

MINUTES OF MEETING HELD AUGUST 11, 2003

The Common Council of the City of Somerset, Kentucky met in regular session on Monday, August 11, 2003 at 7:00 p.m. with the following present: Presiding in the absence of the Mayor was Jerry Wheeldon. Council Members: John Minton, Earl Owens, Jerry Burnett, Peggy Dugger, Joann Norfleet, Clarence Floyd, Mark Beasley, Jerry Girdler, Charlie New, and Donna Hunley. City Attorney Dan Yeast and City Clerk David Godsey. Absent: Mayor JP Wiles, Council Member Pat Bourne.

Earl Owens opened the meeting with prayer.

Mr. Beasley moved to approve the minutes of the last regular meeting held on July 28, 2003 and the reports be approved as delivered. Mr. Burnett seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.

Mr. New moved to approve all department bills. Mrs. Norfleet seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.

Lois Taylor director of the Alzheimer's Center thanked the Council for the Budget Amount given to the Center.

Mr. New moved to approve the following Resolution. Mr. Beasley seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.

<p>ORDER/RESOLUTION NO. <u>27-2</u></p> <p>AN ORDER/RESOLUTION OF THE CITY OF <u>SOMERSET</u> KENTUCKY DECLARING OFFICIAL INTENT WITH RESPECT TO REIMBURSEMENT FROM SUBSEQUENT BORROWINGS FOR TEMPORARY ADVANCES MADE FOR CAPITAL EXPENDITURES.</p> <p>WHEREAS, Treasury Regulation § 1.150-2 (the "Reimbursement Regulations"), issued pursuant to Section 150 of the Internal Revenue Code of 1986, as amended, (the "Code") prescribes certain requirements by which proceeds of tax-exempt bonds, notes, certificates or other obligations included in the meaning of "bonds" under Section 150 of the Code ("Obligations") used to reimburse advances made for Capital Expenditures (as hereinafter defined) paid before the issuance of such Obligations may be deemed "spent" for purposes of Sections 101 and 141 to 150 of the Code and therefore, not further subject to any other requirements or restrictions under those sections of the Code; and</p> <p>WHEREAS, such Reimbursement Regulations require that the Issuer (as hereinafter defined) make a Declaration of Official Intent (as hereinafter defined) to reimburse any Capital Expenditure paid prior to the issuance of the Obligations intended to fund such Capital Expenditure and require that such Declaration of Official Intent be made no later than sixty (60) days after payment of the Capital Expenditure and further require that the Allocation (as hereinafter defined) of the proceeds of such Obligations to reimburse such Capital Expenditures occur no later than eighteen (18) months after the later of the date the Capital Expenditure was paid or the date the property acquired with the Capital Expenditure was placed in service, except that any such Allocation must be made no later than three years after such Capital Expenditure was paid; and</p> <p>WHEREAS, the City of <u>SOMERSET</u>, Kentucky (the "City") wishes to ensure compliance with the Reimbursement Regulations.</p> <p>NOW, THEREFORE, be it ordered and resolved as follows by the City Council of the City of <u>SOMERSET</u>, Kentucky.</p> <p>Section 1. <u>Definitions</u>. The following definitions apply to the terms used herein:</p> <p>"Allocation" means written evidence that proceeds of Obligations issued subsequent to the payment of a Capital Expenditure are to effect the reimbursement of the City for such payments.</p> <p>"Capital Expenditures" means any expense for an item that is properly depreciable or amortizable or is otherwise treated as a capital expenditure for purposes of the Code, as well as any costs of issuing Reimbursement Bonds.</p> <p>"Declaration of Official Intent" means a written declaration that the City intends to fund a Capital Expenditure with an issue of Reimbursement Bonds and reasonably expects to be reimbursed from the proceeds of such an issue.</p>	<p>"Issuer" means the City of <u>SOMERSET</u>, Kentucky or any agency and instrumentality of the City.</p> <p>"Reimbursement" means the restoration to the City of money temporarily advanced from other funds of the City to pay for Capital Expenditures before the issuance of Obligations intended to fund such Capital Expenditures. "To reimburse" means to make such a restoration.</p> <p>"Reimbursement Bonds" means Obligations that are issued to reimburse the City for Capital Expenditures previously paid by or for the City.</p> <p>"Reimbursement Regulations" means Treasury Regulations § 1.150-2 and any amendments thereto or superseding regulations, whether in proposed, temporary or final form, as applicable, prescribing conditions under which the proceeds of Obligations when allocated or applied to a reimbursement will be treated as "spent" for purposes of Sections 101 and 141 to 150 of the Code.</p> <p>Section 2. <u>Declaration of Official Intent</u>.</p> <p>(a) The City declares that it reasonably expects that the Capital Expenditures described in Section (b), which will be paid prior to the issuance of any Obligations intended to fund such Capital Expenditures, will be reimbursed with the proceeds of Obligations, representing a borrowing by the Issuer in the maximum principal amount, for such reimbursements, of <u>\$1,500,000.00</u>; and</p> <p>(b) the Capital Expenditure(s) to be reimbursed are to be used for <u>City's portion of water truck</u>.</p> <p>Section 3. <u>Reasonable Expectations</u>. The City does not expect any other funds (including the money advanced to make the Capital Expenditures that are to be reimbursed), to be received, allocated on a long term basis, or otherwise set aside by the City or any other entity, with respect to the Capital Expenditures described in 2(b).</p> <p>Section 4. <u>Open Meetings</u>. It is found and determined that all formal actions of this City Council concerning and relating to the adoption of this Order/Resolution were adopted in an open meeting of this City Council; and that all deliberations of this City Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the requirements of the Kentucky Revised Statutes.</p> <p>Section 5. <u>Effective Date</u>. This Order/Resolution shall be effective from and after its date of adoption as provided by law.</p>
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This Order/Resolution was introduced, seconded and adopted at a duly convened meeting of the City Council of the City of Somerset, Kentucky, held on the 11<sup>th</sup> day of August, 2003.

Attest:

*[Signature]*  
City Clerk

*[Signature]*  
Mayor

CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting City Clerk of the City of Somerset, Kentucky, that the foregoing is a full, true, and correct copy of an Order/Resolution adopted by the City Council of the City, at a meeting duly held on August 11, 2003, that said Order/Resolution appears as a matter of public record in the official records of the City, that said meeting was duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820, and 61.825, that a quorum was present at said meeting, that said Order/Resolution has not been modified, amended, revoked, or repealed, and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature as City Clerk of said City on this 11 day of August, 2003.

*[Signature]*  
City Clerk

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First reading was given the following Ordinance:

**ORDINANCE NO. 03-15**

**THIS ORDINANCE NUMBER 03-15 FIXING THE TAX LEVY, AD VALOREM, FRANCHISE TAX, AND TAX FOR THE CITY OF SOMERSET, KENTUCKY, FOR THE FISCAL YEAR BEGINNING JULY 1, 2003 AND ENDING JUNE 30, 2004 PROVIDING PENALTY AND INTEREST FOR NON-PAYMENT.**

Mrs. Dugger moved to approve the above Ordinance on its first reading. Mr. Beasley seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.

First reading was given the following Ordinance:

**ORDINANCE NO. 03-16**

**AN ORDINANCE IMPOSING A BANK FRANCHISE AND LOCAL DEPOSIT TAX: SETTING FORTH TIME TABLES FOR THE COLLECTION OF SUCH TAX FOR THE YEAR 2003 AND ALL SUBSEQUENT YEARS: AND SETTING FORTH ENFORCEMENT PROCEDRES, INCLUDING PENALTIES FOR THE COLLECTION OF DELINQUENT TAXES.**

Mrs. Dugger moved to approve the above Ordinance on its first reading. Mr. Burnett seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.

Mr. Floyd moved to approve the reappointment of Jim Dorsey to the Planning and Zoning Board. The term expires 06/30/07. Mr. New seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.

Mr. Beasley moved to approve the following resolution. Mr. New seconded the motion. Upon roll call the following Council Members voted "Aye": Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley. Voting "Nay" Mrs. Dugger.

RESOLUTION No. 03-01

WHEREAS the Virginia Theater building has stood as a dominating feature of the East Mount Vernon Street skyline for 81 years, and;

WHEREAS the Virginia Theater building is important to the historic, social and cultural interest of the people of Somerset, and;


WHEREAS the loss of the Virginia Theater building would leave an irreplaceable hole in the architectural fabric of Downtown Somerset, and;

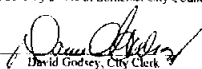
WHEREAS the Downtown Somerset Development Corporation has purchased the Virginia Theater Building and is attempting to salvage and restore the structure for future generations, and;

WHEREAS there are certain funds available through the Renaissance Kentucky program that would help make such restoration possible.

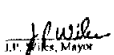

THEREFORE BE IT RESOLVED that the Common Council of the City of Somerset endorses, supports and encourages the effort of Downtown Somerset Development Corporation in seeking any and all grant funds, including Renaissance Kentucky, for the restoration of the Virginia Theater Building.

So ordered this eleventh day of August, 2003 by a vote of Somerset City Council.

  
 J.P. Wiles, Mayor

  
 David Godsey, City Clerk

Mr. Girdler moved to approve the following resolution. Mr. Floyd seconded the motion. Upon roll call the following Council Members voted "Aye": Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.

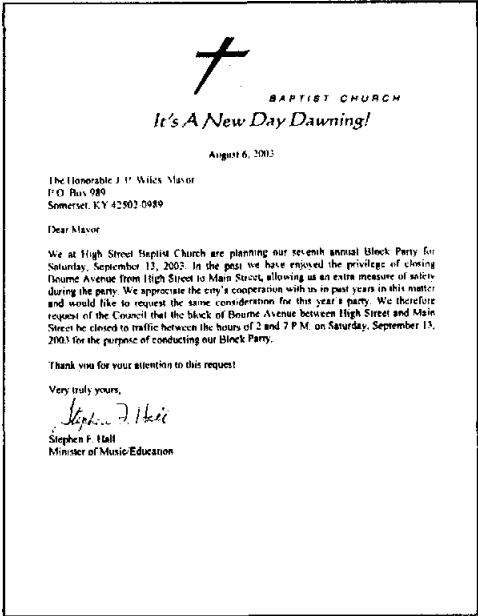
<p style="text-align: center;"><b>RESOLUTION OF AUTHORIZATION</b></p> <p style="text-align: center;"><b>RESOLUTION AUTHORIZING THE FILING OF A 2003 KENTUCKY SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND 2003 KENTUCKY HOME INVESTMENT PARTNERSHIP GRANT APPLICATION</b></p> <p><b>NOW, THEREFORE, BE IT RESOLVED THAT:</b></p> <p>WHEREAS, it is necessary and in the public interest that the Somerset City Council avail itself of the financial assistance provided by Title I of the Housing and Community Development Act of 1974, as amended, and Title II of the National Affordable Housing Act of 1990 (NAHAS), as amended, and</p> <p>WHEREAS, it is recognized that the Federal/State contract for such financial assistance pursuant to said Title I and Title II will impose certain obligations and responsibilities upon the City of Somerset and will require among other things:</p> <ol style="list-style-type: none"> <li>1. approval of a satisfactory application transmitted to the Kentucky Department of Local Government and Kentucky Housing Corporation;</li> <li>2. certification by the City of Somerset and the Mayor, or their designee, relating to activities such as civil rights, citizen participation, relocation payments, acquisition of properties, national environmental policies and accounting practices; and</li> <li>3. other local obligations and responsibilities in connection with the undertaking and carrying out of the Kentucky Community Development Block Grant and Kentucky HOME Investments Partnership Program;</li> </ol> <p>WHEREAS, in those areas where acquisition and clearance are proposed, the objectives of the program cannot be achieved through more extensive rehabilitation.</p> <p><b>NOW, THEREFORE, BE IT RESOLVED THAT:</b></p> <ol style="list-style-type: none"> <li>1. That the Mayor of Somerset is authorized and directed to prepare such certifications as required to assure full compliance with all related laws and regulations;</li> <li>2. That an application for a Kentucky Community Development Block Grant on the behalf of the City of Somerset for such Title I funds is hereby approved and that the Mayor of Somerset is hereby authorized to execute and file such application with the Kentucky Department of Local Government and to provide such additional information and to furnish such documentation as may be required of the City of Somerset relating to the Kentucky Community Development Block Grant Program;</li> <li>3. That an application for a Kentucky HOME Investment Partnership Program Grant on the behalf of the City of Somerset for such Title II funds is hereby approved and that the Mayor of Somerset is hereby authorized to execute and file such application with the Kentucky Housing Corporation, and to provide such additional information and to furnish such documentation as may be required of the City of Somerset relating to the Kentucky HOME Investment Partnership Program.</li> </ol>	<p>APPROVED THIS <u>11<sup>th</sup></u> DAY OF <u>August</u>, 2003, BY THE SOMERSET CITY COUNCIL, PULASKI COUNTY, KENTUCKY</p> <div style="text-align: right; margin-top: 20px;">               J.P. Wiles, Mayor         </div> <p>ATTEST:</p> <div style="text-align: center; margin-top: 20px;">  </div>
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Mr. Owens made a motion to go into executive session to discuss personnel. Mr. Floyd seconded the motion. Upon roll call the following Council Members voted "Aye": Mr.

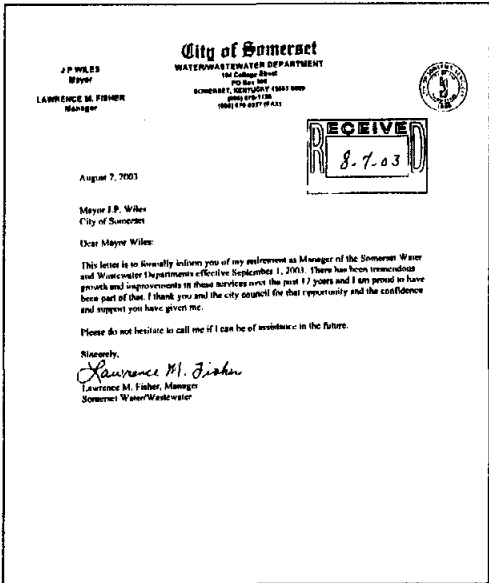
Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.

No action was taken in the above executive session.

Mrs. Dugger moved to approve the request made by High Street Baptist Church to close Bourne Avenue from High Street to Main Street between the hours of 2 and 7 P.M. on Saturday 9/13/03 for their seventh annual Block Party. Mr. Owens seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.



Larry Fisher presented to the Council his letter of Resignation. Mr. Wheeldon moved to have his resignation made part of the official minutes. Mrs. Norfleet seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Owens, Mr. Burnett, Mrs. Dugger, Mrs. Norfleet, Mr. Floyd, Mr. Wheeldon, Mr. Beasley, Mr. Girdler, Mr. New, and Mrs. Hunley.



There being no further business the meeting adjourned.

ATTEST: *David J. Girdler* CITY CLERK

APPROVED *J.P. Wiles* MAYOR