

**MINUTES OF MEETING HELD FEBRUARY 14, 2000**

The Common Council of the City of Somerset, Kentucky, met in regular session on Monday, February 14, 2000 at 7:15 p.m. with the following present: Mayor JP Wiles, Council Members Joann Norfleet, Clarence Floyd, G. Paul Wilson, James R. Daughetee, Charles New, Richard Denham, John R. Minton, William Earl Owens, James P. Bourne, Geraldine Muse and Peggy Dugger, City Attorney Joe Travis and City Clerk David Godsey. Absent: Council Member Jerry Wheeldon.

The Mayor welcomed and congratulated the Somerset High School Girls Basketball team and coaches for a job well done on winning the first ever All Class A tournament. Each one was presented a trophy from the City of Somerset.

Mr. Daughetee moved the above recognition, the following names of players and coaches be made a part of the regular minutes: Renee Clinard, Christa Adkins, Jenny Henderlight, Kelly Robinson, Brooke Wilson, Miranda Ray, Jacinda Randolph, Beth Adkins, Sarah Cole, Lindsey Cranfill, Whitney Alderdice, Amry Honeycutt, Elizabeth Drake, Madison Flowers, Nichole Denny, Lashanda Upchurch, Meg Stevenson, Katie Irvine and Carla Vanhook, Coach Judy Mason, Asst. Coach Lisa Criswell and Asst. Coach James C. Brown. Mr. Wilson seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

Mr. Owens moved the minutes of the last regular meeting held January 24, 2000 and the reports be approved as delivered. Mr. Daughetee seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

The following Memorandum was presented:

**MEMORANDUM**

To: JP Wiles, Mayor  
City of Somerset

Date: February 14, 2000

From: Larry Fisher, Manager  
Somerset Water Service

Subject: Award of Appreciation  
Kenneth Brinson

Kenneth Brinson is a 25 year employee of the water company and a CLASS IV water treatment operator. He is head of maintenance at the Somerset Water Treatment Plant. Recently problems arose with the filter flow controllers in the old treatment plant with an estimated replacement cost of \$8,000, however, Kenneth devised a method to replace these controllers for a total cost of about \$400, thus saving the City of Somerset \$7,600. I feel Kenneth should be commended for his loyalty and awarded accordingly.

The Mayor introduced Mr. Brinson and thanked him for his accomplishment. Mr. Wilson moved this be made part of the regular minutes. Mr. Daughetee seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. new, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

Mr. Daughetee suggested an incentive program be looked into as to where employees are reward for savings to the City, such as the above savings by Mr. Brinson.

The Mayor introduced the new Industrial Foundation Director, Todd Denham. Mr. Denham spoke briefly to the Council and said he was glad to be in Somerset and looked forward to working with everyone.

Mr. New moved that all departmental bills for the month of January be approved. Mr. Daughetee seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

Police Chief Larry Wesley introduced Charles Boston and Martin Wesley as the two newest police officer's. Also Officer Chris Gates showed a new type uniform the police department is considering.

Mr. Wilson moved the City enter into a contract with Polaris Ins. Co. for a self-funding health insurance program for the City of Somerset at \$15,000 stop loss per person and to become effective March 1, 2000. Mr. Floyd seconded the motion. Upon roll call the following Council

Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Dugger and Mrs. Norfleet, Voting "Nay": Mrs. Muse.

Mr. Floyd moved to approve the Mayor writing a letter to United Health Care giving a thirty (30) day notice of cancellation of the health insurance contract with them effective March 1, 2000. Mr. Wilson seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Dugger and Mrs. Norfleet. Voting "Nay": Mrs. Muse.

Mr. Daughetee moved that a letter of appreciation be written to the previous Health Insurance Carrier. Mr. Wilson seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

Second reading was given the following Ordinance:

**ORDINANCE NO. 00-03**

**AN ORDINANCE TO THE CITY OF SOMERSET, KENTUCKY, AMENDING ORDINANCE NO. 90-10 AND ANY OTHER APPLICABLE ORDINANCES ESTABLISHING RATES AND CHARGES FOR USE OF THE SERVICES AND FACILITIES OF THE MUNICIPAL WATER COMPANY.**

**BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF SOMERSET, KENTUCKY:**

1. The basic water rate for all commercial and residential users of water outside the city limits of the City of Somerset shall be 124% of the rates paid for the same service within the city limits.

2. This Ordinance shall become effective immediately upon the passage and publication of this Ordinance.

First reading January 24, 2000

Second reading February 14, 2000

**ORDINANCE NO. 00-04**

**AN ORDINANCE TO THE CITY OF SOMERSET, KENTUCKY, AMENDING ORDINANCES NO. 84-4, 87-11, 95-35 AND 98-9 AND ANY OTHER APPLICABLE ORDINANCES ESTABLISHING RATES AND CHARGES FOR USE OF THE SERVICES AND FACILITIES OF THE MUNICIPAL SEWER COMPANY.**

**BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF SOMERSET, KENTUCKY:**

1. The basic sewer rate for all commercial and residential users of sewer outside the city limits of the City of Somerset shall be 124% of the rates paid for the same service within the city limits.

2. This Ordinance shall become effective immediately upon the passage and publication of this Ordinance.

First reading January 24, 2000

Second reading February 14, 2000

Mrs. Dugger moved the above Ordinance's be adopted on its second reading. Mr. Wilson seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

Second reading was given the following Ordinance:

**ORDINANCE NO. 00-05**

**AN ORDINANCE TO THE CITY OF SOMERSET, KENTUCKY, AMENDING ORDINANCE NO. 90-11 AND ANY OTHER APPLICABLE ORDINANCES ESTABLISHING RATES AND CHARGES FOR USE OF THE SERVICES AND FACILITIES OF THE MUNICIPAL GAS COMPANY.**

**BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF SOMERSET, KENTUCKY:**

1. As of July 1, 2000 all charges of the municipal gas company for the subsequent year and following years, that is from July 1, 2000 to July 1, 2001, July 1, 2001 to July 1, 2002, etc. shall be raised directly proportional to the annual inflationary rate for the previous year as provided to the City by the Kentucky League of Cities.

2. This Ordinance shall become effective immediately upon the passage and publication of this Ordinance.

First reading January 24, 2000  
Second reading February 14, 2000

**ORDINANCE NO. 00-06**

**AN ORDINANCE TO THE CITY OF SOMERSET, KENTUCKY, AMENDING ORDINANCE NO. 9-10 AND ANY OTHER APPLICABLE ORDINANCES ESTABLISHING RATES AND CHARGES FOR USE OF THE SERVICES AND FACILITIES OF THE MUNICIPAL WATER COMPANY.**

**BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF SOMERSET, KENTUCKY:**

1. As of July 1, 2000 all charges of the municipal water company for the subsequent year and following years, that is from July 1, 2000 to July 1, 2001, July 1, 2001 to July 1, 2002, etc. shall be raised directly proportional to the annual inflationary rate for the previous year as provided to the City by the Kentucky League of Cities.

2. This Ordinance shall become effective immediately upon the passage and publication of this Ordinance.

First reading January 24, 2000  
Second reading February 14, 2000

**ORDINANCE NO. 00-07**

**AN ORDINANCE TO THE CITY OF SOMERSET, KENTUCKY, AMENDING ORDINANCES NO. 84-4, 87-11, 95-35 AND 98-9 AND ANY OTHER APPLICABLE ORDINANCES ESTABLISHING RATES AND CHARGES FOR USE OF THE SERVICES AND FACILITIES OF THE MUNICIPAL SEWER COMPANY.**

**BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF SOMERSET, KENTUCKY:**

1. As of July 1, 2000 all charges of the municipal sewer company for the subsequent year following years, that is from July 1, 2000 to July 1, 2001, July 1, 2001 to July 1, 2002, etc., shall be raised directly proportional to the annual inflationary rate for the previous year as provided to the City by the Kentucky League of Cities.

2. This Ordinance shall become effective immediately upon the passage and publication of this Ordinance.

First reading January 24, 2000  
Second reading February 14, 2000

Mr. Bourne moved the above Ordinance's be adopted on the second reading. Mr. Floyd seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens and Mr. Bourne. Voting "Nay": Mr. Daughetee, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

Mr. Daughetee moved to approve David Godsey to fill the position of Mayor in the event of and extended absence or disability per KRS 39D. Mr. Wilson seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

The following Resolution's were read:

**RESOLUTION OF CITY OF SOMERSET MUNICIPAL PROJECTS CORPORATION RELATING TO ITS 1,000,000 REVENUE BONDS SERIES 1990 (SOMERSET COMMUNITY COLLEGE)**

**WHEREAS**, pursuant to a Trust Indenture dated as of May 1, 1990 (the "Indenture") between the City of Somerst, Kentucky, (the "Insurer") and the First & Farmers Bank of Somerset, Inc., now Union Planters Bank, N.A., (the "Trustee"), the Issuer provided for the issuance of \$1,000,000 of Municipal Projects Corporation Bonds, Series 1990 (Somerset Community College) (the "Bonds").

WHEREAS, the Trustee has notified the City of Somerset that it is selling its corporate trust business to Bank of New York, effective May 10, 1999, and will no longer be performing corporate trust services, and as such is incapable of acting as Trustee under the Indenture:

WHEREAS, for reasons of convenient administration, the Issuer adopts this resolution and appoints as successor trustee the Monticello Banking Company, Somerset, Kentucky; and

WHEREAS, the appointment of a corporate trustee in Somerset, Kentucky will likely inure to the benefit of the project financed with the proceeds of the Bonds and to the benefit of the holders of such Bonds.

NOW, THEREFORE, be it resolved that:

1. The Issuer does hereby find that it is in the best interests of the holders of the Bonds to appoint a successor trustee.

2. The Issuer does hereby appoint as successor trustee Monticello Banking Company located in Somerset, Kentucky.

3. The Issuer does hereby authorize the Mayor to execute any and all documents necessary to effectuate the aforesaid appointment of Monticello Banking Company as successor trustee.

Dated: 02/14/2000

JP Wiles  
Mayor, City of Somerset

**RESOLUTION OF THE CITY OF SOMERSET INDUSTRIAL DEVELOPMENT  
AUTHORITY RELATING TO ITS \$995,000 LEASE REVENUE BONDS, SERIES  
1990**

WHEREAS, pursuant to a Trust Indenture dated September 1, 1990 (the "Indenture") between the City of Somerset, Kentucky (the "Issuer") and the First & Farmers Bank of Somerset, Inc., now Union Planters Bank, N. A. (the "Trustee"), the Issuer provided for the issuance of \$995,000 of Industrial Bonds, Series 1990 (the "Bonds");

WHEREAS, the Trustee has notified the City of Somerset that it is selling its corporate trust business to Bank of New York, effective May 10, 1999, and will no longer be performing corporate trust services, and as such is incapable of acting as Trustee under the Indenture:

WHEREAS, for reasons of convenient administration, the Issuer adopts this resolution and appoints as successor trustee Monticello Banking Company, Somerset, Kentucky; and

WHEREAS, the appointment of a corporate trustee in Somerset, Kentucky will likely inure to the benefit of the project financed with the proceeds of the Bonds and to the benefit of the holders of such Bonds.

NOW, THEREFORE, be it resolved that:

1. The Issuer does hereby find that it is in the best interests of the holders of the Bonds to appoint a successor trustee.

2. The Issuer does hereby appoint as successor trustee Monticello Banking Company located in Somerset, Kentucky.

3. The Issuer does hereby authorize the Mayor to execute any and all documents necessary to effectuate the aforesaid appointment of Monticello Banking Company as successor trustee.

Dated: 02/14/2000

JP Wiles  
Mayor, City of Somerset, Kentucky

Mr. Daughette moved the above Resolution's be approved. Mr. Floyd seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughette, Mr. new, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

The following Resolution was read:

**RESOLUTION**

**A RESOLUTION OF INDUCEMENT OF THE CITY OF SOMERSET, KENTUCKY  
INDICATING INTENT TO ISSUE INDUSTRIAL BUILDING REVENUE BONDS  
FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION,  
INSTALLATION AND EQUIPPING OF AN INDUSTRIAL BUILDING PROJECT  
IN THE CITY OF SOMERSET, KENTUCKY**

WHEREAS, Blakley Family YMCA, Inc., a Kentucky nonprofit corporation (the "Borrower"), intends to acquire land and construct and equip a building thereon which is suitable for use in making recreational and cultural benefits available to the public (the "Project"), to be located within the boundaries of the City of Somerset, Kentucky (the "City"); and

WHEREAS, the City is authorized to issue its industrial revenue bonds, notes or other obligations for facilitating the acquisition, construction, installation and equipping of the Project pursuant to 103.200 *et seq.*, of the Kentucky Revised Statutes (the "Act"); and

WHEREAS, the Borrower has evidenced a desire to have such acquisition, construction, installation and equipping of the Project financed from the proceeds of the issuance and sale by the City of approximately \$5,000,000 in aggregate principal amount of its Industrial Building Revenue Bonds (Blakley Family YMCA, Inc. Project) (the "Bonds"); and

WHEREAS, this City Council has determined that, in order to provide the benefits for its citizens which are set forth in the Act, it desires to issue the Bonds; and

WHEREAS, this City Council has recommended approval of the Project and enactment of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL, CITY OF SOMERSET, KENTUCKY, AS FOLLOWS:

#### SECTION ONE

That the Agreement attached hereto as Exhibit A be approved and that the Mayor be and is hereby authorize to execute Agreement on behalf of the City, and this City Council hereby finds and determines the recitals and facts set forth in the preambles to this Agreement.

#### SECTION TWO

That this City Council hereby finds that all actions relative to the adoption of this Resolution were in substantial compliance with the procedures established by the City for issuing industrial revenue bonds, and hereby approves the Project and the issuance of such bonds.

#### SECTION THREE

That this Resolution is an official action of this City Council toward the issuance of the Bonds as contemplated herein in accordance with the purposes of the laws of the Commonwealth of Kentucky and United States Treasury Regulation Section 1.150-2.

#### SECTION FOUR

That this City Council hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in open meetings of this City Council, and that all deliberations of this City Council and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with all applicable legal requirements.

#### SECTION FIVE

That this Resolution shall be effective immediately upon adoption, as provided by law.

PASSED AND APPROVED on first reading this 14th day of February, 2000.

Attest: David Godsey Approved: JP Wiles  
City Clerk Mayor

#### EXHIBIT A

THIS AGREEMENT is entered into as of the 14th day of February 2000, between the City of Somerset, Kentucky, a municipal corporation and political subdivision of the Commonwealth of Kentucky (the "City"), and Blakley Family YMCA, Inc., a Kentucky nonprofit corporation (the "Borrower"), under the following circumstances:

A. The Borrower desires to acquire, construct, install and equip an industrial building suitable for use in making recreational and cultural benefits available to the public (the "Project") located within the boundaries of the City.

B. The Borrower has evidenced a desire to have the costs of acquiring, constructing, installing and equipping the Project financed with the proceeds of industrial building revenue bonds (the "Bonds") issued by the City, in the principal aggregate principal amount of approximately \$5,000,000.

C. The Project would consist of the acquisition, construction, installation and equipping of an industrial building to be used as for making recreational and cultural benefits available to the public, thereby providing employment opportunities for the residents of the City and otherwise improving the economic welfare of the City and its people.

D. In order to obtain for the residents of the City the benefit of the employment opportunities and economic improvement which the acquiring, constructing, installing and equipping of the Project would create and preserve, the City desires to encourage and induce the Borrower to proceed with the Project.

NOW, THEREFORE, the City and the Borrower agree as follows:

1. At the request of the Borrower, upon receipt of a duly executed notice that the Bonds will be purchased by one or more persons or entities named therein, the City will enact the necessary ordinances or resolutions to authorize the issuance of the bonds and execution on its behalf of the Loan Agreement, as hereafter defined, and other necessary documents. The Bonds, the Loan Agreement, the ordinances or resolutions and other necessary documents shall have such terms as shall be approved by Peck, Shaffer & Williams LLP, as Bond Counsel, and by the City, the purchaser(s) of the Bonds, the Borrower and the respective counsel to such parties, and the City will deliver the Bonds to the purchaser(s) thereof and will cooperate to the fullest extent in consummating the transaction.

2. Pending issuance of the Bonds, the Borrower will provide without expense to the City any necessary interim financing for the Project. The Borrower also agrees that upon issuance of the Bonds for the Project it will enter into an agreement (the "Loan Agreement") with the City providing for the payment by the Borrower of amounts sufficient to pay when due the principal of and premium, if any, and interest on the Bonds. The City shall have no financial responsibility with respect to the Bonds or the Project except from the proceeds of the Bonds or revenues produced pursuant to the Loan Agreement.

3. If the Borrower abandons the Project, it shall notify the City, whereupon this Agreement shall terminate. Upon any termination of this Agreement under this paragraph, neither the City nor the Borrower shall have any further rights or obligations hereunder, except that the obligations the Borrower under paragraph 4 hereof shall survive any such termination.

4. In order to induce the City to execute and deliver this Agreement, the Borrower hereby agrees to defend, indemnify and hold the city and its officials harmless against any and all loss, cost, expense, claims or actions arising out of or connected with or the execution with or the execution and delivery of this Agreement and the consummation of the transactions provided for herein and contemplated hereunder. The provisions of this paragraph shall be suspended by a similar agreement by the Borrower in the Loan Agreement.

IN WITNESS WHEREOF, the City, pursuant to a Resolution duly adopted by its City Council, has caused this Agreement to be executed by its Mayor, and the Borrower has duly executed this Agreement, as of the day and year first above written.

Mr. Daughettee moved the above Resolution and Agreement be approved. Mr. Floyd seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughettee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

The following Resolution was presented:

### RESOLUTION

#### COUNTY OF PULASKI INCORPORATED AREA OF SOMERSET

**Resolution adopting and approving the execution of a Contract between the Incorporated Area and the Department of Rural and Municipal Aid, Commonwealth of Kentucky, for the fiscal year beginning July 1, 2000, as provided in the Kentucky Revised Statutes and accepting all streets referred to therein as being streets which are a part of the Incorporated Area.**

Be it resolved by the Legislative Body of the Incorporated Area that:

Section 1: The Legislative Body of the Incorporated Area does hereby accept all streets referred to in said Contract as being city streets which are a part of the Incorporated Area; and

The Legislative Body of the Incorporated Area does hereby ratify and adopt all statements, representatives, warranties, covenants, and agreements contained in said Contract and does hereby accept said Contract and by such acceptance agrees to all the terms and conditions therein stated.

Said Contract reads as follows:

THIS CONTRACT is made between the Department of Rural and Municipal Aid, Commonwealth of Kentucky, and the Legislative Body of the Incorporated Area of Somerset, Pulaski County, Kentucky.

The initial apportionment to the Incorporated Area for the Fiscal Year beginning July 1, 2000, less three (3) percent set aside for an emergency fund, is one hundred Thirty-nine thousand forty eight and no one hundredths dollars (\$139,048). This amount, when added to any subsequent apportionment's and any unencumbered balance of prior apportionment's to the said Incorporated Area will be expended by the Kentucky Department of Rural and Municipal Aid to aid the Incorporated Area in the maintenance, reconstruction or construction of city streets in said Incorporated Area,

The Legislative Body of the Incorporated Area hereby agrees and directs that their pro rata share of the Municipal Aid Fund, due monthly from the Finance Cabinet, in accordance with RS 177.366, be assigned to the Transportation Cabinet's Division of Accounts for Fiscal Year 2000-2001.

Unless specifically excluded within this Contract, all city streets are a part of this Contract. This includes all structures lying within the limits of this project.

#### SPECIAL PROVISIONS

The Department of Rural and Municipal Aid will reimburse the Incorporated Area of Somerset for materials, labor and equipment necessary for the Incorporated Area to accomplish maintenance, repairs and improvements on Incorporated Area streets. This assistance is extended

insofar as funds are available from the Incorporated Area's share of the Municipal Aid Program allocation reflected by this Contract. The Incorporated Area will be responsible for all costs in excess of the Municipal Aid funds.

The Department of Rural and Municipal Aid may assist the Incorporated Area in fulfilling its road maintenance, repairs and improvement need by the following methods

(a) Reimburse the Incorporated Area for materials and work performed by contract.

(b) Reimburse the Incorporated Area for materials obtained by contract.

(c) Reimburse the Incorporated Area for rental or purchase of road maintenance and construction equipment. Rental rates shall be based on current edition of the "Blue Book for Rental of Equipment" or the Transportation Cabinet's official rental rates.

(d) Reimburse the Incorporated Area for hourly rate for personnel who perform the work. This rate may include employee fringe benefits such as leave overlay, retirement, social security, insurance, etc.

#### **GENERAL PROVISIONS**

The Chief Executive Officer of the Legislative Body of Incorporated Areas stipulate and hereby certify that all Municipal Aid funds will be expended within the right-of-way limits of city streets and their appurtenances. This Contract does not relieve Governing Body of its responsibility for city streets and bridges.

The Legislative Body will acquire any rights-of-way contemplated under this Contract. The Legislative Body also assumes responsibility for any claims for damages arising from such acquisitions.

The Legislative Body will hold harmless and save the Commonwealth of Kentucky Transportation Cabinet and its officials and employees free from all claims or liability for damages of any nature whatsoever due to or arising from the performance of this Contract.

The Legislative Body will reimburse the Department of Rural and Municipal Aid for any loss it may sustain out of performance of this Contract by the Department. Such loss as sustained by the Department of Rural and Municipal Aid may be charged to this Incorporated Area's apportionment in this or future fiscal years.

Should any balance of the Incorporated Area's apportionment remain after performance of this Contract, such balance will remain to the credit of the Incorporated Area for performance of future Contracts by the Department of Rural and Municipal Aid.

It is agreed that any materials purchased by the Department of Rural and Municipal Aid and delivered to the Incorporated Area shall be used by the appropriate governmental agency only on city streets and bridges lying within the Incorporated Area.

The general administration of the program herein designated shall be under the jurisdiction of the Department of Rural and Municipal Aid.

Should conditions arise which, in the judgment of the Commissioner of Rural and Municipal Aid, render it burdensome to the general welfare of the Commonwealth to continue any work commenced under terms of this Contract, the Department may suspend or curtail such work.

It is further agreed between the parties hereto that all obligations incurred under this Contract are subject to any law or regulations now existing or hereafter enacted or promulgated. The Legislative Body acknowledges its total responsibility for city streets.

The Chief Executive Officer of the said Incorporated Area, and the Commissioner of Rural and Municipal Aid, or their authorized representatives, insofar as their actions are in accord with the laws of the Commonwealth of Kentucky, shall act for their respective parties on all matters arising under this Contract.

The Department reserves the right to cancel this Contract at any time deemed to be in the best interest of the Department by giving thirty (30) days written notice of such cancellation to the Legislative Body. If the Contract is canceled under this provision, the Department shall reimburse the legislative Body according to the terms hereof to the date of such cancellation.

IN TESTIMONY WHEREOF, the parties hereto have executed this Contract on this the 14th day February, 2000. Incorporated Area of City of Somerset, Pulaski County.

BY: JP Wiles

**Chief Executive Officer**

**NOW THEREFORE**, be it resolved by the Legislative Body of City of Somerset, Pulaski County, that the Chief Executive Officer is hereby directed to sign said Contract, as set forth, on behalf of the Legislative Body of City of Somerset, Pulaski County and the City Clerk of City of Somerset is hereby authorize and directed to certify thereto.

I David Godsey, City Clerk of Somerset certify that the foregoing is a true copy of the Order above which is on record in my office in Minute Book 37 Page 530. Given under my hand and seal of office this the 14th day of February, 2000.

**SIGNED: David Godsey, City Clerk**

Mr. Denham moved the above Resolution for Rural Municipal Aid Funds be approved. Mr. New seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

insofar as funds are available from the Incorporated Area's share of the Municipal Aid Program allocation reflected by this Contract. The Incorporated Area will be responsible for all costs in excess of the Municipal Aid funds.

The Department of Rural and Municipal Aid may assist the Incorporated Area in fulfilling its road maintenance, repairs and improvement need by the following methods

- (a) Reimburse the Incorporated Area for materials and work performed by contract.
- (b) Reimburse the Incorporated Area for materials obtained by contract.
- (c) Reimburse the Incorporated Area for rental or purchase of road maintenance and construction equipment. Rental rates shall be based on current edition of the "Blue Book for Rental of Equipment" or the Transportation Cabinet's official rental rates.
- (d) Reimburse the Incorporated Area for hourly rate for personnel who perform the work. This rate may include employee fringe benefits such as leave overlay, retirement, social security, insurance, etc.

#### GENERAL PROVISIONS

Downtown Development Director, Gibson Gosser appeared before the council in reference to the old YMCA building repairs and an electronic admissions and security system.

Mr. Bourne moved to authorize the Mayor to advertise for two "Requests for Proposal", seeking quotes and specifications for repair of the former racquetball court building on S. Maple Street and for an electronic admissions and security system in order to determine the feasibility of the city purchasing, repairing and operating the facility. Mr. Daughetee seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Owens, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet.

Mr. Floyd moved the City Council go on record to give approval to the State Legislature to change the name of Somerset Community College to Southern Kentucky Community College and this approval be given to Senator McGaha to present a bill to recommend a name change only. Mr. Wilson seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Floyd, Mr. Wilson, Mr. Daughetee, Mr. New, Mr. Denham, Mr. Minton, Mr. Bourne, Mrs. Muse, Mrs. Dugger and Mrs. Norfleet. Voting "Nay": Mr. Owens.

There being no further business the meeting adjourned.

APPROVED: \_\_\_\_\_

*J. Wiles*  
MAYOR

ATTEST: \_\_\_\_\_

*David Gosser*  
CITY CLERK