain, at no expense to the U.S. Government or the Commonwealth of Kentucky, adequate liability and property damage insurance coverage and workmen's compensation insurance to cover any claims.

The Lexington Fayette Urban County Government agrees that all users of any property received under this agreement shall be properly trained, certified, or licensed as required by law.

The Lexington Fayette Urban County Government agrees that it is not the responsibility of the U.S. Government or the Commonwealth of Kentucky to provide training for the use of this property. The Lexington Fayette Urban County Government assures that all environmentally regulated property will be disposed of in accordance with the applicable Federal, State, and local environmental laws and regulations.

All property, except items requiring demilitarization, shall be disposed of in accordance with State and local laws when no longer needed for law enforcement. The Lexington Fayette Urban County Government is responsible for maintaining records concerning receipt and disposition of items received through this program and understand that they may be audited to ensure compliance. Items requiring demilitarization shall be returned to the nearest Defense Reutilization and Marketing Office (DRMO) when no longer needed for support of law enforcement.

AGREED:

Jim Newberry
Mayor
Lexington Fayette Urban County Government

Ronnie Bastin
Ronnie Bastin
Chief
Lexington, Ky. Police

Date: _____

Date: 9/29/08

Captain Jeff Mayberry
Kentucky State Police
1033 Program Coordinator

Date: _____



531-08

24

Mayor Jim Newberry

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Division of Community Development

**TO: JIM NEWBERRY, MAYOR
URBAN COUNTY COUNCIL**

**FROM: PAULA KING, DIRECTOR
DIVISION OF COMMUNITY DEVELOPMENT**

DATE: SEPTEMBER 26, 2008

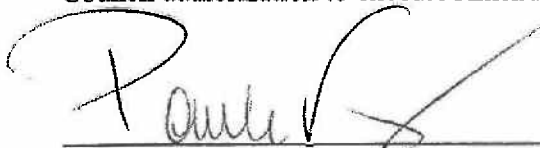
**SUBJECT: REQUEST COUNCIL AUTHORIZATION TO EXECUTE AMENDMENT
TO AGREEMENT WITH MASH SERVICES OF THE BLUEGRASS,
INC., FOR ADDITIONAL COMMUNITY DEVELOPMENT BLOCK
GRANT FUNDS TO SUPPORT LIFE-SAFETY IMPROVEMENTS TO
FACILITIES THAT PROVIDE SERVICES TO HOMELESS AND
RUNAWAY YOUTH**

On April 19, 2007 (Ordinance # 91-2007), Council approved the 2007 Consolidated Plan providing MASH Services of the Bluegrass, Inc., funds from the Community Development Block Grant Program (CDBG) in the amount of \$10,200 for life-safety improvements to the organization's facilities that serve homeless and runaway youth. These improvements included upgrades to fire escapes and installation of self-closing fire doors. In bidding the project, the Organization has found that additional funds are needed in the amount of \$3,800. The proposed amendment increases the total funding for this project to \$14,000 and provides the Organization with additional time in which to complete the activities.

A budget amendment is in process decreasing budget for Rehabilitation Administration in the Fiscal Year 2008 budget to provide for sufficient funds in the following account:

FUND	DEPT ID	SECT	ACCT	PROJECT	BUD REF	ACTIVITY
3120	900313	0001	71101	CDBG	2008	C03

Council authorization to execute Amendment to Agreement is hereby requested.


Paula King
Director

Xc: Kyna Koch, Commissioner of Finance and Administration

HORSE CAPITAL OF THE WORLD

200 East Main Street 6th Fl Lexington, KY 40507 (859)258-3070 (859)258-3081 fax www.lfucg.com



538-08

Mayor Jim Newberry

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Division of Central Purchasing

TO: Jim Newberry, Mayor
Urban County Council

FROM: Brian Marcum
Brian Marcum, Director of Central Purchasing

DATE: September 29, 2008

RE: Cooperative Purchasing Agreement between LFUCG, University of Kentucky, and
Fayette County Public Schools

The Lexington-Fayette Urban County Government would like to enter into a memorandum of agreement with the University of Kentucky and Fayette County Public Schools. This memorandum of agreement will establish a cooperative purchasing arrangement know as the Bluegrass Partnership for a Green Community. The parties involved will promote, whenever possible and appropriate, cooperative purchasing opportunities and incorporate environmentally friendly language into their respective purchasing processes. This partnership will be used to promote the potential for joint purchases to gain economies of scale for future contracts and will examine existing contracts that promote environmentally friendly products or elements. Each entity will work to make these contracts available to the other parties from which to purchase.

The Lexington-Fayette Urban County Government, University of Kentucky and Fayette County Public Schools meet monthly to discuss ways that we can lessen our impact on the environment through the procurement functions of our separate entities.

This agreement, if approved, will then be forwarded to the other parties for signatures.

Cc: Kyna Koch, Commissioner of Finance & Administration

HORSE CAPITAL OF THE WORLD

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MEMORANDUM OF AGREEMENT
between the
Lexington-Fayette Urban County Government
and
Fayette County Public Schools
and
The University of Kentucky
pertaining to:
Cooperative Purchasing

THIS MEMORANDUM OF AGREEMENT (hereinafter "MOA") is made and entered by and between the Lexington Fayette Urban County Government (hereinafter "LFUCG"), Fayette County Public Schools (hereinafter "FCPS"), and the University of Kentucky (hereinafter "UK").

WHEREAS, LFUCG, FCPS AND UK (hereinafter collectively referred to as the "Parties" or individually as the "Party") are local governments, agencies, or public entities of the Commonwealth of Kentucky; and

WHEREAS, the Parties have previously formed the Bluegrass Partnership for a Green Community (hereinafter the "Program") to make cooperative purchases for the benefit of the local community and environment; and

WHEREAS, this Memorandum of Agreement (hereinafter "MOA") sets forth the rights and duties of the Parties with regard to such purchasing,

NOW, THEREFORE, for consideration, the Parties agree as follows:

1. Purchasing Process:

The Parties agree to take proactive roles within their respective entities with regard to the cooperative purchasing of environmentally-friendly or "green" commodities. Parties agree, whenever possible and feasible, to incorporate environmentally-friendly language into their respective contracting processes and documents. Whenever possible and appropriate, each Party agrees to seek out and promote cooperative purchasing opportunities on behalf of the other Parties. These efforts may include, but are not limited to, the following:

- A. When legally and otherwise feasible, each Party agrees to include the other Parties in Invitations for Bids or Request for Proposals of environmentally-friendly commodities for potential joint purchases of scale;
- B. Reviewing their respective existing contracts for commodities that hold or promote environmentally-friendly products or elements, and working, when contractually and otherwise feasible, to make said contracts available to the other Parties from which to purchase;
- C. Examining their respective programs that promote environmentally-friendly purchasing and activities, and utilizing existing knowledge stocks for benefit of the other Parties. Examples of this could include sharing input from environmental professionals within

one Party's organization with the other Parties, dissemination of available publications, etc. to the other Parties.

Any Party shall consult with the other Parties regarding the form and content of any prospective procurement that may benefit all Parties with regard to Green Purchasing.

Each Party shall be responsible for its own ordering and payment activities with regard to Green Purchasing. Each Party shall submit any specific purchase orders directly to the applicable vendor and pay for such orders according to the terms of the respective purchase agreement.

Each Party shall be considered an independent Party, and shall not be construed to be an agent or representative of any other Party. Therefore, no Party shall be liable for any acts or omissions of another Party or for the purchase orders of any other Party.

2. **CONSIDERATION:** No payments shall be made between the Parties for services provided pursuant to this MOA. The sole consideration shall be the economy of purchasing and the benefits of participating in this partnership to the Parties.
3. **PERIOD OF PERFORMANCE:** The MOA will be for a period of one year from its date of execution by all of the Parties. The MOA will be automatically renewed each year for additional terms of one year each, unless a Party notifies the other Parties in writing at least thirty days in advance that it will no longer participate.
4. **TERMINATION:** Any Party may terminate this MOA on thirty days written notice to the other Parties. In the event of termination, any purchasing obligations incurred prior to the effective termination date shall remain the responsibility of each Party.
5. **CONFLICT OF INTEREST:** Each Party certifies that to the best of its knowledge its performance of this agreement does not violate any conflict of interest statute or regulation.
6. **RECORDS:** Each Party shall maintain during this MOA, and for not less than five years from the date of its termination, complete and accurate records of its respective services provided hereunder.
7. **ENTIRE AGREEMENT:** This MOA is the entire agreement and understanding of the Parties with respect to the subject matter set forth herein and this MOA supersedes any and all prior and contemporaneous oral or written agreements or understandings between the Parties relative thereto. No representation, promise, inducement, or statement of intention has been made by the Parties that is not embodied in this MOA. This MOA cannot be amended, modified or supplemented in any respect except by a subsequent written agreement duly executed by all of the parties hereto.
8. **SUCCESSORS:** This MOA shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors and assigns.
9. **NO THIRD-PARTY BENEFIT:** This MOA creates no rights, duties or obligations as to any third-party whatsoever.

10. **COUNTERPARTS:** This MOA may be executed in counterparts, in which case each executed counterpart shall be deemed an original and all executed counterparts shall constitute one and the same instrument.

APPROVED:

Lexington-Fayette Urban County Government
Mayor Jim Newberry

Date

Clerk of Urban County Council

Date

Fayette County Public Schools

Date

University of Kentucky

Date

URBAN COUNTY COUNCIL

BUDGET & FINANCE COMMITTEE SUMMARY

September 30, 2008

Dr. Stevens chaired the committee meeting, calling it to order at 1:00 pm. All committee members were present.

I. Internal Auditing Action Plan Tracking Matrix – Bruce Sahli

Mr. Sahli reviewed the action plan matrix which was included in the committee packet and explained the process which includes findings, recommendations, management action plans, follow up and status.

CM Gorton asked about follow up and was told that while it was not practical to revisit all audits conducted, all responses are validated by an internal audit field review.

CM Myers suggested presenting final audit reports to council for approval and was advised that was the responsibility of the chief audit executive. Myers asked Mr. Sahli about staffing needs.

CM Lane asked Mr. Sahli if any council action was required in order to support the efforts of the internal audit department. Mr. Sahli said his request for additional staff has been approved by council. Lane said he would like to see a memorandum to council on final audit reports and any follow up. Mr. Sahli said those reports were already being provided.

CM Stevens asked about audits pending. Mr. Sahli said 2 or 3 were currently up for review but that many times special request are inserted into their program on an as needed basis. Mr. Stevens said the Audit Board of which he is a member is also in favor of additional support and staff for internal audits.

II. Revenue Report for the Month of August, 2008 – Commissioner Koch

Commissioner Koch told the council copies of the August 08 report were distributed to all CM's last week. She stated all three situations were not where they needed to be suggesting it could be attributed to a timing issue and may be resolved in September's numbers. However, if that was not the case, recommendations for actions may have to be brought before the council to pull things back in a little. She talked about improvement in the expenditure side saying lots more money is going out in the first two months since we are doing a better job at getting funds

encumbered earlier in the area of Purchase or Service agreements and Outside Agency's.

CM Lane referred to the current economic crisis asking Koch to address the government's cash management policy. Koch responded that all cash and investments were currently secure.

CM Gorton asked about collection of fees and getting them in a timely fashion, referring to payments from the state and other counties. She also asked about property sales and if Koch could provide a list of what property had been sold and is earmarked to sale. Koch told the committee the property list consists of all equipment including vehicles. She committed to provide a list and any pertinent details.

CM Stinnett asked about license fees/permits, employee withholding and business returns stating it appeared we are up approx. \$90K from last year and wondered if it should be more. He also about the time line for retirements, stating there were only 34 employees on the current list. Koch replied they would know more by mid October since the first of November was an important date for those considering retirement. She predicted to have a better picture and full fledged retirement report by the end of October adding there is currently no lay off plan in the works. He also clarified the pension savings from the state is not a lump sum of \$1.7 million but rather a monthly savings. Koch said the final audit numbers from FY08 would be available in mid October with the final report in November.

CM Stevens asked if the revenue report is posted on LFUCG web site. Koch replied no and suggested a "dashboard" type report which consists of one page. Stevens said the footnotes were useful and it might also be helpful to define terms like year to date or accumulative. Koch asked if the graphs and charts that are originally included in the report were necessary and was told no.

Commissioner Koch advised the committee that a working capital reserve of \$12.9 million had been discovered. The administration is recommending that the funds be utilized to pay negative balances in health insurance of \$3.959 million and risk management fund of \$8.9 million. She said the state has mandated LFUCG devise a plan to correct the negative condition in the risk management fund. She strongly recommended both negative amounts be satisfied from this reserve.

CM Gorton asked how the working capital reserve came to be and how it was used in the past. Koch responded there was not an ordinance to cover the reserve and was driven by a decision of a prior Mayor. It was created before the rainy day fund existed. There is an extensive calculation formula done every year to fund the reserve. CM Gorton was told the fund has never been used, was started in 2000 and is not a GASB requirement. Gorton wanted to know if the carry forward projection of \$4.1 million was used along with the reserve to settle the negative

balances what would the new projected carry forward number be. Koch said \$3.0 million.

Koch referred to the health insurance short fall reminding the committee that open enrollment is coming up soon and this might affect rates.

CM Stinnett asked about \$2.0 million reduction in risk management funds and how that played into the \$8.9 million catch up needed. Koch responded she still doesn't know what the situation for any FY09 claims against it, but this action would bring it current for now. Stinnett asked for a risk management assessment explaining what \$8.9 million involves. He was told the bulk of this issue is with the state. Koch promised a presentation to the full council with details. She indicated that by reducing the negative balances in both funds would improve the government's bonding position. She is expecting the market to correct itself in mid November and is checking daily with the city's financial advisors.

CM Ellinger asked if health insurance rates are based on a calendar year and would they need to be looked at again. He wanted to know if the working capital reserve has been funded every year, how does it not show up on the budget or council is not make aware of it during the budget preparation cycle. Koch said the reserve is designated on the balance sheet not the budget. She added this year's contribution to the reserve was \$2.4 million and reiterating again this must be taken care of as it's just not good business management. Ellinger asked if that would do away with the reserve, the answer was yes.

CM Lane was shocked this reserve has been on the balance sheet for 8 years and has not been brought to the council's attention. He was part of the review committee for the rainy day fund and this information was never disclosed. He thanked Koch for bringing the details forward and expressed concern about lack of or poor financial management. Lane asked Koch to look at the issue of accruing or pay as you go, when to reserve policy and include clarification in her upcoming presentation to the council on this matter.

CM Myers referred to an Outside Agency spreadsheet, asking Koch to compare how the top two funds related to that spread sheet. Koch explained outside agencies use the health insurance at a larger percentage than LFUCG and asked the question should their premiums be different and should we even subsidize satellite agencies at all. She explained the claims are higher by outside agencies and she did not fully understand the issue, but it will need to be addressed before open enrollment. She reminded the council; a large number of agencies are social services and asked if we wanted to ask them to pay more in mid stream. Myers asked Koch to provide the percentage of claims and include in her upcoming report/presentation.

CM Blevins asked to see the balance sheet and wanted to know the total investment. Koch did not have that information, but said it would be included on the balance sheet. He asked if the \$2.4 million contribution in FY08 was budgeted for

and was told it is provided by segregating portions of license fees, net profit and the last pay roll and it does not impact cash, can even be from receivables, etc.

Koch suggested a monthly health insurance report be presented to council.

VM Gray recognized the good intentions and sharing of this information today. He expressed the need to get a better understanding and suggested the audit firm might confirm and translate \$12.9 million surplus on the balance sheet, identified as working capital. He questioned why the red flag now if the negative balances in health insurance and risk management were not alerted in the past. Koch explained since they do not show up on a budget report only on a balance sheet. She said by brining the balance sheet to the committee it could provide another view. It would be prudent to deal with these negative balances now and this could easily have an ordinance behind it for the future.

CM Ellinger asked if the council should have been made aware of this when the budget was in process, referring to the lack of the total work of work increase and possible work force reductions pending. Koch acknowledged the oversight and greed that if council had the balance sheets they would have seen it. She said the reserve does put LFUCG in a stronger position when selling bonds.

CM James asked to include all ordinances related to the budget and if they might be combined in a budget document as an appendix. She said it was important to see the separate amount of outside agencies referring to the health insurance and was concerned about the possibility of increasing premiums when the system may be flawed when it comes to calculating the pool & numbers of claims.

Mary Fister told the committee the council should review the balance sheets and does not need to include in a budget since it's about accruals. Koch recognized the need to highlight the working capital reserve in the future.

III. UDAG Utilization Fees and Projects – CM James

CM James told the committee she was working with Commissioner Koch to develop a regular report out to track funds available and expended. She suggested an informal report mechanism, perhaps via email. This would tract the status of UDAG accounts for projects like the streetscape committee that would like to utilize those funds.

CM Stevens asked James if the UDAG issue should remain on the Budget and Finance agenda and if perhaps more work was needed by the committee. James replied she did not foresee any further work required on this matter for now.

Meeting adjourned 2:38 pm