President (Mayor) David Jansing called the quarterly business meeting to order at approximately 6:02 PM in the Kenton Chambers at the Kenton County Government Center in Covington. President Jansing led members in a moment of silence and the Pledge of Allegiance.

President Jansing requested Ms. Remley call the roll to determine whether a quorum was present. Upon hearing the results, he asked that the record show a quorum of the Council was present.

Mr. Edmondson administered the oath of office to council representatives and alternates who will serve during 2019 and weren’t present at the February 27, 2019 or June 20, 2019 meetings.

Attendance of members was as follows.

<table>
<thead>
<tr>
<th>JURISDICTION</th>
<th>POSITION</th>
<th>NAME</th>
<th>PRESENT</th>
<th>ABSENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bromley</td>
<td>Representative</td>
<td>Mayor Mike Denham</td>
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<td></td>
<td>Alternate</td>
<td>Councilman Mike Kendall</td>
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<tr>
<td>Covington</td>
<td>Representative</td>
<td>Commissioner Michelle Williams</td>
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<td></td>
<td>Alternate</td>
<td>Commissioner Tim Downing</td>
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<td>X</td>
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<tr>
<td>Crescent Springs</td>
<td>Representative</td>
<td>Councilman Joel McMonigle</td>
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<td></td>
<td>Alternate</td>
<td>Mayor Louis Hartfiel</td>
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<tr>
<td>Crestview Hills</td>
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<td>Councilman Frank Sommerkamp</td>
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<td>X</td>
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<td></td>
<td>Alternate</td>
<td>Councilman David Kramer</td>
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<tr>
<td>Edgewood</td>
<td>Representative</td>
<td>Mayor John Link</td>
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<td></td>
<td>Alternate</td>
<td>Councilman Tony Ward</td>
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<tr>
<td>Elsmere</td>
<td>Representative</td>
<td>Mayor Marty Lenhof**</td>
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<td></td>
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<td>Councilwoman Gloria Grubbs</td>
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<tr>
<td>Erlanger</td>
<td>Representative</td>
<td>Councilwoman Rebecca Reckers</td>
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<td>Councilman Gary Meyer</td>
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<td>Fairview</td>
<td>Representative</td>
<td>Commissioner Fred Wilson</td>
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<td></td>
<td>Alternate</td>
<td>Commissioner Brenda Hobbs</td>
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<tr>
<td>Fort Mitchell</td>
<td>Representative</td>
<td>Councilman Greg Pohleger***</td>
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<td>X</td>
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<td></td>
<td>Alternate</td>
<td>Mayor Jude Hehman</td>
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<tr>
<td>Fort Wright</td>
<td>Representative</td>
<td>Councilman Adam Feinauer</td>
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<td>X</td>
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<td></td>
<td>Alternate</td>
<td>Councilman Mike Hoerlein</td>
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<td>X</td>
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<tr>
<td>Independence</td>
<td>Representative</td>
<td>Mayor Chris Reinersman</td>
<td></td>
<td>X</td>
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<td></td>
<td>Alternate</td>
<td>Councilwoman Carol Franzen</td>
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<tr>
<td>Kenton County</td>
<td>Representative</td>
<td>Commissioner Joe Nienaber</td>
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<td>X</td>
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<td></td>
<td>Alternate</td>
<td>Commissioner Jon Draud</td>
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<tr>
<td>Kenton Vale</td>
<td>Representative</td>
<td>Commissioner Mike Burdge</td>
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<td></td>
<td>Alternate</td>
<td>Commissioner Marsha Patrick</td>
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<tr>
<td>Lakeside Park</td>
<td>Representative</td>
<td>Mayor David Jansing</td>
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<td>X</td>
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<td></td>
<td>Alternate</td>
<td>Councilman Brian Waite</td>
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<tr>
<td>Ludlow</td>
<td>Representative</td>
<td>Mayor Josh Boone</td>
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<td>X</td>
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<td></td>
<td>Alternate</td>
<td>Councilman Bill Whiteley</td>
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<td>X</td>
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<tr>
<td>Park Hills</td>
<td>Representative</td>
<td>Councilwoman Wesley Deters</td>
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<td>X</td>
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<tr>
<td></td>
<td>Alternate</td>
<td>Councilman Joe Shields</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
PDS Board Members Present: Mayor Paul Meier; Tom Litzler; and Gary Waugaman.

Others Present: Garry Edmondson, PDS Legal Counsel; James Parsons, Keating, Muething & Klekamp, PLLC; Councilman Patrick Hackett, Crescent Springs; George Ripberger, Crescent Springs, and Mike Daly, City Administrator for Crescent Springs; Sharmili Reddy, City Administrator for Fort Mitchell; and, Judge-Executive Kris Knochelmann, Kenton County.

PDS Staff Present: Trisha Brush, GISP, Director of GIS Administration; Nicole Cullum, CB, Finance/HR Administrator; Scott Hiles, CPC, Director of Infrastructure Engineering; Emi Randall, AICP, RLA, CFM, Director of Planning and Zoning; Dennis Andrew Gordon, FAICP, Executive Director; and Lori Remley, Executive Assistant/Office Manager.

President Jansing asked if there were any changes to the agenda proposed. With none requested, he asked if there was a motion to accept the agenda as presented. Councilman Kramer made a motion to accept the agenda as presented; Commissioner Williams seconded the motion. President Jansing asked for a voice vote which found unanimous approval.

New Business

President Jansing opened discussion regarding a request from the PDS Management Board for feedback regarding pledging the incremental increase in real property taxes and authorizing the execution of a local participation agreement to pay for project costs and redevelopment assistance within the City of Crescent Springs Local Development Area No. 1.

Jim Parsons thanked the Council for supporting previous Kenton County TIF districts in Covington, Erlanger, Fort Wright, Fort Mitchell, Villa Hills, and Walton. Since members are familiar with how TIF districts work, Mr. Parsons stated that he would skip the basics of TIF and provide details regarding the proposed Crescent Springs’ District (handout attached to the original minutes).

Mr. Parsons stated that this TIF District is a Local Development Area, the first for the City of Crescent Springs. He indicated that it was not a zoning document and that no changes will be made to how taxes are collected. He said that creating a TIF District allows for the definition of a geographic area. He advised members that PDS’ pledge would be based on the taxes collected in 2018 and that the increment would be anything over that amount. Mr. Parsons
noted that the area consisted of 130 acres with an approximate value of $3M and an anticipated future value of $80M or more.

Mr. Parsons stated that the purpose of the TIF is to provide for infrastructure costs, similar to the Villa Hills TIF, and is intended for improvements to Eubanks Road. The TIF is set for 30 years but will end once the costs have been paid.

Mr. Parsons advised members that the City of Crescent Springs will pledge 65%. City officials have met with Kenton County Fiscal Court and asked for a pledge of 60% percent of its incremental tax increase for 30 years. Mr. Parsons stated that the City is asking PDS for a pledge of 50% percent of its incremental tax increase for 30 years. He also stated that this amount is consistent with the other six TIFs in which PDS is participating.

Mr. Parsons again noted that TIF contributions would end when costs have been paid. He stated that of the other six TIF Districts, PDS is only paying on the Covington and Fort Mitchell TIFs and that the Walton, Villa Hills, Erlanger, and Fort Wright TIFs are not currently active.

Mr. Parsons reviewed the map of the proposed 130-acre area and stated that the City of Crescent Springs is asking for this Council to recommend approval of the TIF to the PDS Board. Discussion regarding the length of the TIF, the number of homes to be constructed (350 homes and 165 condos), the approved use of the property – residential, not mixed use, increased traffic, and construction of an access road.

Members expressed concerns about the increased traffic on Eubanks Road and Crossing Drive. There was additional discussion regarding proposed infrastructure costs. Mr. Parsons outlined the process and stated that the City would more than likely pay the costs up front and get reimbursed with future TIF funds. Discussion followed.

Commissioner Nienaber stated this proposed TIF is similar to the Villa Hills TIF and that he agrees that a second access is needed. He expressed concern about the City putting the money up on the front end, but it will really depend on the housing market. He stated that he believes the TIF is the right way to do it.

There was additional discussion regarding the term of the TIF. Mr. Parsons indicated that the term was 30 years or shorter. He noted that the Villa Hills TIF and this TIF are both for infrastructure costs, not developer costs.

Commissioner Williams indicated that the Covington TIF is working. She noted that she has concerns with adding 515 homes/condos and asked if SD1 has been consulted to ensure they won’t make the flooding in Covington worse. Discussion regarding stormwater and the drainage plan followed. Mr. Ripberger stated that there have been several slides on Eubank Road and indicated that there have been discussions regarding turning 117 acres into wetlands and moving the road away from Dry Creek.

Councilwoman Franzen stated that these homes are going to happen. Mr. Parsons indicated agreement. Additional discussion followed regarding traffic concerns and the plan to elevate it.
President Jansing asked if there was a motion regarding the City of Crescent Springs’ TIF District request. Councilman Pohlgeers responded with a motion to recommend to the PDS Board pledging the incremental increase in real property taxes and authorize execution of a local participation agreement to pay for project costs and redevelopment assistance within the City of Crescent Springs’ TIF District; Mayor Cole seconded the motion.

President Jansing asked if there was any discussion regarding the motion.

With no further discussion, President Jansing asked for a roll call vote which found 15 to 0 in favor of the motion with two abstentions. The motion passed unanimously. (The roll call on the motion is attached to the original minutes.)

Mr. Litzler asked to recognize the City of Crescent Springs for the work done on the memorial park on Buttermilk, especially the 911 memorial.

Ongoing Business

President Jansing noted that members had received a copy of the minutes of the June 20, 2019 meeting (sent to members on October 21, 2019). He asked if there were any changes or corrections.

With none, President Jansing asked for a motion. Councilman Pohlgeers made a motion to accept the minutes for the June 20, 2019 meeting as presented; Councilwoman Reckers seconded the motion. President Jansing asked if there were any questions; there were none. He then asked for a voice vote which found unanimous approval with Councilwoman Franzen abstaining from the vote.

President Jansing asked for a review of the first quarter financial report. Ms. Cullum reviewed the September financial statement (a copy of which is attached to the original minutes). She reported that, at 25% of the way through the fiscal year, revenues were below projections at 8.4%, fees for services were above projections at 28.9%, and expenses were below projections at 20.0% of budget. She noted that One Stop Shop Program revenue was below projections at 17.7% with expenses below projections at 21.1%.

Ms. Cullum asked if there were any questions from members. Commissioner Nienaber asked if insurance increases were better under the County plan than PDS’ previous policy. Ms. Cullum stated that they are.

With no additional questions, President Jansing thanked Ms. Cullum for the report.

President Jansing provided members with an update regarding the addressing taskforce that was established approximately two months ago. He stated that Mayor Meier was representing PDS and that he was representing the County Dispatch. The first meeting was held this morning and that the purpose is to try to resolve addressing issues, determine who assigns addresses, and to promote uniformity. A model ordinance was suggested and issues for emergency responders were discussed, i.e. flag lots, half addresses, etc.
President Jansing indicated that the common goal is to assist with issues, simplify and determine the best way to do things county-wide. He noted that the taskforce would be meeting over the next four or five months. He stated that they hope to have a plan in place and operational and be ready before Next Gen 911 rolls out.

President Jansing asked for the report from the Management Board Chair.

Chairman Meier introduced other members of the Board present – Tom Litzler and Gary Waugaman. He stated that, as reported by Mr. John Chamberlin of VanGorder Walker, CPAs, PDS received a favorable audit report for FY19. He reported that the Royal Drive building would be transferred to the County within the next week or so and that this means PDS will be getting rid of the building bonds. He stated that the Board approved the 0.0295 tax rate recommended by the Council and that a committee has been formed to review a new personnel manual.

Chairman Meier reported on the Joint Organizational Structure Committee which the Board tasked with looking at PDS’ structure. He listed the members of the committee.

- Judge-Executive Kris Knochelmann, Kenton County
- Commissioner Joe Nienaber, Kenton County
- Mayor Joe Meyer, Covington
- Chairman (Mayor) Paul Meier, Crestview Hills, PDS Management Board
- Tom Litzler, PDS Management Board Treasurer
- Councilman Tyson Hermes, Erlanger, PDS Management Board
- President (Mayor) Dave Jansing, Lakeside Park, PDS Council
- Mayor Marty Lenhof, Elsmere, PDS Council Vice President
- Councilman Greg Pohlgeers, Fort Mitchell, PDS Council Secretary
- Mayor Chris Reinersman, Independence
- Chairman (Mayor) Jude Hehman, Fort Mitchell, Kenton County Mayors’ Group
- Chairman Paul Darpel, Kenton County Planning Commission

The first meeting of the committee is scheduled for October 30th with Sharmili Reddy acting as facilitator. Chairman Meier indicated that Ms. Reddy may be contacting Council members for input.

President Jansing opened discussion on a request from the PDS Management Board for feedback on the draft RFP for review of the PDS Pay Plan. Mr. Gordon stated that background information and the RFP had been emailed to members. He indicated that he would be willing to answer any questions members may have but that the bottom line was that the Board had instructed staff to put together the RFP. He noted that the draft provided is a starting point and that their input was needed to ensure all questions Council members may have are answered.

Councilwoman Franzen noted that Mayor Reinersman was on his way to Chicago and had asked her to attend in his place. She stated that he hadn’t provided much background information to her because he wanted her to form her own opinion so this meant she had a number of questions.
Councilwoman Franzen asked why the study was suggested. Mr. Gordon stated that a proposed salary increase was included as part of the FY20 budget and since salaries are PDS' largest expense, questions were raised regarding the pay plan. He noted that Commissioner Nienaber had posed several questions that required staff to provide additional information. However, members of the Budget Review Committee and Commissioner Nienaber didn’t feel that all the information they requested was provided.

Councilman Pohlgeers noted that the issue was employee retention and an apples to apples salary comparison.

Councilwoman Franzen asked how much the proposed increase was. Mr. Gordon stated that it was 4% - 1.9% based on the latest Kentucky CPI, 2% based on the salary study undertaken by staff, and 0.1% for a psychological boost for staff – 3.9% vs 4%. He noted that staff has only received increases based on the CPI for several years. He stated that members requested that the additional 2% be put in reserve until additional information was received from a study. If the study shows salaries are behind, then the money can be pulled from reserves and allocated.

Councilwoman Franzen asked if the study would be done in the next fiscal year and if there was a retention problem. Mr. Gordon indicated that it would be done in FY20 and noted that they won’t know the cost of the study until the RFP is issued but anticipate it costing $30,000 - $35,000. Mr. Gordon indicated that staff hadn’t claimed that there was a retention issue, but the question was raised during discussions with the Budget Review Committee.

Mayor Cole asked when staff last received a raise that was more than the CPI. Mr. Gordon indicated that he thought it was approximately 3 or 4 years ago. President Jansing stated that he seems to remember that staff had received 2% for the last three years. Councilwoman Franzen noted that she believes this was just about right and in line with the private sector.

Commissioner Nienaber expressed his concern with benchmarking and stifling professional growth under the current pay plan. He stated that not everyone should get a 2% increase which would allow more to be given to the top performers. He indicated that he doesn’t want the system to hold people back and that the current pay plan won’t let top performers go past the top number based on their years of service.

Councilwoman Franzen stated that a possible change in the system was needed. Commissioner Nienaber agreed.

Commissioner Williams noted that the City of Covington had undergone an organizational chart study and that it cost less than $30,000. She indicated that the City has been losing people to Cincinnati.

Commissioner Murray indicated that the City of Taylor Mill can’t compete and that cities with money can pay more.

Councilman Kramer asked if the study couldn’t be done through open records requests. Mr. Gordon indicated that staff had pursued a study this way and that it had taken several months to accumulate the data.
Councilman McMonigle asked if staff had reached out to former employees for feedback. Mr. Gordon indicated that a confidential exit interview was completed with each departure, and that money was an issue for some.

Councilwoman Franzen asked if the study could be done without spending thousands of dollars. Mr. Gordon noted that it had been recommended that staff contact Lisa Cooper at the Northern Kentucky Area Development District to see if her staff might be able to help.

Councilman Pohlgeers reminded everyone that issuing the RFP doesn’t mean that they have to pursue the study.

Commissioner Nienaber stated that with 75% of the budget being spent on salaries, they need to look at it. He said that NKADD might be able to help but he proposes they issue the RFP and get bids from industry professionals and find out how much it’s going to cost and if salaries are out of line. He stated that it isn’t a trust issue, he just feels that a fresh set of eyes should look at it.

With no further discussion, Councilman Kramer made a motion to endorse the draft RFP language for review of the PDS Pay Plan; Councilman Pohlgeers seconded the motion. President Jansing asked for a voice vote which found unanimous approval. The motion passed by a vote of 15 to 0.

President Jansing asked for the report from legal counsel. Mr. Edmondson indicated that he had nothing to report.

President Jansing asked for the report from staff on first quarter activities. Mr. Gordon thanked the Council for the opportunity to speak and stated that the move is behind us with the last of PDS’ belongings scheduled to be brought over tomorrow. He noted that the closing on the Royal Drive building is tentatively set for next week. He advised members that the goal of going paperless is close to being met and that this fact had made the move easier. He reported that furnishings at the Royal Drive building have been declared as surplus. There was discussion regarding offering the gently used furniture to Kenton County agencies and several noted their interest.

Mr. Gordon stated that the FY19 audit is compete and that the personnel manual is currently being reviewed. He advised members that a current copy of PDS by the Numbers has been provided and uploaded to PDS’ OpenGov portal.

Mr. Gordon provided members with the important numbers from Planning and Zoning.

- **Code Enforcement** – 922 inspections, 333 cases opened, and 40 final orders issued
- **Zoning Administration** – 58 zoning permits and 146 building & zoning permits
- **Boards of Adjustment** – 9 cases
- **Liens** – $1.8M open liens and $29,552 in payoffs received during the first quarter.
He noted that work continues on a *Direction 2030* update for the unincorporated portion of the county, the Z21 blueprint zoning ordinance, and the Scott-Greenup-Madison corridor study. Mr. Gordon indicated that staff will also be working on a demographic study for the Kenton County School District and a *Direction 2030* future land use update for Covington.

Mr. Gordon provided important numbers for Infrastructure Engineering.

Lot creation is holding steady – 47 new lots and 376 platted acres so far this fiscal year.

Street paving is strong – 7,101 feet (1.3 miles) of new street and 10,250 feet (1.9 miles) of new sidewalk has been inspected.

He indicated that staff is discussing handling asset management studies for a couple of cities and will likely do these projects in the third quarter if the cities sign the proposed contracts.

Mr. Gordon updated members regarding GIS Administration. He stated that GIS and County IT have release a new road app that serves all local jurisdictions. He noted that PDS’ public websites were moved to the cloud to ensure uninterrupted service during the move and will remain there for the one-year contract period to see if the service level is as good as advertised. He stated that the cloud has an uptime of 99.9%.

Mr. Gordon announced that GIS staff have received two awards –

1st Place - Story Map at the KAMP Conference
3rd Place – Thematic Map at the International ESRI User Conference

Mr. Gordon stated that the first and second place winners at the ESRI conference were from Australia and British Columbia, so it means even more that third place was taken by Kenton County Kentucky! A round of applause followed.

Mr. Gordon then provided members with FY19 numbers for Building Codes Administration.

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<tr>
<th>Category</th>
<th>FY19 Numbers</th>
<th>FY11 Numbers</th>
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<tr>
<td>Permits</td>
<td>3,487 (compared to 1,507 in 2011)</td>
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<tr>
<td>Plan Reviews</td>
<td>3,027 (1,541 in 2011)</td>
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<td>Inspections</td>
<td>4,739 (4,073 in 2011)</td>
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<td>Permit Fees</td>
<td>$889,264 ($375,847 in 2011)</td>
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<tr>
<td>Value of Projects</td>
<td>$889M ($60.7M in 2011)</td>
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Commissioner Nienaber stated PDS’ turnaround time for Plan Review is remarkable. Mr. Gordon advised members that he meets with Brian Miller every other month and that there have been no complaints from the building industry for some time.

In closing, Mr. Gordon invited members to stay after the meeting for a tour of PDS’ new office space.
President Jansing asked if there was any other new business to come before the Council.

With nothing further, President Jansing reminded members that the next scheduled Council meeting would be held on February 27, 2020 at 5:45 PM.

Commissioner Williams asked if there had been any more thought given to Commissioner Nienaber’s suggestion about the Council meeting more frequently. President Jansing indicated that the organizational committee will be looking at this issue.

Commissioner Murray made a motion to adjourn; Commissioner Nienaber seconded the motion and a voice vote found unanimous approval. The meeting adjourned at 7:57 PM.

_________________________________________
Mayor David Jansing, President

_________________________________________
Councilman Greg Pohlgeers, Secretary