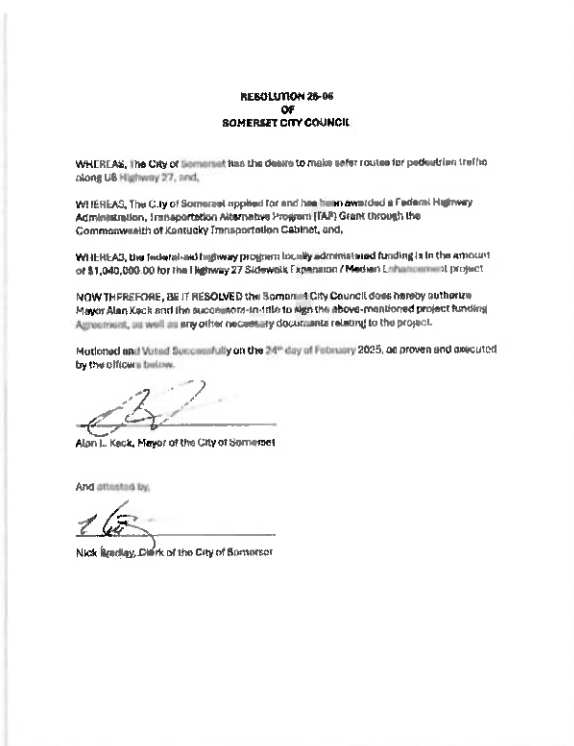


MINUTES OF MEETING HELD FEBRUARY 24, 2025

The Common Council of the City of Somerset, Kentucky met in a regular meeting on Monday February 24, 2025, at 6:00 p.m. with the following present: Council Members John Minton, Jim Mitchell, David Godsey, Amanda Bullock, Tom Eastham, Brian Dalton, Brannen Wheeldon, Jimmy Eastham, Margaret Dick, Phyllis Lawson, Mayor Alan Keck, City Attorney John Adams, and City Clerk Nick Bradley. Absent: David Burdine and Patrick Hunley.

Mr. Dalton made a motion to approve the minutes of the regular meeting of February 10, 2025. Mr. Mitchell seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Mitchell, Mr. Godsey, Ms. Bullock, Mr. T. Eastham, Mr. Dalton, Mr. Wheeldon, Mr. J. Eastham, Ms. Dick, and Ms. Lawson.

Mr. T. Eastham made a motion to approve the following Resolution Number 25-06: AUTHORIZING THE MAYOR TO SIGN THE HIGHWAY 27 SIDEWALK EXPANSION/MEDIAN ENHANCEMENT TAP GRANT FUNDING AGREEMENT. Ms. Bullock seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Mitchell, Mr. Godsey, Ms. Bullock, Mr. T. Eastham, Mr. Dalton, Mr. Wheeldon, Mr. J. Eastham, Ms. Dick, and Ms. Lawson.



Ms. Bullock made a motion to approve the following Municipal Order Number 25-01: ESTABLISHING A PROCUREMENT POLICY FOR THE CITY OF SOMERSET COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS. Mr. T. Eastham seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Minton, Mr. Mitchell,

Mr. Godsey, Ms. Bullock, Mr. T. Eastham, Mr. Dalton, Mr. Wheeldon, Mr. J. Eastham, Ms. Dick, and Ms. Lawson.

M.O. 25-01 MUNICIPAL ORDER NO. 25-01 AN ORDER OF THE CITY OF SOMERSET ESTABLISHING A PROCUREMENT POLICY FOR THE CITY OF SOMERSET COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS. WHEREAS, the Commonwealth of Kentucky, on March 17, 1976, adopted a Procurement Code for local governments and subdivisions of local governments within the Commonwealth of Kentucky (KRS 45A.345-45A.460) and; WHEREAS, the Commonwealth of Kentucky Procurement Code became effective January 1, 1980, and requires adoption of local Procurement Codes for each local government or subdivision of local government within the Commonwealth of Kentucky and; WHEREAS, the Commonwealth of Kentucky Procurement Code increased from \$30,000 to \$40,000 on July 1st, 2023, and requires adoption of this increase in local Procurement Codes for each local government or subdivision of local government within the Commonwealth of Kentucky and; WHEREAS, the Commonwealth of Kentucky in its contract between the local unit of government and the United States of America requires that procurement of all services and materials be undertaken in conformance with "The Common Rule" and Federal Management Circular 77-4; and; WHEREAS, the City of Somerset (the LPA) has evaluated the requirements of both state law and federal rules and regulations; NOW, THEREFORE, BE IT ORDERED by City of Somerset that: 1) The local Procurement Policy for the CDBG is attached herein for small purchases and purchases of \$40,000 or less and procurement procedures for services and materials with a value in excess of \$40,000 is hereby approved. 2) That the Procurement Policies established herein for the Community Development Block Grant Program shall be effective immediately; and; 3) Nothing in these procurement regulations shall be construed in such a manner as to relieve the City of Somerset of the responsibilities to comply with all procurement requirements imposed by the United States Federal Department of Housing and Urban Development and the Commonwealth of Kentucky as may be included in the CDBG contract between the local unit of government and the Commonwealth of Kentucky. This Order shall be in full force and effect upon reading and adoption by the City of Somerset.	M.O. 25-01 DATE OF READING: FEBRUARY 24, 2025 MOTION BY: Ms. Bullock SECONDED BY: Mr. T. Eastham VOTE: 10 "Aye" 0 "No" <table border="0"><thead><tr><th>Commissioner</th><th>Yes</th><th>No</th></tr></thead><tbody><tr><td>Mr. Minton</td><td>X</td><td></td></tr><tr><td>Mr. Mitchell</td><td>X</td><td></td></tr><tr><td>Mr. Godsey</td><td>X</td><td></td></tr><tr><td>Ms. Bullock</td><td>X</td><td></td></tr><tr><td>Mr. T. Eastham</td><td>X</td><td></td></tr><tr><td>Mr. Dalton</td><td>X</td><td></td></tr><tr><td>Mr. Wheeldon</td><td>X</td><td></td></tr><tr><td>Mr. J. Eastham</td><td>X</td><td></td></tr><tr><td>Ms. Dick</td><td>X</td><td></td></tr><tr><td>Ms. Lawson</td><td>X</td><td></td></tr></tbody></table>  Alan Kack Mayor of Somerset, Kentucky  Nick Bradley Clerk of Somerset, Kentucky	Commissioner	Yes	No	Mr. Minton	X		Mr. Mitchell	X		Mr. Godsey	X		Ms. Bullock	X		Mr. T. Eastham	X		Mr. Dalton	X		Mr. Wheeldon	X		Mr. J. Eastham	X		Ms. Dick	X		Ms. Lawson	X	
Commissioner	Yes	No																																
Mr. Minton	X																																	
Mr. Mitchell	X																																	
Mr. Godsey	X																																	
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Mr. Dalton	X																																	
Mr. Wheeldon	X																																	
Mr. J. Eastham	X																																	
Ms. Dick	X																																	
Ms. Lawson	X																																	

Mr. T. Eastham made a motion to approve the following Ordinance Number 25-07: APPROVING A LEASE AGREEMENT FOR THE FINANCING OF A PROJECT; PROVIDING FOR THE PAYMENT OF AND SECURITY FOR THE LEASE; AFFIRMING THE MAINTENANCE OF THE EXISTING SINKING FUND; AND AUTHORIZING THE EXECUTION OF VARIOUS DOCUMENTS RELATED TO THE LEASE. Ms. Dick seconded the motion. Upon roll call the following Council Members voted "No": Mr. Minton and Mr. Mitchell. "Aye": Mr. Godsey, Ms. Bullock, Mr. T. Eastham, Mr. Dalton, Mr. Wheeldon, Mr. J. Eastham, Ms. Dick, and Ms. Lawson. Motion passed.

ORDINANCE NO. 75-07

AN ORDINANCE OF THE CITY OF SOMERSET, KENTUCKY, APPROVING A LEASE AGREEMENT FOR THE FINANCING OF A PROJECT, PROVIDING FOR THE PAYMENT OF AND THE SECURITY FOR THE LEASE, AFFIRMING THE MAINTENANCE OF THE EXISTING SINKING FUND, AND AUTHORIZING THE EXECUTION OF VARIOUS DOCUMENTS PERTAINING TO THE LEASE.

WHEREAS, in accordance with Sections 60-940 through 60-956, in, Kentucky Revised Statutes, the City of Somerset, Kentucky (the "City"), a municipal corporation and political subdivision of the Commonwealth of Kentucky, has the power to enter into lease agreements with any person, with or without the option to purchase, to provide for the use of property for any public purpose; and

WHEREAS, the Lease has been found and determined, and hereby further finds and determines, that it is necessary and desirable for the City to finance all or a portion of the costs of the acquisition, construction, installation, and equipping of various improvements to Somerset Park, a municipal water park, municipal sidewalks, and the Lease's utility systems, including water and sewer line extensions (collectively, the "Project"), all as more particularly described in the Lease (as defined herein); and

WHEREAS, the Lease has been found and determined, and hereby further finds and determines, that it will be in the best interest of the City to enter into a Lease Agreement (the "Lease") with the Kentucky Dam Corporation, a nonprofit corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky (the "Leasee"), for the leasing by the City, from the Leasee, of the Project.

NOW THEREFORE, BUT NOTWITHSTANDING THE CITY OF SOMERSET, KENTUCKY, AS FOLLOWS:

Section 1. **Approval of Project.** It is hereby found, determined, and declared that the facts, declarations, and definitions set forth in the recitals of this Ordinance are all true and correct, and such facts, declarations, and definitions are hereby affirmed, adopted, and incorporated as a part of this Ordinance, and all acts described in the recitals of this Ordinance are hereby ratified.

Section 2. **Approval, Authorization, Necessity, and Purpose of the Lease.** The Leasee hereby approves the Lease, as substantially the terms presented to the Leasee. It is hereby found and determined that the Project identified in the Lease is property to be used for public purposes. It is hereby further found and determined that it is necessary and desirable and in the best interests of the City to enter into the Lease for the purposes specified therein, and the execution and delivery of the Lease by the Leasee and all of the representations, certifications, and other matters contained in the documents to be executed and delivered in connection with the Lease, or as may be required by the Lease before the delivery of the Lease, are hereby approved, ratified, and confirmed. The Mayor and the City Clerk of the Leasee are each hereby authorized to execute, in the name and on behalf of the Leasee, the Lease and any other documents, agreements, or certifications that may be necessary in order to accomplish the transaction contemplated by the Lease.

Section 3. **General Obligation Clause.** In accordance with the Constitution and laws of the Commonwealth of Kentucky, including, particularly, Sections 66.011 through 66.191, inclusive, of the Kentucky Revised Statutes, as amended (the "General Obligation Act"), the obligation of the Leasee to pay Lease Rental Payments under and as defined in the Lease shall constitute a full general obligation of the Leasee, and the full faith, credit, and taxing power of the Leasee are hereby pledged for the prompt payment thereof. During the period the Lease is outstanding, there shall be and there hereby is levied, annually, on all taxable property in the Leasee, in addition to all other taxes, without limitation as to rate, a direct tax in an amount sufficient to pay such Lease Rental Payments as and when due and payable, it being hereby found and determined that the current tax rates of the Leasee are within all applicable limitations. The tax shall be, and hereby is, ordered to be computed, certified, levied, and extended upon the tax duplicate, to be collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of the years are certified, extended, and collected. The tax shall be placed before and in preference to all other taxes and for the full amount thereof; provided, however, that in each year, to the extent that any other lawfully available funds of the Leasee are available for the payment of the Lease Rental Payments and are appropriated for such purpose, the amount of such tax on all taxable property in the Leasee shall be reduced by the amount of such other funds so available and appropriated.

Section 4. **Maintenance of Sinking Fund.** The sinking fund previously established by the Leasee (the "Sinking Fund") is hereby ordered to be continued and maintained as long as the Lease remains outstanding. The funds derived from the tax levy required by Section 3 hereof and any other lawfully available moneys of the Leasee shall be deposited into the Sinking Fund and, together with the interest collected on the same, are hereby irrevocably pledged for the payment of the principal of and interest on all bonds issued by the Leasee under the General Obligation Act and all Tax-Supported Bonds, as defined in the General Obligation Act, including the Lease, in and when the same become due and payable. The Leasee shall transfer the funds on deposit in the Sinking Fund to the Leasee at the times and in the amounts required by Section 4 of the Lease.

Section 5. **Severability.** If any section, paragraph, or provision of this Ordinance shall be determined by a court of competent jurisdiction to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any remaining sections, paragraphs, or provisions of this Ordinance.

Section 6. **Open Meeting Compliance.** The Leasee hereby finds and determines that all formal actions relating to the adoption of this Ordinance and the execution and delivery of the Lease were taken at an open meeting of the City Council of the Leasee, and that all deliberations of the City Council of the Leasee and of its committees, if any, which resulted in any such formal actions were held in meetings open to the public, in compliance with all applicable legal requirements, including Sections 61.010 to 61.030, inclusive, of the Kentucky Revised Statutes.

Section 7. **Conflicts.** All prior ordinances, resolutions, or orders of the Leasee, or parts thereof, that conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, and the provisions of this Ordinance shall prevail and be given effect.

Section 8. **Effective Date.** This Ordinance shall become effective immediately upon the adoption and publication of a summary hereof, as provided by law.

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[Signature page to follow]

SIGNATURE PAGE TO ORDINANCE

INTRODUCED BY SENATOR [NAME], AND ADOPTED at a duly convened meeting of the City of Somerset, Kentucky held on February 24, 2025, after first reading held on February 10, 2025, signed by the Mayor, attested by the City Clerk, and filed and inked as provided by law.

CITY OF SOMERSET, KENTUCKY

By:  Mayor

Attest:

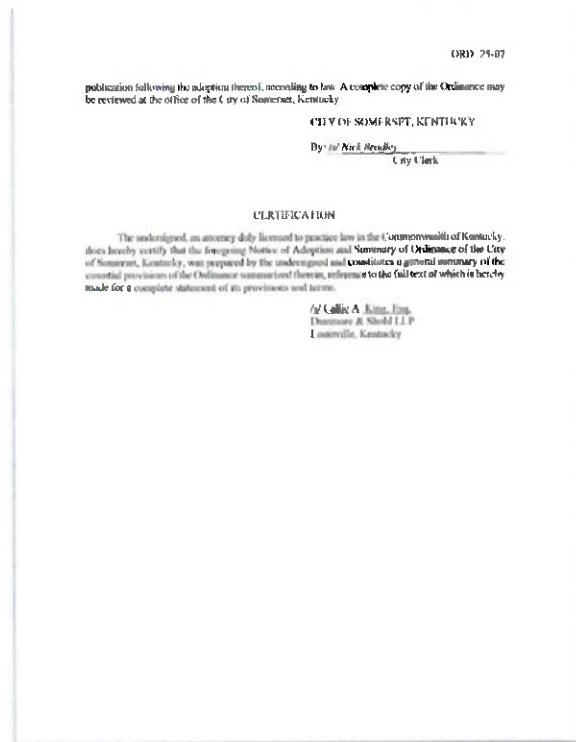
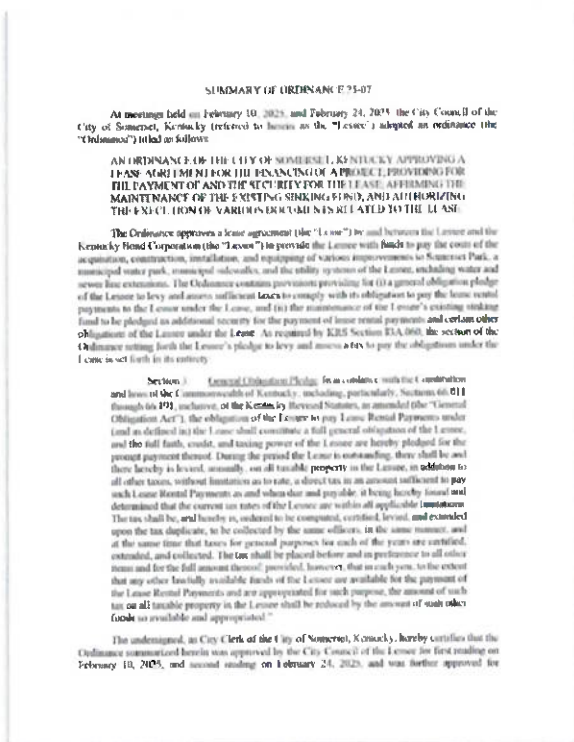
By:  City Clerk

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Somerset, Kentucky, and as such, I hereby further certify that the foregoing is a true, correct, and complete copy of an Ordinance duly enacted by the City Council of the City at a properly convened meeting held on February 24, 2025, signed by the Mayor and duly filed, recorded, and indexed in my office, and now in full force and effect, and that all actions taken by the City in connection with the Ordinance were in compliance with all applicable requirements of the laws of the Commonwealth of Kentucky, all as appears on the official records of the City in my possession and under my control.

IN WITNESS WHEREOF, I have hereunto set my hand this February 24, 2025.

 City Clerk



There being no further business, the meeting was adjourned at 6:48 p.m.

ATTEST: 
CITY CLERK

APPROVED: 
MAYOR