

RESOLUTION 13-17  
CITY OF SOMERSET, KENTUCKY

A RESOLUTION TO THE CITY OF SOMERSET, KENTUCKY APPROVING AND AUTHORIZING THE CITY, SPECIFICALLY THE MAYOR OF THE CITY OF SOMERSET, TO NEGOTIATE AND ENTER INTO A "WATER, SEWER AND NATURAL GAS AGREEMENT" (HEREINAFTER REFERRED TO AS "AGREEMENT"), BY AND BETWEEN THE CITY OF FERGUSON, KENTUCKY, AND THE CITY OF SOMERSET, KENTUCKY;

WHEREAS, Ferguson now owns sanitary sewer facilities that provide service to inhabitants of Ferguson, and said City collects sewage through its sanitary sewer facilities and transmits the sewage to Somerset's sanitary sewer facilities where the sewage is treated, with Somerset providing all billing services for Ferguson's sewer operations; and

WHEREAS, Ferguson now owns facilities for the distribution of natural gas to its inhabitants and currently purchases its entire supply of natural gas for distribution from the City of Somerset, with Somerset providing all billing services for Ferguson's natural gas operations; and

WHEREAS, Somerset currently owns and operates the water facilities that provide potable water service to inhabitants of Ferguson; and

WHEREAS, the City of Ferguson recognizes the need to access quality technical expertise, managerial and financial abilities which is necessary to operate and maintain and operate its water, sanitary sewer and natural gas systems, and Ferguson agrees that the City of Somerset has the technical, managerial, and financial abilities to provide water, sanitary sewer and natural gas services to the inhabitants of Ferguson; and

WHEREAS, Somerset's technical, managerial, and financial abilities would further provide confidence from potential funding sources for extensions of service and both Cities recognize that a consolidation of service providers for water, sanitary sewer and natural gas facilities may result in efficiencies through economies of scale; and

WHEREAS, Ferguson has considered its alternatives and has concluded that the transfer of ownership of its water, sanitary sewer and natural gas assets, to the extent not already so transferred, to the City of Somerset is in the best interests of the City of Ferguson and therefore both Cities wish to enter into an a written Agreement of mutual consent; and

WHEREAS, KRS 82.083 authorizes the transfer of real and/or personal property of a municipality, such as the City of Ferguson, to another municipality, such as the City of Somerset, with or without compensation, by and through an Agreement between the City of Somerset and the City of Ferguson;

NOW THEREFORE, be it resolved and ordained by the Common Council of the City of Somerset that the Mayor of the City of Somerset is hereby given full authority by the City Council to negotiate and enter into an agreement with the City of Ferguson for the purposes described above.

Approved by the Common Council of the City of Somerset on this the 23<sup>rd</sup> day of September, 2013. Motion by: M. J. Bourne, and seconded by: M. J. Bourne Members present: 12 Members voting in favor: 12

Eddie Girdler  
Mayor, Eddie Girdler

ATTEST

David Godsey  
City Clerk, David Godsey

Date: 9/23/13