

R E S O L U T I O N

Incorporated City of Somerset

Resolution adopting and approving the execution of a Municipal Aid Co-op Program Contract between the Incorporated City and the Commonwealth of Kentucky, Transportation Cabinet, Department of Rural and Municipal Aid for the fiscal year beginning July 1, 2012, as provided in the Kentucky Revised Statutes and accepting all streets referred to therein as being streets which are a part of the Incorporated City.

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

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

The Legislative Body of the Incorporated City does hereby ratify and adopt all statements, representations, 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; and


The Chief Executive Officer of the said Incorporated City is hereby authorized and directed to sign said Contract as set forth on behalf of the Legislative Body of Somerset, and the City Clerk of Somerset is hereby authorized and directed to certify thereto.

The vote taken on said Resolution, the result being as follows:

<u>AYES</u>	<u>NAYS</u>
<u>Ms. New</u>	_____
<u>Ms. Hunley</u>	_____
<u>Ms. Minster</u>	_____
<u>Ms. Mitchell</u>	_____
<u>Ms. Burnett</u>	_____
<u>Ms. Eastham</u>	_____
<u>Ms. Rutherford</u>	_____
<u>Ms. Wheelton</u>	_____
<u>Ms. Brasley</u>	_____
<u>Ms. Gooder</u>	_____

COMMONWEALTH OF KENTUCKY) SS:
INCORPORATED CITY OF Somerset

I, David Godsey, City Clerk of Somerset certify that the foregoing is a true copy of the Order above. Given under my hand and seal of office this the 12th day of June, 2012.

SIGNED 
CLERK OF Somerset

CONTRACT

THIS CONTRACT is made between the Commonwealth of Kentucky, Transportation Cabinet, Department of Rural and Municipal Aid, and the Legislative Body of the Incorporated City of SOMERSET, Kentucky.

The initial apportionment to the Incorporated City is 60% of its total allocation based on revenue estimates supplied by the Office of State Budget Director, less three (3) percent set aside for an emergency fund. For the Fiscal Year beginning July 1, 2012, this amount is \$167,819.00. This amount, when added to any subsequent apportionments and any unencumbered balance of prior apportionments to the said Incorporated City will be expended by the Kentucky Department of Rural and Municipal Aid to aid the Incorporated City in the maintenance, reconstruction, or construction of city streets in said Incorporated City.

The Legislative Body of the Incorporated City hereby agrees and directs that their pro rata share of the Municipal Aid Fund, due monthly from the Finance Cabinet, be assigned to the Transportation Cabinet's Division of Accounts for Fiscal Year 2012.

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

SPECIAL PROVISIONS

The Department of Rural and Municipal Aid will disburse funds to the Incorporated City of SOMERSET for materials, labor and equipment necessary for the Incorporated City to accomplish maintenance, repairs and improvements on Incorporated City streets. This assistance is extended insofar as funds are available from the Incorporated City's share of the Municipal Aid Program allocation reflected by this Contract. The Incorporated City will be responsible for all costs in excess of the Municipal Aid funds.

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

(a) Disburse funds to the Incorporated City for materials and work performed by contract.

(b) Disburse funds to the Incorporated City for materials obtained by contract.

(c) Disburse funds to the Incorporated City 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) Disburse funds to the Incorporated City for the 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 Legislative Body of the Incorporated City stipulates and hereby certifies 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 Legislative 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 arising 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 City's apportionment in this or future fiscal years.

Should any balance of the Incorporated City's apportionment remain after performance of this Contract, such balance will remain to the credit of the Incorporated City 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 City shall be used by the appropriate governmental agency only on city streets and bridges lying within the Incorporated City.

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.

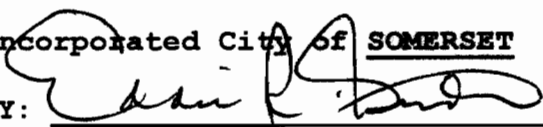
The Chief Executive Officer of the said Incorporated City, and the Commissioner of Rural and Municipal Aid, or their authorized representatives, insofar as their actions are in accord with the laws of the Commonwealth of Kentucky, shall act for their respective parties on all matters arising under this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

The Legislative Body will pass the attached resolution. A copy of that resolution shall be attached to and made a part of this Contract.

IN TESTIMONY WHEREOF, the parties hereto have caused these presents to be executed by their officers thereunto duly authorized.

Incorporated City of SOMERSET

BY: 
Chief Executive Officer

Date: 6-12-12

DEPARTMENT OF RURAL AND MUNICIPAL AID
OFFICE OF RURAL & SECONDARY ROADS

BY: _____
Commissioner

Date: _____

APPROVED AS TO FORM AND LEGALITY:

BY: _____
Office of Legal Services

Date: _____

COMMONWEALTH OF KENTUCKY

Date: _____

TRANSPORTATION CABINET

BY: _____
Secretary