

SPECIAL MEETING MINUTES - OCTOBER 10, 1991

The City of Pikeville Board of Commissioners were called to meet in Special Session on Thursday, October 10, 1991 at 3:30 p.m. The meeting was conducted in the City Hall Public Meeting Room at 260 Hambley Boulevard in Pikeville, Kentucky.

Mayor Walter E. May presided. There being a quorum present, the meeting was called to order at 3:55 p.m. Commission Members present were as follows:

MAYOR: WALTER E. MAY
COMMISSIONER: WALTER BLANKENSHIP
EUGENE DAVIS
FRANK MORRIS

COMMISSIONER JOHNNY MOUNTS WAS ABSENT.

The meeting was called for the purpose of considering adoption of a resolution approving loan agreement between City of Pikeville and Kentucky Infrastructure Authority and Letter of Credit and Reimbursement Agreement with Pikeville National Bank.

Presented to the Commission was the Assistance Agreement between the Kentucky Infrastructure Authority and the City of Pikeville. City Attorney Russell Davis, Jr., gave reading to the resolution authorizing the Mayor execute the agreement. The resolution was presented as follows:

RESOLUTION OF THE CITY OF PIKEVILLE, KENTUCKY APPROVING AND AUTHORIZING AN ASSISTANCE AGREEMENT BETWEEN THE CITY OF PIKEVILLE, KENTUCKY AND THE KENTUCKY INFRASTRUCTURE AUTHORITY

R-91-017

WHEREAS, the City Commission ("governing authority") of Pikeville, Kentucky, ("Governmental Agency") has previously determined that it is in the public interest to acquire and construct certain wastewater facilities and sewer improvements to the Governmental Agency's Wastewater System (the "Project") and

WHEREAS, the Governmental Agency has made application to the Kentucky Infrastructure Authority (the "Authority") for the purpose of providing monies to construct the Project; and

WHEREAS, in order to obtain such monies, the Governmental Agency is required to enter into an Assistance Agreement with the Authority;

NOW, THEREFORE, BE IT RESOLVED by the governing authority of the City of Pikeville, Kentucky as follows:

SECTION 1. That the governing authority hereby approves and authorizes the Assistance Agreement between the Governmental Agency and the Authority substantially in the form on file with the Governmental Agency for the purpose of providing the necessary financing to the Governmental Agency for the Project.

SECTION 2. That any officer of the Governmental Agency be and hereby is authorized, directed and empowered to execute necessary documents or agreements, and to otherwise act on behalf of the Governmental Agency to effect such financing.

SECTION 3. That this resolution shall take effect at the earliest time provided by law.

Passed this 10th day of October, 1991.

Commissioner Walter Blankenship moved the adoption of the foregoing Resolution. Commissioner Eugene Davis seconded the motion.

Upon roll call, the votes were as follows:

	<u>YES</u>	<u>NO</u>
WALTER E. MAY, MAYOR	X	
GENE DAVIS, COMMISSIONER	X	
FRANK MORRIS, COMMISSIONER	X	
JOHNNY MOUNTS, COMMISSIONER		ABSENT

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WALTER BLANKENSHIP, COMMISSIONER X

The Mayor declared the within resolution adopted.

/s/ Walter E. May
WALTER E. MAY, MAYOR

ATTEST:

/s/ Sue Smallwood
SUE SMALLWOOD, ACTING CITY CLERK

The City Attorney presented the following resolution to the Commission for consideration:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A REIMBURSEMENT AGREEMENT AND LETTER OF CREDIT BY AND BETWEEN PIKEVILLE NATIONAL BANK AND TRUST COMPANY AND THE CITY OF PIKEVILLE

R-91-018

WHEREAS, the Kentucky Infrastructure (KIA) Authority did approve on September 16, 1991 a Federally Assisted wastewater Revolving Loan in the sum of \$3,074,285.00 for the construction of a Wastewater Treatment Plant by the City of Pikeville (City).

WHEREAS, the City Commission of Pikeville, Kentucky, has previously determined that it is in the public interest to acquire and construct certain wastewater facilities and sewer improvements to the Wastewater System and

WHEREAS, the terms and conditions of the agreement between the KIA and the City require the City of Pikeville to issue an irrevocable direct letter of credit from the Pikeville National Bank and Trust Company (PNB) to the KIA.

THEREFORE, BE IT RESOLVED BY THE CITY OF PIKEVILLE that the Commission of the City of Pikeville does hereby authorize and direct the Mayor to execute a Reimbursement Agreement and Letter of Credit and all other necessary documents, loan agreements or promissory notes on behalf of the City to affect such Letter of Credit between the Pikeville National Bank and Trust Company and the City of Pikeville and to deliver the same to the Pikeville National Bank and Trust Company upon execution. Said Reimbursement Agreement shall provide that the PNB right of reimbursement from service charges from the City's sewage treatment system and water treatment system; and occupational license fee taxes (up to a maximum of \$314,000.00 per year pledged from occupational taxes) shall be subordinate to the KIA's outstanding debt. All other general tax revenue except the pledge of \$314,000.00 from occupational taxes are not subject to this subordinate right.

Passed this 10th day of October, 1991.

Commissioner Frank Morris moved the adoption of the foregoing resolution. Commissioner Walter Blankenship, seconded the motion.

Upon roll call, the votes were as follows:

	<u>YES</u>	<u>NO</u>
WALTER E. MAY, MAYOR	X	
GENE DAVIS, COMMISSIONER	X	
FRANK MORRIS, COMMISSIONER	X	
JOHNNY MOUNTS, COMMISSIONER		ABSENT
WALTER BLANKENSHIP, COMMISSIONER	X	

The Mayor declared the within resolution adopted.

/s/ Walter E. May
WALTER E. MAY, MAYOR

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ATTEST:

/s/ Karen Harris
KAREN HARRIS, CITY CLERK

At 4:00 p.m., Commissioner Morris made the motion to adjourn to an executive session for the purpose of discussing personnel matters. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 4 - 0.

Commissioner Davis made the motion to reconvene to regular session. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 4 - 0

There being no further business to come before the Commission, Commissioner Davis made the motion, seconded by Commissioner Blankenship to adjourn. Upon call of the roll, the motion carried by a 4 - 0 vote. (Adjournment time: 4:20 p.m.)

APPROVED

Walter E. May
WALTER E. MAY, MAYOR

ATTEST:

Karen Harris
KAREN HARRIS, CITY CLERK