

INTERLOCAL AGREEMENT  
AMONG  
THE KENTUCKY COUNTIES OF

Boone, Campbell, Carroll, Gallatin, Grant, Kenton, Owen, and Pendleton

THIS INTERLOCAL AGREEMENT (“Agreement”) is made among and between THE KENTUCKY COUNTIES OF Boone, Campbell, Carroll, Gallatin, Grant, Kenton, Owen and Pendleton (from now on referred to as “Parties”) all entities being bodies corporate and politic of the Commonwealth of Kentucky.

WITNESSETH THAT:

WHEREAS the Kentucky Interlocal Cooperation Act (hereinafter referred to as “State Act”), KRS 6 5.210 through 65.300 permits the Parties to make the most efficient use of their powers by enabling them to cooperate on a basis of mutual advantage and thereby provide services and facilities in a manner and form that will best accord with geographic, economic, population and other factors which Influence the needs and development of local communities; and

WHEREAS the Workforce Innovation and Opportunity Act (hereinafter referred to as the “Federal Act”), enacted by the Congress of the United States, provides for federal United States Department of Labor funds to be granted to the several states for the delivery of services and programs under the Federal Act; and

WHEREAS the Parties wish to increase the effectiveness of the area’s workforce development system under the Federal Act; and

WHEREAS the purpose of this Agreement is to specify the respective roles of the individual chief elected officials pursuant to Section 107(c) of the Federal Act and to comply with the Kentucky Workforce Investment Board’s Policy Number 15-002 on Interlocal Agreements; and

WHEREAS the Parties desire to terminate and replace the current Interlocal Agreement with this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and understandings contained herein, the parties agree as follows:

- 1. EXECUTION OF AGREEMENT AND EFFECTIVE DATE.** This Agreement shall become effective upon its approval by Boone, Campbell, Carroll, Gallatin, Grant, Kenton, Owen and Pendleton Fiscal Courts and due execution pursuant thereto by each County Judge/Executive (hereinafter referred to collectively as “Local Elected Officials or LEOs”), and upon approval of the Kentucky Commissioner of the Department for Local Government under provisions of the State Act. A copy of this Agreement, after its full approval, shall be duly recorded in the Kentucky Secretary of State’s Office and with the Kentucky Education and Workforce Development Cabinet Department of Workforce Investment as well as the Office of the County Clerks in each county.

2. **AGREEMENT DURATION.** The term of this Agreement shall be from July 1, 2021, through June 30, 2026.
3. **GOVERNING BOARD.** A Governing Board of the Local Elected Officials (LEOs) for the Northern Kentucky Workforce Development Area is hereby established to include the following:
  - a. The Governing Board shall be comprised of the Local Elected Officials of the eight (8) counties.
  - b. The Chief Local Elected Official (CLEO) shall serve as the Chair of the Governing Board.
  - c. The Governing Board shall establish bylaws and submit a copy to the Education and Workforce Development Cabinet, Department of Workforce Investment.
  - d. The Governing Board shall be an independent administrative board not attached to the fiscal agent, grant subrecipient, one-stop operator or service provider.
  - e. The Governing Board shall have no authority over the NKWDB staff.
  - f. The Governing Board shall have a 65% supermajority to take the following actions:
    - i. Selection of the CLEO;
    - ii. Designation of the local grant sub-recipient or local fiscal agent;
    - iii. Approval of the local workforce development board annual budget; and
    - iv. Selection of the one-stop operator and direct service provider.
4. **PARTICIPATING LOCAL ELECTED OFFICIALS.** Attached hereto and incorporated herein are the names, representation, and contact information for the CLEO and each LEO in the Northern Kentucky Workforce Development Area. The information shall be updated as necessary with a copy submitted to the Northern Kentucky Workforce Development Board and the Education and Workforce Development Cabinet, Department of Workforce Investment.
5. **DESIGNATION OF CHIEF LOCAL ELECTED OFFICIAL.**
  - a. To ensure that there will be no conflict or perceived conflict between the CLEO's duties and the consortium of LEOs, the Northern Kentucky Workforce Investment Board or grant sub-recipient or fiscal agent, the following process shall be followed:
    - i. To be elected as the CLEO, the LEO shall receive no less than 65% of the membership of the Governing Board of the Northern Kentucky area.
    - ii. The CLEO shall not derive any personal benefit or gain, directly or indirectly, by reason of his or her participation as the CLEO of the Northern Kentucky Workforce Development Area.

- iii. The CLEO shall disclose to the Governing Board any personal interest which he or she may have in any matter pending before the organization and shall refrain from participation in any decision on such matter.
  - iv. The CLEO and his or her immediate family members shall not be a participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party doing business with the Northern Kentucky Workforce Development Area which results or may result in a personal benefit. This does not prohibit any eligible CLEO or his or her eligible immediate family member from receiving workforce services.
  - v. The CLEO shall not be a recipient, directly or indirectly, of any salary payments, loans, gifts of any kind, any free service, discounts, or other fees from or on behalf of any person or organization having transactions with the Northern Kentucky Workforce Development Area.
- b. The term of the CLEO shall be two (2) years and may serve one additional consecutive term.
  - c. The CLEO shall serve as the signatory for the LEOs related to Federal Act matters.
  - d. In the performance of official duties as CLEO, the CLEO is authorized to make the following decisions on behalf of the LEOs:
    - i. Appoint the members of the local board, ensuring that representation is fair and equitable across the local workforce development area and in accordance with the criteria established under WIOA Section 107(b), 20 CFR 679.320 and Department of Workforce Investment Policy 15-001.
    - ii. Negotiate the Partnership Agreement in accordance with the Kentucky Workforce Innovation Board's Policy Number 15-003;
    - iii. Partner with the NKWIB to create a local plan required by WIOA Section 107 (d)(1) and for program oversight, as outlined in WIOA Section 107(d)(8);
    - iv. Work with the NKWIB to agree on local board activities as described in WIOA Section 107(d)(10) and (12);
    - v. Work with the Northern Kentucky Workforce Investment Board to establish a budget; and
    - vi. Perform all other duties and functions assigned to the LEOs by the Federal Act, or by implementing federal or state regulations or policies.
  - e. The CLEO shall not serve as the highest-ranking officer on any Board or other entity that governs any local grant subrecipient, fiscal agent or service provider.
  - f. In any case in which the CLEO would cease to be serving in their current elected office, a new CLEO will be chosen from amongst the remaining LEO Governing Board members

within 90 days of their vacancy.

6. **DISPUTE RESOLUTION.** Whenever any dispute arises between the Parties under this Agreement, the Parties may invoke Dispute Resolution and agree to seek resolution of such dispute as follows:
  - a. The Parties will seek in good faith to resolve any such dispute by arranging a meeting between the Parties or their authorized representatives with authority to resolve the matter within five (5) business days after either party receives notice of a dispute. If the Parties are unable to resolve the dispute Informally within ten (10) working days, either party may request the assistance of a mediator.
  - b. If it proves impossible to arrive at a mutually satisfactory solution through mediation within 30 working days of the request for the mediator, the Parties may refer the dispute to an arbitrator, who will be authorized to make a decision regarding the dispute, and that decision will be final and binding on the Parties.
  
7. **FISCAL AGENT OR GRANT SUBRECIPIENT DESIGNATION.** The CLEO(s) may designate an entity to serve as the local fiscal agent or local grant subrecipient for WIOA funds. In making such designation, the LEOs shall carry out a process approved by the Department of Workforce Investment under policy 15-002 for fiscal agent services or grant subrecipient services. Depending on the language of Department of Workforce Investment policy 15-002, this process may include a Request for Proposals that has been reviewed and approved by the Department of Workforce Investment and which provides that proposals will be evaluated and ranked based upon criteria including but not limited to quality of services, demonstrated experience of quality service delivery, cost, conflict of interest policies, and history of fiscal integrity.

Such designation shall not relieve the CLEO(s) of the primary liability for any misuse of grant funds. The CLEO(s)' liability may be apportioned among all of the LEOs in the Interlocal Agreement.

8. **LIABILITY OF FUNDS.** The local Jurisdictions of each LEO shall always remain liable for misuse of funds. In the event of a determination that a misuse of funds has occurred, the following priorities for recouping those funds shall apply:
  - a. First Priority: The Grant Subrecipient or fiscal agent shall attempt to recover funds from the contractor, agent of third party causing the liability;
  - b. Second Priority: The Grant Subrecipient or fiscal agent shall attempt to recover funds from an insurance carrier or bond issuer;
  - c. Third Priority: The Grant Subrecipient or fiscal agent shall attempt to obtain a waiver of liability or offset liability against current or future grant revenues;
  - d. Fourth Priority: The Grant Subrecipient or fiscal agent shall repay the liability from its funds to the extent permitted by law; and
  - e. Fifth Priority: As a last resort and only to the extent required by the Federal Act, the Parties agree to cover unmet liabilities to the state and federal governments. The parties shall share liability to the state and federal governments in proportion to the irrespective populations

using the most recent census data available on the date the negligent or wrongful acts occurred which gave rise to the unmet liability.

**9. LOCAL AREA SERVICE DELIVERY PROVIDER.**

- a. As authorized In Section 107(g)(2) of the Federal Act, a local workforce development board may provide career services described in Section 134(c)(2) through a one-stop delivery system or be designated or certified as a one-stop operator only with the Agreement of the CLEO, after authorization by the Governing Board, in accordance with the Kentucky Cabinet for Education and Workforce Development, Division of Workforce Investment policy number 15-002 (2020).
- b. According to Kentucky Cabinet for Education and Workforce Development, Division of Workforce Investment policy number 17-001 (2020), any individual or organization that serves as a Director and/or staff to the LWDB to assist the LWDB in the performance of the functions contained in WIOA Section 107(d) shall not be eligible to serve as a One-Stop Operator and/or Career Services Provider. If this occurs, the Governor decrees this to be an organizational conflict of interest and thus prohibited.

Under WIOA, in cases where the local workforce development board does not seek to provide career services, any one-stop operator shall be designated or certified by the Governing Board through a competitive process in accordance with the Federal Act. In cases where the LWDB does not seek to provide career services, WIOA Section 121(d)(2) states that to be eligible to receive funds under this subtitle to operate a one-stop center, an entity (which may be a consortium of entities) shall be designated or certified as a one-stop operator through a competitive process. This process shall be conducted by the LWDB, and the one-stop operator shall be designated or certified by the LWDB with agreement of the CLEO(s) in accordance with WIOA Section 107(d)(10). A procurement process will be conducted by the LWDB for direct career services provider as well, in order to comply with Kentucky Cabinet for Education and Workforce Development, Division of Workforce Investment policy number 17-001 (2020).

**10. COMMUNICATION**

- a. The LEOs shall meet regularly to discuss the activities within the Northern Kentucky Workforce Development Area and to complete their responsibilities under the Federal Act. The LEOs also shall meet upon the request of the CLEO, the Governing Board, or a majority of the LEOs. The meetings shall be conducted in accordance with the Kentucky Open Meetings Act.
- b. At least once a year, the LEOs will conduct a joint meeting to include members of the Northern Kentucky Workforce Development Board as outlined in the Partnership Agreement.
- c. The CLEO shall keep the LEOs informed regarding Northern Kentucky Workforce Investment Board activities by the following process and procedure:
  - i. Minutes of any Governing Board meeting shall be distributed to all LEOs within ten

(10) business days using the contact information provided In this Agreement.

- ii. Additional information that the LEOs desire to review will be requested from the Northern Kentucky Workforce Investment Board as outlined in the Partnership Agreement.

**11. NORTHERN KENTUCKY WORKFORCE INVESTMENT BOARD BUDGET APPROVAL.** The Governing Board shall work with the Northern Kentucky Workforce Investment Board to establish and approve their annual budget. The Governing Board shall review and, if acceptable, approve the Northern Kentucky Workforce Development Board annual budget.

**12. NORTHERN KENTUCKY WORKFORCE DEVELOPMENT BOARD REPRESENTATION.**

- a. The Northern Kentucky Workforce Development Board's member nomination, selection and confirmation shall comply with the Kentucky Workforce Innovation Board's Policy Number 15-001.
- b. The process for determining the initial size of the Northern Kentucky Workforce Development Board is as follows: the CLEO shall establish the initial size in accordance with Kentucky Workforce Innovation Board's Policy Number 15-001 after consideration of fair and equitable representation.
- c. The process for selecting, appointing, removing or reappointing Northern Kentucky Workforce Investment Board members is as follows:
  - i. All Northern Kentucky Workforce Investment Board members shall be appointed in accordance with the criteria established between the Governor and the Kentucky Workforce Innovation Board in accordance with the Federal Act and outlined in Kentucky Workforce Innovation Board's Policy Number 15-001.
  - ii. Northern Kentucky Workforce Investment Board members who no longer hold the position or status that made them eligible local board members must resign or be removed by the CLEOs immediately as a representative of that entity; i.e. no longer work In the private sector, or no longer with an educational institution. For example, an appointee serving because of his or her employment in the private sector must resign or be removed if he or she retires or move to the public sector.
  - iii. Northern Kentucky Workforce Development Board vacancies must be filled within a reasonable amount of time of the vacancy as determined by the Northern Kentucky Workforce Development Area, but no later than 90 days from occurrence.
  - iv. The CLEO in the Northern Kentucky Workforce Development Area is authorized to make all reappointments of members. Reappointments must be made within a reasonable time of the term expiration, but no later than 90 days thereafter.
  - v. Any action taken by the Northern Kentucky Workforce Investment Board, with a vacancy or term expiration beyond the time described in the Northern Kentucky Workforce Investment Board bylaws or later than the 90 days shall be void unless

the Northern Kentucky Workforce Investment Board has an approved waiver from the Division Director, Department of Workforce Investment prior to the local workforce development board meetings. Waivers are to be requested in writing to the Division Director, Department of Workforce Investment, with an explanation of why a vacancy was not filled in the defined timeframe and a description of the process underway to fill the vacancy.

- vi. Northern Kentucky Workforce Investment Board members must be removed by the CLEO if any of the following occurs: documented violation of conflict of interest, failure to meet local workforce development board member representation requirements defined In the Federal Act and Kentucky Workforce Innovation Board’s Policy Number 15-001, or documented proof of fraud and /or abuse. Local workforce development board members will be removed for not meeting attendance guidelines as set forth in Northern Kentucky Workforce Investment Board bylaws.
- vii. Northern Kentucky Workforce Investment Board appointments do not require the signature of the LEOs, but rather only the signature of the CLEO.

The term of membership for the Northern Kentucky Workforce Investment Board members shall be two (2) years and until their successors are duly elected and qualified. The Lifetime maximum amount of time a board member can serve on the NKWIB is six (6) terms or twelve (12) years.

**13. SELECTION OF A NEW CLEO.** When a new CLEO is selected in accordance with this Agreement, the newly selected CLEO must submit to the Northern Kentucky Workforce Investment Board and the Education and Workforce Development Cabinet, Department of Workforce Investment, a written statement acknowledging that he or she:

- a. Has read, understands, and will comply with the current Interlocal Agreement; and
- b. Has apprised the Department of Workforce Investment of the change In CLEO designation.

**14. ELECTION OF A NEW LOCAL ELECTED OFFICIAL.** When a new LEO is elected within the Northern Kentucky Workforce Development Area, the newly elected official must submit to the Northern Kentucky Workforce Investment Board a written statement acknowledging that he or she:

- a. Has read, understands, and will comply with the current Interlocal Agreement; and
- b. Reserves the option to request negotiations to amend the Interlocal Agreement at any time during the official’s tenure as an LEO.

**15. AMENDMENT.** This Agreement may be amended by written consent of all the parties subject to approval and recording in accordance with the State Act. A copy of any amendment approved in accordance with the State Act shall be submitted to the Northern Kentucky Workforce Investment Board and the Education and Workforce Development Cabinet, Department of Workforce Investment after approval by the Department of Local Government in accordance with KRS 65.210 through 65.300.

**16. SIGNATURES.** By signing this Agreement, each local elected official certifies that his or her signature has been duly authorized by official action of his/her governmental body. The Agreement may be executed in one or more counterparts, each of which, when combined with all other counterparts, will constitute a completely executed agreement subject to approval by the Department for Local Government in accordance with the provisions of KSR 65.210 through 65.300.



IN WITNESS, WHEREOF, the parties hereto have set their respective hands to this Agreement through their duly elected and authorized officials.

BOONE COUNTY Name: Gary Moore, Judge Executive 2950 Washington St Burlington, KY 41005	
Signature	Date:

CAMPBELL COUNTY Name: Steven Pendery, Judge Executive 1098 Monmouth St Newport, KY 41071 Chief Local Elected Official	
Signature	Date:

CARROLL COUNTY Name: Harold "Shorty" Tomlinson, Judge Executive 440 Main Street Carrollton, KY 41008	
Signature	Date:

GALLATIN COUNTY Name: Ryan Morris, Judge Executive 200 Washington Street Warsaw, KY 41095	
Signature	Date:

GRANT COUNTY Name: Chuck Dills, Judge Executive 101 N. Main Street Williamstown, KY 41097	
Signature	Date:

KENTON COUNTY Name: Kris Knochelmann, Judge Executive 1840 Simon Kenton Way Covington, KY 41011	
Signature	Date:

OWEN COUNTY Name: Casey Ellis, Judge Executive 100 North Thomas Street Owenton, KY 40359	
Signature	Date:

PENDLETON COUNTY Name: David Fields, Judge Executive 233 Main Street Falmouth, KY 41040	
Signature	Date:

CERTIFICATION AS TO RECORDING WITH SECRETARY OF STATE

The undersigned Secretary of State of the Commonwealth of Kentucky hereby certifies that the foregoing Cooperation Agreement has been duly filed with the Secretary of State of the Commonwealth of Kentucky, pursuant to 65.290 of the Kentucky Revised Statutes.

Dated this \_\_\_\_\_ of \_\_\_\_\_, 2021

Michael Adams, Secretary of State  
Commonwealth of Kentucky

CERTIFICATION OF APPROVAL WITH DEPARTMENT FOR LOCAL GOVERNMENT

This Interlocal Agreement is in proper form and is compatible with the Laws of the Commonwealth of Kentucky; therefore, it is approved this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

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Dennis Keene, Commissioner  
Department for Local Government  
Commonwealth of Kentucky

INTERLOCAL COOPERATION AGREEMENT

ICA 15-019: *Counties of Boone, Campbell, Carroll, Gallatin, Grant, Kenton, Owen, and Pendleton*

Approved as to form and legality:

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Staff Attorney

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Date