

**AGENDA
MIDWAY CITY COUNCIL
TUESDAY, SEPTEMBER 6, 2016
5:30 P.M. CITY HALL
101 EAST MAIN STREET**

Pledge of Allegiance
Moment of Reflection

Approval of Minutes from the August 15, 2016 regular meeting

Citizen's Comments
Guest

New Business

Inducement Resolution – A Resolution Of The City Council Of The City Of Midway, Kentucky Preliminarily Approving One Or More Industrial Revenue Bond Financings For Lakeshore Equipment Company D/B/A Lakeshore Learning Materials, Lakeshore Warehouse East, LLC, Or Any Affiliates Thereof; Authorizing Initiation Of The Acquisition, Construction, Installation, And Equipping Of An Industrial Project Related Thereto; Agreeing To Issue Industrial Revenue Bonds In One Or More Series At The Appropriate Time Or Times; And Taking Other Preliminary Action

Snow Removal Bids

First Reading of Ordinances

Ordinance 2016-08 Park Board

Ordinance 2016-09 An Ordinance of the City of Midway, Kentucky Authorizing

The Issuance of its Educational Facilities Refunding Revenue bond, Series 2016 (Providence Montessori School, Inc. Project) In an Aggregate Principal Amount Not To Exceed \$1,800,000 For The Purpose of Refinancing The Costs of Existing Educational Facilities For Providence Montessori School, Inc.; Authorizing The Execution and Delivery Of A Bond Purchase And Loan Agreement And Tax Regulatory Agreement; Authorizing Certain Other Matters, Including The Execution Of Related Documents, In Connection With The Issuance, Sale and Delivery Of The Bond

Second Reading of Ordinances

Ordinance 2016-06 2017 Personal Property Tax Rate Ordinance

Ordinance 2016-07 2016 Real Property Tax Rate Ordinance

Committee Report
Executive Session – KRS 61.810
Adjourn

**The agenda can be revised up to 24 hours before the meeting
Please notify the City Clerk if you will be late or unable to attend.
To expedite the meeting, please be familiar with the agenda and the information in the packets.**

August 15, 2016
Regular Meeting
Monday
5:30 pm

The regular meeting of Midway City Council was called to order by Mayor Grayson Vandegrift and the following council members were present: Dan Roller, Bruce Southworth, Sara Hicks, Kaye Nita Gallagher and Steven Craig. Council Member Libby Warfield was absent. Also in attendance was Attorney Phil Maloney.

Guest Johnny Merritt – Lexington Blacktop – Spoke with Council concerning the additional requested bid for a sub-grade fix on Northside Dr. and Basketball Court at S. Gratz St. Midway Council member Sara Hicks motioned to approve the additional \$11,407.00 to fix the sub-grade. Motion seconded by Council Member Bruce Southworth. Motion carried 5-0.

Human Rights Commission Budget Request – Motion by Council Member Bruce Southworth and seconded by Council Member Dan Roller to approve \$400.00 donation to the Versailles, Midway, Woodford County Human Rights Commission. Motion carried 5-0.

Use of Walter Bradley Park – Soccer Field – Council members spoke with John Holloway about upcoming expansion of the trails of the park and concerning the best place for a Youth Soccer team to practice at the Walter Bradley Park. Pending proof of Liability Insurance for the team, Council Member Bruce Southworth motioned to allow the Derby City Rovers Girls Team to practice there. Motion seconded by Council Member Steven Craig. Motion carried 5-0.

First Reading of Ordinances

Ordinance 2016-06 2017 Personal Property Tax Rate Ordinance. Request to read by Council Member Bruce Southworth. Ordinance read by Attorney Phil Maloney.

Ordinance 2016-07 2016 Real Property Tax Rate Ordinance. Request to read by Council Member Bruce Southworth. Ordinance read by Attorney Phil Maloney.

Mayor Grayson Vandegrift sent a Special Thank You to the History Committee (Bill & Leslie Penn and Dee Dee Roach) of the Renaissance group for the Historic Downtown Signs that were placed at both ends of town.

Council Member Dan Roller spoke concerning the Blighted/Abandoned Property Committee. Mayor Grayson Vandegrift suggested that a new Vacant Property Board be established. This would consist of three members. The members must live in Midway and/or own property in Midway. Mayor Grayson Vandegrift commends Council Member Dan Roller for his commitment with the Blighted/Abandoned Property since his term here. Council Member Dan Roller will not be running for another term.

A friendly reminder that the next Midway Council Meeting will be held on Tuesday, September 6th at 5:30pm due to the Labor Day Holiday.

Council Member Bruce Southworth motioned to adjourn the meeting and Council Member Steven Craig seconded. Motion carried 5-0. 6:18pm

CITY OF MIDWAY

Grayson Vandegrift

ATTEST:

Sonya Conner
Assist. City Clerk

INDUCEMENT RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIDWAY, KENTUCKY, PRELIMINARILY APPROVING ONE OR MORE INDUSTRIAL REVENUE BOND FINANCINGS FOR LAKESHORE EQUIPMENT COMPANY D/B/A LAKESHORE LEARNING MATERIALS, LAKESHORE WAREHOUSE EAST, LLC, OR ANY AFFILIATES THEREOF; AUTHORIZING INITIATION OF THE ACQUISITION, CONSTRUCTION, INSTALLATION, AND EQUIPPING OF AN INDUSTRIAL PROJECT RELATED THERETO; AGREEING TO ISSUE INDUSTRIAL REVENUE BONDS IN ONE OR MORE SERIES AT THE APPROPRIATE TIME OR TIMES; AND TAKING OTHER PRELIMINARY ACTION

WHEREAS, it has been determined that the City of Midway, Kentucky (the "Issuer"), may assist (i) Lakeshore Equipment Company d/b/a Lakeshore Learning Materials, a California corporation, (ii) Lakeshore Warehouse East, LLC, a California limited liability company, and (iii) any affiliates thereof (individually, a "Company" and collectively, the "Companies"), by causing the acquisition, construction, installation, and equipping of an industrial project of the Companies consisting of the facilities and properties described in Exhibit A attached hereto (the "Project"), which Project is currently codenamed "Scooter", and by entering into, at the appropriate time, one or more lease agreements with one or both of the Companies (each a "Lease Agreement" and collectively, the "Lease Agreements"), pertaining to the Project, all pursuant to the authority of Sections 103.200 to 103.285, inclusive, of the Kentucky Revised Statutes, as amended (the "Act"), and in furtherance of the purposes of the Act and the ensuing public benefit to the Issuer's residents and its environs, each such Lease Agreement to be upon terms and conditions as the Act may require and as the Issuer may deem acceptable; and

WHEREAS, the Companies have represented that the acquisition, construction, installation, and equipping of the Project will result in economic development within the Issuer's environs; and

WHEREAS, the Issuer is authorized by the Act to issue its industrial revenue bonds for the purpose of defraying the costs of acquiring, constructing, installing, and equipping "industrial building" facilities, which term includes land, buildings, fixtures, and equipment such as the Project; discussions have occurred between the Issuer and the Companies' respective representatives regarding the Issuer's issuance of industrial revenue bonds in one or more series to finance the Project; the Issuer hereby agrees to issue such industrial revenue bonds from time to time upon the Companies' compliance with any reasonable conditions and obligations the Issuer may require and upon the Companies' agreement to pay all of the Issuer's reasonable costs and expenses related to the bonds from bond proceeds or other sources; and the Issuer has authorized the Companies to proceed with the initiation of the acquisition, construction, installation, and equipping of the Project, subject to reimbursement of Project costs from the proceeds of the industrial revenue bonds, as and when issued; and

WHEREAS, based upon the Companies' present estimate of the Project's aggregate costs together with a reasonable allowance for contingencies and incidental costs, the Issuer proposes to issue its industrial revenue bonds in one or more series in an aggregate amount up to \$50,000,000 with each such series having a term of thirty years (collectively, the "Bonds"), to pay the Project's aggregate costs, including costs incident to the authorization, sale, and issuance of the Bonds and other financing costs, with the understanding that the Issuer can increase the maximum aggregate amount of the Bonds by subsequent official action if the Companies so request; and each series of the Bonds will be payable solely from payments to be made by one of the Companies under the applicable Lease Agreement and will not be payable from the Issuer's funds or assets; and

WHEREAS, the Issuer proposes to enter into each Lease Agreement with one of the Companies at the appropriate time under which the respective Company will covenant and agree to pay amounts sufficient to provide for the payment of principal of and interest on the applicable series of the Bonds, together with all trustee, paying agent, and servicing agent's fees in connection therewith, and any other related charges as the same come due and payable; and

WHEREAS, to evidence the Issuer and the Companies' preliminary agreement regarding these matters the parties propose to enter into a Memorandum of Agreement substantially in the form set out in Exhibit B attached hereto (the "Memorandum of Agreement"), and the Payment in Lieu of Taxes Agreement substantially in the form set out in Exhibit C attached hereto (the "PILOT Agreement");

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF MIDWAY, KENTUCKY, AS FOLLOWS:

Section 1. It is found, determined, and declared that (a) the recitals set forth in the preambles to this Resolution, which are incorporated in this Section 1 by reference, are true and correct; (b) the amount of money necessary to be provided by the Issuer through the issuance of the Bonds in one or more series for the acquisition, construction, installation, and equipping of the Project will be an aggregate amount up to \$50,000,000, each respective series of the Bonds to have a term of 30 years; (c) the Companies have represented that they collectively intend to have sufficient financial resources to acquire, construct, install, and equip the Project and to place it in operation and to continue to operate, maintain, and insure the Project throughout the term of all series of the Bonds, meeting when due the obligations of each respective Lease Agreement; and (d) sufficient safeguards shall be provided by each Lease Agreement to insure that all money provided by the Issuer from the proceeds of the sale of the Bonds will be expended, by way of direct expenditure or reimbursement, solely and only for the purposes of the Project financed thereby.

Section 2. It is hereby found, determined, and declared that (a) the costs of acquiring, constructing, installing, and equipping the Project will be paid out of the proceeds of the Bonds, such proceeds to be supplemented by contributions of one or both of the Companies as may be necessary to complete the Project; (b) none of the Bonds will be general obligations of

the Issuer; (c) neither the Bonds nor the interest thereon shall constitute or give rise to any pecuniary liability whatsoever of the Issuer or any charge against its general credit or taxing power; (d) each series of the Bonds and the payment of interest thereon shall be secured and payable solely by a pledge of amounts to be paid by one of the Companies or otherwise to be available under the respective Lease Agreement; (e) no part of said costs will be payable out of any general funds, assets, properties, or other contributions of the Issuer; (f) the Issuer shall sell each series of the Bonds to one of the Companies or any affiliated entity thereof; and (g) the Companies shall pay all reasonable costs and expenses of the Issuer related to the issuance of all series of the Bonds in an amount not to exceed \$1,500.

Section 3. The acquisition, construction, installation, and equipping of the Project may be initiated and undertaken or caused to be initiated and undertaken by the Companies forthwith, and the Companies are authorized to formulate and develop plans and specifications for the Project and to enter into such contracts and undertakings as may be required for the acquisition, construction, installation, and equipping of the Project. Payments or reimbursements to or on behalf of the Companies after the receipt of the proceeds of the sale of each series of the Bonds by the Issuer shall be made as set out in each respective Lease Agreement.

Section 4. The Companies are authorized and directed to take any other legal action necessary and customary in order to satisfy any prerequisites to the issuance of the Bonds. Counsel for the Issuer and its officers and officials are authorized and requested to assist the Companies in any appropriate manner.

Section 5. The Memorandum of Agreement attached hereto as **Exhibit B** is hereby approved and the Mayor is hereby authorized to execute the Memorandum of Agreement on the Issuer's behalf.

Section 6. It is hereby acknowledged and agreed that the form of the PILOT Agreement attached hereto as **Exhibit C** describes the agreement reached between the Issuer and the Companies' representatives regarding the Companies' respective obligations to make payments in lieu of taxes while any Bond is outstanding and that upon the issuance of a series of the Bonds, the Issuer shall direct its Mayor or its other authorized officials to execute a PILOT Agreement with the applicable Company in the form attached hereto with such changes or revisions as are necessary to reflect the date, par, designation, maturity, and interest rate or rates applicable to the series of Bonds then being issued.

Section 7. No funds of the Issuer shall be expended for the costs of issuance of the Bonds or for the costs of the Project, except such as are derived from Bond proceeds.

Section 8. All resolutions, municipal orders, and other official actions of the Issuer or parts thereof in conflict herewith are, to the extent of such conflict, hereby rescinded.

Section 9. This Resolution shall be in full force and effect from and after its adoption.

EXHIBIT A

Project Description

The "Project" includes all industrial building facilities to be financed by the Bonds and to be acquired, constructed, installed, and equipped by one or both of the Companies near the intersection of Georgetown Road and McKinley Avenue in Midway, Woodford County, Kentucky, consisting of land, real property improvements, and personal property to be utilized in the assembly and distribution of educational products and supplies, including all related storage, warehousing, and operating equipment and machinery deemed necessary in connection therewith.

EXHIBIT B

Form of Memorandum of Agreement

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT is made as of September 6, 2016, by and between (i) the CITY OF MIDWAY, KENTUCKY (the "Issuer"), and (ii) LAKESHORE EQUIPMENT COMPANY d/b/a Lakeshore Learning Materials, a California corporation, and LAKESHORE WAREHOUSE EAST, LLC, a California limited liability company (each a "Company" and together, the "Companies").

RECITALS

WHEREAS, the Issuer is authorized under Sections 103.200 to 103.285, inclusive, of the Kentucky Revised Statutes (the "Act") to issue industrial revenue bonds in one or more series to finance the costs of acquiring, constructing, installing, and equipping certain industrial projects and facilities within the meaning of the Act, in order to accomplish the public purposes of promoting economic development within the Issuer's environs; and

WHEREAS, the Companies have advised the Issuer that they desire to finance the acquisition, construction, installation, and equipping of an industrial project consisting of the facilities and properties described in Attachment A attached hereto (the "Project"), which Project is codenamed "Scooter"; and

WHEREAS, the Companies have asked the Issuer to issue industrial revenue bonds pursuant to the Act in one or more series in an aggregate principal amount not to exceed \$50,000,000 (the "Bonds") for the purpose of financing the Project; and

WHEREAS, the parties hereto have found and determined that the financing of the Project will tend to accomplish the public purposes of the Act by causing economic development within the Issuer's environs; and

WHEREAS, the Issuer proposes to issue the Bonds in one or more series to finance the Project and desires to authorize the Companies to proceed with the financing of the Project and be reimbursed from the proceeds of the Bonds for costs incurred related thereto before the issuance of any series of the Bonds; and

WHEREAS, the Issuer proposes to enter into, at the appropriate time or times and in accordance with the Act, one or more lease agreements with one or both of the Companies (each, a "Lease Agreement" and collectively, the "Lease Agreements"), pertaining to the Project, each such Lease Agreement to be upon terms and conditions as the Act may require and the Issuer may deem acceptable; and

WHEREAS, in order to obtain for the Issuer's residents the benefits listed above, which the Project would create and preserve, the Issuer desires to encourage and induce the Companies to proceed with the financing of the Project;

NOW, THEREFORE, in consideration of the premises and of the covenants and undertakings herein expressed, the Issuer and the Companies hereby agree as follows:

Section 1. The Companies may commence the acquisition, construction, installation, and equipping of the Project and may provide or cause to be provided, at their own expense, any necessary interim financing to permit such acquisition, construction, installation, and equipping to commence and continue.

Section 2. The Issuer will issue and sell the Bonds pursuant to the terms of the Act in one or more series in an aggregate principal amount not to exceed \$50,000,000. Each series of the Bonds shall be signed by the manual or facsimile signature of the Issuer's Mayor and attested to by the Issuer's City Clerk, and shall bear such titles or designations, shall bear interest at such rate or rates, shall be in such denomination or denominations, shall be subject to such terms of redemption, shall be in registered form, shall be payable as to principal, redemption price, and interest at such place or places, and shall contain such other terms and conditions as may be fixed by or pursuant to the Issuer's ordinance or ordinances authorizing the sale and delivery thereof. The proceeds from the sale of each series of the Bonds shall be used to finance the Project pursuant to the Act.

Section 3. The Issuer will cooperate with the Companies for the purpose of issuing and selling each series of the Bonds on the best terms reasonably obtainable; and if arrangements therefor satisfactory to the Issuer and the applicable Company for each such series can be made, the Issuer will authorize the execution and delivery of such instruments and the taking of such further actions as may be necessary or advisable for the authorization, issuance, and sale of each such series of the Bonds on a negotiated basis and the use of the proceeds thereof to finance a portion of the Project, all as shall be authorized by law and mutually satisfactory to the Issuer and the applicable Company. The Issuer shall sell each series of the Bonds to one of the Companies or any affiliated entity thereof.

Section 4. Upon the issuance of each series of the Bonds, the Issuer shall take title to the applicable portion of the Project and the Issuer and one of the Companies shall enter into a Lease Agreement pursuant to which the applicable Company will covenant and agree to pay amounts sufficient to provide for the payment of principal of and interest for that particular series of Bonds, together with all trustee, paying agent, and serving agent's fees in connection with such Bonds, and any other related charges as the same come due and payable.

Section 5. The Issuer will take or cause to be taken such other acts and adopt or cause to be adopted such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate pursuant thereto.

Section 6. Contemporaneously with the sale of each series of the Bonds, one of the Companies (a) will enter into a Lease Agreement with the Issuer, the terms of which shall obligate such Company to pay the Issuer the amounts described in Section 4 hereof, as and when the same shall become due and payable, all provisions required by law and such other provisions as shall be mutually acceptable to the Issuer and such Company, and (b) will take such further acts and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

Section 7. As an inducement to the Issuer to enter into this Memorandum of Agreement, the Companies agree that they will reimburse the Issuer for, or pay reasonable expenses, including fees and expenses of its counsel, which the Issuer may incur at the Companies' request, or as may be necessary, arising from the execution of the Memorandum of Agreement and the performance by the Issuer of its obligations hereunder, but such expenses shall not exceed \$1,500 for all series of the Bonds, which the Issuer and the Companies agree is reasonably sufficient to pay such costs and expenses.

Section 8. It is understood and agreed by and between the Issuer and the Companies that the provisions hereof are not intended to, and shall not be construed or interpreted to, either (a) obligate, or authorize the expenditure of, any funds of the Issuer derived from any source whatsoever other than the proceeds from the issuance and sale of the Bonds as provided for herein; or (b) create any personal liability of the Issuer's present or future officers and officials serving from time to time.

Section 9. No recourse shall be had for the payment of the principal of or premium or interest on any of the 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 of Kentucky or any agency or political subdivision thereof, as such, either directly or through the Issuer or the Commonwealth of Kentucky 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 officer, member, employee, or agent as such shall be expressly waived and released as a condition of and consideration for the execution and delivery of this Memorandum of Agreement and the issuance of the Bonds.

[Signature page immediately follows]

EXHIBIT C

Form of Payment In Lieu of Taxes Agreement

PAYMENT IN LIEU OF TAXES AGREEMENT

This **PAYMENT IN LIEU OF TAXES AGREEMENT** (this "**Agreement**") is made as of [____], by and between the **CITY OF MIDWAY, KENTUCKY**, a municipality and political subdivision of the Commonwealth of Kentucky (the "**City**") and (ii) [**LAKESHORE EQUIPMENT COMPANY** d/b/a Lakeshore Learning Materials, a California corporation / **LAKESHORE WAREHOUSE EAST, LLC**, a California limited liability company] (the "**Company**").

RECITALS

WHEREAS, the City has the authority under Chapter 132 of the Kentucky Revised Statutes (the "**KRS**") to levy ad valorem taxes on all property subject to local taxation with a taxable situs within the City ("**City Property Taxes**"); and

WHEREAS, the Woodford County School District (the "**School District**"), by and through the Board of Education of Woodford County, Kentucky (the "**Board of Education**"), is a body politic and corporate existing under KRS 160.160 and has the authority under KRS 160.460 through 160.476 to levy ad valorem taxes for school purposes on all property subject to local taxation with a taxable situs in the District ("**School Property Taxes**"); and

WHEREAS, the Company or an affiliate thereof is currently acquiring, constructing, installing, and equipping an industrial project consisting of the facilities and properties described in **Attachment A** attached hereto (the "**Project**"), the Project being located within the City; and

WHEREAS, the Project represents new investment and is expected to generate economic development within the City; and

WHEREAS, on [____], the City adopted an ordinance (the "**Ordinance**") providing for, among other things, the issuance of taxable industrial building revenue bonds over a period of years in an aggregate principal amount of up to \$[____] (the "**Bonds**") for the benefit of the Company, pursuant to KRS 103.200 through 103.285, inclusive, (the "**Act**"), to finance a portion of the Project's acquisition, construction, installation, and equipping of the Project, to acquire title to the Project, and to lease said portion back to the Company, all pursuant to the Act; and

WHEREAS, the City and the Company have agreed that title to the Project will be conveyed to the City and leased back to the Company, pursuant to the Act, so long as the Bonds are outstanding; and

WHEREAS, a condition of the City's agreement to enter into the documents necessary to vest title to the Project in the City and to effect the lease of the Project to the Company, the Company has agreed to make certain payments to the District in lieu of School Property Taxes and to enter into this Agreement with respect thereto;

NOW, THEREFORE, in consideration of the foregoing, the mutual agreement of the parties contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Recitals Incorporated. It is hereby found, determined, and declared that the recitals set forth in the preambles to this Agreement, including the definitions contained therein, are true and correct and are hereby incorporated in this Section 1 by reference.

Section 2. Project Exempt From Taxation. It is understood, acknowledged, and agreed by the parties that pursuant to KRS 103.285, the Project is exempt from taxation by the City and other political subdivisions in Kentucky to the same extent as other public property used for public purposes, so long as same is owned by the City and any balance remains outstanding on the Bonds. The parties further agree that (a) the Company's leasehold interest is exempt from local taxation and is taxable for state purposes at the rate applicable to leasehold interests in industrial buildings and (b) any proportion of the value of the leasehold interest created through any private financing is taxable at applicable state and local tax rates. The parties agree that the recording of the Lease Agreement with the County Clerk of Woodford County, Kentucky shall constitute the listing of the taxable leasehold interest in real property created thereby pursuant to KRS 132.220. The Company agrees annually to list any taxable leasehold interest in tangible personal property created by each Lease Agreement by listing such interest on and filing a Form 62A500 (Tangible Personal Property Tax Return).

Section 3. Agreement To Make PILOT Payments. In consideration of the City's agreement to issue the Bonds and take all other actions authorized by the Ordinance, the Company hereby agrees that in each calendar year during the term of this Agreement with respect to the Bonds beginning on and after the first January 1st assessment date following issuance of the Bonds (each an "Assessment Date") that the City owns the Project or any portion thereof, the Company shall make a payment computed as indicated below for each of the thirty Assessment Dates during the term of said Bonds. The annual payment shall be determined based upon all School Property Taxes levied on the Project or the portion thereof owned by the City that otherwise would have been due and payable to the School District, as if the Project were owned by a tax-paying entity and subject to payment of School Property Taxes absent the application of KRS 103.285 (each, a "PILOT Payment" and together, the "PILOT Payments"), for each of the Assessment Dates following issuance of the Bonds while any portion of the Bonds remains outstanding.

Section 4. Calculation Of PILOT Payments. The amount of the PILOT Payment in each calendar year that any balance remains outstanding on the Bonds shall be equal to 100% of the Abated School Property Tax. "Abated School Property Tax" for any calendar year equals

the product of (a) the Fair Cash Value (as hereinafter defined) of the portion of the Project financed by the Bonds, or any part of the property included within the portion of the Project financed by the Bonds, owned by the Issuer as of the January 1st of such calendar year, multiplied by (b) the ad valorem tax rate levied by the Board of Education for such calendar year under KRS 160.460 through 160.476 (the "Tax Rate"). If, in any calendar year during which the foregoing calculation is made, the Board of Education has levied different ad valorem tax rates on different classes of property subject to School Property Taxes, the foregoing calculation shall be made separately for each such class of property that is included within the portion of the Project financed by the Bonds. The amount of the PILOT Payment shall not be less than zero.

Section 5. Determination Of Fair Cash Value Of The Project. The Woodford County Property Valuation Administrator (the "PVA") is responsible for establishing the assessed value of real estate within Woodford County for the purpose of imposing real property taxes. The Department of Revenue, Kentucky Finance and Administration Cabinet (the "Department"), oversees the assessment of personal property within the City for the purpose of imposing personal property taxes. The "Fair Cash Value" of the real property portion of the Project shall be as determined annually by the PVA as if the Project were owned by a tax-paying entity. The "Fair Cash Value" of the personal property portion of the Project shall be annually determined using its original cost, age and the applicable trending tables published by the Department in its Form 62A500 (Tangible Personal Property Tax Return), adjusted to take into account the scrapping, removal, or other disposition of personal property in the ordinary course of business.

Section 6. Valuation Appeal Rights. Each of the Board of Education, and the Company shall have the right at its sole expense and without any expense to the other party, to seek and prosecute in good faith an adjustment, by administrative appeal or litigation or otherwise, of any tax assessment made by the PVA of the real property portion of the Project, and if any adjustment is made the PILOT Payments shall be calculated based upon the assessment resulting from such adjustment. The City agrees to issue a power of attorney or any other authorization reasonably deemed necessary by the Company to file and pursue an appeal of any tax assessment in the Company's name or in the City's name for the benefit of the Company. The City further agrees to provide the Company with any notice of increase in the assessment of the Project within ten (10) days of receipt. If for any reason the Project or any part of the property included within the Project is legally placed on the ad valorem tax rolls, the obligation of the Company to make the PILOT Payments shall terminate with respect to that property on and after January 1st of the following calendar year, and the owner of the property shall thereafter pay ad valorem taxes on that property as required of a tax-paying entity.

Section 7. PILOT Payments. The Company shall pay each PILOT Payment to the District.

Section 8. Timing Of PILOT Payments. Any PILOT Payment payable in any calendar year hereunder shall be paid at the same time and in the same manner as School

Property Taxes for such calendar year, except that the Company shall deliver the PILOT Payment directly to the District at the address provided in Section 10 below, instead of the regular tax collector along with supporting calculations. The PILOT Payment for each such calendar year shall be due and payable in full no later than two full months from the date the bill for the School Property Taxes is issued in accordance with KRS 134.015; provided, however, if the Company pays a PILOT Payment to the District on or before any discount date established pursuant to KRS 134.015 for the School Property Tax, the Company may reduce the PILOT Payment by the corresponding discount percentage, and provided further that the Company pays a PILOT Payment to the District after the due date established pursuant to KRS 134.015 for the School Property Tax, the Company shall increase the PILOT Payment by the corresponding penalty percentage.

Section 9. Termination. Notwithstanding any other provision herein and with the exception of Sections 1 and 2 hereof, this Agreement shall terminate on the day immediately following the first date that no Bonds issued by the City pursuant to the Ordinance remain issued and outstanding.

Section 10. Notices. All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed as follows:

To the County:	City of Midway, Kentucky Midway City Hall 101 East Main Street Midway, Kentucky 40347
With a copy to:	Phillip M. Moloney Sturgill, Turner, Barker & Moloney, PLLC 333 West Vine Street, Suite 1500 Lexington, Kentucky 40507
To the Company:	Lakeshore Equipment Company d/b/a Lakeshore Learning Materials 2695 East Dominguez Street Carson, Georgia 90895
With a copy to:	Timothy J. Eifler Stoll Keenon Ogden PLLC 500 West Jefferson Street Suite 2000 Louisville, Kentucky 40202

The City and the Company may by notice given hereunder designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11. Entire Agreement. This Agreement contains all of the agreements and conditions made between the parties hereto regarding the subject matter of this Agreement and there are no other agreements or understandings, written or oral, between the parties relating to the subject matter of this Agreement. This Agreement supersedes all prior agreements and understandings, written and oral, between the parties with respect to such subject matter. This Agreement may not be modified orally or in any other manner than by an agreement in writing signed by both parties hereto or their respect successors in interest. The invalidity, illegality, or unenforceability of any provision of this Agreement will not affect the validity, legality, or enforceability of the remaining provisions.

Section 12. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the City, the Company, and their respective successors and assigns.

Section 13. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

Section 15. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement.

[Signature page immediately follows]

CITY OF MIDWAY
ORDINANCE NO. 2016- 08

WHEREAS, the City of Midway desires to create a Park Board and establish an Ordinance relating thereto;

NOW, THEREFORE, be it ordained by the City of Midway as follows:

Section 1: That the following Section of the Code of Ordinance of the City of Midway, Kentucky Government is hereby enacted:

§ 32.05 PARK BOARD OF MIDWAY, KENTUCKY

(A) *Creation.* A board is hereby created, which shall be known as the Park Board of Midway, Kentucky.

(B) *Members.* The Board shall consist of up to seven (7), but no less than five (5), members, appointed by the Mayor and subject to confirmation by a majority of the City Council.

(1) The terms of the office of the Board members shall be for five (5) years from the date of appointment, provided the terms of the initially appointed members shall be staggered in the following manner.

(a) At least two (2) members shall be appointed for a one (1) year term.

(b) At least two (2) members shall be appointed for a two (2) year term.

(c) At least two (2) members shall be appointed for a three (3) year term.

(d) Additional appointees on the initial Board may be appointed for terms up to four (4) years, at the Mayor's discretion and affirmed by the City Council. At least one (1) member of the Board shall be a City Council person.

(2) Vacancies on the Board shall be filled for the unexpired term in the manner prescribed for the original appointment to maintain the minimum of five (5) members.

(3) Board appointees shall be residents of Woodford County, Kentucky.

(4) Any Board member may be reappointed for additional terms, not to exceed two (2) consecutive four (4) year terms.

(5) All Board members are volunteers serving without any compensation.

(C) *Officers.* The officers of the Board shall consist of a chairperson and a vice-chairperson to be elected by the Board after it is fully constituted, and other officers as determined by the Board, including a member to serve as secretary who shall be responsible for keeping minutes of all Board meetings.

(1) The duties of officers shall be as implied by their respective titles and as may be specified in the Board by-laws.

(2) The Board shall determine its own rules and order of business and shall provide for keeping a record of its proceedings, a copy of which shall be provided to the Mayor and City Council with ten (10) days of a Board meeting.

(D) *Transaction of Business.*

(1) A majority of the members of the Board shall constitute a quorum for the transaction of business at any meeting.

(2) The acts of the majority of those members present in any regular or special meeting of the Board shall be the acts of the Board.

(E) *Purpose/Duties.* Purpose and duties of the Board are as follows:

(1) To conserve, manage, sustain and enhance the natural and cultural resources of Midway's City parks and its green space for the enjoyment and enrichment of the Midway community.

(2) All Board meetings shall comply with the Open Meetings Act and be open to the public.

(3) The Board shall elect from among its members a member to serve as Park Manager who is responsible for monitoring the day-to-day condition or need of the City's parks and to make recommendations to the Board, Mayor and City Council in furthering the conservation, management, sustainment and enhancement of the parks.

(4) Funding may be sought from the City by the Board to be presented annually to the City Council by its Park Manager with determination by the City Council as part of the annual budgetary process.

(5) The Board may solicit and receive contributions and obtain grants and loans appropriate to the goals of the Board.

(6) The Board may enter into contracts, expend its funds, and adopt by-laws, rules and regulations as are necessary to carry out its duties and purposes as set forth in this section.

(7) The Board shall submit an annual report and financial statements, which summarize the previous year's activities, to the Mayor and City Council.

(8) The board may perform any other act necessary or appropriate to carry out the purposes of this section.

(Ord. 2010-001, passed 3-15-2010)

Section 2: That this Ordinance shall become effective upon passage and publication as required by law.

Given a first reading on August ____, 2016, and duly adopted by the Midway City Council after second reading on the ____ day of September 2016.

Grayson Vandegrift, Mayor

Attest:

Phyllis Hudson, City Clerk

Published: ____, 2016

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CITY OF MIDWAY
ORDINANCE NO. 2016-06

TITLE: 2017 PERSONAL PROPERTY TAX RATE ORDINANCE, an ordinance establishing the ad valorem tax rates for personal property (motor vehicle & water craft) for calendar year 2017.

BE IT ORDAINED IN THE CITY OF MIDWAY, KENTUCKY that the 2017 ad valorem tax rate for each \$100.00 of assessed value for personal property (motor vehicle & water craft) located within the City of Midway and assessed as of January 1, 2017 shall be .14 cents.

INTRODUCED and given a first reading at a meeting of the City council of the City of Midway on the day of 2016, and fully adopted after the second reading at a meeting of said Council held on the day of , 2016.

CITY OF MIDWAY
COMMONWEALTH OF KENTUCKY

GRAYSON VANDEGRIFT, MAYOR

ATTEST:

PHYLLIS HUDSON, CITY CLERK

Personal Property Rate Calculation
- Based on Manually Entered Tax Rate

2016 Midway District

City/Special Taxing District Personal Property Tax Rate Calculation Worksheet

1. 2015 Actual Tax Rate (per \$100) Real Property	<u>.1070</u>
2. 2015 Actual Tax Rate (per \$100) Personal Property	<u>.1400</u>
3. 2016 Actual Tax Rate (per \$100) Real Property	<u>.1020</u>
4. 2015 Real Property Subject to Rate (col 1, F, H)	<u>\$97,826,700</u>
5. 2016 Real Property Subject to Rate (col 3, F, H)	<u>\$103,117,800</u>
6. 2015 Personal Property Subject to Rate (Col 1, G, I, J)	<u>\$1,900,906</u>
7. 2016 Personal Property Subject to Rate (Col 3, G, I, J)	<u>\$1,931,821</u>

I. Stage One:

$\frac{\$103,117,800}{5} / 100 \times \frac{.1020}{3}$	is	$\frac{\$105,180}{A \text{ 2016 RE Revenue}}$
$\frac{\$97,826,700}{4} / 100 \times \frac{.1070}{1}$	is	$\frac{\$104,675}{B \text{ 2015 RE Revenue}}$
$\frac{\$105,180}{A}$ minus $\frac{\$104,675}{B}$	is	$\frac{\$506}{C \text{ (Revenue increase over prior year)}}$
$\frac{\$506}{C}$ / $\frac{\$104,675}{B}$		$\frac{.0048301}{D \text{ (Revenue \% increase over prior year)}}$

2. Stage Two:

$\frac{\$1,931,821}{7} / 100 \times \frac{.1020}{3}$	is	$\frac{\$1,970}{E \text{ 2016 PP Revenue}}$
$\frac{\$1,900,906}{6} / 100 \times \frac{.1400}{2}$	is	$\frac{\$2,661}{F \text{ 2015 PP Revenue}}$
$\frac{\$1,970}{E}$ minus $\frac{\$2,661}{F}$	is	$\frac{-\$691}{G \text{ (Revenue increase over prior year)}}$
$\frac{-\$691}{G}$ / $\frac{\$2,661}{F}$	is	$\frac{-.2595796}{H \text{ (Revenue \% increase over prior year)}}$

3. Stage Three:

Option 1:

If $\frac{-.2595796}{H}$ is = to or greater than $\frac{.0048301}{D}$	
The maximum personal tax rate for 2016 is	$\frac{.1020}{3}$

Option 2:

If $\frac{-.2595796}{H}$ is less than $\frac{.0048301}{D}$	
Option 2 may be utilized.	
$\frac{\$2,661}{F} \times \frac{1.0048301}{D = +1.0}$ is	$\frac{\$2,674}{J \text{ (2016 Revenue \$ Max PP)}}$
$\frac{\$2,674}{J} / \frac{\$1,931,821}{7} \times 100 =$	$\frac{.1384}{\text{Maximum 2016 PP Rate}}$

The district may levy a rate less than the real property tax rate.

CITY OF MIDWAY
ORDINANCE NO. 2016-07

TITLE: 2016 REAL PROPERTY TAX RATE ORDINANCE, an ordinance establishing the ad valorem tax rates for real property for calendar year 2016.

BE IT ORDAINED IN THE CITY OF MIDWAY, KENTUCKY that the 2016 ad valorem tax rate for each \$100.00 of assessed value for real property located within the City of Midway and assessed as of January 1, 2016 shall be 10.2 cents.

INTRODUCED and given first reading at a meeting of the City council of the City of Midway on the day of , 2016, and fully adopted after the second reading at a meeting of said Council held on the day of 2016.

CITY OF MIDWAY
COMMONWEALTH OF KENTUCKY

GRAYSON VANDEGRIFT, MAYOR

ATTEST:

PHYLLIS HUDSON, CITY CLERK

Real Property Tax Rate Calculation

2016 Midway District

Entity Name

City/Special Taxing District Real Property Tax Calculation Worksheet

1. 2015 Actual Tax Rate (per \$100) Real Property	.1070
2. 2015 Actual Tax Rate (per \$100) Personal Property	.1400
3. 2015 Total Property Subject to Rate (A)	99,727,606
4. 2015 Real Property Subject to Rate (col 1, F, H)	97,826,700
5. 2016 Total Property Subject to Rate (E)	105,049,621
6. 2016 Real Property Subject to Rate (col 3, F, H)	103,117,800
7. 2016 New Property (KRS 132.010) (Net new PVA + PS)	400,000
8. 2015 Personal Property Subject to Rate (Col 1, G, I, J)	1,900,906
9. 2016 Personal Property Subject to Rate (Col 3, G, I, J)	1,931,821

I. Compensating Rate for 2016 (KRS 132.010(6)):

$$\frac{\$97,826,700}{4} / 100 \times \frac{.1070}{1} \text{ is } \$104,675 \text{ A (2015 Real Property Revenue)}$$

$$\frac{\$104,675 \text{ div by } A}{\$102,717,800} \times 100 \text{ Rate I (round up) } 0.101904995$$

Check for minimum revenue limit on compensating rate for 2014 (KRS 132.010 (6)):

$$\frac{\$105,049,621}{5} / 100 \times \frac{.102}{\text{Rate I}} \text{ is } \$107,151 \text{ Total 2016 Revenue}$$

$$\frac{\$97,826,700}{4} / 100 \times \frac{.107}{1} \text{ is } \$104,675 \text{ 2015 Revenue (R.E.)}$$

$$\frac{\$1,900,906}{8} / 100 \times \frac{.140}{2} \text{ is } \$2,661 \text{ 2015 Revenue (P.P.)}$$

Grand Total 2015 Revenue (a)
see footnote *a below* \$107,336

$$\frac{\$107,336}{\text{Total 2015 Revenue}} / \frac{\$105,049,621}{5} \times 100 = .103 \text{ Substitute for Rate I (Round Up) } 0.10217632$$

II: Rate allowing 4% Increase in Revenue from real property (KRS 132.027(3)):

$$\frac{\$102,717,800}{6 \text{ minus } 7} / 100 \times \frac{.103}{\text{Rate I or sub rate}} \text{ is } \$105,799 \text{ B}$$

$$\frac{\$105,799 \times 1.04}{B} / \frac{\$102,717,800}{6 \text{ minus } 7} \times 100 \text{ is } .107 \text{ Rate II (Round Down) } .1071200000$$

Motor Vehicle	&	Watercraft:	
10,255,470	X	0.120	/100= \$12,307
Rows M + N Col 3		MV & Watercraft Rate	Revenue Produced

MV & Watercraft rates must be submitted to the Revenue Cabinet by October 1 (maximum rate is the rate that could have been levied in 1993).

WRIGHT'S FARM SERVICES, INC

3700 River Drive
Richmond, Kentucky 40475
(859) 624-4236 or (859) 254-4086

PROPOSAL

**Snow Removal Services
To Be Provided To:**

**City of Midway
Mayor Grayson Vandegrift**

Midway, Kentucky

August 9, 2016

SNOW REMOVAL SERVICES

To be provided to: City of Midway
 Mayor Grayson Vandegrift
 Midway, Kentucky

1. **Snow Removal Areas:** Wright's Farm Services, Inc. will be responsible for all city roadways as shown on the City Map provided by City Hall.
 2. **Snow Event:** An event will begin after discussion between Mayor Vandegrift and Larry Wright prior to actual snowfall. Wright's Farm Services, Inc. employees will plow snow from all city streets and will continue snow removal until all roadways are clear and salted. Pricing is "per event". If snow continues to fall after one complete cycle of clearing roadways, then Wright's Farm Services, Inc. employees will continue snow removal until the snowfall stops, and all roadways are clear and salted.
 3. **Bulk Salt:** Bulk salt will be provided by the City of Midway and stored, covered, at a location designated by the City. Wright's Farm Services, Inc. employees will have access to the salt storage at all times.
 4. **Equipment:** Wright's Farm Services, Inc. will provide the following equipment for snow removal. The listed equipment will be in place at a location designated by the City by December 1, of each year and will remain on site until March 10 of each year. Wright's Farm Services, Inc. employees will have access at all times.
 - a) (1) 4WD tractor (130 hp) with 12' box plow on front and 8' plow on rear. This tractor has a quick-attach plow on the front to allow for quick change to a loader bucket for piling snow if necessary.
 - b) (1) ton dual-wheel 4WD truck with 8 1/2' plow on front and bulk salt spreader.
- The City of Midway agrees to provide a backhoe for use in loading salt. The backhoe will remain at the salt pile during the snow season and will be plugged in for ease of starting.
5. **Insurance:** Workers Compensation for all employees and Liability Insurance, with a minimum of \$2,000,000, will be maintained at all times. A Certificate of Insurance will be provided before services begin.
 6. **Payment Terms:** Services will be invoiced as performed. Payment will be expected within (30) days of invoice date.

7. **Pricing:** Pricing will be detailed and attached in an additional Pricing Schedule.
8. **Terms of Agreement:** The terms of this agreement will be three years, beginning October 1, 2016-September 30, 2019, with an option to extend for two years until September 30, 2021. This agreement is effective upon signature of both parties, and shall continue in effect until cancelled by either party. In the event of complaints on services provided or disagreements between the parties, meetings and discussions will be held to attempt resolution to any and all problems. If remedies cannot be achieved, then this agreement may be terminated upon written notice to either party. Termination of this agreement will be effective upon (30) day written notice delivered to the other party. During the (30) day period after such notice is sent, the parties shall continue to act toward each other in good faith, and all services described within this agreement will continue to be provided.
9. **Choice of Law:** This agreement shall be construed and interpreted according to the laws of the Commonwealth of Kentucky.
10. **Entire Agreement:** This agreement, together with the referenced maps and other documents, represents the entire agreement between Wright's Farm Services, Inc. and the City of Midway and may not be varied unless in writing.

Agreed to:

Dated _____

City of Midway


Wright's Farm Services, Inc.

SNOW REMOVAL SERVICES
City of Midway

PRICING SCHEDULE

1. Plow and salt approximately (6) miles of roadways,
areas at US Post Office, areas at Midway City Fire Station,
Parking Lot behind City Hall, Parking Lot at new Sewer Plant:

Maximum-Total cost for one cycle, based on 2" snowfall: **\$1562.50**
Cost may be less based on hours spent on site
2. Salt Roadways only: **\$375.00**
3. Pre-salt Priority roadways with Salt Brine Solution (one cycle): **\$150.00**
4. Pre-salt all roadways with Salt Brine Solution (one cycle) **\$375.00**
5. Cemetery Streets plowed (no salt) **\$100.00**
6. Hourly Rate to be charged for additional time to repeat
clearing streets due to additional snowfall accumulation. This
rate will apply, **per unit**, after one complete cycle of roadway
clearing: **\$125.00**



"YOUR GROUNDS MANAGEMENT SOURCE"

P.O. Box 558 • Versailles, KY 40383
Office: 859-983-7582 • Fax: 859-214-4074
ParksLandscape.com

Snow Removal Proposal

Start Date: October 1st, 2016 End Date: October 31st 2019
Proposal Date: August 9, 2016

City of Midway
Woodford County, KY

Option A – Seasonal Cost - \$30,000.00 Per Season

All salt, labor, equipment, fuel, storage, and hauling will be provided by Parks Landscape Group in order to properly maintain all parameters as specified on the city map provide.

Option B – Time and Materials

Truck Plowing and/or De-Icing at a rate of \$ 90.00 an hour per truck.

Rock Salt will be provided at a rate of \$225.00 per ton.

Snow Removal Terms & Conditions: City of Midway

- A (1) hour minimum is required for all services. Service times are calculated when crews arrive and when crews leave your property.
- All fuel, labor, materials, and equipment will be supplied by Parks Landscape Group.
- All equipment and materials including salt will be stored at Parks Landscape Groups Versailles location.
- Either party may withdraw or terminate contract upon 30 day written notice. In the event that the contract is cancelled, payment will become due for all services rendered. Please note that monthly bills don't always reflect the services performed to date.
- Parks Landscape Group is not liable for slips, falls, or injuries occurred on your property. This clause excludes any employee of Parks Landscape Group which will be covered under our Worker's Compensation plan.
- Parks Landscape Group maintains the following insurance (certificate provided upon request):
 - Worker's Compensation: \$500,000 / \$100,000 / \$100,000
 - Commercial General Liability: Per Occurrence \$1,000,000 / General Aggregate \$2,000,000 / Personal Injury \$1,000,000
 - Commercial Automobile: Combined Single Limit \$1,000,000
 - Commercial Umbrella: Per Occurrence \$5,000,000 / Aggregate \$5,000,000
- Services are set up as primary for this facility. Parks Landscape Group will service at our discretion during snow/ice events. Site will be monitored by Parks Landscape Group and City of Midway during snow/ice events. City of Midway may request additional services at any time during snow/ice events by contacting our office directly.
- Snow Plowing will commence upon the accumulation of 1.5" of snow accumulation. Roadway Salting will commence when paved surfaces are covered with frozen precipitation. Rock Salt will be used on asphalt surfaces. No other de-icing agent will be used.
- Parks Landscape Group will make reasonable efforts to avoid damage to property. Damage to speed bumps, protruding objects, curbs, general scraping/chipping, and deterioration of surfaces due to the application of salt/deicing products may naturally result and Parks Landscape Group accepts no liability for such expected events. Parks Landscape Group is not liable for damage to landscaping caused by the piling of snow or the use of salt/deicing products.
- Any alterations from above specifications involving extra costs; will be executed only upon written orders and will become an extra charge, over and above the estimate.
- Invoice will be emailed. Balance is due 30 days following the date noted on the invoice. Accounts past 30 days will be charged 2% per month. This is an annual percentage of 24% per annum.

Acceptance of Proposal: All of the above is acceptable including the total cost and the terms & conditions. You are hereby authorized to perform the work.

Option Selected _____

Authorized Signature _____ Date _____
Print Name _____ Position _____
Authorized Signature _____ Date _____
Parks Landscape Group



"YOUR GROUNDS MANAGEMENT SOURCE"

P.O. Box 558 • Versailles, KY 40383
Office: 859-983-7582 • Fax: 859-214-4074
ParksLandscape.com

Snow Removal References

Yokohama IA Versailles, KY Rick Sword 859-873-2188 Ext.3786

Sam's Club –Nicholasville, KY Melinda Jones 859-881-0656

Pilkington – NSG Versailles/Lexington, KY Ann Miller 859-873-2811 859-509-0236

Leinbach Company Management Lexington, KY Eddie Fraley 859-351-5205
Brandywine Apartments, Springhouse Apartments, Breckinridge Apartments

Ruggles Sign Company – Versailles, KY Tim Cambron 859-621-6069

Midway University – Midway, KY Sherman Adams 859-329-1322

Cardinal Hill Rehabilitation Hospital – Lexington, KY Bill Pabian 859-254-5701

Quad Graphics – Versailles, KY Vickie Morrison 859-879-4193

TO: MIDWAY CITY COUNCIL

DATE: AUGUST 17, 2016

FROM: SARAH GILBERT

130 SOUTH TURNER STREET, MIDWAY KY 40347

TEL: 859 229 6035

EMAIL: GILSARAH@GMAIL.COM

I wish to have the attached request submitted to the Midway City Council for its consideration at the September 6, 2016 City Council meeting. Relevant information is attached. Please let me know if you have any questions or if you need additional information regarding this request.

My request is for the City Council to add a section to the Code of Ordinances that prohibits the use of animal traps that are designed to kill or injure animals.

Many thanks,

Sarah Gilbert

My name is Sarah Gilbert; I live at 130 South Turner Street, Midway KY with my boyfriend Stewart Surgener. We moved to the address with our cat, Bunny Kitty (see Exhibit A) in 2010. Bunny Kitty was my companion and friend for seven years prior to moving to Midway. She lived in the house with us but was allowed outside to enjoy time in the garden.

There are three houses adjacent to ours which are all owned/controlled and used by our neighbor. The houses are all in very close proximity and it was Bunny Kitty's habit to wander in the yards of the two houses closest to ours.

For the past few years one of the houses has been missing a door to the crawl space allowing access to the crawl space. From time to time a piece of board would be propped against the hole but it was generally open. We had noticed that ground hogs were living in the crawl space. We were not concerned about the ground hogs; they seemed to be quite timid and did not bother us or Bunny Kitty.

At 7:30pm on Tuesday, August 9, 2016, I was in the kitchen at my house when I noticed Bunny Kitty lying prone beside the opening to the crawl space. I immediately went to her. My first thought was that she had been fighting the ground hogs and was injured. When I reached her I saw that she had been caught in a trap (see Exhibit B) and was dead (see Exhibit C – warning – this is not a pleasant image).

An inquiry with Versailles Police and a review of the Midway Code of Ordinances revealed that it is not illegal to set a trap for animals that is designed to kill.

I was able to confirm that the trap had been deliberately set by a pest control company in accordance with instructions from my neighbor.

Chapter 90: Animals in the Code of Ordinances shows that the intent of the City Council is to prevent cruelty and suffering to animals. Therefore, I respectfully request that the City Council add a section to the Code of Ordinances that specifically prohibits the use of animal traps that are designed to kill or injure animals.

My suggested language would be:

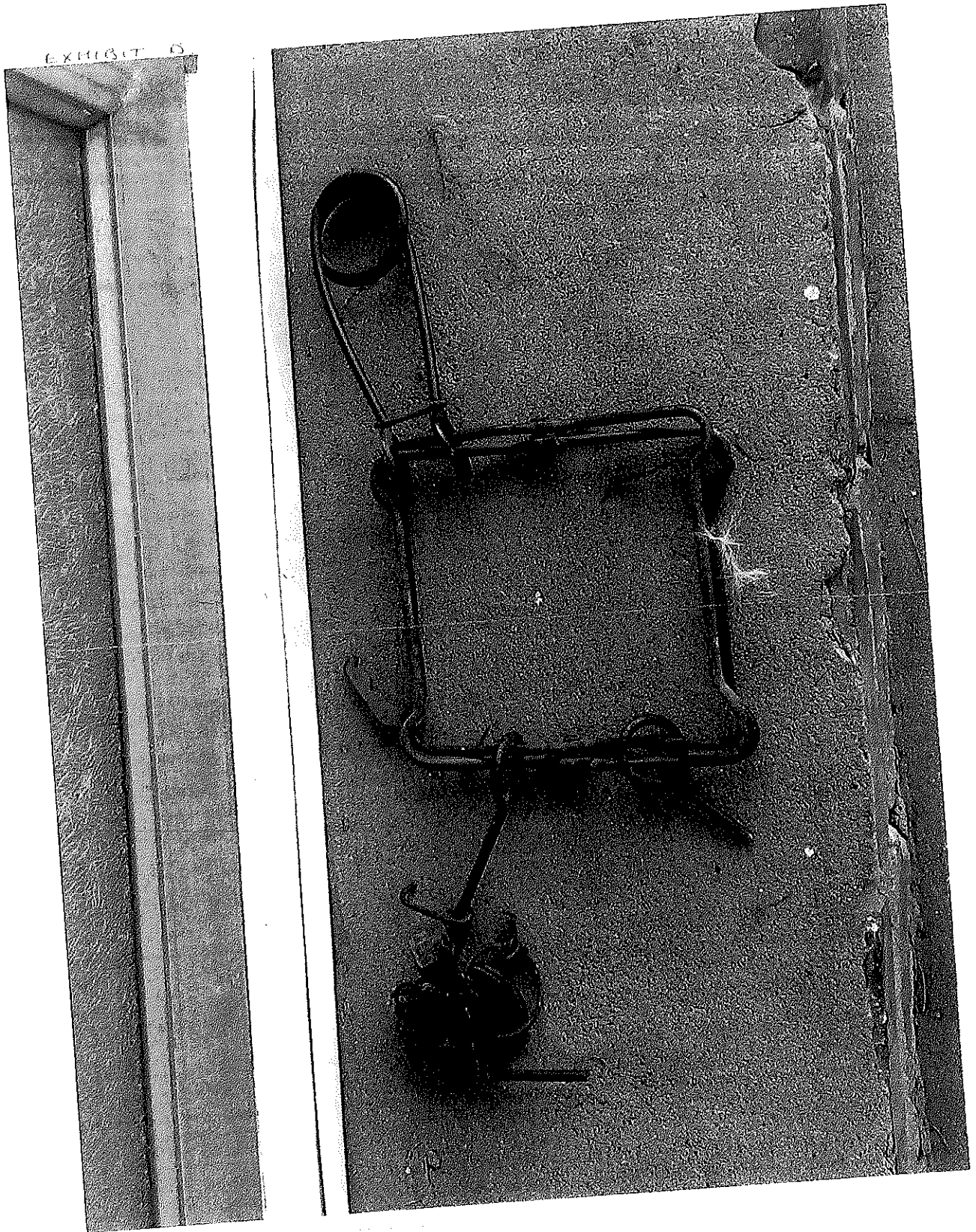
90.03 TRAPPING ANIMALS PROHIBITED

If any person shall, within the city, set a trap or device, designed or altered to kill or injure an animal or which may reasonably be expected to kill or injure an animal, he or she shall be subject to the provisions of Section 90.99.

Nothing will change what happened to Bunny Kitty but adding this provision to the Code of Ordinances, and so making our best effort to ensure that this does not happen to another pet, will be of some comfort.



EXHIBIT 6





Midway, KY Code of Ordinances
<u>TITLE IX: GENERAL REGULATIONS</u>
<u>CHAPTER 90: ANIMALS</u>

CHAPTER 90: ANIMALSSectionProhibited Acts

- 90.01 Cruelty to animals prohibited
- 90.02 Poisoning animals prohibited
- 90.03 Abandoning disabled animals
- 90.04 Injuring, killing of rabbits, birds and squirrels prohibited
- 90.05 Gamefights prohibited
- 90.06 Selling dyed chicks or other baby fowl prohibited
- 90.07 Selling chicks or other baby fowl in small numbers prohibited
- 90.08 Police required to aid S.P.C.A.
- 90.09 Fowl going at large prohibited
- 90.10 Keeping hogs prohibited
- 90.11 Keeping noisy animals prohibited

Offenses Relating to Dogs

- 90.30 Confinement required of biting dogs
- 90.31 Vicious dogs to be contained
- 90.32 Barking dogs prohibited
- 90.33 Enticing dog from owner prohibited
- 90.34 Unleashed dogs in public areas prohibited
- 90.35 Dogs in heat not to run at large
- 90.36 Dogs running at large prohibited
- 90.37 Impoundment of dogs
- 90.38 Containment of dogs and damages caused by dogs
- 90.39 Removal of dog excrement

90.99 PenaltyPROHIBITED ACTS§ 90.01 CRUELTY TO ANIMALS PROHIBITED.

If any person shall, within the city, unnecessarily or cruelly beat, torture, use or otherwise mistreat any horse, beast or other animal, whether his or her own or that of another, he or she shall be subject to the provisions of § 90.99.

(1997 Code, § 1022.1) Penalty, see § 90.99

§ 90.02 POISONING ANIMALS PROHIBITED.

If any person shall, in the city, willfully kill, disfigure, poison or attempt to administer poison to any animal not his or her own, he or she shall be subject to the provisions of § 90.99.

(1997 Code, § 1022.2) Penalty, see § 90.99

§ 90.03 ABANDONING DISABLED ANIMALS.

Any person who shall leave or cause to be left any wounded, diseased or infirm animal on a street, alley, lot or commons to die a lingering death shall, for each offense, be subject to the provisions of § 90.99.

(1997 Code, § 1022.3) Penalty, see § 90.99

§ 90.04 INJURING, KILLING OF RABBITS, BIRDS AND SQUIRRELS PROHIBITED.

(A) It shall be unlawful for any person, at any time within the city, to kill, injure, pursue, molest or attempt to injure any squirrels or rabbits running at large in the city, or any birds other than birds of a predatory nature.

(B) Any person who shall violate any provision of this section shall be punished subject to the provisions of § 90.99.

(1997 Code, § 1022.4) Penalty, see § 90.99

§ 90.05 GAMEFIGHTS PROHIBITED.

(A) Intentionally causing the fighting of animals or fowl in the city is hereby prohibited.

(B) Any person who shall be present at and abet or encourage any such fights and any person who shall bet any money or other thing of value upon the results of any such fight shall, upon conviction, be fined according to § 90.99.

(1997 Code, § 1022.5) Penalty, see § 90.99

§ 90.06 SELLING DYED CHICKS OR OTHER BABY FOWL PROHIBITED.

Any person who shall sell or offer for sale at retail living baby chicks, ducklings or other fowl which have been dyed, colored or otherwise treated so to import artificial color, shall be fined according to the provisions of § 90.99.

(1997 Code, § 1022.6) Penalty, see § 90.99

§ 90.07 SELLING CHICKS OR OTHER BABY FOWL IN SMALL NUMBERS PROHIBITED.

Any person who shall sell or offer for sale at retail living baby chicks, ducklings or other fowl under 2 months of age in any quantity less than 6 shall be subject to the provisions of § 90.99.

(1997 Code, § 1022.7) Penalty, see § 90.99

§ 90.08 POLICE REQUIRED TO AID S.P.C.A.

(A) It shall be the duty of the police officers of the city to aid any member of the Society for the Prevention of Cruelty to Animals in the arrest of any persons who may be in the act of violating any of the provisions of §§ 90.01 - 90.03, or of the statutes of the state relating to the cruelty to animals.

(B) Any police officer failing to perform the duty required of him or her in this section shall be subject to the provisions of § 90.99.

(1997 Code, § 1022.8) Penalty, see § 90.99

§ 90.09 FOWL GOING AT LARGE PROHIBITED.

(A) No person, owning or having in his or her custody and control any fowl, shall permit same to run at large, or to go upon the grounds or property of another, or beyond the bounds of the property of the person or persons in control of the fowl.

(B) Any person who shall violate any provision of this section shall be subject to the provisions of § 90.99.

(1997 Code, § 1022.9) Penalty, see § 90.99

§ 90.10 KEEPING HOGS PROHIBITED.

The keeping of hogs, shoats or pigs within the city is hereby prohibited and declared to be unlawful.

(1997 Code, § 1022.10) Penalty, see § 90.99

§ 90.11 KEEPING NOISY ANIMALS PROHIBITED.

(A) It shall be unlawful for any person to keep, pasture or harbor within the city any bull, cow or other animal that bellows or otherwise makes noise as to disturb the peace and quiet of the people in the neighborhood where the same is kept.

(B) Any person violating this section shall be subject to the provisions of § 90.99.

(1997 Code, § 1022.11) Penalty, see § 90.99

OFFENSES RELATING TO DOGS

§ 90.30 CONFINEMENT REQUIRED OF BITING DOGS.

(A) It shall be unlawful for any person to keep or harbor within the city a dog that shall bite or fiercely attack any person while outside of its owner's yard or enclosure.

(B) Any person who shall violate this section shall be fined as provided in § 90.99 for each time that the dog shall bite or attack a person as provided in this section.

(C) This section shall not apply where a person shall break into or enter, without permission, the premises or enclosure of the dog and be pursued therefrom and attacked or bitten by the dog. (1997 Code, § 1023.1) Penalty, see § 90.99

§ 90.31 VICIOUS DOGS TO BE CONTAINED.

(A) Any person, without liability, may kill or seize any dog which is observed attacking any person.

(B) Any livestock owner or his or her agent, without liability, may kill any dog trespassing on that owner's property and observed in the act of pursuing or wounding his or her livestock.

(C) Any dog determined to be vicious by a court and allowed to be returned to an owner shall be confined in a locked enclosure at least 7 feet high or a locked kennel run with a secured top. The dog may leave the enclosure only to visit the veterinarian or to be turned in to an animal shelter. The dog shall be muzzled if leaving the enclosure for either of these purposes.

(D) Any owner whose dog is found to have caused damage to a person, livestock, or other property shall be responsible for that damage.

(E) (1) Any person who has been attacked by a dog, or anyone acting on behalf of that person, may make a complaint before the district court, charging the owner or keeper of the dog with harboring a vicious dog. A copy of the complaint shall be served upon the person so charged in the same manner and subject to the laws regulating the service of summons in civil actions directing him or her to appear for a hearing of the complaint at a time fixed in the complaint. If the person fails to appear at the time fixed, or if upon a hearing of the parties and their witnesses, the court finds the person so charged is the owner or keeper of the dog in question, and that the dog has viciously and without cause, attacked a human being when off the premises of the owner or keeper, the person shall be subject to the penalties set forth in KRS 258.990(3)(b), and the court shall further order the owner or keeper to keep the dog securely confined as provided by division (C) of this section, or the court may order the dog to be destroyed.

(2) The animal control officer shall act as an officer of the court for the enforcement of any orders of the court in his or her jurisdiction pertaining to this subdivision.

(F) For his or her services in the proceedings, a peace officer shall be entitled to the same fees to which he or she is entitled for performing similar services in civil cases. In all proceedings under this section, the court shall place the costs upon either party as it may determine.

(G) It shall be unlawful for the owner or keeper of any vicious dog, after receiving an order under division (E) of this section, to permit the dog to run at large, or to appear in public except as provided in division (C) of this section. Any vicious dog found running at large may be killed by any animal control officer or peace officer without liability for damages for the killing.

(H) Any person violating this section shall be fined according to the provisions of § 90.99. (KRS 258.235) (1997 Code, § 1023.2) Penalty, see § 90.99

§ 90.32 BARKING DOGS PROHIBITED.

(A) It shall be unlawful for any person to keep or harbor within the city any dog that barks or yelps or otherwise makes noise as to disturb the peace and quiet of the people in the neighborhood where the same is kept.

(B) Any person violating this section shall be fined according to the provisions of § 90.99. (1997 Code, § 1023.3) Penalty, see § 90.99

§ 90.33 ENTICING DOG FROM OWNER PROHIBITED.

(A) It shall be unlawful to entice a dog from a yard or enclosure of its owner or keeper, or to bring any dog into the city for the purpose of impounding the same or to remove a muzzle or license tag from any dog without the consent of the owner or keeper thereof.

(B) Any person who shall violate this section shall be fined according to the provisions of § 90.99.

(1997 Code, § 1023.4) Penalty, see § 90.99

§ 90.34 UNLEASHED DOGS IN PUBLIC AREAS PROHIBITED.

(A) It shall be unlawful for any owner or person in possession and custody of any dog to accompany or take a dog into any of the public areas or parks of the city, other than a designated dog park of the city, except when the dog is on a leash and in full control of its owner or keeper. Dogs are not permitted in the cemeteries of the city.

(B) Any owner or person in charge of a dog who violates this section shall upon conviction thereof be punished by a fine according to the provisions of § 90.99.

(1997 Code, § 1023.5) (Am. Ord. 2012-004, passed 5-7-2012) Penalty, see § 90.99

§ 90.35 DOGS IN HEAT NOT TO RUN AT LARGE.

(A) Every dog in heat shall be confined in a building or secure enclosure in such a manner that the dog in heat cannot come in contact with a male dog except for the purposes of a planned breeding.

(B) Any person who violates this section shall upon conviction be punished according to the provisions of § 90.99.

(KRS 258.255) (1997 Code, § 1023.6) (Am. Ord. 2012-004, passed 5-7-2012) Penalty, see § 90.99

§ 90.36 DOGS RUNNING AT LARGE PROHIBITED.

(A) No owner, custodian, possessor or harbinger shall permit any dog to run at large other than on his or her own premises at any time unless accompanied by the owner, custodian, possessor or harbinger and under his or her immediate control.

(B) Whoever, being the owner, custodian, possessor or harbinger of any dog, violates this section shall be fined according to the provisions of § 90.99.

(1997 Code, § 1023.7) Penalty, see § 90.99

§ 90.37 IMPOUNDMENT OF DOGS.

(A) Any dog found off the premises of the owner or keeper and running at large within the city while not under restraint of a leash and under the control of the owner or keeper, or that is not wearing identification tags, shall be taken up by an animal control officer and held in the county animal control shelter and there confined in a humane manner for a period of not less than 5 days unless sooner claimed by its owner, custodian or person entitled to possession thereof. If the dog is not claimed or adopted within 5 days of its impoundment it may thereafter be disposed of in a humane manner by the county animal shelter.

(B) The animal control supervisor may adopt to a third party any dog held if after the 5-day detention period in division (A) hereof has expired and the dog has not been claimed by its owner, custodian or other person entitled to the possession thereof, and provided that the person who is adopting the dog licenses the dog according to the laws of the state and county, pays all expenses and fees levied by the county animal shelter.

(C) Any dog impounded under division (A) hereof may be claimed by the owner, custodian or person entitled to possession thereof upon proof that the dog has been inoculated against rabies; payment of all expenses and fees levied by and payable to the county animal shelter; and payment to the of any fine due, and in addition thereto the county's pick-up fee.

(1997 Code, § 1023.8) (Am. Ord. 2012-004, passed 5-7-2012) Penalty, see § 90.99

§ 90.38 CONTAINMENT OF DOGS AND DAMAGES CAUSED BY DOGS.

(A) Any dog within the city limits, licensed or unlicensed, shall be kept confined behind a fence, or kept on a restraint not less than 10 feet in length and either on a swivel designed to prevent choking or strangling itself, or on a chain run and attached to either a collar or harness.

(B) Any and all damages to persons or private property caused by a dog running at large shall be the responsibility of the owner or keeper of the dog.

(1997 Code, § 1023.9) (Am. Ord. 2012-004, passed 5-7-2012) Penalty, see § 90.99

§ 90.39 REMOVAL OF DOG EXCREMENT.

No person shall allow a dog under his or her control to be upon public property or upon the property of another, absent the consent of the owner or occupant of the property, without some means in their immediate possession for the removal and containment of the dog's excrement; nor shall any person fail to remove any excrement deposited by any dog under his or her control on public or private property other than the dog owner's property. This section shall not apply to seeing eye dogs under the control of a blind person.

(Ord. 2005-16, passed 12-5-2005; Am. Ord. 2012-004, passed 5-7-2012) Penalty, see § 90.99

§ 90.99 PENALTY.

Any person who violates §§ 90.34 through 90.39 shall be subject to a fine of not less than \$25.00 and not more than \$250.00 for each offense which fine shall be payable to the Woodford District Court. Any offense relating to the violation of any other provision of this chapter for which no penalty is provided by statute or otherwise shall be deemed a violation.

(Am. Ord. 2012-004, passed 5-7-2012)

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