

**Northern Kentucky Area Planning Commission
Meeting Minutes: June 21, 2010**

Chairman Bill Goetz called the monthly business meeting of the Northern Kentucky Area Planning Commission to order at 5:15 PM in the Commission Chambers of the NKAPC Building in Fort Mitchell. Attendance of members was as follows.

	Term	Present	Absent
Chairman Bill Goetz	May 2010 through April 2012	X	
Vice Chairman Tom Kriege	May 2010 through April 2012		X
Treasurer Tom Litzler	May 2010 through April 2012	X	
Commissioner Sherry Carran	May 2009 through April 2011	X	
Commissioner Paul Meier	May 2010 through April 2012	X	
Commissioner Dick Spoor	May 2009 through April 2011		X
Commissioner Gene Weaver	May 2009 through April 2011		X

Also present were: Tom Studer and Gaylord Poe, Inspection Bureau, Inc.; Charles Meyer; Steve Helmer, Electric Inspection; Jim Arlinghaus; George Arlinghaus; Jason Helmer; Bernie Macke; Frank Herschede; Mike Bauman; Brian Miller, Home Builders Association of Northern Kentucky; Jeff Bechtold, Senior Building Official; Stacy Tapke, Legal Counsel; Dennis Andrew Gordon, FAICP, Executive Director; and Lori Remley, Administrative Assistant.

Chairman Goetz asked for a moment of silent prayer and led the Pledge of Allegiance. He also asked that the record reflect that the Oath of Office was administered by Ms. Remley to Tom Litzler prior to the start of the meeting.

ACCEPTANCE OF AGENDA

Chairman Goetz asked for review of the agenda and recommended that item 11 be moved up to follow item 4. He then asked if there was a motion to accept the agenda as amended. Commissioner Litzler made a motion to accept the agenda with the change noted; Commissioner Carran seconded the motion. Chairman Goetz asked for a voice vote on the motion which found unanimous approval. The motion passed.

ONGOING BUSINESS

Chairman Goetz called for comments from the public. Steve Helmer of Electric Inspection requested the opportunity to discuss staff's recommendation for electrical inspection services. He indicated that he had not yet received staff's summary regarding how they had reached their recommendation. Mr. Gordon provided Mr. Helmer a copy of a spreadsheet which outlined

staff's finding, using a points system to rate the three proposals. Mr. Helmer requested time to review the spreadsheet and the opportunity to re-address the Commission.

Chairman Goetz granted Mr. Helmer's request and asked if anyone else would like to address the Commission. Brian Miller of the Home Builders Association of Northern Kentucky thanked members for the opportunity to speak. He stated that the HBA had received phone calls and emails concerning the decision to contract electrical inspections to Inspection Bureau, Incorporated (IBI). He acknowledged that he had discussed various issues with Mr. Gordon last week and requested that the Commission put off making its decision for a week or two to allow the concerns of the builders, remodelers, and electrical contractors to be addressed. Mr. Miller formally submitted this request in writing, a copy of which is attached to the original set of minutes.

Mr. Gordon expressed concern regarding delaying this decision due to time constraints. He stated that standard procedures were followed in publishing the RFP, the response time, and review process. He stated that, if the Commission took action today, the successful vendor and NKAPC would have approximately two weeks to get things in place. A delay at this point would make the transition more difficult. Mr. Gordon indicated that staff spoke to electrical contractors at the March 18 NKEA meeting and advised them of the possibility of NKAPC privatizing the electrical inspection process.

In response, Mr. Miller again stated that builders, remodelers, and electrical contractors needed to be involved and are an important part of this equation.

Mr. Gordon responded that staff had made numerous contacts with NKEA and its members between March and today. Since these are the people impacted by any change, Mr. Gordon said he felt staff had been open and honest about the process being pursued.

Chairman Goetz asked if anyone else would like to address the Commission. Jim Arlinghaus stated that he has obtained several permits over the last few weeks and that no one has mentioned this issue to him while he was in the office.

At this time, Steve Helmer re-addressed the Commission. He indicated that he currently had a similar proposal pending with Covington. He stated that he hasn't been told anything about the Covington proposal but was of the understanding that the NKAPC/IBI contract had been a "done deal" for some time. He asked that the Commission put off voting on this issue for a week.

Chairman Goetz stated that the Commission relies on the opinion of its professional staff when making decisions. He asked Mr. Helmer how he had heard about the RFP – if from the paper or the NKEA meeting. Mr. Helmer indicated that he was not associated with NKEA and had not seen the ad but had received an email from Mr. Gordon stating that NKAPC was seeking proposals via an RFP.

Mr. Gordon assured the Commission and Mr. Helmer that at no time did he make any assertion that this was a "done deal." He stated that the award of the contract was ultimately the Commission's decision.

In follow up, Mr. Helmer was asked why he wasn't a member of NKEA and when he received the email from NKAPC regarding the RFP. He stated that he wasn't a member in order to avoid potential inspector/contractor conflicts and that he had received the email approximately two weeks prior to the date the RFP was due – he thought it was sometime in April.

Mr. Gordon advised members that Jeff Bechtold attended the March 18 NKEA meeting and advised those in attendance that NKAPC might be privatizing electrical inspection services. He also indicated that the RFP was published on May 6 with a deadline of May 21.

Bernie Macke of Maple Street Homes then addressed the Commission regarding his concerns – permit and inspection fees; time table and scheduling issues; Ohio inspectors not being familiar with Kentucky requirements; interpretation of the code; re-inspection delays; and shortage of certified inspectors. He stated that he realized the budgeting issues involved and asked the Commission to consider these other factors as well.

Chairman Goetz thanked everyone for their comments and asked for staff's recommendation.

Mr. Gordon provided background information regarding the decision to privatize electrical inspections. He stated that NKAPC lost one of its two electrical inspectors in March and that Covington voted to withdraw from the One Stop Shop program at about the same time. He indicated that Jeff Bechtold advised the attendees of the March 18 NKEA meeting that NKAPC was considering privatization; had followed up on April 15 with more information; and that the RFP was published on May 6 with a deadline of May 21. He advised members that three responses had been received – Bluegrass Inspection Bureau (Bobby Whitaker); Electric Inspection (Steve Helmer); and IBI (Gaylor Poe). Mr. Gordon advised members that he and Mr. Sims reviewed the proposals using a points system to rate each. He stated that IBI scored the highest number of points, Electric Inspection the second highest, and Bluegrass Inspection Bureau coming in third. As a side note, Mr. Gordon stated that Covington had received proposals from the same three companies and its staff arrived at the same results and recommendation. (Both rating sheets are attached and made a part of these minutes.)

Mr. Gordon stated that he had received calls from the electrical community asking that all three companies be allowed to handle inspections. He indicated that he met with Mark Kramer representing NKEA on this subject and emailed the following question to each of the three bidders.

“Several electrical contractors contacted us during our deliberations and asked if we would authorize all three of you to pursue electrical inspections in our jurisdictions. As witnessed by the contents of our RFP, this isn't something we had considered. What do you see as the pros and cons of moving forward in this way?”

Mr. Gordon reported that IBI and Electric Inspection were not in favor of the idea and that Bluegrass Inspection Bureau, being a new business, would be happy to be one of three.

Mr. Gordon reminded members of what he had been told by state officials prior to NKAPC's initiation of the One Stop Shop program; that allowing inspectors to compete for inspection business was not in the public interest since it encouraged inspector shopping. He also

reminded the Commission of what state officials had said about the divisive history between Messrs. Helmer and Studer.

Mr. Gordon suggested that IBI be permitted to answer the scheduling and re-inspection questions. Gaylord Poe thanked the Commission for the opportunity to speak and briefly outlined his experience and associations. He also stated that he has never heard anything from staff that suggested that this is a “done deal.”

Mr. Poe went on to state that IBI currently has ten full-time inspectors and one part-time. He indicated that Mr. Studer, who is Kentucky certified, was being added to his staff. He reported that two of his inspectors have tested and will be Kentucky certified after July 13; and, if awarded the contract, additional inspectors will become certified in Kentucky as soon as possible. Mr. Poe stated that IBI has serviced the Cincinnati/Hamilton County area for 62 years; performed an average of 25,000 inspections per year; offered online scheduling since 2002, next day inspections, 24/7 emergency service, and immediate technical assistance. He also indicated that permits would be issued by NKAPC and that Northern Kentucky customers would not have to drive to Cincinnati for anything. Mr. Poe advised members that the fee schedule submitted was the same schedule IBI uses in Cincinnati; that this fee schedule charges less than NKAPC’s current schedule; that IBI has obtained its Workers’ Comp insurance and occupational license; that IBI is registered with the Kentucky Secretary of State; and that the company is fully insured in accordance with RFP requirements.

Chairman Goetz asked if the availability of “next day inspections” can be incorporated in the contract. He also asked for clarification regarding recurring “15 day material breach” problems and terminating the contract. Finally, he requested verification that NKAPC and IBI will be in compliance with open records requirements. Mr. Gordon indicated that these issues would be discussed with legal counsel.

Commissioner Carran asked if IBI staff would be available to assist customers with online applications/scheduling if necessary and if Mr. Studer would be working out of the Cincinnati office. Mr. Poe stated that IBI has five support staff members to assist customers and that Mr. Studer will be scheduled out of the Cincinnati office. Mr. Poe also added that IBI provides a “one-hour scheduling window” with regard to inspections.

Commissioner Meier asked if IBI would be able to change its fee schedule without first obtaining NKAPC approval and if the fee schedule would be included as part of the contract. Mr. Poe indicated that any fee increases would have to be approved by the agency.

There was a discussion regarding the mock-up jobs that had been submitted for comparison purposes. Mr. Gordon responded that the fee schedule would be part of the contract; that it is available on IBI’s website; and that it has remained the same for the last two year. He also advised members that when comparing the three bidders’ fees to NKAPC’s, one bidder’s fees were less, another’s were roughly the same, and the last were more. He also stated that IBI’s fees are less than what contractors have been paying for the last five years.

Mr. Gordon advised members that staff had anticipated receiving four bids but two prospective vendors had joined together (IBI/Studer) and that staff was recommending IBI. He also stated that he would be happy to answer Mr. Macke’s questions after the meeting and was in the

process of responding to 18 questions posed by Mr. Miller. Mr. Gordon indicated that he was anticipating holding a meeting with the electrical community once the Commission made its decision – either late this week or early next. He then stated that the contract has been reviewed initially by legal counsel but more work is needed.

Chairman Goetz suggested that the Commission authorize the contract to be signed pending legal review and meeting with the electrical community before it is signed.

Commissioner Meier asked if Mr. Helmer had any additional comments. He also expressed concerns about waiting and holding the meeting before the contract is signed. He indicated that the meeting would only serve as a gripe session.

After some discussion, members came to the consensus that, due to time constraints, it would be best to hold the meeting as soon as possible to discuss how the system will work. The Commission asked Mr. Poe if IBI would be ready to take over inspections as of July 6. Mr. Poe reiterated that he had one inspector certified in Kentucky with two more who would become certified around July 13. He stated that, if necessary, he would contract with other inspectors until he was able to get more of his staff certified. He stated for the record that he has had a good relationship with Mr. Helmer in the past and that Mr. Helmer comes to IBI to attend continuing education classes to maintain his Ohio certification.

Mr. Helmer agreed that he has had a good working relationship with IBI in the past and will do his part to maintain that relationship. He indicated that he thought his proposal was comparable to IBI's and asked questions regarding the handling of customers without accounts. He also questioned Mr. Studer's status with IBI and how Mr. Gordon handled the checking Electric Inspection's references.

Mr. Gordon indicated that no one would provide references who wouldn't give a glowing recommendation and to get a true sampling, NKAPC staff spoke to contractors and people in the field. Mr. Helmer asked if these contractors were NKEA members and Mr. Gordon responded that he didn't know but suspected that they were since most local contractors belonged to the organization.

Mr. Studer provided a brief history of NKEA and stated that he has been the president of that organization for seven years. He indicated that he has been unable to find anyone willing to run against him or anyone willing to do the work.

Michael Bauman then requested the opportunity to speak. He stated that he has been trying to get a job with NKAPC for years. He indicated that he is a Kentucky resident, a veteran, and certified in Kentucky. Mr. Bauman advised the Commission that he is concerned about outsourcing electrical inspections to an Ohio company. He asked about those customers who don't have internet access or can't go to Cincinnati for a permit. Mr. Bauman stated that it was bad business not to award the contract to a Kentucky company.

Chairman Goetz advised Mr. Bauman that NKAPC does not have a policy in place regarding using local companies and that the Commission cannot consider this issue when choosing the best vendor.

Mr. Bauman outlined his experience and associations and stated that he would appreciate the opportunity to work in Kentucky. He went on to say that when submitting its proposal, IBI should have had a certified Kentucky inspector on staff and that Mr. Studer was not on staff at the time. Mr. Bauman then began to question Mr. Studer's association with IBI. Commissioner Meier said that he had heard enough and that Mr. Bauman was losing ground. Mr. Bauman finished his statements regarding Mr. Studer's character and association with IBI.

Mr. Helmer stated that the fee schedule submitted with his proposal was not "set in stone" but merely a recommendation and that no one contacted him to discuss the matter. He indicated that the proposed fees are lower than NKAPC's current fee schedule.

Chairman Goetz asked if IBI's fees were lower than NKAPC's. Mr. Gordon stated that IBI's fees were lower than NKAPC's and said they were also lower than Electric Inspection's.

At this time, Commissioner Meier made a motion to accept staff's recommendation to enter into a contract with IBI for electrical inspection services and to authorize the executive director to sign the proposed contract. He stated that NKAPC needed to move quickly to provide continual service. He indicated that he has used the point system in evaluating service proposals and believes it to be a good system. Commissioner Meier also indicated that he is not one for adjusting proposals after submission.

Commissioner Carran seconded the motion and stated for the record that she also believes the point system to be a good system. She indicated that she has also done some checking of references within the electrical community and is satisfied with the information she has received with regard to Mr. Studer and IBI.

Mr. Gordon asked Commissioner Meier to clarify his motion with regard to legal review of the contract. Commissioner Meier amended his motion to accept staff's recommendation to enter into a contract with IBI for electrical inspection services and authorize the executive director to sign the proposed contract following legal review and approval. Commissioner Carran agreed to the amended motion. Chairman Goetz asked for a role call vote on the motion which found Commissioners Meier, Carran, Litzler, and Chairman Goetz in favor of the motion. The motion passed unanimously.

Commissioner Meier asked Mr. Gordon to arrange the meeting with the electrical community and stated that he thought that the members of the Commission should attend.

At this time, members of the public and electrical community left the meeting.

Chairman Goetz asked that item 10 be moved up on the agenda. With no objection, he asked for the review of the proposed professional services agreement with the City of Cold Spring for the updating of population tables contained in the city's 2005 comprehensive plan. Mr. Gordon provided background regarding the contract and answered questions posed by members.

After a brief discussion, Chairman Goetz asked for a motion. Commissioner Meier made a motion to authorize signing the professional services agreement with the City of Cold Spring for the updating of population tables contained in the city's 2005 comprehensive plan. Commissioner Litzler seconded the motion. Chairman Goetz asked for a role call vote on the

motion which found Commissioners Meier, Litzler, Carran, and Chairman Goetz in favor of the motion. The motion passed unanimously.

Chairman Goetz asked if the Minutes of the May 17 annual organizational/monthly business meeting were acceptable or if anyone had any additions/corrections. Commissioner Meier made a motion to accept the May 17 minutes as presented; Chairman Goetz seconded the motion. Chairman Goetz asked for a role call vote on the motion which found Commissioners Meier and Chairman Goetz in favor of the motion with Commissioners Carran and Litzler abstaining from the vote. The motion passed unanimously.

Mr. Gordon gave a brief overview of a number of line items in the May financial report and reviewed the most recent fee-based revenue report. After a brief discussion, Chairman Goetz asked for a motion. Commissioner Litzler made a motion to accept the May reports as presented subject to audit; Commissioner Meier seconded the motion. Chairman Goetz asked for a role call vote on the motion which found Commissioners Litzler, Meier, Carran, and Chairman Goetz in favor of the motion. The motion passed unanimously.

Commissioner Carran left the meeting at approximately 6:45 PM.

Chairman Goetz asked for a report from legal counsel. Ms. Tapke stated that she had nothing to report.

Chairman Goetz asked the executive director for his report. Mr. Gordon noted that installation of the new doors had been scheduled for later this week and that installation of the new windows should be complete by the Commission's next meeting. He stated that he would be on vacation beginning July 3 and that updates from all of the departments would be on the agenda for the July 19 meeting. He indicated that Jay Fossett and Pat Crowley would be contacting members to schedule individual meeting times. Mr. Gordon also advised members that the investments policy committee would be meeting within the next few weeks.

There were no reports from committees or members.

NEW BUSINESS

Chairman Goetz stated that the last item on the agenda was the review of the proposed meeting schedule for July 2010 through May 2011. Mr. Gordon stated that the schedule followed the same third Monday schedule as the 2009-2010 schedule with the next meeting being set for 5:15 PM on July 19. Chairman Goetz indicated that a quorum was not present and the vote on this matter would be held over to the July 19 meeting.

Chairman Goetz asked if there were any other comments or business to come before the Commission. Mr. Gordon reminded members that there would be a brief business meeting following next week's Council dinner.

With no additional comments, Chairman Goetz adjourned the meeting at 6:58 PM.

Bill Goetz, Chairman

Dennis Andrew Gordon, FAICP
Executive Director/Secretary