

**REGULAR MEETING
AUGUST 11, 2016**

The Ashland Board of Commissioners met in Regular Session in the Commissioners' Chambers, City Building, Ashland, Kentucky, on Thursday, August 11, 2016, at the hour of 12:00 PM. Those present were Commissioners: Larry Brown, Amanda Clark, Kevin Gunderson, Marty Gute and Mayor Chuck D. Charles, who presided. Also present were: Richard W. Martin, Interim City Manager; John F. Vincent, Corporation Counsel; Susan W. Maddix, City Clerk; Todd Kelley, Chief of Police; Sean Murray, Director of Human Resources/Parks & Recreation; Marion Russell, Director of Public Works; Scott Penick, Fire Chief; Mike Miller, Director of Planning and Community Development; Chris Pullem, Economic Development Director; Ryan Eastwood, Director of Engineering and Utilities; Tony D. Grubb, Finance Director; Mike Adkins, Risk Manager; Michelle Veach, Assistant Finance Director; Kandi Hale, ABC/Insurance Benefit Administrator/Assistant City Clerk; Major Mark McDowell, Ashland Police Department; Greg Ray, Deputy Fire Chief; and Reporters.

The invocation was given by Commissioner Gute.

The Pledge of Allegiance was conducted.

AGENDA

Interim City Manager Martin presented the agenda of August 11, 2016. Motion was made by Clark, seconded by Brown, to receive & file the agenda. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay - none. Motion passed.

MINUTES

Motion was made by Brown, seconded by Gute, to dispense with reading and approve the minutes of the Regular Meeting held on July 28, 2016 and the Recessed Meeting held on August 4, 2016. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

HEARINGS AND REPORTS

Mayor and City Commissioners' Comments

Commissioner Gunderson introduced Evan Cox and welcomed him, his family and friends to the meeting. Corporation Counsel Vincent, Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles expressed their congratulations to Evan and wished him the best as he is transferring to the University of Kentucky for his Junior and Senior years, playing golf for the Wildcats. Mayor Charles read the following Proclamation:

**PROCLAMATION BY
CHUCK D. CHARLES, MAYOR
CITY OF ASHLAND, KENTUCKY**

WHEREAS, Ashland, Kentucky has a rich sports tradition and has sent several residents on to play professional sports; and

WHEREAS, Evan Cox, is the son of Brett and Vonda Cox and is a graduate of Paul Blazer High School, where he excelled in golf and baseball; and

WHEREAS, Evan Cox, while playing golf for Virginia Wesleyan College bested 210 competitors at Midvale Country Club in Rochester, New York, to win the NCAA Division III National Golf Championship; and

REGULAR MEETING AUGUST 11, 2016
HEARINGS AND REPORTS CONTINUED

NOW, THEREFORE, be it ordained that Mayor Chuck D. Charles and the Ashland City Commission wish to congratulate Evan Cox and do hereby proclaim Thursday, August 11, 2016 as:

“EVAN COX DAY”

in the city of Ashland.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of Ashland, Kentucky to be affixed this 11th day of August, 2016.

/s/**CHUCK D. CHARLES, MAYOR**

Attest:

/s/**SUSAN W. MADDIX, CITY CLERK**

COMMENTS CONTINUED:

Mayor Charles read a prepared statement regarding the upcoming August 23 election regarding alcohol sales and Boyd County becoming “wet”. The Mayor expressed the City’s concern as to how a “wet” vote would affect the City of Ashland’s existing licenses and administration of its regulatory ordinance and regulatory fee.

Mayor Charles announced the upcoming “Community Unity” meeting to be held on August 23, 2016 @ 6:00 PM at the Ashland Transportation Center. Several members of the NAACP will be present, along with the Ashland Police Chief, representatives from Ashland Community and Technical College, Ashland Independent School System, Human Rights Commission and area ministers.

Commissioner Gunderson asked that residents be patient as the City is paving in high traffic areas such as Lexington Avenue and 29th Street. Commissioner Gunderson also thanked Mayor Charles for his statement regarding the upcoming special alcohol election.

Commissioner Brown thanked King’s Daughters’ Medical Center for its donation of a vehicle to the Ashland Animal Rescue Fund (AARF) which is a no kill animal shelter. He congratulated Whitney Lowe on a successful First Friday which was well attended. Commissioner Brown reminded everyone that school has started and to watch for children. He noted the “Build Ashland” page on Facebook and expressed appreciation for volunteers cutting grass and the weeds on streets and sidewalks. He urged volunteers to remember to wear personal protection equipment. The City hired 3 part-time individuals who have been working in the downtown area. Travis Tritt will be headlining Poage Landing Days which is scheduled for September 16, 17 and 18. Commissioner Brown made comments regarding the special alcohol election scheduled for August 23, 2016 stating he believed the residents of Boyd County should make a decision based on having an informed vote. He believed it was important for residents to know what they’re voting on. Commissioner Brown had hoped that the City Commission and County officials could have had a joint meeting to get clarity before moving forward with the election; however, he stated he would never want one entity to benefit at the loss of another.

Commissioner Gute echoed the comments of the Mayor and Commissioners Gunderson and Brown. He announced that Steak and Shake is scheduled to open on August 29. He also asked residents to be careful with school starting. He invited everyone to Putnam Stadium this Saturday at 9:00 AM to watch the Ashland Tomcats scrimmage against Spring Valley. He thanked the audience for attending the meeting.

REGULAR MEETING AUGUST 11, 2016
HEARINGS AND REPORTS CONTINUED

Commissioner Clark also thanked everyone for coming to the meeting. She noted the success of First Friday with 176 runners taking part in the “Night Moves” race. Commissioner Clark volunteered and noted the race is continuing to grow every year and it is also a great fundraiser.

City Manager’s Report

Interim City Manager Martin expressed appreciation to the employees in Water Distribution. The City has a number of scheduled projects that continue to be pushed back because of continuing water breaks. There were 184 breaks last year in main lines. There were 32 breaks last month and 16 breaks so far this month including one last night on high pressure line by the prison in Summit. Mr. Martin noted the negative posts on social media and advised City employees responded quickly in a prompt fashion and stayed on the job until it was fixed early this morning while at the same time a break occurred on Red Bud. There was also a break last week which affected the Judicial Center in Catlettsburg while 2 valves were being replaced. The superintendent and supervisor stayed to pump water out of the pit until crews arrived in order to make the repair so the courthouse could open the next day. He thanked the employees for doing a great job on a regular basis.

Corporation Counsel John Vincent updated the Commission regarding the collection of delinquent property taxes and reported that the Legal Department and the Finance Department have worked together to collect \$501,794.00 since January 1, 2016. He also reported the property located at 1401 Winchester Avenue has been sold at public auction. He reported on a new situation regarding collection of the occupational tax (payroll tax) has started. There is currently a total of 1319 businesses who report having employees. Of those, 98 have not filed returns or if they have filed returns, have not remitted payment. There are a number of tax payers who have collected the tax from their employees but have failed to remit to the City of Ashland. The Legal Department believes this is criminal in nature and will seek assistance from the Commonwealth Attorney. Mr. Vincent also thanked the Ashland Police Department for their assistance.

KING’S DAUGHTERS’ MEDICAL CENTER SERIES 2016 BOND ISSUE

John Egan, Frost Brown Todd LLC, appeared before the Commission regarding the proposed King’s Daughters’ Medical Center Series 2016A Bond Issue. Mr. Egan requested approval by the City of a Resolution authorizing the issuance of up to \$145,000,000 in tax exempt bonds. The bonds will be sold in two different series. Mr. Egan reviewed the proposed Resolution with the Commission. There was no comment from the public regarding the bond issue.

REGULAR MEETING AUGUST 11, 2016
KING'S DAUGHTERS' MEDICAL CENTER BOND ISSUE CONTINUED

READING AND ADOPTION

RESOLUTION NO. 26, 2016

A RESOLUTION OF THE CITY OF ASHLAND, KENTUCKY (THE "ISSUER") (1) AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$145,000,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF ASHLAND, KENTUCKY MEDICAL CENTER REVENUE BONDS (ASHLAND HOSPITAL CORPORATION, D/B/A KING'S DAUGHTERS MEDICAL CENTER PROJECT), SERIES 2016, IN TWO OR MORE SUBSERIES (THE "SERIES 2016 BONDS"), WHICH SERIES 2016 BONDS WILL BE PAYABLE SOLELY FROM LOAN PAYMENTS OF THE CORPORATION AND WHICH SERIES 2016 BONDS WILL BE ISSUED FOR THE PURPOSE OF PROVIDING FUNDS TO CURRENTLY REFUND CERTAIN OUTSTANDING OBLIGATIONS OF ASHLAND HOSPITAL CORPORATION D/B/A KING'S DAUGHTERS MEDICAL CENTER (THE "CORPORATION"), TO REIMBURSE THE CORPORATION FOR OR PAY THE COSTS OF CERTAIN CAPITAL EXPENDITURES AND FOR OTHER PURPOSES; (2) AUTHORIZING THE EXECUTION OF (A) A SECOND AMENDED AND RESTATED LOAN, MORTGAGE AND SECURITY AGREEMENT BETWEEN THE ISSUER AND THE CORPORATION, (B) AN INDENTURE OF TRUST BETWEEN THE ISSUER AND U.S. BANK NATIONAL ASSOCIATION (THE "TRUSTEE") FOR THE PURPOSE OF SECURING ONE SUBSERIES OF THE SERIES 2016 BONDS BY PLEDGES OF THE REVENUES OF THE CORPORATION, PROVIDING FOR THE COLLECTION, SEGREGATION AND APPLICATION OF THE REVENUES OF THE CORPORATION, AND SETTING FORTH THE SECURITY, TERMS AND CONDITIONS UPON WHICH ONE SUBSERIES OF THE SERIES 2016 BONDS IS TO BE ISSUED, (C) A BOND PURCHASE AND LOAN AGREEMENT AMONG THE ISSUER, THE CORPORATION AND BRANCH BANKING AND TRUST COMPANY SETTING FORTH THE SECURITY, TERMS AND CONDITIONS UPON WHICH ANOTHER SUBSERIES OF THE SERIES 2016 BONDS IS TO BE ISSUED, (D) A BOND PURCHASE AGREEMENT AMONG THE ISSUER, THE CORPORATION AND RBC CAPITAL MARKETS, LLC, (E) ONE OR MORE TAX CERTIFICATE AND AGREEMENTS WITH RESPECT TO THE BONDS, (F) A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT IN RESPECT OF SUCH SERIES 2016 BONDS; AND (3) AUTHORIZING OTHER RELATED DOCUMENTS AND TAKING OTHER RELATED ACTION.

REGULAR MEETING AUGUST 11, 2016
KING'S DAUGHTERS' MEDICAL CENTER BOND ISSUE CONTINUED

WHEREAS, the City of Ashland, Kentucky (the "Issuer"), a municipal corporation and a political subdivision of the Commonwealth of Kentucky (the "Commonwealth"), is authorized and empowered by the Industrial Building Revenue Bond Act, KRS 103.200 through 103.285 (collectively, the "Act"), in order to promote the economic development of the Commonwealth, to issue bonds which shall not constitute an indebtedness of the Commonwealth or the Issuer, within the meaning of the Constitution of Kentucky, but which shall be payable as to principal and interest and premium solely from the revenues derived from payments received by the Issuer under a Second Amended and Restated Loan, Mortgage and Security Agreement (the "Loan, Mortgage and Security Agreement") between the Issuer and Ashland Hospital Corporation, d/b/a King's Daughters Medical Center, a Kentucky non-profit corporation ("KDMC"), and the Master Note – Series 2016A and the Master Note – Series 2016B of KDMC (collectively, the "Series 2016 Master Notes") and its subsidiaries and affiliates (KDMC and its subsidiaries and affiliates, collectively, the "Corporation"), whereby the proceeds of the bonds are loaned to the Corporation for the purposes described herein and whereby the Corporation promises to pay to the Issuer amounts sufficient to pay principal and interest and premium, if any, on the bonds; and

WHEREAS, the Corporation has determined that there is a need to refund on a current basis all or a portion of the following bond issue: the City of Ashland, Kentucky Medical Center Revenue Bonds, Series 2014 (Ashland Hospital Corporation d/b/a King's Daughters Medical Center Project) (the "Series 2014 Bonds"); and

WHEREAS, the Corporation has determined that there is an additional need for it to borrow to reimburse itself for certain capital expenditures and/or to pay the costs of certain capital expenditures; and

WHEREAS, the Corporation has requested the Issuer to issue not exceeding \$145,000,000 in bonds, in two or more subseries, the proceeds of said bonds to be loaned to the Corporation and used to (i) refund on a current basis the Series 2014 Bonds, (ii) reimburse itself for certain capital expenditures and/or to pay the costs of certain capital expenditures, (iii) fund a debt service reserve fund and capitalized interest (to the extent necessary); and (iv) pay related costs of issuance (including, but not limited to, underwriter's discount and professional fees, to the extent required); and

WHEREAS, the Issuer proposes to issue and sell not exceeding \$145,000,000 aggregate principal amount of its City of Ashland, Kentucky Medical Center Revenue Bonds (Ashland Hospital Corporation d/b/a King's Daughters Medical Center Project), Series 2016, in two or more subseries (the "Series 2016 Bonds") in order to provide funds for the purposes set forth above; and

WHEREAS, one subseries of the Series 2016 Bonds will be issued under and pursuant to an Indenture of Trust between the Issuer and U.S. Bank National Association, as Trustee (the "Trustee") (the "Bond Indenture"); and

WHEREAS, another subseries of the Series 2016 Bonds will be issued under and pursuant to a Bond Purchase and Loan Agreement among between the Issuer, the Corporation and Branch Banking and Trust Company ("BB&T") as purchaser of such other subseries of the Series 2016 Bonds (the "Bond Purchase and Loan Agreement"); and

WHEREAS, the Issuer and the Corporation will enter into the Loan, Mortgage and Security Agreement to provide for, among other things, the Corporation's obligation to make payments sufficient to pay principal of, premium, if any, and interest on the Series 2016 Bonds and to secure such obligation by a mortgage lien on real property of the Corporation and a lien on other personal property of the Corporation; and

REGULAR MEETING AUGUST 11, 2016
KING'S DAUGHTERS' MEDICAL CENTER BOND ISSUE CONTINUED

WHEREAS, there have been prepared and presented to this meeting the following documents, in substantially final form:

1. The form of the Loan, Mortgage and Security Agreement;
2. The form of the Bond Indenture between the Issuer and the Trustee, including the form of one subseries of the Series 2016 Bonds (the "Series 2016A Bonds");
3. The form of a bond purchase agreement (the "Bond Purchase Agreement") with respect to the Series 2016A Bonds, to be entered into by and between the Issuer and RBC Capital Markets, LLC, as initial purchaser of a portion or all of such Series 2016A Bonds ("RBC Capital Markets"), and approved by the Corporation;
4. The form of the Preliminary Official Statement with respect to the Series 2016A Bonds (the "Preliminary Official Statement");
5. The form of a bond purchase and loan agreement (the "Bond Purchase and Loan Agreement"), including the form of another subseries of the Series 2016 Bonds (the "Series 2016B Bond"), to be entered into by and between the Issuer, the Corporation and BB&T as purchaser of a portion or all of the Series 2016B Bond; and
6. The form of one or more Tax Certificate and Agreements to be entered into with respect to the Series 2016A Bonds and the Series 2016B Bond (collectively, the "Tax Certificate and Agreement");

NOW, THEREFORE, be it resolved by the Issuer:

1. AUTHORIZATION OF THE SERIES 2016 BONDS.

In order to promote the economic development of the City and the Commonwealth and to accomplish the refunding on a current basis of the Series 2014 Bonds, and to provide moneys for reimbursement of certain capital expenditures of the Corporation and/or to pay the costs of certain capital expenditures of the Corporation, pursuant to the Act, the Issuer hereby authorizes and approves, pursuant to the Act, the issuance of (i) the Series 2016A Bonds consisting of registered bonds, bearing interest from their date, payable as set forth in the Bond Indenture, at rates that do not exceed the Maximum Interest Rate (as defined in the Bond Indenture) of 20% per annum, payable on each interest due date, with principal installments of the Series 2016A Bonds to be repaid on the dates set forth in the Bond Indenture and (ii) the Series 2016B Bond consisting of registered bonds, bearing interest from their date, payable as set forth in the Bond Purchase and Loan Agreement, at rates that do not exceed the Maximum Interest Rate (as defined in the Bond Purchase and Loan Agreement) of 20% per annum, payable on each interest due date, with principal installments of the Series 2016B Bond to be repaid on the dates set forth in the Bond Purchase and Loan Agreement.

The Series 2016A Bonds shall be issued in the estimated principal amount of not exceeding \$95,000,000 and the Series 2016B Bond shall be issued in the estimated principal amount of not exceeding \$50,000,000; provided, that these amounts may be adjusted prior to sale as requested by the Corporation, but the aggregate principal amount of the two subseries of Series 2016 Bonds will not exceed \$145,000,000. The Series 2016A Bonds will be sold on a negotiated basis to RBC Capital Markets and the Series 2016B Bond will be sold on a negotiated basis to Branch Banking and Trust Company, on dates at least 15 days apart.

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KING'S DAUGHTERS' MEDICAL CENTER BOND ISSUE CONTINUED

2. APPROVAL AND AUTHORIZATION, EXECUTION AND RATIFICATION OF VARIOUS DOCUMENTS.

The following documents in the preliminary forms provided to the Issuer with this Resolution are hereby approved, subject to such changes, insertions, deletions or omissions as may be approved by the Mayor, in order to effectuate the purposes of this Resolution; and the Mayor is hereby authorized to execute and acknowledge same for and on behalf of the Issuer; and the Clerk is authorized to attest the same. The final form of each of such documents, as approved and executed by the Mayor and as attested by the Clerk, shall be filed in the official records of the Issuer:

- (a) The Loan, Mortgage and Security Agreement;
- (b) The Bond Indenture (including the form of the Series 2016A Bonds);
- (c) The Bond Purchase Agreement;
- (d) The Preliminary Official Statement;
- (e) The Bond Purchase and Loan Agreement (including the form of the Series 2016B Bond); and
- (f) The Tax Certificate and Agreement.

Each of the above documents shall be substantially in the form presented to the Issuer and on file with the Clerk, with such additional changes as may be approved by the officer executing the same, such approval to be conclusively evidenced by such execution.

The form of the Preliminary Official Statement for the Series 2016 Bonds has been presented to the Issuer in a form considered "deemed final" for purposes of Securities and Exchange Commission Rule 15c2-12(b)(i) under the Securities Exchange Act of 1934, as amended, but is subject to revision, amendment and completion in a final Official Statement (such final Official Statement, the "Final Official Statement"). The sections of the Preliminary Official Statement providing information on the Issuer and the distribution of the Preliminary Official Statement and the Final Official Statement are hereby approved (the Preliminary Official Statement and the Final Official Statement, the "Official Statement"). The Mayor is hereby authorized to execute, on behalf of the Issuer, the Final Official Statement and a certificate stating that the Preliminary Official Statement is deemed final by the Issuer, except for information which may be omitted therefrom under applicable securities laws.

To the extent any of the above documents ultimately are not required in connection with the issuance of the Series 2016 Bonds, the approvals of such documents contained herein shall be disregarded.

3. DISBURSEMENT OF PROCEEDS OF BONDS.

The Corporation is authorized to carry out the procedures specified in the Bond Indenture for (i) the deposit of a portion of the proceeds of the Series 2016 Bonds with the Trustee for the purpose of currently refunding the Series 2014 Bonds, (ii) the reimbursement of certain capital expenditures of the Corporation and/or the payment of the costs of certain capital expenditures of the Corporation, (iii) the use of a portion of the proceeds of the Series 2016 Bonds to pay costs of issuance and (iv) any other purposes set forth in the Indenture and the Bond Purchase and Loan Agreement (including deposits to a debt service reserve fund and funding capitalized interest, to the extent necessary).

REGULAR MEETING AUGUST 11, 2016
KING'S DAUGHTERS' MEDICAL CENTER BOND ISSUE CONTINUED

4. PAYMENTS FROM THE CORPORATION UNDER THE LOAN, MORTGAGE AND SECURITY AGREEMENT AND THE BOND PURCHASE AND LOAN AGREEMENT.

The payments to be made by the Corporation under the terms of the Loan, Mortgage and Security Agreement and the Bond Purchase and Loan Agreement are hereby pledged to secure the Series 2016 Bonds, and in addition, for such other purposes as are more fully specified in the Bond Indenture and the Bond Purchase and Loan Agreement. **THE SERIES 2016 BONDS SHALL BE SPECIAL AND LIMITED OBLIGATIONS OF THE ISSUER AND SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE COMMONWEALTH, OR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF THE CONSTITUTION OF KENTUCKY, BUT SHALL BE PAYABLE AS TO PRINCIPAL AND INTEREST SOLELY FROM THE REVENUES DERIVED FROM PAYMENTS RECEIVED MADE BY THE CORPORATION UNDER THE LOAN, MORTGAGE AND SECURITY AGREEMENT AND THE BOND PURCHASE AND LOAN AGREEMENT AND THE MASTER NOTES – SERIES 2016 AND THE TRUST ESTATE CREATED UNDER THE 2016 SUPPLEMENTAL INDENTURES.**

5. TRUSTEE

U.S. Bank National Association is hereby appointed as Trustee for the Series 2016A Bonds and by execution of the Bond Indenture shall accept such appointment as provided therein.

6. EXECUTION OF BONDS.

The Series 2016 Bonds shall be executed in the manner provided in the Bond Indenture and the Bond Purchase and Loan Agreement and this Resolution and shall be delivered to the Trustee for proper authentication and delivery by the Trustee to RBC Capital Markets and to BB&T, as purchaser of the Series 2016A Bonds and the Series 2016B Bond, respectively, with instructions to that effect, as provided in the Bond Indenture and the Bond Purchase and Loan Agreement.

7. MAYOR AND OTHER ISSUER OFFICIALS TO TAKE ANY OTHER NECESSARY ACTION.

Pursuant to the Constitution and Laws of the Commonwealth of Kentucky, the Mayor, the Vice Mayor, the Clerk and all other appropriate officials of the Issuer are hereby authorized and directed to take any and all further action and to execute and deliver all other documents as may be necessary to effect the issuance and delivery of the Series 2016 Bonds, including, but not limited to an escrow agreement with respect to the Series 2014 Bonds, IRS Form 8038(s), subscriptions for state and local government securities to be delivered in connection with the Series 2016 Bonds (if any), closing certificates of the Issuer and other documents related to the Series 2016 Bonds.

8. COMPLIANCE WITH FEDERAL ARBITRAGE REQUIREMENTS.

Based solely upon the covenants and representations of the Corporation, the Issuer covenants that sums derived from the proceeds of the Series 2016 Bonds shall not be invested or reinvested in a manner which would cause the Series 2016 Bonds to be treated as "arbitrage bonds" within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable Regulations thereunder.

REGULAR MEETING AUGUST 11, 2016
KING'S DAUGHTERS' MEDICAL CENTER BOND ISSUE CONTINUED

Prior to or at the time of delivery of the Series 2016 Bonds, each and any one of the Mayor, the Vice Mayor and the Clerk, who are charged with the responsibility for the issuance of the Series 2016 Bonds, is authorized to execute the appropriate certificate with reference to the matters required and contemplated by the Code and Regulations thereunder, setting out all known and contemplated facts concerning the anticipated construction, expenditures, and investments, including the execution of necessary and/or desirable certifications contemplated by the aforesaid Regulations in order to assure that the Series 2016 Bonds will not be characterized as "arbitrage bonds". Such officers are entitled to rely upon information furnished by the Corporation in making such certifications and representations.

9. SEVERABILITY CLAUSE.

If any section, paragraph, clause, or provision of this Resolution shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause, or provisions shall not affect any of the remaining provisions hereof.

10. CAPTIONS OF CLAUSES.

The captions of this Resolution are for convenience only and are not to be construed as part of this Resolution nor as defining or limiting in any way the scope or intent of the provisions hereof.

11. PROVISIONS IN CONFLICT REPEALED.

All ordinances, resolutions, and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed.

12. PUBLIC HEARING.

A public hearing on the proposed issuance of the Series 2016 Bonds has been scheduled for August 11, 2016, pursuant to Section 144(a) of the Code. The Mayor, or his designee, is authorized to represent the City of Ashland at the public hearing, to consider comments of the public, and, if he deems it appropriate after hearing any such comments, to give his approval as the highest elected official of the Issuer to the issuance of the Series 2016 Bonds, following such hearing.

13. EFFECTIVE DATE OF RESOLUTION.

This Resolution shall be effective immediately upon the adoption of this Resolution and the publication of an advertisement setting forth the title of the Resolution and a statement of the Clerk of the Issuer, as provided by KRS 103.210.

14. NO PERSONAL LIABILITY.

No recourse shall be had for the payment of the principal of or premium or interest on any of the Series 2016 Bonds or for any claim based thereon or upon any obligation, covenant or agreement therein contained against any past, present or future officer, member, employee or agent of the Issuer or the Commonwealth or any agency or political subdivision thereof, as such, either directly or through the Issuer or the Commonwealth or any agency or political subdivision thereof, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees or agents as such shall be expressly waived and released as a condition of and consideration for the adoption of this Resolution and the issuance of such Series 2016 Bonds.

/s/CHUCK D. CHARLES
MAYOR

REGULAR MEETING AUGUST 11, 2016
KING'S DAUGHTERS' MEDICAL CENTER BOND ISSUE CONTINUED

ATTEST:

/s/SUSAN MADDIX
CITY CLERK

ADOPTED BY THE BOARD OF COMMISSIONERS: August 11, 2016

MOTION

Motion was made by Gunderson, seconded by Brown, to adopt Resolution No. 26, 2016. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

PUBLIC PARTICIPATION

No public participation.

OLD BUSINESS

SECOND READING & FINAL ADOPTION

ORDINANCE NO. 93, 2016

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, AUTHORIZING AND DIRECTING CHUCK D. CHARLES, MAYOR, TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF ASHLAND AND SAM L. AND ANN MICHELLE PERKINS ALLOWING SECOND HAND ROSE TO PLACE STORE ITEMS FOR DAILY SALE ON THE CITY SIDEWALK IN FRONT OF 925 WINCHESTER AVENUE ON THE CITY'S RIGHT-OF-WAY.

BE IT ORDAINED BY THE CITY OF ASHLAND, KENTUCKY:

SECTION 1. That the Ashland Board of City Commissioners hereby authorizes and directs Chuck D. Charles, Mayor, to execute an agreement between the City of Ashland and Sam L. and Ann Michelle Perkins allowing an encroachment by Second Hand Rose to place store items for daily sale on the City sidewalk in front of 925 Winchester Avenue which involves using a portion of the City's right-of-way. A copy of said agreement is attached hereto and made a part hereof by reference.

SECTION 2. All other ordinances and parts of ordinances in conflict herewith, to the extent of such conflict only, are hereby repealed.

SECTION 3. This ordinance shall be in full force and effect from and after its adoption, readoption and publication, as required by law.

SECTION 4. It is hereby authorized that publication of this ordinance be in summary form.

/s/CHUCK D. CHARLES
MAYOR

ATTEST:

/s/SUSAN MADDIX
CITY CLERK

ADOPTED BY THE BOARD OF COMMISSIONERS: August 4, 2016
READOPTED BY THE BOARD OF COMMISSIONERS: August 11, 2016
PUBLISHED:

REGULAR MEETING AUGUST 11, 2016
ORDINANCE NO. 93, 2016 CONTINUED

MOTION

Motion was made by Gute, seconded by Gunderson, to adopt Ordinance No. 93, 2016, at this its second reading. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

CONSENT AGENDA

RESOLUTION NO. 25, 2016

A RESOLUTION OF THE CITY OF ASHLAND, KENTUCKY, ADOPTING, AUTHORIZING AND APPROVING THE COURSE OF ACTION PRESENTED BY THE CITY MANAGER ON THE ITEMS APPEARING ON THE CONSENT AGENDA FOR THE REGULAR MEETING OF THE BOARD OF CITY COMMISSIONERS OF **AUGUST 11, 2016**.

BE IT RESOLVED BY THE CITY OF ASHLAND, KENTUCKY:

SECTION 1. The Board of City Commissioners hereby adopts, authorizes and approves the action presented by the City Manager on each item appearing on the “Consent Agenda” for the regular meeting, **August 11, 2016**, attached hereto and incorporated herein, as if set out in full, is a copy of the “Consent Agenda” hereby adopted, authorized and approved.

SECTION 2. This resolution shall be in full force and effect from and after its adoption, as required by law.

/s/CHUCK D. CHARLES
MAYOR

ATTEST:

/s/SUSAN MADDIX
CITY CLERK

ADOPTED BY THE BOARD OF COMMISSIONERS: August 11, 2016

MOTION

Motion was made by Gute, seconded by Clark, to adopt Resolution No. 25, 2016. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

CONSENT AGENDA ITEMS

1. City Manager recommends approval for payment of Invoice No. 8 in the amount of \$15,002.03 to Mark Morris Contracting for work performed on the 31st Street Drainage Project.
2. City Manager recommends approval to award the bid to install approximately 400' +/- of 8" plastic sewer line and 2 manholes to replace sewer line that has failed due to a hillside slip at Elwood Drive to Morris Contracting.
3. City Manager recommends approval for the Wastewater Treatment Plant Superintendent to attend the Kentucky Rural Water Conference in Louisville, KY, August 22 - 24, 2016.

REGULAR MEETING AUGUST 11, 2016
CONSENT AGENDA CONTINUED

4. City Manager recommends approval of an excused absence for a Firefighter to attend training in Indianapolis on August 17-19 for Vehicle Extrication Train the Trainer.
5. City Manager recommends approval for the Ashland Police Department to accept donations of canned food to offset parking citations issued during designated weeks in November and December 2016. All donations will go to River Cities Harvest.
6. City Manager recommends approval for the Ashland Police Department to accept a donation of a surplus vehicle from Boyd Fiscal Court to be used for repair parts for a police department vehicle.
7. City Manager recommends approval for the Boy Scouts of America to conduct an inflatable BB gun range during the Girl Scouts/Boy Scouts Block Party on September 2, 2016 from 3 p.m. - 9 p.m.
8. City Manager recommends approval for the probationary appointment of Brad E. Sparks to the position of Laboratory Technician, Grade 28, Engineering & Utilities Department, Water Production Division, effective Monday, August 15, 2016.
9. City Manager recommends the probationary appointment of Lowell J. (L.J.) Moore to the position of Water Plant Operator I, Grade 24, Engineering & Utilities Department, Water Production Division, contingent upon satisfactory completion of a physical examination.
10. Other Consent Items.

NEW BUSINESS
FIRST READING AND ADOPTION ONLY

ORDINANCE NO. _____, 2016

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, AUTHORIZING AND DIRECTING CHUCK D. CHARLES, MAYOR, TO EXECUTE A CONTRACT BETWEEN THE CITY OF ASHLAND, KENTUCKY, AND MORRIS CONTRACTING FOR THE INSTALLATION OF APPROXIMATELY 400' +/- OF 8" PLASTIC SEWER LINE AND 2 MANHOLES TO REPLACE THE SEWER LINE THAT HAS FAILED DUE TO A HILLSIDE SLIP AT ELWOOD DRIVE FOR THE DEPARTMENT OF ENGINEERING AND UTILITIES, DIVISION OF WASTEWATER COLLECTION.

MOTION

Motion was made by Gute, seconded by Clark, to adopt Ordinance No. _____, 2016, at this its first reading. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

REGULAR MEETING AUGUST 11, 2016

ORDINANCE NO. _____, 2016

FIRST READING AND ADOPTION ONLY

ORDINANCE NO. _____, 2016

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, AMENDING SECTION 7(G) AND ADDING SECTION 45 OF ORDINANCE NO. 110, SERIES OF 2013, WHICH ADOPTS THE COMPREHENSIVE REGULATIONS FOR THE LICENSING AND OPERATION OF ESTABLISHMENTS FOR THE SALE OF ALCOHOLIC BEVERAGES WITHIN THE CITY AND PROVIDING FOR THE RESPONSIBILITIES OF THE CITY ALCOHOLIC BEVERAGE CONTROL ADMINISTRATOR.

MOTION

Motion was made by Gunderson, seconded by Brown, to adopt Ordinance No. _____, 2016, at this its first reading. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

DISCUSSION ITEM

Rename Old 13th Street in recognition of Megan Neyer – Mayor Charles advised the Commission that Interim City Manager Martin received a request from Keith Salmon, an employee of the Ashland Fire Department, asking that Old 13th Street be renamed Megan Neyer Way in honor of Ashland native Megan Neyer, Olympian and World Champion Diver. Dr. Neyer trained at the Ashland YMCA. The Mayor advised the Commission of Dr. Neyer’s accomplishments. Motion was made by Gute, seconded by Clark, that City staff make contact with the residents and businesses located on Old 13th Street in order to obtain their input on making the change. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

Dog Park or Dog Run area in Central Park - Commissioner Gute proposed that the City allow the use of an area of Central Park, specifically the area on 22nd Street where the Little League baseball field and the ice skating rink were previously located, as a dog park area. The Park Board met to discuss the proposal and asked that Parks and Recreation look at other locations such as the Riverfront, Oliverio Park or within the entire park system to see if there was a more spacious area. Commissioner Gute stated that he would like for the City to try it at the 22nd Street location. Director of Parks and Recreation Murray will report back to the City Commission following the next Park Board meeting which is scheduled for September.

APPOINTMENT

Motion was made by Clark, seconded by Brown, approving the Mayor’s appointment of Carrie Stambaugh to the Ashland Park Board for a four-year term retroactive to October 18, 2015 and expiring on October 18, 2019. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

EXECUTIVE SESSION

Motion was made by Gunderson, seconded by Clark, to go into Executive Session at 12:56 PM to discuss an individual personnel matter and potential litigation. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

REGULAR MEETING AUGUST 11, 2016
EXECUTIVE SESSION CONTINUED

RECONVENED

The meeting reconvened at 1:45 PM and Mayor Charles announced the only items discussed were an individual personnel matter and potential litigation with no final action taken.

MOTION – Probationary appointment of Richard R. Thomas, Sr. to the position of Maintenance Worker II/III in the Department of Engineering & Utilities

The City posted the position of Equipment Operator II/III (Internal Only) and received four applications. Interim City Manager Martin asked for a motion to authorize the probationary appointment of Richard R. Thomas, Sr. to the position. Motion was made by Clark, seconded by Gunderson. Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

MOTION – Potential Litigation regarding the special alcohol election (wet/dry vote) in Boyd County scheduled to take place on August 23, 2016

Mayor Charles advised the City of Ashland is in a “no win” situation. He stated the upcoming vote is not “City vs. County” but the Commission has a duty to protect its citizens. Mayor Charles asked for a motion authorizing the Legal Department to continue to review and analyze the effect of a Boyd County “wet” vote on the citizens of Ashland and authorizing the Legal Department to take all action necessary, up to and including the filing of a lawsuit or any other litigation or discussion with other potential litigants. Motion was made by Brown, seconded by Gunderson.

Discussion - Commissioner Gunderson stated the Commission has a fiduciary responsibility to the residents.

Commissioner Clark stated the Commission needs clarification about how this will affect the City and revenue. She advised the Commission does not want to stop progress or anything of that nature but this seems to be the only route to seek the clarification needed.

Commissioner Brown agreed with the other members of the Commission and stated there is no intent to harm Boyd County at all.

Commissioner Gute also agreed with previous comments and believes the Commission has a responsibility to protect the City.

Vote on Motion - Upon roll call, voting aye were Commissioners Brown, Clark, Gunderson, Gute and Mayor Charles. Nay – none. Motion passed.

ADJOURNMENT

Mayor Charles declared the meeting adjourned at 1:50 PM in memory of former Police Chief Robert W. Ratliff's mother, Deloris Ann Ratliff who passed away on August 8, 2016.

CHUCK D. CHARLES
MAYOR

ATTEST:

SUSAN MADDIX
CITY CLERK