

MINUTES OF MEETING HELD JULY 12, 2010

The Common Council of the City of Somerset, Kentucky met in a regular session on Monday, July 12, 2010, at 7:00 p.m. with the following present: Mayor Eddie Girdler. Council Members: Donna Hunley, John Minton, Jim Mitchell, Pat Bourne, Jerry Burnett, Tim Rutherford, Jim Rutherford, Linda Stringer, Jerry Wheeldon, Steve Kelley, and Jerry Girdler. City Attorney Carrie Wiese and City Clerk David Godsey. Absent: Council Member Mike New.

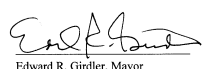

Mr. Burnett moved to approve the minutes of the regular meeting held on June 28, 2010, along with the reports as mailed. Mr. Kelley seconded the motion. Upon roll call the following Council Members voted “Aye”: Mrs. Hunley, Mr. Minton, Mr. Mitchell, Mr. Bourne, Mr. Burnett, Mr. T. Rutherford, Mr. J. Rutherford, Mrs. Stringer, Mr. Wheeldon, Mr. Kelley and Mr. Girdler.

First reading was given the following Ordinance # 10-06:

ORDINANCE # 10-06

AN ORDINANCE ADOPTING THE REVISED CITY OF SOMERSET, KENTUCKY PAY & CLASSIFICATION PLAN WHICH SHALL BE EFFECTIVE RETROACTIVELY TO THE BEGINNING OF THE FISCAL YEAR JULY 1, 2010 AND SHALL REMAIN IN EFFECT UNTIL SUCH TIME AS THE PLAN IS REVIEWED AND/OR AMENDED BY THE COMMON COUNCIL;

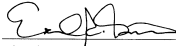
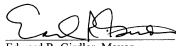

Mr. Wheeldon moved to approve the following four (4) Resolutions for the Scattered Site Housing Project. Mr. Burnett seconded the motion. Upon roll call the following Council Members voted “Aye”: Mrs. Hunley, Mr. Minton, Mr. Mitchell, Mr. Bourne, Mr. Burnett, Mr. T. Rutherford, Mr. J. Rutherford, Mrs. Stringer, Mr. Wheeldon, Mr. Kelley and Mr. Girdler.

<div><p>Resolution No. <u>10-01</u></p><p><b>CITY OF SOMERSET SCATTERED SITE HOUSING PROJECT</b> <b>SECTION 3 AFFIRMATIVE ACTION PLAN</b></p><p>The City of Somerset agrees to implement the following specific affirmative action steps directed at increasing opportunities for training and employment for lower income residents of the project area, and increasing the utilization of business concerns within the Section 3 covered area or owned by Section 3 area residents.</p><p>A. To identify projected work force needs for all phases of the program by occupation, trade, skill level, and number of positions and to develop utilization goals for the employment of lower income project area residents for each.</p><p>B. To attempt to recruit from within the city the requisite number of project area residents through local advertising media, posted signs, and community organizations and public and private institutions operating within or serving the project area.</p><p>C. To identify eligible business concerns for CDBG &amp; HOME -assisted contracts through the Chamber of Commerce, the Urban League, local advertising median including public signage, project area committees, citizen advisory boards; lists available through CDBG &amp; HOME program officials; regional planning agencies, and all other appropriate referral sources.</p><p>D. To maintain a list of eligible business concerns for utilization in CDBG &amp; HOME-funded procurements, to insure that all appropriate project area business concerns are notified of pending contractual opportunities, and to make available this list for general city procurement needs.</p><p>E. To require all bidders on contracts to submit a written Section 3 Plan including utilization goals and the specific steps planned to accomplish these goals.</p><p>F. To insure that contracts which are typically let on a negotiated rather than a bid basis in areas other than Section 3 covered project areas are also let on a negotiated basis, whenever feasible, when let in a Section 3 covered project area.</p><p>G. To maintain records, including copies of correspondence, memoranda, etc., which document that all of the above affirmative action steps have been taken.</p><p>H. To appoint or recruit an executive official of the city as Equal Opportunity Officer to coordinate the implementation of this Section 3 Plan.</p><p><small>* For CDBG grant awards greater than \$200,000.</small></p><p><small>** The project area is coextensive with jurisdictional boundaries.</small></p><p>1</p></div>	<div><p>THIS SECTION 3 PLAN IS ADOPTED BY THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY this <u>12th</u> day of <u>July</u>, 2010.</p><p> Edward R. Girdler, Mayor</p><p>ATTEST: </p><p><small>*** Loans, grants, contracts, and subsidies which do not exceed \$100,000 will be exempt.</small></p><p>2</p></div>
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<div><div>2</div><div><div>CITY OF SOMERSET</div><div>COMMONWEALTH OF KENTUCKY</div><div>Resolution No. <u>10-03</u></div><div>In Regard to the Somerset Scattered Site Housing Project</div><div>RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN UNDER SECTION 104 (d) OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED.</div><div>The City of Somerset will replace all occupied and vacant occupiable low/moderate income dwelling units demolished or converted to a use other than as low/moderate income housing as direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, as described in 24 CFR 570.606(b)(1).</div><div>All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the City of Somerset will make public and submit to the Department for Local Government the following information in writing.</div><div><div>1. A description of the proposed assisted activity;</div><div>2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low/moderate income dwelling units as a direct result of the assisted activity;</div><div>3. A time schedule for the commencement and completion of the demolition or conversion;</div><div>4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;</div><div>5. The source of funding and a time schedule for the provision of replacement dwelling units; and</div><div>6. The basis for concluding that each replacement dwelling unit will remain a low/moderate income dwelling unit for at least 10 years from the date of initial occupancy.</div></div><div>The City of Somerset will provide relocation assistance, as described in 570.606(b)(2), to each low/moderate income household permanently displaced by the demolition of housing or by the conversion of a low/moderate income dwelling to another use as a direct result of assisted activities.</div><div>Consistent with the goals and objectives of activities assisted under the Act, the City of Somerset will take the following steps to minimize the displacement of persons from their home:</div><div><div>1. All relocations will be managed in accordance with the Uniform Acquisition and Relocation Act.</div></div></div><div>Page 1 of 2</div></div>	<div><div><div>2. Excess funds will be used as necessary to construct replacement homes for owner-occupants displaced by the project.</div><div>3. Renters displaced by the project will have the first option to purchase available lots for the construction of a replacement home.</div></div><div>ADOPTED BY THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY this <u>13<sup>th</sup></u> day of <u>July</u>, 2010.</div><div><div><div>Edward R. Girdler, Mayor</div></div></div><div>ATTEST: <div><div>City Clerk</div></div></div></div> <div>Page 2 of 2</div>
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<div><div>3</div><div><div>CITY OF SOMERSET</div><div>COMMONWEALTH OF KENTUCKY</div><div>Resolution No. <u>10-03</u></div><div>CDBG/HOME PROCUREMENT STANDARDS</div><div>All procurements made by the City of Somerset that involve the expenditure of CDBG and HOME Funds will be made in accordance with the following procurement standards.</div><div>Procurement transactions, regardless of method or dollar value, will maximize open and free competition. The City of Somerset shall not engage in procurement practices which may be considered restrictive in trade.</div><div>Purchases will be reviewed by the City Budget Director to prevent duplication and to ensure that costs are reasonable.</div><div><b>I. METHODS FOR PROCUREMENT</b></div><div>Procurement shall be made by one of the following methods: (a) small purchase procedures, (b) competitive sealed bids, (c) competitive negotiation, (d) noncompetitive negotiation.</div><div><b>A. SMALL PURCHASES</b></div><div>Purchases of supplies, equipment and services which, in aggregate, cost between \$1,000 and \$20,000 will require written estimates, however, no legal advertisement is required. The city will solicit written responses from at least three vendors, and if no such responses are available, a statement explaining the procurement will be prepared and filed.</div><div>Purchases which cost between \$100 and \$1,000 require three over-the-telephone quotations of rate, price, etc. A memorandum will be prepared setting forth the date the calls were made, parties contacted and prices obtained. For purchases of less than \$100, efforts will be made to get the lowest and best price, but written records of such efforts are not necessary.</div><div><b>B. COMPETITIVE SEALED BIDS</b></div><div>Bidding will be employed when detailed specifications for the goods or services to be procured can be prepared, and the primary basis for award is cost. When the cost of a contract, lease or other agreement for materials, supplies, equipment or contractual</div></div><div>1</div></div>	<div><div>services other than those personal or professional, exceeds \$20,000, an Invitation for Bids (IFB) notice will generally be prepared. This notice will be published at least once in at least one official newspaper of general circulation within the community. This newspaper notice will appear not less than seven (7) days and not more than twenty-one (21) days before the due date for bid proposals. The city may also solicit sealed bids from responsible prospective suppliers by sending them a copy of such notice.</div><div>The IFB will include a general description of the goods or services to be procured, the bid deposit and bond performance required (if applicable), the location where bid forms and specifications may be secured, the time and place for opening bids, and whether the bid award will be made on the basis of the lowest bid price or the lowest evaluated price. If the lowest evaluated price is used, the measurable criteria to be utilized must be stated in the IFB. The newspaper notice must also contain language which calls to the attention of bidders all applicable requirements (for example: Section 3 of the 1968 Housing Act, Section 109 of the 1974 Housing and Community Development Act, the Civil Rights Act of 1964, Executive Order 11246 and the Davis-Bacon Act).</div><div>Sealed bids will be opened in public at the time and place stated in the IFB. The bids will be tabulated by the city at the time of bid opening. The results of the tabulation and the bid documents will be examined for accuracy and completeness by the review committee which will make recommendations to the city council. In addition, the committee determines that all firms are responsive and responsible. The Somerset City Council will make the decision as to whom the contract shall be awarded. After the bid award is made by the city, a contract will be prepared for execution by the successful bidder. After the contract is signed, all bid deposits will be returned to all unsuccessful bidders.</div><div>The City of Somerset may cancel an IFB or reject all bids if it is determined, in writing, that it is in the best interests of the city. The city may allow a vendor to withdraw a bid if requested at any time prior to the bid opening. Bids received after the time set for bid opening shall be returned to the vendor unopened.</div><div><b>C. COMPETITIVE NEGOTIATIONS</b></div><div>The city will utilize competitive negotiations, regardless of contract amount, upon a written determination that:</div><div><div>1. Specifications cannot be made specific enough to permit the award of a bid on the basis of either the lowest bid price or the lowest evaluated bid price. In other words,</div></div></div> <div>2</div>
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<div><div>bidding is not feasible.</div><div><div>2. The services to be procured are professional or personal in nature.</div><div>With the exception of procurement of certain professional services, principally engineering services, competitive negotiations will proceed as follows:</div><div><div>1. Proposals will be solicited through newspaper advertisement; additionally, a Request for Proposal (RFP) may be prepared and mailed to qualified vendors. The newspaper advertisement must be published at least seven (7) days and not more than twenty-one (21) days before the date for receipt of the proposals. The RFP will describe services needed and identify the factors to be considered in the evaluation of proposals and the relative weights assigned to each selection factor. The RFP will also state where further details regarding the RFP may be obtained. The RFP will call attention to the same regulations discussed in the bidding process. The RFP will always include cost as a selection factor.</div><div>2. Award must be made to the offeror whose proposal is determined in writing by a review committee to be the most advantageous to the city. Evaluations must be based on the factors set forth in the RFP and a written evaluation of each response prepared. The review committee may contact the firms regarding their proposals for the purpose of clarification and record in writing the nature of the clarification. If it is determined that no acceptable proposal has been submitted, all proposals may be rejected. New proposals may be solicited on the same or revised terms or the procurement may be abandoned.</div></div><div>For the procurement of certain professional services, an alternative to RFPs may be used. The city may publish a Request for Qualifications (RFQ). RFQs are handled in a similar method to RFPs with the exception that cost is not a factor in the initial evaluation. A review committee will evaluate the responses and rank them by at least three comparative qualifications. The highest scoring person or firm will be contacted and the selection committee will negotiate cost. If the committee is unable to negotiate a satisfactory cost arrangement, the second-highest scoring person or firm will be invited to negotiate. The committee will maintain a written record of all such negotiations.</div><div><b>D. NONCOMPETITIVE NEGOTIATIONS</b></div><div>Noncompetitive negotiations may be used for procurements in excess of \$20,000 when bidding or competitive negotiations are not feasible. The City of Somerset may purchase goods and services through noncompetitive negotiations when it is determined, in writing by the city, that competitive negotiation or bidding is not feasible and that:</div></div><div>3</div></div>	<div><div><div>1. An emergency exists that will cause public harm as a result of the delay caused by following competitive purchasing procedures, or</div><div>2. The product or service can be obtained only from one source, or</div><div>3. The contract is for the purchase of perishable items purchased on a weekly or more frequent basis, or</div><div>4. Only one satisfactory proposal is received through RFP or RFQ, or</div><div>5. The state has authorized the particular type of noncompetitive negotiation (for example -- the procurement of services by an Area Development District).</div></div><div>Procurement by noncompetitive negotiation requires that impartiality towards all suppliers be strictly observed. The Governor's Office for Local Development and/or the Kentucky Housing Corporation must approve all procurement by noncompetitive negotiation when only one supplier is involved or only one bid or response to an RFP/RFQ is received.</div><div><b>II. CONTRACTS</b></div><div>Generally, all procurements in excess of \$1,000 will be memorialized and supported by a written contract. Where it is not feasible or impractical to prepare a contract, a written finding to this effect will be prepared, and some form of documentation regarding the transaction will be prepared. The contractual provisions required by the "Common Rule," 24 CFR Part 85 (Part 84 for Nonprofits) will be included in all contracts. Cost plus a percentage of cost contract pricing is not allowed.</div><div><b>III. DOCUMENTATION</b></div><div>All source documents supporting any given transaction (receipts, purchase orders, invoices, RFP/RFQ data, and bid materials) will be retained and filed in an appropriate manner. Where feasible, source documents pertinent to each individual procurement shall be filed separately and maintained. Where it is not feasible to maintain individual procurement files, source documents will be filed and maintained in a reasonable manner (examples include: chronologically, by vendor, by type of procurement, etc.). Whatever form of documentation and filing is employed, the purpose of this section is to ensure that a clear and consistent audit trail is established. At a minimum, source document data must be sufficient to establish the basis for selection, basis for cost (including the issue of reasonableness of cost) and basis for payment.</div><div><b>IV. LOCALLY-OWNED, MINORITY-OWNED, WOMEN-OWNED AND SMALL BUSINESSES</b></div><div>Efforts will be made and documented to solicit participation of locally-owned, minority-owned, women-owned and small businesses. Where feasible, evaluation criteria will include a</div></div> <div>4</div>
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<p>factor with an appropriate weight for these firms. A list of locally-owned, minority-owned, women-owned and minority-owned small businesses located within the trade region shall be maintained and utilized when issuing IFBs, RFPs and RFQs. This list shall also be consulted when making small purchases.</p> <p><b>V. CODE OF CONDUCT</b></p> <p><b>A. CONFLICT OF INTEREST</b></p> <p>No elected official, employee or designated agent of the city will take part or have an interest in the award of any procurement transaction if a conflict of interest, real or apparent, exists. A conflict of interest occurs when the official, employee or designated agent of the city, partners of such individuals, immediate family member, or an organization which employs or intends to employ any of the above has a financial or other interest in any of the competing firms.</p> <p><b>B. ACCEPTANCE OF GRATUITIES</b></p> <p>No elected official, employee or designated agent of the city shall solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors, subcontractors or potential subcontractors.</p> <p><b>C. PENALTIES</b></p> <p>Any elected official, employee or designated agent of the city who knowingly and deliberately violates the provisions of this code will be open to civil suit. Furthermore, such a violation of these procurement standards is grounds for dismissal by the city.</p> <p>Any contractor or potential contractor who knowingly and deliberately violates the provisions of these procurement standards will be barred from future transactions with the city.</p> <p>ADOPTED BY THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY</p> <p>this <u>13<sup>th</sup></u> day of <u>July</u>, 2010.</p> <p> Edward R. Girdler, Mayor</p> <p>5</p>	<p style="text-align: right;">④</p> <p style="text-align: center;">CITY OF SOMERSET RESOLUTION <u>10-04</u></p> <p style="text-align: center;">SOMERSET SCATTERED SITE HOUSING PROJECT IV</p> <p><b>NOW, THEREFORE, BE IT RESOLVED THAT:</b></p> <p>WHEREAS, the City of Somerset is committed to eliminating poor housing conditions at scattered sites in the city,</p> <p>WHEREAS, the City of Somerset will enter into an agreement with the Department for Local Government (DLG) for the Somerset Scattered Site Housing Project IV and will abide by all DLG Program requirements,</p> <p>NOW, THEREFORE, be it resolved that the Somerset City Council has available and will commit \$5,000 in general funds for the project and \$2,000 in In-Kind Services;</p> <p>The City of Somerset will be responsible for providing or obtaining funds to cover cost overruns to complete the project, and</p> <p>The City of Somerset, will city abide by the statutory and regulatory requirements as outlined in the comments attached to the letter received from the Kentucky State Clearinghouse, there being no other specified conditions.</p> <p>NOW THEREFORE, be it resolved that the Mayor of Somerset is hereby authorized and directed to execute Grant Agreement No. 09-052 for \$1,000,000 in Community Development Block Grant Funds for said project on behalf of the City of Somerset and to provide such certifications or assurances necessary to obtain release of project funds and implement the project in compliance with all related laws and regulations.</p> <p>ADOPTED BY THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY this <u>13<sup>th</sup></u> day of July, 2010.</p> <p style="text-align: right;"> Edward R. Girdler, Mayor</p> <p>ATTEST:  City Clerk</p>
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Mr. Burnett moved to approve the following Resolution for the Scattered Site Housing Project GAP Financing. Mr. J. Rutherford seconded the motion. Upon roll call the following Council Members voted “Aye”: Mrs. Hunley, Mr. Minton, Mr. Mitchell, Mr. Bourne, Mr. Burnett, Mr. T. Rutherford, Mr. J. Rutherford, Mrs. Stringer, Mr. Wheeldon, Mr. Kelley and Mr. Girdler.

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RESOLUTION NO. 10-05

**RESOLUTION AUTHORIZING THE FILING OF A KENTUCKY HOUSING CORPORATION GAP FINANCING POOL GRANT APPLICATION FOR THE SOMERSET SCATTERED SITE HOUSING PROJECT IV**

**NOW, THEREFORE, BE IT RESOLVED THAT:**

WHEREAS, it is necessary and in the public interest that the Somerset City Council avail itself of the financial assistance provided by Title II of the National Affordable Housing Act of 1990 (NAHA), as amended, and/or the Kentucky Affordable Housing Trust Fund (AHTF) and,

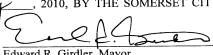
WHEREAS, it is recognized that the Funding Agreement for such financial assistance will impose certain obligations and responsibilities upon the City of Somerset and will require among other things:


1. approval of a satisfactory application transmitted to Kentucky Housing Corporation;
2. certification by the City of Somerset and the Mayor, or their designate, relating to program administration and related activities such as civil rights, citizen participation, relocation payments, acquisition of properties, national environmental policies and accounting practices;
3. other local obligations and responsibilities in connection with the undertaking and carrying out of a GAP Financing Pool Program;

**NOW, THEREFORE, BE IT RESOLVED THAT:**

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;
2. That an application for a Kentucky Housing Corporation GAP Financing Pool Program on the behalf of the City of Somerset for such 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 GAP Financing Pool program.

APPROVED THIS 13<sup>th</sup> DAY OF July, 2010, BY THE SOMERSET CITY COUNCIL, PULASKI COUNTY, KENTUCKY.

  
Edward R. Girdler, Mayor

ATTEST:  


Mr. Kelley moved to go into executive session to discuss property acquisition. Mr. J. Rutherford seconded the motion. Upon roll call the following Council Members voted “Aye”: Mrs. Hunley, Mr. Minton, Mr. Mitchell, Mr. Bourne, Mr. Burnett, Mr. T. Rutherford, Mr. J. Rutherford, Mrs. Stringer, Mr. Wheeldon, Mr. Kelley and Mr. Girdler.

No action taken in executive session.

There being no further business the meeting adjourned.

**APPROVED \_\_\_\_\_**

**MAYOR**

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

**CITY CLERK**