

**REGULAR MEETING
NOVEMBER 14, 2019**

The Ashland Board of Commissioners met in Regular Session in the Commissioners' Chambers, City Building, Ashland, Kentucky, on Thursday, November 14, 2019, at the hour of 12:00 PM. Those present were Commissioners: Marty Gute, Matt Perkins, Pat Steen and Mayor Stephen E. Gilmore, who presided. Absent: Commissioner Amanda Clark. Also present were: Michael S. Graese, City Manager; James H. Moore, III, Corporation Counsel; Andrew K. Wheeler, Assistant Corporation Counsel; Susan W. Maddix, City Clerk; Todd Kelley, Chief of Police; Greg Ray, Fire Chief; Steve Alley, Deputy Fire Chief; Stephen Cole, City Engineer; Tony Grubb, Finance Director; Michelle Veach, Assistant Finance Director; Jack Hunter, Street Superintendent; Chris Pullem, Director of Community and Economic Development; Katherine Utsinger, Economic Development Specialist/Acting Planner; Bill Stambaugh, Acting Director of Utilities; Sean Murray, Human Resources/Parks & Recreation Director; Mike Adkins, Risk Manager; Michelle Grubb, Ashland Bus System; Lorraine Woolery, Section 8/Housing Choice Voucher Administrator; and Reporters.

The invocation was given by Commissioner Gute.

The Pledge of Allegiance was conducted.

AGENDA

City Manager Graese presented the agenda of November 14, 2019. Motion was made by Gute, seconded by Perkins, to receive & file the agenda. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay - none. Motion passed.

MINUTES

Motion was made by Gute, seconded by Perkins, to dispense with reading and approve the minutes of the Regular Meeting held on October 24, 2019 and the Recessed Meeting held on October 25, 2019. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

HEARINGS AND REPORTS

Mayor and City Commissioners' Comments

Commissioner Gute welcomed everyone and announced the Winter Wonderland of Lights opening ceremony is scheduled for Monday at 6:00 PM. Commissioner Gute reported on the number of new businesses opening within the City including Toyota and the Tres Hermanos Mexican restaurant. He invited everyone to the Ashland Tomcat District Championship game at Putnam Stadium on Friday night at 7:30 PM. The Tomcats will face the Russell Red Devils.

Mayor Gilmore read the following Proclamation:

**PROCLAMATION BY
STEPHEN E. GILMORE, MAYOR
CITY OF ASHLAND, KENTUCKY**

WHEREAS, this year, on Tuesday, December 3, 2019, we at Hope's Place are celebrating #GivingTuesday, a day dedicated to giving – when nonprofits, families, businesses, community centers, students, retailers and more will all come together to celebrate giving; and

WHEREAS, giving in monetary means as well as in volunteer hours, donations of food and clothing, and acts of kindness; and

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HEARINGS AND REPORTS CONTINUED

WHEREAS, our goal with #GivingTuesday is to effect a change in the way we think about giving and community service for generations to come; and

WHEREAS, the campaign provides a framework and ideas for people to choose their own best way to contribute to their communities and will provide citizens of Ashland with an opportunity to share their giving story; and

WHEREAS, please join the City of Ashland and Hope's Place as we make our City a selfless and thoughtful City of giving.

NOW, THEREFORE BE IT RESOLVED that I, Stephen E. Gilmore, do hereby proclaim Tuesday, December 3rd, 2019 as

“#GIVINGTUESDAY DAY”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Ashland, Kentucky to be affixed this 3rd day of December 2019.

/s/STEPHEN E. GILMORE, MAYOR

Attest:

/s/SUSAN W. MADDIX, CITY CLERK

SWEARING IN CEREMONY FOR BATTALION CHIEF CHRIS SPEARS AND BATTALION CHIEF JARROD DUNCAN, ASHLAND FIRE DEPARTMENT

City Manager's Report

City Manager Graese introduced D.J. Rymer, Department of Community and Economic Development. Mr. Rymer and Ann Perkins, Director of Safe Harbor, made a presentation on the Safe Harbor ADA unit renovation project through the Community Development Block Grant. Mr. Rymer was the Project Manager.

City Manager Graese reported on the following:

All of the new telephones have been installed with the new numbers. We are working to fix any problems that may occur. A new listing has been prepared to be inserted in the water bills.

Finance has implemented the “Pay by Phone” software which is user-friendly. The phone number is 888-705-1213. Finance is continuing to work on implementing the online software allowing citizens to view, pay or schedule to pay utility bills online.

Leadership Kentucky, comprised of 50 people from across the state, is in Ashland this week. City Manager Graese reported the group had not been in Ashland for several years and the group noticed and was impressed with the changes in the City. City Manager Graese appreciated comments from the group.

City Manager Graese publicly thanked Department Directors and staff both for the work they do and for the work they do behind the scenes.

PUBLIC PARTICIPATION

Mike Wurts, 804 East Street, announced that 1133 flags were put on graves at the Veterans' Cemetery for Veterans' Day. On December 14, wreaths will be placed on the graves. Mr. Wurts announced he has been appointed Service Officer for the AmVets for this area of the state.

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PUBLIC PARTICIPATION CONTINUED

Leigh Holderness, 1681 Elliott Avenue, appeared before the Commission regarding an Airbnb located in her neighborhood. She advised the Board of the many disturbances and the transient nature of this business located in a residential neighborhood. Motion was made by Gute, seconded by Steen, to refer the matter to the Department of Community and Economic Development and to the Ashland Planning Commission or Board of Zoning Adjustment for review and a recommendation. Upon roll call, voting aye were Commissioners Gute, Steen and Mayor Gilmore. Nay – none. Abstain – Commissioner Perkins. Motion passed.

CONSENT AGENDA

RESOLUTION NO. 27, 2019

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 **NOVEMBER 14, 2019**.

* * * * *

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, **November 14, 2019**, 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/STEPHEN E. GILMORE
MAYOR

ATTEST:

/s/SUSAN W. MADDIX
CITY CLERK

ADOPTED BY THE BOARD OF COMMISSIONERS: November 14, 2019

MOTION

Motion was made by Gute, seconded by Perkins, to adopt Resolution No. 27, 2019. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

CONSENT AGENDA ITEMS

1. City Manager recommends authorizing payment of Invoice #0153827 dated October 10, 2019 in the amount of \$9,804.67 to Strand Associates, Inc. for the engineering services associated with the City of Ashland Wastewater Treatment Plant Expansion and Improvements Project.
2. City Manager recommends authorizing payment of Invoice #CI-0000014522 dated October 28, 2019 in the amount of \$60,638 to Service Pump & Supply Co., Inc. for the purchase and installation of the 26th Street Sewage Station Channel Grinder Replacement Project.

REGULAR MEETING NOVEMBER 14, 2019
CONSENT AGENDA CONTINUED

3. City Manager recommends authorizing payment of Pay Request #10 dated September 30, 2019 in the amount of \$6,555 to GRW Engineering for the work performed on the Pollard Mills Storm Water, Sidewalks, Curbs, Gutters and Paving Contract.
4. City Manager recommends authorizing payment of Pay Request #11 dated October 31, 2019 in the amount of \$6,585 to GRW Engineering for the work performed on the Pollard Mills Storm Water, Sidewalks, Curbs, Gutters and Paving Contract.
5. City Manager recommends approval to award the bid for diving inspection services and debris removal at the raw water intake structure for a period of two years in the amount of \$72,000 to Marine Diving Services, Inc., Division of Water Production, Department of Utility Operations.
6. City Manager recommends approval to award the bid for the purchase of a new Medium Duty Class 5 Truck, outfitted for utility use in the amount of \$96,768 to Tim Short Ford and approving payment upon acceptance of the vehicle, Division of Water Distribution, Department of Utilities.
7. City Manager recommends approval to award the bid for the purchase and delivery of one Flowserve model raw water intake pump (or equivalent) in the amount of \$38,414 to Service Pump & Supply and approving payment upon acceptance of equipment, Division of Water Production, Department of Utilities.
8. City Manager recommends approval to award the bid for the Ashland Sub-Station: 40' Triple Wide Container Office in the amount of \$110,170 to Bristlecone Ventures 2, LLC, Department of Economic Development.
9. City Manager recommends approval for the Ashland Fire Department to accept the grant from the Kentucky Fire Commission in the amount of \$8,000 for the purchase of a forcible entry door training prop.
10. City Manager recommends the probationary appointment of Mark B. Midkiff to the position of Fire Engineer, Ashland Fire Department, effective November 17, 2019.
11. City Manager recommends waiving the application and issuing fees in conjunction with the Ashland Hospital Corporation dba Kings Daughters Medical Center refunding revenue bonds.
12. Other Consent Items

NEW BUSINESS
FIRST READING AND ADOPTION ONLY

ORDINANCE NO. _____, 2019

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, PROHIBITING PARKING ON THE EAST SIDE OF WILLIAMS AVENUE BEGINNING AT ITS INTERSECTION WITH 52ND STREET AND CONTINUING 50' IN A SOUTHERLY DIRECTION AND ON THE SOUTH SIDE OF 52ND STREET BEGINNING AT ITS INTERSECTION WITH WILLIAMS AVENUE AND CONTINUING 50' IN AN EASTERLY DIRECTION, AND PROVIDING A PENALTY FOR THE VIOLATION OF THIS ORDINANCE.

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ORDINANCE NO. _____, 2019 CONTINUED

MOTION

Motion was made by Gute, seconded by Steen, to adopt Ordinance No. _____, 2019, at this its first reading. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

FIRST READING AND ADOPTION ONLY

ORDINANCE NO. _____, 2019

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, AUTHORIZING AND DIRECTING STEPHEN E. GILMORE, MAYOR, TO EXECUTE A CONTRACT BETWEEN THE CITY OF ASHLAND AND MARINE DIVING SERVICES INC. FOR DIVING INSPECTION SERVICES AND DEBRIS REMOVAL AT THE RAW WATER INTAKE STRUCTURE FOR A PERIOD OF TWO YEARS IN THE AMOUNT OF \$72,000.00 FOR THE DEPARTMENT OF UTILITY OPERATIONS, DEIVISION OF WATER PRODUCTION.

MOTION

Motion was made by Gute, seconded by Perkins, to adopt Ordinance No. _____, 2019, at this its first reading. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

FIRST READING AND ADOPTION ONLY

ORDINANCE NO. _____, 2019

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, AUTHORIZING AND DIRECTING STEPHEN E. GILMORE, MAYOR, TO EXECUTE A PURCHASE ORDER BETWEEN THE CITY OF ASHLAND, KENTUCKY AND AWI FOR THE PURCHASE OF SIX PHOENIX FILTER UNDERDRAIN SYSTEMS FOR THE WATER TREATMENT PLANT IN THE AMOUNT OF \$485,000.00 PURSUANT TO NON-COMPETITIVE NEGOTIATION FOR THE DEPARTMENT OF UTILITY OPERATIONS, DIVISION OF WATER PRODUCTION.

MOTION

Motion was made by Gute, seconded by Steen, to adopt Ordinance No. _____, 2019, at this its first reading. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

FIRST READING AND ADOPTION ONLY

ORDINANCE NO. _____, 2019

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, AUTHORIZING AND DIRECTING STEPHEN E. GILMORE, MAYOR, TO SUBMIT THE PROGRAM YEAR 2019 **AMENDED** ACTION PLAN, ADOPTED BY ORDINANCE NO. 64, SERIES OF 2019, AS AMENDED BY ORDINANCE NO. 109, SERIES OF

REGULAR MEETING NOVEMBER 14, 2019
ORDINANCE NO. _____, 2019 CONTINUED

2019, FOR A COMMUNITY DEVELOPMENT BLOCK GRANT TO THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) IN THE AMOUNT OF \$561,481.00 PLUS CARRY-OVER FUNDING IN THE AMOUNT OF \$982,293.00, TO REDISTRIBUTE FUNDING ALLOCATIONS, AND UPON ACCEPTANCE OF SAID APPLICATION FROM HUD, TO EXECUTE ON BEHALF OF THE CITY OF ASHLAND, AN AGREEMENT WITH THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO ENABLE THE CITY TO UNDERTAKE THESE ACTIVITIES AND/OR ANY AND ALL DOCUMENTS ASSOCIATED WITH THE GRANT SUBMITTAL.

MOTION

Motion was made by Gute, seconded by Steen, to adopt Ordinance No. _____, 2019, at this its first reading. Upon roll call, voting aye were Commissioners Gute, Steen and Mayor Gilmore. Nay – none. Abstain – Commissioner Perkins. Motion passed.

FIRST READING AND ADOPTION ONLY

ORDINANCE NO. _____, 2019

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, ACCEPTING THE PROPOSAL OF HOWERTON ENGINEERING & SURVEYING PLLC FOR PROFESSIONAL SERVICES IN THE AMOUNT OF \$48,000.00 FOR THE DEVELOPMENT OF DESIGN DRAWINGS, PLANS, SPECIFICATIONS AND BIDDING SERVICES ASSOCIATED WITH THE DEBORD TERRACE SIDEWALKS, STAIRS AND HANDRAIL PROJECT AND AUTHORIZING STEPHEN E. GILMORE, MAYOR, TO ENTER INTO A CONTRACT FOR SAID SERVICES FOR THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT FUNDED BY COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS.

MOTION

Motion was made by Gute, seconded by Steen, to adopt Ordinance No. _____, 2019, at this its first reading. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

FIRST READING AND ADOPTION ONLY

ORDINANCE NO. _____, 2019

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, APPROVING MINORITY LOAN NO. 2019-M-003 TO ASHLAND PETRO, INC. IN THE AMOUNT OF \$73,687.31 TO BE PAID FROM THE 2019 PROGRAM YEAR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND AUTHORIZING STEPHEN E. GILMORE, MAYOR, TO EXECUTE LOAN DOCUMENTS.

REGULAR MEETING NOVEMBER 14, 2019**ORDINANCE NO. _____, 2019 CONTINUED****MOTION**

Motion was made by Gute, seconded by Steen, to adopt Ordinance No. _____, 2019, at this its first reading. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

FIRST READING AND ADOPTION ONLY**ORDINANCE NO. _____, 2019**

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, ADOPTING THE HOUSING CHOICE VOUCHER PROGRAM REVISED ANNUAL PLAN AND THE 2020A ADMINISTRATIVE PLAN FOR THE CITY OF ASHLAND, DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, DIVISION OF ASSISTED HOUSING (SECTION 8).

MOTION

Motion was made by Gute, seconded by Steen, to adopt Ordinance No. _____, 2019, at this its first reading. Upon roll call, voting aye were Commissioners Gute, Steen and Mayor Gilmore. Nay – none. Abstain – Commissioner Perkins. Motion passed.

FIRST READING AND ADOPTION ONLY**ORDINANCE NO. _____, 2019**

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, AUTHORIZING AND DIRECTING STEPHEN E. GILMORE, MAYOR, TO EXECUTE A CONTRACT BETWEEN THE CITY OF ASHLAND, KENTUCKY, BOYD COUNTY CENTER FOR AGING, INC., D/B/A ASHLAND SENIOR CENTER AND GUYS FLOOR COVERING, LLC FOR ALL LABOR AND MATERIAL FOR THE ASHLAND SENIOR CENTER FLOORING PROJECT IN THE AMOUNT OF \$11,546.25 FOR THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO BE PAID FROM COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS.

MOTION

Motion was made by Gute, seconded by Steen, to adopt Ordinance No. _____, 2019, at this its first reading. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

REGULAR MEETING NOVEMBER 14, 2019
ORDINANCE NO. _____, 2019 CONTINUED

FIRST READING AND ADOPTION ONLY

ORDINANCE NO. _____, 2019

AN ORDINANCE OF THE CITY OF ASHLAND, KENTUCKY, AUTHORIZING AND DIRECTING STEPHEN E. GILMORE, MAYOR, TO EXECUTE A CONTRACT BETWEEN THE CITY OF ASHLAND AND BRISTLECONE VENTURES 2, LLC, D/B/A FALCON STRUCTURES FOR THE PURCHASE OF A 40' TRIPLE-WIDE CONTAINER FOR THE ASHLAND POLICE SUBSTATION PROJECT IN THE AMOUNT OF \$110,170.00 FOR THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO BE PAID FROM COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS.

MOTION

Motion was made by Gute, seconded by Steen, to adopt Ordinance No. _____, 2019, at this its first reading. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

READING AND ADOPTION

MUNICIPAL ORDER NO. 15, 2019

A MUNICIPAL ORDER OF THE CITY OF ASHLAND, KENTUCKY (THE "ISSUER") (1) AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$105,000,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF ASHLAND, KENTUCKY MEDICAL CENTER REFUNDING REVENUE BONDS (ASHLAND HOSPITAL CORPORATION, D/B/A KING'S DAUGHTERS MEDICAL CENTER) (THE "REFUNDING BONDS"), WHICH REFUNDING BONDS WILL BE PAYABLE SOLELY FROM LOAN PAYMENTS OF THE CORPORATION, TO 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"); (2) AUTHORIZING THE EXECUTION OF (A) AN 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 THE REFUNDING BONDS BY PLEDGES OF THE REVENUES OF THE CORPORATION, PROVIDING FOR THE COLLECTION AND APPLICATION OF THE REVENUES OF THE CORPORATION, AND SETTING FORTH THE SECURITY, TERMS AND CONDITIONS UPON WHICH THE REFUNDING BONDS ARE TO BE ISSUED, (C) A BOND PURCHASE AGREEMENT AMONG THE ISSUER, THE CORPORATION AND GOLDMAN SACHS & CO. LLC, (D) A TAX

REGULAR MEETING NOVEMBER 14, 2019
MUNICIPAL ORDER NO. 15, 2019 CONTINUED

CERTIFICATE AND AGREEMENT AMONG THE ISSUER, THE CORPORATION AND THE TRUSTEE, (E) A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT IN RESPECT OF SUCH REFUNDING BONDS; AND (3) AUTHORIZING OTHER RELATED DOCUMENTS AND TAKING OTHER RELATED ACTION.

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 Loan Agreement between the Issuer and Ashland Hospital Corporation, d/b/a King's Daughters Medical Center, a Kentucky non-profit corporation (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 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 one or more of the following bond issues: (i) the Kentucky Economic Development Finance Authority Medical Center Revenue Bonds, Series 2008C (Ashland Hospital Corporation d/b/a King's Daughters Medical Center Project) (the "Series 2008C Bonds"); (ii) the Kentucky Economic Development Finance Authority Medical Center Revenue Bonds, Series 2010A (Ashland Hospital Corporation d/b/a King's Daughters Medical Center Project) (the "Series 2010A Bonds"); and (iii) the City of Ashland, Kentucky Medical Center Revenue Bonds, Series 2010B (Ashland Hospital Corporation d/b/a King's Daughters Medical Center Project) (the "Series 2010B Bonds"); and

WHEREAS, the Corporation has requested the Issuer issue not exceeding \$105,000,000 in bonds, in one or more series, the proceeds of said bonds to be loaned to the Corporation and used to (i) refund on a current basis all or a portion of the Series 2008C Bonds, the Series 2010A Bonds, and the Series 2010B Bonds, (ii) reimburse the Corporation for, or to repay loans used by the Corporation for, purchase of bonds from the referenced bond issues, (iii) fund a debt service reserve fund (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 \$105,000,000 aggregate principal amount of its City of Ashland, Kentucky Medical Center Refunding Revenue Bonds (Ashland Hospital Corporation d/b/a King's Daughters Medical Center), in one or more series designated to identify the year of issuance (Series 2019 or Series 2020, as applicable) (the "Refunding Bonds") in order to provide funds for the purposes set forth above; and

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

WHEREAS, the Issuer and the Corporation will enter into an Amended and Restated Loan, Mortgage and Security Agreement (the "Loan 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 Refunding Bonds; and

REGULAR MEETING NOVEMBER 14, 2019
MUNICIPAL ORDER NO. 15, 2019 CONTINUED

WHEREAS, there have been prepared and presented to this meeting the following documents:

1. The form of the Loan Agreement;
2. The form of the Bond Indenture between the Issuer and the Trustee, including the form of the Refunding Bonds;
3. The form of the Bond Purchase Agreement with respect to the Refunding Bonds to be entered into by and between the Issuer and Goldman Sachs & Co. LLC, as purchaser (the "Purchaser"), and approved by the Corporation (the "Bond Purchase Agreement");
4. The form of the Tax Certificate and Agreement among the Issuer, the Corporation and the Trustee (the "Tax Certificate and Agreement"); and
5. The form of the Preliminary Official Statement with respect to the Refunding Bonds (the "Preliminary Official Statement");

NOW, THEREFORE, be it ordered by the Issuer:

1. AUTHORIZATION OF THE REFUNDING BONDS.

In order to promote the economic development of the City and the Commonwealth and to accomplish the refunding on a current basis of all or a portion of the Series 2008C Bonds, the Series 2010A Bonds and the Series 2010B Bonds (the bonds ultimately selected for current refunding are referred to as the "Refunded Bonds"), pursuant to the Act, the Issuer hereby authorizes and approves, pursuant to the Act, the issuance of the Refunding Bonds, in one or more series, consisting of registered bonds, bearing interest from their date, payable as set forth in the Bond Indenture, with a maximum interest rate of 8% as set forth in the Bond Indenture, payable on each interest payment date, with principal installments of the Refunding Bonds to be repaid on the dates set forth in the Bond Indenture. The aggregate principal amount of the Refunding Bonds shall not exceed \$105,000,000 and such Refunding Bonds shall be sold on a negotiated basis to the Purchaser pursuant to the Bond Purchase Agreement.

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

The following documents in the preliminary forms attached to this Municipal Order 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 Municipal Order; and the Mayor is hereby authorized to execute and acknowledge the same for and on behalf of the Issuer; and the Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the Issuer. Said documents are hereby ordered to be filed in the office of the Issuer, labeled respectively, Exhibits A through E, as identified below, and each of said documents is ordered to be recorded with this Municipal Order in the official records of the Issuer:

- (a) The Loan Agreement (Exhibit A);
- (b) The Bond Indenture (Exhibit B);
- (c) The Bond Purchase Agreement (Exhibit C);
- (d) The Tax Certificate and Agreement (Exhibit D); and
- (e) The Preliminary Official Statement (Exhibit E).

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MUNICIPAL ORDER NO. 15, 2019 CONTINUED

The final versions of the above documents shall be substantially in the forms 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 final version of the Preliminary Official Statement shall be 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, subject to revision, amendment and completion in a final Official Statement (such final Official Statement, the "Final Official Statement" and, with the Preliminary Official Statement, the "Official Statement"). The sections of the Official Statement providing information on the Issuer and the distribution of the Official Statement are hereby approved. 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.

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 Refunding Bonds with the Trustee for the purpose of currently refunding all or a portion of the Refunded Bonds, (ii) the use of a portion of the proceeds of the Refunding Bonds to pay costs of issuance and (iii) any other purposes set forth in the Bond Indenture (including deposits to a debt service reserve fund).

4. PAYMENTS BY THE CORPORATION UNDER THE LOAN AGREEMENT.

The payments to be made by the Corporation under the terms of the Loan Agreement are hereby pledged to secure the Refunding Bonds, and in addition, for such other purposes as are more fully specified in the Bond Indenture. **THE REFUNDING BONDS SHALL BE SPECIAL AND LIMITED OBLIGATIONS OF THE ISSUER AND SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE COMMONWEALTH OF KENTUCKY, 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 BY THE TRUSTEE UNDER THE LOAN AGREEMENT AND THE RELATED MASTER NOTE AND THE TRUST ESTATE CREATED UNDER THE BOND INDENTURE RELATED TO THE REFUNDING BONDS.**

5. TRUSTEE

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

6. EXECUTION OF BONDS.

The Refunding Bonds shall be executed in the manner provided in the Bond Indenture and this Municipal Order and shall be delivered to the Trustee for proper authentication and delivery by the Trustee to the purchaser of the Refunding Bonds, with instructions to that effect, as provided in the Bond Indenture.

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MUNICIPAL ORDER NO. 15, 2019 CONTINUED

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 Refunding Bonds, including, but not limited to, an IRS Form 8038, subscriptions for state and local government securities to be delivered in connection with the Refunding Bonds, closing certificates of the Issuer and other documents related to the Refunding 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 Refunding Bonds shall not be invested or reinvested in a manner which would cause the Refunding 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.

Prior to or at the time of delivery of the Refunding 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 Refunding 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 Refunding 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 Municipal Order 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 Municipal Order are for convenience only and are not to be construed as part of this Municipal Order 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 Municipal Order, are, to the extent of such conflict, hereby repealed.

12. PUBLIC HEARING.

A public hearing on the proposed issuance of the Refunding Bonds has been scheduled for November 14, 2019, 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 Refunding Bonds, following such hearing.

REGULAR MEETING NOVEMBER 14, 2019
MUNICIPAL ORDER NO. 15, 2019 CONTINUED

13. EFFECTIVE DATE OF MUNICIPAL ORDER.

This Municipal Order shall be effective immediately upon its adoption and the publication of an advertisement setting forth the title of the Municipal Order 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 Refunding 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 Municipal Order and the issuance of such Refunding Bonds.

INTRODUCED, SECONDED AND ADOPTED AT A DULY CONVENED MEETING OF THE CITY COMMISSIONERS OF THE CITY OF ASHLAND, KENTUCKY held on November 14, 2019, signed by the Mayor as evidence of his approval, attested by the Clerk and declared to be in full force and effect.

/s/STEPHEN E. GILMORE
MAYOR

ATTEST:

/s/SUSAN W. MADDIX
CITY CLERK

MOTION

Motion was made by Gute, seconded by Steen, to adopt Municipal Order No. 15, 2019. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

DISCUSSION

Mayor Gilmore advised a Public Hearing regarding the bonds was conducted prior to the Commission meeting. Commissioner Perkins asked for clarification of the Municipal Order for public awareness. Representatives from Frost Brown Todd, KDMC Bond Counsel, appeared before the Commission to thank the Board for the issuance. Bond Counsel reported the bond issue is a refinance of the bonds currently held by the hospital. The bond issue in no way obligates the City of Ashland.

APPOINTMENT TO ASHLAND HOUSING AUTHORITY BOARD

Motion was made by Gute, seconded by Perkins, approving the Mayor's appointment of Mike Corwin to the Ashland Housing Authority Board for a four-year term retroactive to 09/01/2019 and expiring 09/01/2023. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

EXECUTIVE SESSION

Motion was made by Gute, seconded by Steen, to go into Executive Session at 12:50 PM to discuss property acquisition. Upon roll call, voting aye were Commissioners Gute, Perkins, Steen and Mayor Gilmore. Nay – none. Motion passed.

REGULAR MEETING NOVEMBER 14, 2019
EXECUTIVE SESSION CONTINUED

RECONVENED

The meeting reconvened at 1:42 PM and Mayor Gilmore announced the only item discussed was property acquisition with no final action taken.

RECESS

Mayor Gilmore declared the meeting recessed at 1:42 PM until 8:30 AM on Friday, November 15, 2019.


STEPHEN E. GILMORE
MAYOR

ATTEST:


SUSAN W. MADDIX
CITY CLERK