



CITY COMMISSION MEETING  
 AGENDA FOR AUGUST 11, 2015  
 5:30 P.M.  
 CITY HALL COMMISSION CHAMBERS  
 300 SOUTH FIFTH STREET

ROLL CALL

INVOCATION- Fr. Bruce McCarty - St. Francis de Sales Church

PLEDGE OF ALLEGIANCE - Palmer Stroup, PTHS

ADDITIONS/DELETIONS

PROCLAMATION: Social Security Act 80<sup>th</sup> Anniversary

PRESENTATION: Kentucky 811- Call Before You Dig – Atmos Energy

	I.	<u>MINUTES</u>
	II.	<u>RESOLUTION</u>
		A. Support for KEDFA Tax Credit – <b>S. DARNELL OR WILL McDOWELL</b>
	III.	<u>MOTION</u>
		A. R & F Documents
	IV.	<u>MUNICIPAL ORDERS</u>
		A. Personnel Changes
		B. Approve Hazard Mitigation Program Grant Application – <b>FIRE CHIEF KYLE</b>
	V.	<u>ORDINANCES – ADOPTION</u>
		A. Fountain Avenue Health Park – Procurement of Professional Services for Foundation for Healthy Kentucky Grant – <b>S. ERVIN</b>
		B. Authorize a Contract for the Police Department Emergency Generator – <b>R. MURPHY</b>
	VI.	<u>ORDINANCES - INTRODUCTION</u>
		A. Approve Industrial Revenue Bonds for Downtown Hotel – <b>S. DOOLITTLE</b>

		B. Approving Parking Site Lease for the Downtown Hotel Downtown Hotel – <b>S. DOOLITTLE</b>
		C. Contract for Services:
		1. Paducah Transit Authority - <b>CITY MGR</b>
		2. Luther F. Carson Four Rivers Center – <b>CITY MGR</b>
		3. Paducah Junior College – Community Scholarship Program – <b>CITY MGR</b>
	<b>VII.</b>	<b><u>CITY MANAGER REPORT</u></b>
	<b>VIII.</b>	<b><u>MAYOR &amp; COMMISSIONER COMMENTS</u></b>
	<b>IX.</b>	<b><u>PUBLIC COMMENTS</u></b>
	<b>X.</b>	<b><u>EXECUTIVE SESSION</u></b>

# Agenda Action Form Paducah City Commission

Meeting Date: August 11, 2015

Short Title: Support Expansion of National Railway Equipment Co.

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By:

Presentation By: Will or Scott Darnall

**Background Information:**

The purpose of this resolution is to support the \$920,000 expansion and hiring of 25 new full-time employees by National Railway Equipment Company. The project was announced and given preliminary approval in June of 2012. The expansion includes new ship equipment, IT upgrades, phone system, and repairs to the 90 year old facility. The new employees will have an average wage of \$13.50 per hour.

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name:  
Account Number:

Finance
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Staff Recommendation: In June of 2012, then Mayor Bill Paxton sent a letter to the Kentucky Economic Development Cabinet on behalf of the City of Paducah pledging 1% local payroll tax for a period not to exceed ten (10) years. At the June 2012 KEDFA board meeting the board also approved that the state give up the 30% state payroll tax. The PED staff recommends this resolution be approved by the commission and the incentives be granted to National Railway Equipment Co.

Attachments:

Department Head	City Clerk	 City Manager
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**RESOLUTION**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CITY OF PADUCAH, KENTUCKY, SUPPORTING THE EXPANSION OF NATIONAL RAILWAY EQUIPMENT CO. BY REBATING THE 1% PAYROLL TAX ON CERTAIN KEDFA PROGRAM ELIGIBLE POSITIONS**

**WHEREAS**, a strong economy is important to the City of Paducah and the region, and the Board of Commissioners of the City of Paducah, Kentucky, strives to support expansion of local businesses; and

**WHEREAS**, National Railway Equipment Co. has been a provider of new and remanufactured locomotives, locomotive products and wheel services for over seventy years in Paducah; and

**WHEREAS**, National Railway Equipment Co. in 2012 announced plans to expand its operations in Paducah to include new shop equipment, IT upgrades, phone systems, and building repairs; and

**WHEREAS**, National Railway Equipment Co.'s \$920,000 expansion includes at least 25 new full-time employees, with an average wage of \$13.50 per hour; and

**WHEREAS**, in order to assist in this project, National Railway Equipment Co., is eligible for a 1% payroll tax rebate for up to ten years, to be offered in conjunction with the Kentucky Economic Development Finance Authority (KEDFA) program that grants forgiveness of 3% State payroll tax.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY OF PADUCAH, KENTUCKY, ACTING BY AND THROUGH ITS BOARD OF COMMISSIONERS AS FOLLOWS:

SECTION 1. It is hereby found, determined and declared that the statements of fact set forth in this Resolution are true and accurate.

SECTION 2. That City of Paducah may grant a rebate of 1% payroll tax on KEDFA program eligible positions, upon remittance of the full amount of the payroll tax due, for a period of up to ten years to help support the expansion of National Railway Equipment Company.

SECTION 3. The adoption of this Resolution shall not be deemed to and shall not impose any liability or responsibility, financial or otherwise, upon the City of Paducah, beyond the 1% payroll tax rebate for a period of up to ten years.

SECTION 4. This resolution shall be in full force and effect from and after its adoption.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Tammara S. Sandeson, City Clerk

AUGUST 11, 2015

I move that the following documents and bids be received and filed:

**DOCUMENTS**

1. Notice of Cancellation for the Paducah Board of Commissioners for July 28, 2015
2. Certificates of Liability Insurance:
  - a. United Propane Gas, Inc.
  - b. Falconite Real Estate Holdings, LLC
  - c. AST Environmental, Inc.
  - d. Premier Fire Protection, Inc.
  - e. Ray Black & Son, Inc.
  - f. Wood Brothers Excavation
3. Commissioner's Deeds:
  - a. 1009 Boyd Street
  - b. 923 North 26<sup>th</sup> Street
  - c. 2077 Broad Street
  - d. 1611 Madison Street
4. Deed of Conveyance with Deloris L. Orr for Permanent Drainage and Public utility easement at 3325 Olivet Church Road (MO # 1844)
5. Contracts for Services:
  - a. T & T Cleaning
  - b. Uppertown Heritage Foundation
  - c. Yeiser Art Center
  - d. Paducah-McCracken County Growth, Inc.
  - e. Paducah Symphony Orchestra, Inc.
  - f. Paducah Film Society (D/B/A Maiden Alley Cinema)
  - g. National Quilt Museum
  - h. Brooks Stadium Commission
  - i. Paducah Concert Band
6. Contracts/Agreements:
  - a. Contract for Water Service between the Commissioners of Water Works (Paducah Water) and the West McCracken Water District (ORD # 2015-08-8280)
  - b. Agreement with Bluegrass Uniforms for Self-Contained Breathing Apparatus Equipment (ORD # 2015-06-8258)
  - c. Service Agreement with Motorola Solutions, Inc. for FY 2015-2016 (ORD # 2015-06-8253)
  - d. Demolition Contract with Environmental Abatement, Inc. for the demolition of 432 Broadway (ORD # 2015-07-8277)

**BID FOR ENGINEERING-PUBLIC WORKS DEPARTMENT**  
**Police Station Emergency Generator Project**

1. Mott Electric, LLC \*
2. Nichols Electric Company, LLC

\* Denotes Recommended Bid

CITY OF PADUCAH  
August 11, 2015

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Upon the recommendation of the City Manager, the Board of Commissioners of the City of Paducah order that the personnel changes on the attached list be approved.

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City Manager's Signature

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Date

CITY OF PADUCAH  
PERSONNEL ACTIONS  
August 11, 2015

**NEW HIRES - PART-TIME (P/T)/TEMPORARY/SEASONAL**

<u>PARKS SRVCS - MAINTENANCE</u>	<u>POSITION</u>	<u>RATE</u>	<u>NCS/CS</u>	<u>FLSA</u>	<u>EFFECTIVE DATE</u>
Bell, David L	Parks Maintenance - Laborer	\$9.00/Hr	NCS	Non-Ex	August 13, 2015
Bogard, Jason R	Parks Maintenance - Laborer	\$9.00/Hr	NCS	Non-Ex	August 13, 2015

**PARKS SERVICES**

Prather, Evan	Sports Official	\$20.00/Game	NCS	Non-Ex	August 13, 2015
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**TERMINATIONS - FULL-TIME (FT)**

<u>POLICE - SUPPORT SERVICES</u>	<u>POSITION</u>	<u>REASON</u>	<u>EFFECTIVE DATE</u>
Grimes, Stacey R	Assistant Chief	Retirement	August 1, 2015

**POLICE - OPERATIONS**

Merrick, Ronald J	Captain	Retirement	September 1, 2015
Neal, Kevin E	Sergeant	Retirement	July 31, 2015

**EPW - SOLID WASTE**

Orenduff, Michael A	ROW Maintenance	Retirement	August 1, 2015
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**PARKS SERVICES**

Howard, Janice	Administrative Assistant III	Retirement	August 31, 2015
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**TERMINATIONS - PART-TIME (P/T)/TEMPORARY/SEASONAL**

<u>PARKS SERVICES</u>	<u>POSITION</u>	<u>REASON</u>	<u>EFFECTIVE DATE</u>
Chism, Jailon	Recreation Leader	Seasonal Employment	July 24, 2015
Clark, Neal P	Lifeguard	Seasonal Employment	July 24, 2015
Hollowell, Isaac L	Sports Official	Seasonal Employment	July 20, 2015
Kollenberg, Teddy W	Head Lifeguard	Seasonal Employment	July 24, 2015
Vega, Sergio	Pool Attendant	Seasonal Employment	July 31, 2015

**PAYROLL ADJUSTMENTS/TRANSFERS/PROMOTIONS/TEMPORARY ASSIGNMENTS**

<u>FIRE - SUPPRESSION</u>	<u>PREVIOUS POSITION AND BASE RATE OF PAY</u>	<u>CURRENT POSITION AND BASE RATE OF PAY</u>	<u>NCS/CS</u>	<u>FLSA</u>	<u>EFFECTIVE DATE</u>
Greer, Rhiannon	Acting Fire Lieutenant \$16.00/Hr	FF / Relief Driver \$14.69/Hr	NCS	Non-Ex	July 9, 2015
Noland, Nick	Acting Fire Lieutenant \$16.00/Hr	FF / Relief Driver \$14.41/Hr	NCS	Non-Ex	July 9, 2015
Hannan, Patrick	Fire Lieutenant \$16.22/Hr	Acting Fire Captain \$17.30/Hr	NCS	Non-Ex	July 16, 2015
Harris, Daniel	FF / Relief Driver \$14.94/Hr	Acting Fire Lieutenant \$16.22/Hr	NCS	Non-Ex	July 16, 2015
<b><u>POLICE - OPERATIONS</u></b>					
Baxter, Christopher L	Detective \$24.79/Hr	Sergeant \$26.06/Hr	NCS	Non-Ex	August 6, 2015
Drew, Kelly E	Patrolman \$24.48/Hr	Sergeant \$25.85/Hr	NCS	Non-Ex	August 6, 2015
<b><u>POLICE - SUPPORT SERVICES</u></b>					
White, David R	Captain \$32.64/Hr	Assistant Chief \$35.91/Hr	NCS	Ex	August 6, 2015
<b><u>PARKS SERVICES</u></b>					
Hatton, Patrick B	Summer Camp Coordinator \$9.00/Hr	Recreation Leader \$11.00/Hr	NCS	Non-Ex	July 30, 2015

# Agenda Action Form Paducah City Commission

Meeting Date: 11 August 2015

Short Title: Hazard Mitigation Program Grant Application

Ordinance     Emergency     Municipal Order     Resolution     Motion

Staff Work By: Chief Steve Kyle; Sheryl Chino

Presentation By: Chief Steve Kyle

Background Information: Kentucky Emergency Management (KYEM) has obtained Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) funds for distribution to local units of government for categorically eligible projects. The funding formula for accepted applications will be 75-percent from Federal, 12-percent from State, and 13-percent from local cash match.

The Paducah Fire Department and the Paducah-McCracken County E911 Department is proposing to submit an application to KYEM for the purchase and installation of a new Telephony System including the necessary software.

The total estimated cost for the Telephony system is \$239,809. The request to the Federal Hazard Mitigation Grant Program will be \$179,856.75 with a state match of \$28,777.08 and a local match of \$31,175.17. The local match of \$31,175.17 will be provided through the 911 Cash Reserves account.

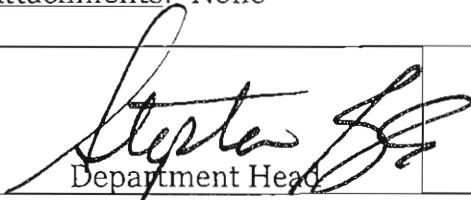
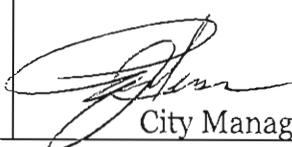
Goal:     Strong Economy     Quality Services     Vital Neighborhoods     Restored Downtowns

Funds Available:    Account Name:  
                                 Account Number:  
                                 Project Number:  
                                 File Number:

Finance
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Staff Recommendation: Authorize and direct the Mayor to execute all required grant related documents and authorize the Planning Department to submit the application through the KYEM online grant application portal.

Attachments: None

 Department Head	City Clerk	 City Manager
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MUNICIPAL ORDER NO. \_\_\_\_\_

A MUNICIPAL ORDER AUTHORIZING THE PLANNING DEPARTMENT TO SUBMIT A HAZARDOUS MITIGATION MATCHING GRANT PROGRAM APPLICATION AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATING TO SAME THROUGH THE KENTUCKY DIVISION OF EMERGENCY MANAGEMENT REQUESTING 75% FEDERAL FUNDS IN THE AMOUNT OF \$179,856.75, 12% STATE FUNDS IN THE AMOUNT OF \$28,777.08, AND 13% LOCAL FUNDS IN THE AMOUNT OF \$31,175.17 FOR THE PURCHASE AND INSTALLATION OF A NEW TELEPHONY SYSTEM INCLUDING THE NECESSARY SOFTWARE TO BE INSTALLED IN THE 911 CENTER OF THE ALLIE MORGAN COMMUNICATIONS CENTER BUILDING

BE IT ORDERED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The City of Paducah hereby authorizes the Mayor to execute all required documents necessary for the Planning Department to submit a Hazardous Mitigation Matching Grant Program application through the Kentucky Division of Emergency Management requesting 75% Federal funds in the amount of \$179,856.75, 12% State funds in the amount of \$28,777.08, and 13% local funds in the amount of \$31,175.17 to be used for the purchase of a new telephony system including the necessary software. This equipment will be installed in the 911 Center of the Allie Morgan Communications Center Building. The local match will be provided through the 911 cash reserves account.

SECTION 2. This order shall be in full force and effect from and after the date of its adoption.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Tammara S. Sanderson, City Clerk

Adopted by the Board of Commissioners, August 11, 2015  
Recorded by Tammara S. Sanderson, City Clerk, August 11, 2015  
mo\grants\911-FEMA Hazardous Mitigation-telephony system

**Agenda Action Form  
Paducah City Commission**

Meeting Date: August 4<sup>th</sup> 2015

Short Title: Professional Engineering Services for Design and Construction Management of Park Development near 14<sup>th</sup> Street

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Steve Ervin, Mark Thompson, Sheryl Chino

Presentation By: Mark Thompson; Steve Ervin

Background Information: The City of Paducah has been awarded \$600,000 through multiple funding sources to aid in the development of an outdoor health park located in the Fountain Avenue neighborhood. The park, once fully developed, will feature outdoor fitness equipment, a walking trail, free play open field, community gardens, farmer's market, boundless playground, and commercial rental space for physical, mental, and dental healthcare. Furthermore, upper story living is also planned over the commercial rental space.

The Park Services and Planning Departments have received a proposal from Brandstetter Carroll and Shawnee Services for completion of final construction documents for the Health Park.

Shawnee Services has already completed the initial grading and utility plan and Brandstetter Carroll completed the conceptual master plan in 2014. This plan was utilized for grant applications. Furthermore, Play by Design will be a separate contract to design the playground area. Play by Design will design the play structure with community input and help with installation.

Following are the duties outlined in the proposal:

**Shawnee Professional Services (Engineering)**

- Grading and Drainage Design
- Earth mound design
- Demolition (in previous contract)
- Utility coordination and design
- Pavement design (sidewalk and plaza/parking area)
- Bidding assistance
- Construction Administration

**Brandstetter Carroll Inc. (Architecture and Landscape Architecture)**

- Overall park layout
- Playground and fitness area location (design by others)
- Splash Pad Design
- Restroom/Pump Room Design
- Landscape Planting design
- Community Garden design criteria and typical details (design by City)
- Overall Construction Documents coordination and compilation

The fee for engineering services will be 8-percent of the construction cost with is estimated at \$1,300,000, making the fee for engineering services \$104,000. Costs associated with engineering will be spread across 3+/- years. Engineering fees will be paid through the Land and Water Conservation Fund (LWCF) grant and the Foundation for Health Kentucky grant.

The Park Services and Planning Departments are hoping to procure engineering services quickly so the City can begin start site preparation in the fall.

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available:

Account Name:

Account Number: CD0083

 7/30/2015  
Finance

Staff Recommendation: Authorize and direct the Mayor to execute a contract for professional services with Brandletter Carroll.

Attachments: None

 Department Head	City Clerk	 City Manager
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# Agenda Action Form Paducah City Commission

Meeting Date: August 4, 2015

Short Title: Authorize a Contract with Mott Electric, LLC for the Police Station Emergency Generator Project

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Angela Weeks, EPW Proj Mgr

Presentation By: Rick Murphy, P.E., City Engineer-Public Works Director

### Background Information:

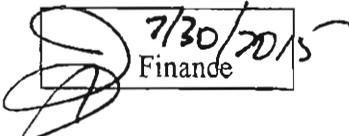
On June 30, 2015, sealed written bids were opened and read aloud for the Police Station Emergency Generator Project. The Project consists of the installation of a 150 KW diesel powered emergency generator with an automatic transfer switch on a newly constructed concrete pad at the Police Station. Two responsive bids were received, with Mott Electric, LLC, submitting the lowest responsive bid in the amount of \$115,250.

Marcum Engineering has reviewed the specifications of the two generators submitted by the Mott Electric, LLC, and has recommended the Cummins Crosspoint generator (recommendation attached).

This Project is being partially funded thru the Kentucky Office of Homeland Security in the amount of total amount of \$75,000. The remainder will be funded by City Funds.

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Project Account: PO0083  
Account Number: 040-3315-5322307

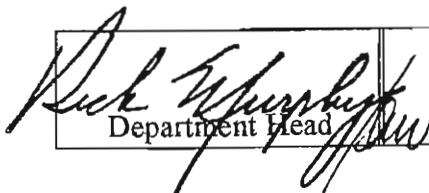
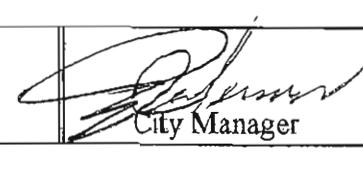
 7/30/2015  
Finande

### Staff Recommendation:

To receive and file the bids and adopt an Ordinance authorizing the Mayor to execute a contract with Mott Electric, LLC, in the amount of \$115,250 for the Police Station Emergency Generator Project.

### Attachments:

Bids, Bid Tab, Advertisement and Proposed Contract

 Department Head	City Clerk	 City Manager
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# Agenda Action Form Paducah City Commission

Meeting Date: August 11, 2015

**Short Title:** AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$12,000,000 INDUSTRIAL BUILDING REVENUE BONDS, SERIES 2015 FOR THE PADUCAH RIVERFRONT HOTEL LP PROJECT

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Doolittle  
Presentation By: Doolittle

### Background Information:

Industrial Building Revenue Bonds are the financing method being chosen by the hotel. The bond sale will be private and Independence Bank will be the sole purchaser. The city's credit is not at risk, and the city is not responsible for repayment. While the City is the issuing body, the state does the actual approval. A hearing will be held by the state local debt officer on September 15, 2015. In this method of financing, the City will own the property and lease it back to the developers for the length of the lease. As a consequence of that, there will be no property taxes except for the Payments in Lieu of Taxes made to the City of Paducah and the Paducah Independent School District.

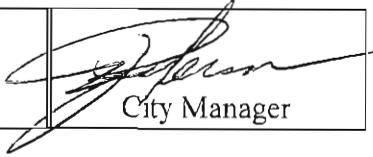
Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name: NA  
Account Number: NA

Finance

### Staff Recommendation:

Approve

 Department Head	City Clerk	 City Manager
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ORDINANCE NO. 2015-8-\_\_\_\_\_

AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$12,000,000 INDUSTRIAL BUILDING REVENUE BONDS, SERIES 2015 (PADUCAH RIVERFRONT HOTEL, LP PROJECT) OF THE CITY OF PADUCAH, KENTUCKY, THE PROCEEDS OF WHICH SHALL BE USED TO PAY THE COSTS OF THE ACQUISITION, CONSTRUCTION, INSTALLATION AND EQUIPPING OF AN INDUSTRIAL BUILDING SUITABLE FOR USE AS A HOTEL, TOGETHER WITH ALL RELATED AND SUBORDINATE FACILITIES NECESSARY TO THE OPERATION THEREOF, TO BE LOCATED WITHIN THE CITY OF PADUCAH, KENTUCKY, AND LEASED TO PADUCAH RIVERFRONT HOTEL, LP; PROVIDING FOR THE PLEDGE OF REVENUES FOR THE PAYMENT OF SUCH BONDS; AUTHORIZING A LEASE AGREEMENT APPROPRIATE FOR THE PROTECTION AND DISPOSITION OF SUCH REVENUES AND TO FURTHER SECURE SUCH BONDS; AUTHORIZING A BOND PURCHASE AGREEMENT, MORTGAGE, PAYMENT IN LIEU OF TAXES AGREEMENT AND ASSIGNMENTS; AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS.

WHEREAS, the City of Paducah, Kentucky (the "Issuer"), by virtue of the laws of the Commonwealth of Kentucky, including Chapter 103 of the Kentucky Revised Statutes, is authorized and empowered among other things (a) to assist in defraying the cost of the acquisition, construction, installation and equipping of an "industrial building," as defined in § 103.200 of the Kentucky Revised Statutes, within the boundaries of the Issuer, (b) to issue and sell its negotiable revenue bonds to provide such moneys and (c) to enact this Ordinance and execute and deliver the agreements and instruments hereinafter identified; and

WHEREAS, this City Commission (the "Issuing Authority") has determined and does hereby confirm that the financing, acquisition, construction, installation and equipping of a building suitable for use as a hotel, together with all related and subordinate facilities necessary for the operation thereof (the "Project"), for lease to Paducah Convention Hotel LLC (the "Company"), is a Project that will promote the welfare of the people of the Commonwealth of Kentucky, promote reconversion to a peacetime economy, relieve conditions of unemployment, aid in the rehabilitation of returning veterans, encourage the increase of industry in the Commonwealth of Kentucky, promote the economic welfare of the people of the Issuer, create or preserve jobs and employment opportunities and assist in the development of industrial activities to the benefit of the people of the Issuer, and that the Issuer, by assisting with the financing of the Project through the issuance of revenue bonds in an aggregate principal amount not to exceed \$12,000,000 (the "Series 2015 Bonds") will be acting in the manner consistent with and in furtherance of the provisions of the laws of the Commonwealth of Kentucky, particularly Chapter 103 of the Kentucky Revised Statutes (the "Act");

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF PADUCAH, KENTUCKY, AS FOLLOWS:

SECTION 1. Definitions. All defined terms used herein and those not otherwise defined herein shall have the respective meanings given to them in the Lease Agreement (the "Lease Agreement") between the Issuer and the Company, relating to the Series 2015 Bonds.

Any reference herein to the Issuer or the Issuing Authority, or to any officers or members thereof, shall include those which succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa, and the terms "hereof," "hereby," "hereto," "hereunder," and similar terms, mean this Ordinance.

SECTION 2. Determinations of Issuer. Pursuant to the Act, this Issuing Authority hereby affirms that the Project constitutes an "industrial building" as defined in the Act and is consistent with the provisions of §§ 103.200 to 103.285 of the Act; that such industrial building consists of an industrial building and related personal property including operating equipment and machinery deemed necessary in connection therewith, related to an activity, business, or industry for the manufacturing, processing or assembling of a commercial product, together with storage, warehousing, and distribution facilities in respect thereof, suitable for use by the Company within the meaning of the Act, as set forth in § 103.200(1)(k) of the Act; and that such industrial building is to be financed with the proceeds of the Series 2015 Bonds pursuant to the provisions of §§ 103.200 to 103.285 of the Act.

SECTION 3. Authorization of Bonds. It is hereby determined to be necessary to, and the Issuer shall, issue, sell and deliver, as provided herein and pursuant to the authority of the Act, the Series 2015 Bonds for the purposes of financing the acquisition, construction, installation and equipping of the Project, including costs incidental thereto, all in accordance with the provisions of the Lease Agreement. The Series 2015 Bonds shall be designated "Industrial Building Revenue Bonds, Series 2015 (Paducah Riverfront Hotel, LP Project)." The maximum amount of Series 2015 Bonds to be outstanding at any one time is no greater than \$12,000,000.

SECTION 4. Terms and Execution of the Bonds. The Series 2015 Bonds shall be issued in the forms and denominations, shall be numbered, dated and payable as provided in the Bond Purchase Agreement hereinafter defined. The Series 2015 Bonds shall mature as provided in the Bond Purchase Agreement, and have such terms, bear such interest, and be subject to mandatory and optional redemption as provided in the Bond Purchase Agreement. This Issuing Authority hereby fixes and establishes the interest rate in effect from time to time on the Series 2015 Bonds in the manner and pursuant to the provisions of the Bond Purchase Agreement. The Series 2015 Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of its Mayor and City Clerk. In case any officer whose signature or a facsimile thereof shall appear on the Series 2015 Bonds shall cease to be such officer before the issuance or delivery of the Series 2015 Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until after that time.

The form of the Series 2015 Bonds submitted to this meeting, subject to appropriate insertions and revisions in order to comply with the provisions of the Bond Purchase Agreement, is hereby approved, and when the same shall be executed on behalf of the Issuer by the appropriate officers thereof in the manner contemplated hereby and by the Bond Purchase Agreement, shall represent the approved form of Series 2015 Bonds of the Issuer.

SECTION 5. Sale of the Bonds. In accordance with a written request, addressed to the Mayor from the Company, that the sale of the Series 2015 Bonds be made privately upon a negotiated basis, the Series 2015 Bonds are hereby awarded to Independence Bank (the

"Purchaser") at the purchase price set forth, and on the terms and conditions described, in the Bond Purchase Agreement with respect to the Series 2015 Bonds (the "Bond Purchase Agreement") among the Issuer, the Company, the Purchaser and Independence Bank, as servicing agent (the "Servicing Agent"). The Mayor and City Clerk are authorized and directed to make on behalf of the Issuer the necessary arrangements to establish the date, location, procedure and conditions for the delivery of the Series 2015 Bonds to the Purchaser, and to take all steps necessary to effect due execution and delivery to the Purchaser of the Series 2015 Bonds (or temporary bonds delivered in lieu of definitive Series 2015 Bonds until their preparation and delivery can be effectuated) under the terms of this Ordinance, the Bond Purchase Agreement and the Lease Agreement. It is hereby determined that the price for and the terms of the Series 2015 Bonds, and the sale thereof, all as provided in the aforesaid documents, are in the best interests of the Issuer and consistent with all legal requirements.

SECTION 6. Authorization of Lease Agreement, Bond Purchase Agreement, PILOT Agreement, Mortgage, Assignments and All Other Documents to be Executed by the Issuer. In order to better secure the payment of the principal of, premium, if any, and interest on the Series 2015 Bonds as the same shall become due and payable, the Mayor and City Clerk are authorized to execute, acknowledge and deliver in the name and on behalf of the Issuer, the Lease Agreement, PILOT Agreement (as hereinafter defined), the Mortgage (as defined in the Lease Agreement), Bond Purchase Agreement and assignments substantially in the forms submitted or described to the Issuer, which are hereby approved, which shall be consistent with this Ordinance and not substantially adverse to the Issuer as may be permitted by the Act and approved by the officers executing the same on behalf of the Issuer. In order to provide for the payment of certain ad valorem taxes that would become due and payable from the Company if the transactions contemplated by the Bonds were not undertaken, the Mayor and City Clerk are authorized to execute, acknowledge and deliver in the name and on behalf of the Issuer, a Payment in Lieu of Taxes Agreement (the "PILOT Agreement") among the Company, the Issuer and the Paducah Independent School District (the "District") in the form submitted or described to the Issuer, which is hereby approved. The approval of such documents by said officers, and that such are not substantially adverse to the Issuer, shall be conclusively evidenced by the execution of such Lease Agreement, PILOT Agreement, Bond Purchase Agreement, Mortgage and assignments by such officers.

The Mayor and City Clerk are each hereby separately authorized to take any and all actions and to execute such financing statements, assignments, certificates, deeds and other instruments that may be necessary or appropriate in the opinion of Dinsmore & Shohl LLP, as Bond Counsel, in order to effect the issuance of the Series 2015 Bonds and the intent of this Ordinance. The City Clerk, or other appropriate officer of the Issuer, shall certify a true transcript of all proceedings had with respect to the issuance of the Series 2015 Bonds, along with such information from the records of the Issuer as is necessary to determine the regularity and validity of the issuance of the Series 2015 Bonds.

SECTION 7. Covenants of Issuer. In addition to other covenants of the Issuer in this Ordinance, the Issuer further covenants and agrees as follows:

(a) Payment of Principal, Premium and Interest. The Issuer will, solely from the sources herein or in the Bond Purchase Agreement provided, pay or cause to be paid the principal of, premium, if any, and interest on each and all Series 2015 Bonds on the dates, at the places and in the manner provided herein, in the Bond Purchase Agreement and in the Series 2015 Bonds.

(b) Performance of Covenants, Authority and Actions. The Issuer will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Series 2015 Bonds, Lease Agreement, Bond Purchase Agreement, PILOT Agreement, Mortgage and assignments, and in all proceedings of the Issuer pertaining to the Series 2015 Bonds. The Issuer warrants and covenants that it is, and upon delivery of the Series 2015 Bonds will be, duly authorized by the laws of the Commonwealth of Kentucky, including particularly and without limitation the Act, to issue the Series 2015 Bonds and to execute the Lease Agreement, Bond Purchase Agreement, PILOT Agreement, Mortgage and assignments, and all other documents to be executed by it, to provide for the security for payment of the principal of, premium, if any, and interest on the Series 2015 Bonds in the manner and to the extent herein and in the Bond Purchase Agreement set forth; that all actions on its part for the issuance of the Series 2015 Bonds and execution and delivery of the Lease Agreement, Bond Purchase Agreement, PILOT Agreement, Mortgage, assignments and all other documents to be executed by it in connection with the issuance of the Series 2015 Bonds, have been or will be duly and effectively taken; and that the Series 2015 Bonds will be valid and enforceable special obligations of the Issuer according to the terms thereof. Each provision of the Ordinance, Lease Agreement, Bond Purchase Agreement, PILOT Agreement, Mortgage, assignments and each Series 2015 Bond, and all other documents to be executed by the Issuer in connection with the issuance of the Series 2015 Bonds, is binding upon each officer of the Issuer as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision; and each duty of the Issuer and of its officers and employees undertaken pursuant to such proceedings for the Series 2015 Bonds is established as a duty of the Issuer and of each such officer and employee having authority to perform such duty.

SECTION 8. No Personal Liability. No recourse under or upon any obligation, covenant, acceptance or agreement contained in this Ordinance, or in any Series 2015 Bond, or in the Lease Agreement, Bond Purchase Agreement, PILOT Agreement, Mortgage and assignments, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against any officer as such, past, present, or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to any holder of any Series 2015 Bond, or otherwise, of any sum that may be due and unpaid by the Issuer upon any of the Series 2015 Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, as such, to respond by reason of any act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to the Issuer or any receiver thereof, or for or to the owner or any holder of any Series 2015 Bond, or otherwise, of any sum that may remain due and unpaid upon any Series 2015 Bond, shall be deemed to be expressly waived and released as a condition of and consideration for the execution and delivery of the Lease Agreement, Bond Purchase Agreement, PILOT Agreement, Mortgage, assignments and the issuance of the Series 2015 Bonds.

SECTION 9. No Debt or Tax Pledge. The Series 2015 Bonds do not constitute an indebtedness of the Issuer within the meaning of the Constitution of the Commonwealth of Kentucky. The Series 2015 Bonds shall be payable solely from the revenues and security interests pledged for their payment as provided in the Series 2015 Bonds, and neither moneys raised by taxation nor any other general or special revenues of the Issuer shall be obligated or pledged for the payment of principal of, premium (if any) or interest on the Series 2015 Bonds.

SECTION 10. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 11. Open Meetings Law. This Issuing Authority hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this Issuing Authority, and that all deliberations of this Issuing Authority and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

SECTION 12. Effective Date. This Ordinance shall be in full force and effect from and after its passage, attestation and publication of a summary hereof.

INTRODUCED, SECONDED AND GIVEN FIRST-READING APPROVAL AT A DULY CONVENED MEETING OF THE CITY COMMISSION OF THE CITY OF PADUCAH, KENTUCKY, held on August \_\_, 2015.

GIVEN SECOND READING AND ADOPTED AT A DULY CONVENED MEETING OF THE CITY COMMISSION OF THE CITY OF PADUCAH, KENTUCKY, held on August \_\_, 2015 on the same occasion signed by the Mayor as evidence of his approval, attested by the City Clerk, ordered and published and filed as required by law, and declared to be in full force and effect from and after its adoption and approval according to law.

Approved:

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

\\ord\bond-Paducah Hotel 2015

**CERTIFICATE**

I, Tammara Sanderson, City Clerk of the City of Paducah, Kentucky, do hereby certify that the above is a true copy of an ordinance, as adopted by the City Commission at a meeting held on August \_\_, 2015, whereat a quorum was present and voting, all as shown by the records of said City in my office.

Dated: \_\_\_\_\_, 2015.

SIGNED:

By: \_\_\_\_\_  
City Clerk

# Agenda Action Form Paducah City Commission

Meeting Date: August 11, 2015

**Short Title:** AN ORDINANCE OF THE CITY OF PADUCAH, KENTUCKY, APPROVING A PARKING SITE LEASE BETWEEN THE CITY OF PADUCAH, KENTUCKY AND PADUCAH RIVERFRONT HOTEL, LP WITH RESPECT TO A PUBLIC PROJECT AND AUTHORIZING THE EXECUTION OF THE PARKING SITE LEASE, AND OTHER DOCUMENTS RELATED THERETO

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Doolittle  
Presentation By: Doolittle

Background Information: . In the agreement for the Holiday Inn, we allowed the developer to use a piece of property on the other side of the floodwall for hotel parking (Lease Tract II). This ordinance authorizes the Mayor to enter into a lease. It is attached to this ordinance.

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name: NA  
Account Number: NA

Finance

Staff Recommendation:

Approve

 Department Head	City Clerk	 City Manager
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**ORDINANCE NO. 2015-8-\_\_\_\_\_**

AN ORDINANCE OF THE CITY OF PADUCAH, KENTUCKY, APPROVING A PARKING SITE LEASE BETWEEN THE CITY OF PADUCAH, KENTUCKY AND PADUCAH RIVERFRONT HOTEL, LP WITH RESPECT TO A PUBLIC PROJECT AND AUTHORIZING THE EXECUTION OF THE PARKING SITE LEASE AND OTHER DOCUMENTS RELATED THERETO

WHEREAS, the City of Paducah, Kentucky (the "City") is the owner of certain real property situated along and near North 3<sup>rd</sup> and 4<sup>th</sup> Streets and Executive Boulevard in downtown Paducah adjacent to a publically owned convention center, generally known as the Julian Carroll and Paducah Expo Convention Center (the "Convention Center"); and

WHEREAS, the Board of Commissioners of the City of Paducah, Kentucky, have determined that it is necessary, appropriate, and in the best interest of the City to have designed, developed, constructed, operated, and managed on the City owned real property an upscale hotel and related parking improvements to serve the Convention Center as well as the downtown business and tourism markets (the "Project"); and

WHEREAS, on June 29, 2015, the City and Paducah Riverfront Hotel, LP, a Kentucky ULPA Limited Partnership, by and through its General Partner, Paducah Hotel Inc., a Kentucky corporation, (the "Developer") entered into a Hotel Development Agreement (the "Development Agreement") for the development and construction of the Project; and

WHEREAS, the City, at the request of the Developer, has agreed to issue its Industrial Building Revenue Bonds in an aggregate principal of \$12,000,000 (the "Bonds") pursuant to the provisions of Chapter 103 of the Kentucky Revised Statutes, the proceeds of which will be used to develop and construct the Project; and

WHEREAS, the City has determined that in order to further accomplish the public purposes of the City, it is desirable and necessary that the City lease the parking site identified in the Development Agreement to the Developer upon the terms therein set forth; and

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PADUCAH, KENTUCKY, AS FOLLOWS:

Section 1. Recitals and Authorization. The City hereby approves the Parking Site Lease (the "Lease") between the City and the Developer and the Mayor and City Clerk are authorized to execute, acknowledge and deliver in the name and on behalf of the City, the Lease in substantially the same form as attached hereto as Exhibit A, with such changes as shall be consistent with this Ordinance and not substantially adverse to the City and approved by the officers executing the same on behalf of the City. It is further determined that it is necessary and desirable and in the best interest of the City to enter into the Lease for the public purposes herein described. The approval

of the Lease by said officers, with such changes that are not substantially adverse to the City, shall be conclusively evidenced by the execution of the Lease by such officers.

Section 2. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 3. Compliance With Open Meetings Laws. The City Commission hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this City Commission, and that all deliberations of this City Commission and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

Section 4. Conflicts. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed and the provisions of this Ordinance shall prevail and be given effect.

Section 5. Effective Date. This Ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
Tammara S. Sanderson, City Clerk

Introduced by the Board of Commissioners, \_\_\_\_\_, 2015

Adopted by the Board of Commissioners, \_\_\_\_\_, 2015

Recorded by Tammara S. Sanderson, City Clerk, \_\_\_\_\_, 2015

Published by *The Paducah Sun*, \_\_\_\_\_, 2015

EXHIBIT A

**PARKING SITE LEASE**

By and Between

CITY OF PADUCAH, KENTUCKY,  
Lessor,

and

PADUCAH RIVERFRONT HOTEL, LP,  
Lessee

Dated as of:  
November 1, 2015

## TABLE OF CONTENTS

	Page
SECTION 1. Definitions.....	2
SECTION 2. Lease of Parking Site by Lessee; Term; Lease Payments.....	3
SECTION 3. Insurance of Parking Site.....	4
SECTION 4. Operation, Maintenance and Repair of Parking Site.....	4
SECTION 5. Alteration of Parking Site; Additional Improvements.....	4
SECTION 6. No Hazardous Wastes.....	5
SECTION 7. Damage or Destruction of Parking Site.....	5
SECTION 8. Relinquishment of Parking Site at Lease Term.....	5
SECTION 9. Lessee to Have Exclusive Possession of Parking Site.....	5
SECTION 10. No Option to Acquire Parking Site.....	5
SECTION 11. Default Provisions; Remedies.....	6
SECTION 12. Performance of Lessee's Obligations by Lessor.....	9
SECTION 13. Attorneys' Fees and Expenses.....	9
SECTION 14. Release and Indemnification Covenants.....	9
SECTION 15. Subleasing of Parking Site; Assignment.....	10
SECTION 16. No Further Encumbrance, Mortgage or Pledge of Parking Site.....	11
SECTION 17. Extent of Covenants; No Personal Liability.....	11
SECTION 18. Binding Effect.....	11
SECTION 19. Amendments, Changes and Modifications.....	11
SECTION 20. Invalidity of Provisions of Lease.....	11
SECTION 21. Captions.....	12
SECTION 22. Execution of Counterparts.....	12
SECTION 23. References to Attorneys' Fees.....	12
SECTION 24. Notices.....	12
SECTION 25. Governing Law.....	12
EXHIBIT A Project Site.....	A-1
EXHIBIT B Parking Site.....	B-1

## PARKING SITE LEASE

This Parking Site Lease (the "Lease"), made and entered into as of this 1st day of November, 2015, by and between the City of Paducah, Kentucky, a municipal corporation and political subdivision of the Commonwealth of Kentucky (the "Lessor") and Paducah Riverfront Hotel, LP, a Kentucky limited partnership (the "Lessee").

### WITNESSETH

WHEREAS, the Lessor is the owner of certain real property located in downtown Paducah, Kentucky, which property is more particularly described in Exhibit A attached hereto and made a part hereof (the "Project Site"); and

WHEREAS, the Lessor has a compelling public interest in promoting the welfare of the inhabitants located within the jurisdictional boundaries of the Lessor by relieving conditions of unemployment, encouraging the increase of industry, replacing lost jobs, expanding local tax bases and increasing general commerce; and

WHEREAS, pursuant to §§ 103.200 to 103.285, the Lessor has authorized the issuance of its Industrial Building Revenue Bonds, Series 2015 (Paducah Riverfront Hotel, LP Project) (the "Industrial Revenue Bonds"), with a maximum indebtedness, exclusive of interest of \$12,000,000 and with a final maturity of May 1, 2037, in order to finance a portion of the costs of the acquisition, construction installation and equipping of a 124 room hotel in downtown Paducah, Kentucky (the "Project"), which Project is to be leased to the Lessee pursuant to an Agreement of Lease dated as of November 1, 2015 between the Lessor and the Lessee (the "Revenue Bond Lease"); and

WHEREAS, Lessor has determined that in order to further accomplish the public purposes of the Lessor, it is desirable and necessary that the Lessor lease the parking site identified on attached Exhibit B and made a part hereof (the "Parking Site") to the Lessee upon the terms hereinafter set forth; and

WHEREAS, it is appropriate at this time that this Lease be consummated by and between the parties:

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND IN FURTHER CONSIDERATION OF THE ISSUANCE BY THE LESSOR OF THE INDUSTRIAL REVENUE BONDS AND THE LEASING BY THE LESSEE OF THE PROJECT UNDER THE REVENUE BOND LEASE, THE LESSOR AND THE LESSEE MUTUALLY COVENANT AND AGREE AS FOLLOWS:

SECTION 1. Definitions. Unless the context clearly indicates some other meaning, the following words and terms shall, for all purposes of this Lease, have the following meanings:

*“Additional Rentals”* shall mean, collectively, (i) the initial costs of constructing parking improvements necessary to accommodate the Project and compatible with the Project design; (ii) the cost of operation and maintenance of the Parking Site; (iii) the cost of insuring the Parking Site and (iv) any amounts payable pursuant to Sections 13 or 14 of this Lease.

*“Authorized Officer”* shall mean, with respect to (i) the Lessor, the Mayor and any officer, agent or employees duly authorized by ordinance or resolution of the Lessor to perform the act or sign the document in question, and (ii) the Lessee, the person at the time designated to act on behalf of the Lessee by written instrument furnished to the Lessor, containing the specimen signature of such person and signed on behalf of the Lessee by the General Partner of the Lessee.

*“Base Rent”* shall mean the annual payments for the leasing of the Parking Site as set forth in Section 2 of this Lease.

*“Certificate”* shall mean a document signed by an Authorized Officer attesting to or acknowledging the circumstances or other matters therein stated.

*“Development Agreement”* means the Development Agreement dated as of June 29, 2015, 2013 by and between the Lessor and the Lessee, as the same may be amended or supplemented from time to time.

*“General Partner”* shall mean Paducah Hotel, Inc., a Kentucky corporation.

*“Guarantors”* shall mean, collectively, the General Partner and Glenn D. Higdon.

*“IDB Act”* shall mean Chapter 103 of the Kentucky Revised Statutes, as the same may be amended from time to time.

*“Industrial Revenue Bonds”* shall mean the City of Paducah, Kentucky Industrial Building Revenue Bonds, Series 2015 (Paducah Riverfront Hotel, LP Project) in the maximum aggregate principal amount of \$12,000,000.

*“Interest Rate for Advances”* shall mean ten percent (10%) per annum.

*“Lease”* shall mean this Parking Site Lease dated as of November 1, 2015, by and between the Lessor and the Lessee, as amended or supplemented from time to time in accordance with the terms hereof.

*“Lease Payments”* shall mean Base Rent and Additional Rentals, which constitute the payments payable by the Lessee for and in consideration of the right to use the Parking Site.

*“Lease Term”* shall mean the period commencing on November 1, 2015 and ending on the date provided for in Section 2 hereof, unless sooner terminated in accordance with the terms hereof.

“Lessee” shall mean Paducah Riverfront Hotel, LP, a Kentucky limited partnership, its successors and assigns.

“Lessor” shall mean the City of Paducah, Kentucky, a municipal corporation and political subdivision of the Commonwealth of Kentucky.

“Mortgage” shall mean the Leasehold Mortgage and Security Agreement dated as of November 1, 2015 from the Lessee to the Mortgagee, as the same may be amended or supplemented from time to time.

“Mortgagee” shall mean Independence Bank of Kentucky, its successors and assigns..

“Ordinance” shall mean Ordinance No. \_\_\_\_\_ adopted by the City Commission of the Lessor on August \_\_, 2015, authorizing this Lease, as the same may be amended or supplemented in accordance with its terms.

“Parking Site” shall mean the real property more particularly described in Exhibit B attached hereto and made a part hereof.

“Project Site” shall mean the site on which the Project is to be located, as more particularly described in Exhibit A attached hereto and made a part hereof.

“Revenue Bond Lease” shall mean that certain Agreement of Lease dated as of November 1, 2015, by and between the Lessor and the Lessee, relating to the Project and the Industrial Revenue Bonds, as amended or supplemented from time to time in accordance with the terms thereof.

“Sublease” shall mean any agreement between the Lessee and a person, association, partnership, corporation, governmental unit or other legal entity (other than the Lessor) providing for the use of the Project, or any part thereof, by such other person, association, partnership, corporation, governmental unit or other legal entity.

“Sublessee” shall mean any person, association, partnership, corporation, governmental unit or other legal entity (other than the Lessor) that has entered into a Sublease with the Lessee.

## SECTION 2. Lease of Parking Site by Lessee; Term; Lease Payments.

(a) The Lessee hereby leases from the Lessor and the Lessor hereby lets to the Lessee the Parking Site, together with all of the improvements thereto, for the period from the date hereof and ending, subject to the provisions of Section 11(c)(ii) hereof, on the date the Project ceases to be operated as a hotel at agreed and stipulated Lease Payments equal to (i) the sum of \$1.00 for each twelve month period (the “Base Rent”) commencing on a November 1, together with (ii) the initial costs of constructing parking improvements necessary to accommodate the Project and compatible with the Project design; (iv) the cost of operation and maintenance of the Parking Site; and (viii) the cost of insuring the Parking Site, as hereinafter provided. The Base Rent identified in clause (i) above shall be payable in advance on the first day of each November, commencing on the date of execution and delivery of this Lease. The remaining payments due under (ii) and (iii) above (“Additional Rentals”) shall be made as the same become due and

payable. Further, the Parking Site shall be used by Lessee only for vehicular parking in connection with the Project and for no other purpose.

(b) All Lease Payments hereunder shall be made without notice, demand, setoff, defense, deferment or deduction at the times and in the manner set forth above.

Notwithstanding any provision of this Lease to the contrary, this Lease and the obligations of Lessee hereunder shall be a general obligation of the Lessee and all Lease Payments hereunder shall be payable from all lawfully available revenues of Lessee.

SECTION 3. Insurance of Parking Site. The Lessee agrees that it will, during the term of this Lease provide that all insurable improvements constructed and located upon the Parking Site, are insured to the full insurable value thereof against fire, flood and windstorm to the extent such insurance is obtainable (with standard comprehensive coverage endorsement) in good and solvent insurance companies; and the Lessee will make said policies payable to the Lessor and the Lessee as their respective interests may appear, or cause said policies to be endorsed in an appropriate manner so that in the event of loss the proceeds thereof will be payable to the Lessor. Additionally, the Lessee will cause public liability insurance to be carried and maintained with a company or self-insurance fund acceptable to the Lessor with respect to the Parking Site in such amount as is approved by the Lessor. Any public liability insurance policy required by this Section 3 will name the Lessor as additional named insured.

SECTION 4. Operation, Maintenance and Repair of Parking Site. The Lessee agrees to take good care of the Parking Site, to maintain and repair the same at the expense of the Lessee, to keep all of said premises and improvements thereon in good repair, working order and first class condition, and to return the same in as good condition as when received by the Lessee, ordinary wear and tear, accident, damage by fire and the elements, and other unavoidable casualties excepted. The Lessee further agrees to pay any and all (i) improvement assessments of any kind whatsoever against said properties hereby leased, (ii) costs of collection of waste generated at the Parking Site, (iii) landscaping maintenance and snow removal costs, (iv) general real estate taxes, including those on leasehold values, (v) costs of janitorial services, (vi) utility costs and charges, whether public or private, and (vii) personal property taxes. The Lessee has and does hereby covenant for the benefit of the Lessor that it will (i) accept the Parking Site in its present condition, (ii) at all times during the terms of this Lease either operate, maintain and repair the Parking Site or cause any Sublessee to operate, maintain and repair the Parking Site in accordance with the terms of this Lease; and (iii) maintain insurance with respect to the Parking Site as provided in Section 3 hereof, with such insurance policies to name the Lessor as beneficiary, as its interests may appear,.

Actions taken by the Lessee pursuant to this Lease in respect of operating, maintaining and insuring the Parking Site shall be carried out in a manner consistent with actions taken in respect of similar facilities of the Lessee, and evidence thereof shall be furnished annually to the Lessor by the Lessee.

SECTION 5. Alteration of Parking Site: Additional Improvements. Lessee shall have and is hereby given the right, at its sole cost and expense, to make such additions, changes and alterations in and to any part of the Parking Site as Lessee from time to time may deem necessary

or advisable; provided, however, Lessee shall not make any addition, change or alteration which will materially alter the nature or use of the Parking Site as parking facilities. All additions, changes and alterations made by Lessee pursuant to the authority of this Section 5 shall (a) be made in a workmanlike manner and in compliance with all laws and ordinances applicable thereto, (b) when commenced, be prosecuted to completion with due diligence without delay or abatement in Lessee's payment of Lease Payments due hereunder, and (c) when completed, be deemed a part of the Parking Site; provided, however, that additions by Lessee to the Parking Site of furnishings, machinery and equipment purchased and installed by Lessee with its own funds and not constituting repairs, renewals, or replacements of items constituting a part of the Parking Site shall remain the property of Lessee and may be removed by Lessee at any time during the term of this Lease; provided further, however, that all such additional furnishings, machinery and equipment which remain on the Parking Site on the date of termination of this Lease for any cause shall, upon and in the event of such termination, become the separate and absolute property of Lessor.

SECTION 6. No Hazardous Wastes. Lessee shall not cause or permit the release or disposal of any hazardous substances, wastes or materials on or about the Parking Site. Hazardous substances, wastes or materials shall include those which are defined in the Comprehensive Environmental/Environmental Response Compensation and Liability Act of 1980, as amended, 42 USC Section 6901 et seq., the Toxic Substance Control Act, as amended, 15 USE Section 2601 et seq. To the extent permitted by law, Lessee shall indemnify, defend and hold Lessor harmless from and against any claims or liability, including attorneys' fees and costs, arising out of or connected with Lessee's failure to comply with the terms of this Section 6, which terms shall survive the expiration or earlier termination of this Lease.

SECTION 7. Damage or Destruction of Parking Site. In the event destruction, total or partial, shall ensue so as to make the Parking Site unusable for the purposes for which the same is to be utilized, such damage or destruction shall not relieve the Lessee of any obligations hereunder, but the Lessee agrees that it will be bound by the terms of this Lease and will continue to pay the rentals herein stipulated to the Lessor from the sources herein provided. Provided, that the proceeds of insurance coverage will be applied, if adequate, to the rebuilding or repair of the Parking Site.

SECTION 8. Relinquishment of Parking Site at Lease Term. The Lessee agrees to relinquish the Parking Site without any demand and without any notice at the expiration or termination of the Lease Term.

SECTION 9. Lessee to Have Exclusive Possession of Parking Site. During the Lease Term, the Lessee shall have full possession, control and operation of the Parking Site, and the Lessee agrees that it will, at its own expense, operate the same or cause the same to be operated according to acceptable public standards and in such manner as to promote and preserve the public safety, health, convenience, fire protection and general welfare of the inhabitants of the Lessor.

SECTION 10. No Option to Acquire Parking Site. Lessee shall have no option rights to acquire the Parking Site.

SECTION 11. Default Provisions; Remedies. This Lease is made on condition that if (each of the following events being deemed an "Event of Default" under the provisions of this Lease):

(a) Lessee fails to punctually pay any installment of Base Rent or Additional Rent as the same becomes due, and such failure continues for ten (10) days thereafter; or

(b) The Lessee shall fail to observe and perform any other agreement, term or condition contained in this Lease, and such failure or neglect either cannot be remedied or, if it can be remedied, it continues unremedied for a period of thirty (30) days after notice thereof to Lessee, provided that such period can be extended for up to sixty additional days if Lessee has commenced a cure within said thirty-day period, is pursuing it diligently, and the interests of Lessor are not materially adversely affected; or

(c) The Lessee shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the Federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other Federal or state bankruptcy, insolvency, reorganization or similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for ninety days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property;

then Lessor may take any one or more of the following remedial steps, in addition to all other remedies available at law or equity:

(i) Declare all Base Rent as well as any Additional Rent through the date of termination of this Lease under (ii) below.

(ii) Subject to the rights granted to the Mortgagee below, give Lessee written notice of intention to terminate this Lease on a date specified therein, which date shall not be earlier than ten (10) days after such notice is given, and, if all defaults have not then been cured, on the date so specified, Lessee's rights to possession of the Parking Site shall cease and this Lease shall thereupon be terminated, and Lessor may re-enter and take possession of the Parking Site; and as an alternative remedy Lessor may at Lessor's election, without terminating this Lease or the term thereof, re-enter the Parking Site and take possession thereof, as agent for Lessee, and having elected to re-enter and take possession of the Parking Site without terminating this Lease or the term thereof, Lessor shall use reasonable diligence to relet the Parking Site, or parts thereof for Lessee's account, for such term or terms and at such rental and upon such other terms and conditions as Lessor may deem advisable, with the right to make alterations and repairs to the Parking Site, and no such re-entry or taking of possession of the Parking Site by Lessor shall be construed as an election on Lessor's part to terminate this Lease, and no such re-entry or taking of possession by Lessor shall relieve Lessee of its obligation to pay Base Rent or Additional Rent (at the time or times provided herein), or of any of its other obligations under this Lease, all of which shall survive such re-entry or taking of possession, and Lessee shall continue to pay the Base Rent and Additional Rent provided

for in this Lease until the end of the term thereof and whether or not the Parking Site shall have been relet, less the net proceeds, if any, of any reletting of the Parking Site after deducting all of Lessor's reasonable expenses in connection with such reletting, including without limitation all reasonable repossession costs, brokerage commissions, legal expenses, expenses of employees, and reasonable costs and expenses of preparation for reletting including the reasonable cost of any alterations that may be necessary in connection therewith. Any such reletting may be effected by private negotiation and without public advertisement. Having elected to re-enter or take possession of the Parking Site without terminating the term of this Lease, Lessor may, by notice to Lessee given at any time thereafter while Lessee is in default in the payment of Base Rent or Additional Rent or in the performance of any other obligation under this Lease, elect to terminate this Lease on a date to be specified in such notice, which date shall be not earlier than ten (10) days after the giving of such notice, and if all defaults shall not have then been cured, on the date so specified, this Lease shall thereupon be terminated. If in accordance with any of the foregoing provisions of this Section 11, Lessor shall have the right to elect to re-enter and take possession of the Parking Site, Lessor may enter and expel Lessee and those claiming through or under Lessee and remove the property and effects of both or either. Notwithstanding the foregoing provisions, as an inducement to Independence Bank of Kentucky to purchase the Industrial Revenue Bonds in order to finance the acquisition, construction and equipping of the Project, Lessor agrees that Lessor's right to terminate the Lease with respect to the Parking Site is subject to the following conditions:

(A) In the event of a default by Lessee which is not timely cured by Lessee, Lessor hereby grants to Independence Bank of Kentucky the right to assume Tenant's rights under the Lease and to cure the default as provided hereafter in which event this Lease shall continue in full force and effect at the stipulated rentals set forth in Section 2 hereof;

(B) The assumption of the Parking Site Lease by Independence Bank of Kentucky shall obligate Independence Bank of Kentucky to comply with all provisions of this Lease;

(C) In the event of a default which is not timely cured by Lessee, Lessor will provide Independence Bank of Kentucky with written notice of such default and its intention to terminate this Lease on the date specified therein, and Independence Bank of Kentucky shall have thirty days (30) from receipt of the written notice to cure the default unless the default is a nonmonetary default which cannot reasonably be cured within thirty (30) days, in which case Lessor agrees that Independence Bank of Kentucky shall be granted such time as is reasonably necessary to cure the default as long as Independence Bank of Kentucky has commenced to cure the default within such thirty (30) day period and is thereafter proceeding diligently to complete such cure;

(D) Independence Bank of Kentucky may, without the consent of Lessor, assign its rights and obligations under the Lease to any third party provided that person is the owner or operator of the Project; and upon assignment

of its interest in the Lease to the owner or operator of the Project; and provided, Independence Bank of Kentucky provides to Lessor in writing the name, address, and contact information of the third party assignee and the third party assignee agrees in writing to assume this Lease in accordance with Section \_\_\_ of this Lease, then Independence Bank of Kentucky shall be released from any further liability or obligation under this Lease.

(E) Notwithstanding anything to the contrary contained herein, Lessor shall have the right to terminate this Lease if the Project ceases to be operated as a hotel for a continuous three (3) month period. However, if the Project is in foreclosure or the subject of legal action under the Federal bankruptcy laws, then the three (3) month period shall not begin to run until such legal action is resolved.

(iii) Lessor may at Lessor's election appoint a receiver or receivers of the Parking Site and of all rents, revenues, issues, earnings, income, products and proceeds thereof, with such powers as the court making such appointment shall confer. At the request of Lessor, Lessee shall consent to the appointment of any such receiver.

Notwithstanding the foregoing, if, by reason of Force Majeure, the Lessee is unable to perform or observe any agreement, term or condition hereof which would give rise to an Event of Default under this Section 11, the Lessee shall not be deemed in default during the continuance of such inability. However, the Lessee shall promptly give notice to the Lessor of the existence of an event of Force Majeure and shall use its best efforts to remove the effects thereof; provided that the settlement of strikes or other industrial disturbances involving employees of the Lessee shall be entirely within its discretion.

The term Force Majeure shall mean, without limitation, the following:

(i) acts of God; strikes, lockouts or other industrial disturbances of non-employees of the Lessee; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; civil disturbances; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornados; storms; droughts; floods; arrests; restraint of government and people; explosions; breakage, malfunction or accident to facilities, machinery, transmission pipes or canals; partial or entire failure of utilities; shortages of labor, materials, supplies or transportation; or

(ii) any cause, circumstance or event not reasonably within the control of the Lessee.

The declaration of an Event of Default and the exercise of remedies upon any such declaration, shall be subject to any applicable limitations of Federal bankruptcy law affecting or precluding that declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

The provisions of this Section 11 are subject to the further limitation that declaration of an Event of Default under this Section 11 by the Lessor may be waived or rescinded in writing by the Lessor, provided that no such waiver or rescission shall extend to or affect any subsequent or other default or impair any right consequent thereon.

SECTION 12. Performance of Lessee's Obligations by Lessor. If Lessee shall fail to keep or perform any of its obligations as provided in this Lease in respect of (a) maintenance of insurance, (b) repairs and maintenance of the Parking Site, (c) compliance with legal or insurance requirements hereunder, (d) keeping the Parking Site free of any lien except those created under the Mortgage, or (e) the making of any other payment or performance of any other obligation, then Lessor may (but shall not be obligated so to do) upon the continuance of such failure on Lessee's part for thirty (30) days after written notice of such failure is given Lessee by Lessor and without waiving or releasing Lessee from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all sums so paid by Lessor and all necessary incidental costs and expenses incurred by Lessor in performing such obligation shall be deemed Additional Rent and shall be paid to Lessor on demand with interest thereon from the date of such payment at the Interest Rate for Advances, and if not so paid by Lessee, Lessor shall have the same rights and remedies as provided for in Section 11 in the case of default by Lessee in the payment of Base Rent.

SECTION 13. Attorneys' Fees and Expenses. Should a default under the provisions of this Lease occur and the Lessor employ attorneys or incur other expenses for the collection of Lease Payments or the enforcement of performance of any other obligation of Lessee under this Lease or Lessee shall on demand pay to the Lessor the reasonable fees of such attorneys and such other reasonable expenses so incurred; provided that such attorney's fees shall be allowed only to the extent actually paid and shall not be allowed to a salaried employee of the Lessor. If any such expenses are not so reimbursed, the amount thereof, together with interest thereon from the date of demand for payment at the Interest Rate for Advances, to the extent permitted by law, shall constitute Additional Rent, and in any action brought to collect Lease Payments, the Lessor shall be entitled to seek the recovery of those expenses in such action except as limited by law or by judicial order or decision entered in such proceedings.

SECTION 14. Release and Indemnification Covenants. The Lessee will and hereby agrees to indemnify and save the Lessor (an "Indemnitee") harmless against and from any or all claims, by or on behalf of any person, firm, corporation or other legal entity, and all liabilities, obligations, losses and damages whatsoever, regardless of the cause thereof and the expenses, penalties and fees in connection therewith (including counsel fees and expenses), arising from or as a result of the operation, ordering, ownership, acquisition, construction, use, condition, delivery, rejection, storage, return or management of the Project Site during the Lease Term, or the entering into of the Lease or any other document or instrument relating thereto (collectively, "Indemnified Claims"), including, but not limited to: (i) any condition of the Parking Site; (ii) any act of negligence of the Lessee or of any of the agents, contractors or employees or any violation of law by the Lessee or breach of any covenant or warranty by the Lessee hereunder; and (iii) any accident in connection therewith resulting in damage to property or injury or death to any person. To the extent permitted by law, the Lessee will indemnify and save each Indemnitee harmless from any such Indemnified Claim, or in connection with any action or

proceeding brought thereon and, upon notice from such Indemnitee, will defend or pay the cost of defending such Indemnitee, in any such action or proceeding.

The indemnification arising under this Section 14 will continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the termination of this Lease for any reason.

SECTION 15. Subleasing of Parking Site; Assignment. Except for the assignment by Lessee of certain rights hereunder pursuant to that certain Collateral Assignment of Plans, Specifications, Construction and Service Contracts, Licenses and Permits, and Other Project Agreements dated as of November 1, 2015 from the Lessee to Independence Bank of Kentucky, the Lessee will not assign its rights under this Lease or sublease the Parking Site in whole or in part unless Lessee shall have received the prior written consent of the Lessor, which consent may be withheld in the Lessor's sole discretion, and subject to each of the following conditions:

(a) no such assignment or sublease shall relieve the Lessee from primary liability for any of its obligations hereunder and under the Development Agreement, except for any assignment with respect to a consolidation, merger, dissolution, disposal of assets or transfer of assets, approved by the Lessor in which case the Lessee shall be relieved from liability for any of its obligations hereunder;

(b) the assignee or sublessee shall assume the obligations of the Lessee hereunder and under the Development Agreement to the extent of the interest assigned;

(c) the Lessee shall, within 10 days after execution thereof, furnish or cause to be furnished to the Lessor and the Paying Agent a true and complete copy of each instrument evidencing such assignment or sublease; and

(d) the Lessee shall retain such rights and interests as will permit it to comply with its obligations under this Lease and the Development Agreement.

The Lessor may, upon thirty days written notice to the Lessee, assign its rights, but not its obligations, under this Lease at any time, without consent of the Lessee.

SECTION 16. No Further Encumbrance, Mortgage or Pledge of Parking Site. Except for the Mortgage, the Lessee will not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Parking Site, unless specifically consented to in writing by the Lessor.

SECTION 17. Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the Lessee contained in this Lease are and shall be deemed to be covenants, stipulations, obligations and agreements of the Lessee to the full extent permitted by law. No covenant, stipulation, obligation or agreement of the Lessee contained in this Lease shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Lessee in other than **that** person's official capacity. Neither the members or managers of the Lessee nor any officer **or** official executing this Lease or any amendment or supplement hereto shall be liable personally on this Lease or be subject to any personal liability or accountability by reason of the execution thereof.

SECTION 18. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Lessor and the Lessee and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 19. Amendments, Changes and Modifications. This Lease may not be amended, changed, modified or altered, or any provision hereof waived, without the written consent of the Lessor and the Lessee.

SECTION 20. Invalidity of Provisions of Lease. If for any reason any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

SECTION 21. Captions. The captions or headings herein shall not be treated as a part of this Lease or as affecting the true meaning of the provisions hereof.

SECTION 22. Execution of Counterparts. This Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

SECTION 23. References to Attorneys' Fees. Any covenant contained in this Lease to pay or to reimburse the payment of attorneys' fees shall be construed to include attorneys' fees through all proceedings, including, but not limited to, negotiations, administrative hearings, trials and appeals.

SECTION 24. Notices. Except as otherwise specifically provided herein, all notices, approvals, consents, requests and other communications hereunder shall be in writing and shall be deemed to have been given when delivered, if hand delivered or sent by a nationally recognized courier service, or three business day after postmarked if mailed by first class registered or certified mail, postage prepaid, addressed, if to the Lessor, City of Paducah, Kentucky, P.O. Box 2267, Paducah, Kentucky 42002-2267, Attention: City Manager; and if to the Lessee, at Paducah Riverfront Hotel, LP, 1401 Spring Bank Drive, Building A, Suite 8, Owensboro, Kentucky 42303, Attention: Mr. Glenn D. Higdon. The Lessor and the Lessee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, approvals, consents, requests or other communications shall be sent or persons to whose attention the same shall be directed, but no such communication shall thereby be required to be sent to more than two addresses.

SECTION 25. Governing Law. This Lease shall be deemed to be contracts made under the laws of the Commonwealth of Kentucky and for all purposes shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. Time is of the essence hereof. The parties hereby consent to the exclusive jurisdiction of the state courts sitting in McCracken County, Kentucky and/or the federal court for the Western District of Kentucky, Paducah Division with respect to all matters arising out of or related to this Lease.

IN TESTIMONY WHEREOF, the City of Paducah, Kentucky, acting by and through its City Commission, has caused this instrument to be executed in its name and on its behalf by its Mayor, attested by its City Clerk; and the Paducah Riverfront Hotel, LP has caused this instrument to be executed in its name and on its behalf by its duly authorized General Partner, effective as of the day and year first above written.

**CITY OF PADUCAH, KENTUCKY**

By: \_\_\_\_\_  
Mayor

**ATTEST:**

By: \_\_\_\_\_  
City Clerk

**PADUCAH RIVERFRONT HOTEL, LP, by  
Paducah Hotel, Inc., its General Partner**

By: \_\_\_\_\_  
Mayor

Title: President

ACKNOWLEDGEMENTS

COMMONWEALTH OF KENTUCKY )
) ss:
COUNTY OF MCCRACKEN )

The foregoing Parking Site Lease was acknowledged before me this \_\_\_ day of \_\_\_, 2015, by Gayle Kaler and Tammara Sanderson, Mayor and City Clerk, respectively, of the City of Paducah, Kentucky, a Kentucky municipal corporation, on behalf of the City.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

STATE OF KENTUCKY )
) ss:
COUNTY OF MCCRACKEN )

The foregoing Parking Site Lease was acknowledged before me this \_\_\_ day of \_\_\_, 2015, by Glenn D. Higdon, President of Paducah Hotel, Inc., the General Partner of Paducah Riverfront Hotel, LP, a Kentucky limited partnership, on behalf of the limited partnership.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

This instrument prepared by the undersigned
Attorney at Law of
DINSMORE & SHOHL LLP
50 East RiverCenter Boulevard, Suite 1150
Covington, Kentucky

\_\_\_\_\_  
Dirk M. Bedarff

## EXHIBIT A

### Project Site

A certain tract of land as surveyed by Kyrun Jett Wood, P.L.S. #3445 and being generally located at the northeast intersection of North 4th Street and Executive Boulevard, Paducah, McCracken County, Kentucky and more particularly described as follows:

Beginning at a 1/2" diameter rebar with an aluminum cap (found), said point being at the North 4th Street's east right-of-way line and the Executive Boulevard's north right-of-way line intersection, said point also being 33.0 feet at right angles from the centerline of both the above said street and boulevard;

Thence with the above said street's east right-of-way line N 24° 58' 53" W a distance of 316.50 feet to a 1/2" diameter rebar with plastic cap, stamped "KJW #3445" (set), said point being located in the south boundary line of the City of Paducah's Floodwall, said point also being 25.0 feet at right angles from the above said floodwall centerline;

Thence with the City of Paducah's Floodwall boundary's south line N 64° 56' 12" E a distance of 155.25 feet to a 1/2" diameter rebar with plastic cap, stamped "KJW #3445" (set), said point being located in the west boundary line of the City of Paducah's Floodwall, said point also being 15.0 feet at right angles from the above said floodwall centerline;

Thence with the City of Paducah's Floodwall boundary's west line S 41° 18' 41" E a distance of 329.67 feet to a 1/2" diameter rebar with plastic cap, stamped "KJW #3445" (set), said point being located in the above said boulevard's north right-of-way line, said point also being 33.0 feet at right angles from the centerline of the above said boulevard;

Thence with the above said boulevard's north right-of-way line S 64° 56' 12" W a distance of 247.94 feet to the Point of Beginning.

See Waiver of Subdivision Plat for 415 Park Avenue of record in Plat Section "M," page 851, in the McCracken County Clerk's office.

Being in all respects a part of the same property conveyed to the City of Paducah, Kentucky, a municipal corporation, by deed dated March 29, 2010, of record in Deed Book 1185, page 732, McCracken County Clerk's Office.

## EXHIBIT B

### Parking Site

A certain tract of land as surveyed by Kyrun Jett Wood, P.L.S. #3445 and being generally located at the east end of Park Avenue, Paducah, McCracken County, Kentucky and more particularly described as:

Beginning at a point at the east end of Park Avenue centerline and North 4th Street's east right-of-way line intersection;

Thence with the City of Paducah's Floodwall boundary line and with the west line of the City of Paducah, Kentucky property (recorded in Deed Book 1181, Page 35 and as shown on Plat Section "L", Page 1354) N 64° 56' 12" E a distance of 179.23 feet to a point;

Thence continuing with the City of Paducah's Floodwall boundary line and with the west line of the City of Paducah, Kentucky property S 41° 18' 41" E a distance of 34.27 feet to a point, said point being the True Point of Beginning;

Thence continuing with the City of Paducah's Floodwall boundary line and with the west line of the City of Paducah, Kentucky property S 41° 18' 41" E a distance of 328.61 feet to a point;

Thence continuing with the City of Paducah's Floodwall boundary line and with the west line of the City of Paducah, Kentucky property N 64° 52' 11" E a distance of 116.49 feet to a point;

Thence N 41° 29' 24" W a distance of 374.94 feet to a point;

Thence S 41° 33' 03" W a distance of 111.57 feet to the True Point of Beginning.

See Waiver of Subdivision Plat for 415 Park Avenue of record in Plat Section "M," page 851. in the McCracken County Clerk's office.

Being in all respects a part of the same property conveyed to the City of Paducah, Kentucky, a municipal corporation, by deed dated March 29, 2010, of record in Deed Book 1185, page 732, and by deed dated December 23, 2009, of record in Deed Book 1181, page 40, McCracken County Clerk's Office.

# Agenda Action Form

## Paducah City Commission

Meeting Date: August 11, 2015

**Short Title:** Contract with Paducah Transit Authority

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Claudia Meeks  
Presentation By: Jeff Pederson, City Manager

### Background Information:

As part of the General Fund Decision Items for FY2016, the Commission approved appropriation of the sum of \$215,000 to Paducah Area Transit System, to be paid in quarterly installments.

When the City provides funds to any organization, we prepare a simple Contract For Services agreement that describes the public services the organization will provide as a result of receiving the city funds.

**Goal:**  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

**Funds Available:** This expenditure was appropriated in the FY2016 Budget.

Account Name: General Fund  
Account Number: 001-0106-511-8008

Finance
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### Staff Recommendation:

Authorize the Mayor to enter into a one-time Contract For Services with Paducah Transit Authority in the amount of \$215,000.

### Attachments:

Ordinance  
Contract

Department Head	City Clerk	 City Manager
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ORDINANCE NO. 2015-8-\_\_\_\_\_

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A  
CONTRACT WITH PADUCAH AREA TRANSIT SYSTEM FOR PUBLIC  
TRANSPORTATION SERVICES

BE IT ORDAINED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The Mayor is hereby authorized to execute a contract with Paducah Area Transit System in the amount of \$215,000.00, to be paid in equal quarterly allocations of \$53,750.00, for public transportation services for the Paducah/McCracken County area. This contract shall expire June 30, 2016.

SECTION 2. This expenditure shall be charged to account no. 001-0106-511-8008.

SECTION 3. This ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Tammara S. Sanderson, City Clerk

Introduced by the Board of Commissioners, August 11, 2015  
Adopted by the Board of Commissioners, August 25, 2015  
Recorded by Tammara S. Sanderson, City Clerk, August 25, 2015  
Published by The Paducah Sun, \_\_\_\_\_  
\\ord\contract-PATS 2016

## CONTRACT FOR SERVICES

This Contract for Services, effective this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the **CITY OF PADUCAH** ("City") and **PADUCAH TRANSIT AUTHORITY**, ("PTA").

### *WITNESSETH:*

WHEREAS, the services of PTA as described herein are for the direct benefit of the citizens of the City of Paducah and McCracken County, and

WHEREAS, providing transportation services to the citizens in the Paducah/McCracken area serves a valid public purpose; and

WHEREAS, the City of Paducah desires to contract with PTA for the services to be described herein under the terms and conditions set forth in this Contract for Services.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants as herein set forth, the parties do covenant and agree as follows:

**SECTION 1: TERM** The term of this contract for services shall be from the effective date of the contract until June 30, 2016.

**SECTION 2: TERMINATION** Either party may terminate this Contract for Services upon failure of any party to comply with any provision of this agreement provided any such party notifies the other in writing of such failure and the breaching party fails to correct the breach within thirty (30) calendar days of the notice.

**SECTION 3: OPERATIONS PAYMENT** In consideration of the administrative costs including compensation for personnel who carry out the objectives and services of PTA for services described herein, the City shall, upon receipt of an invoice, pay PTA Two Hundred Fifteen Thousand Dollars (\$215,000) to be paid in equal quarterly allocations of \$53,750 each. In the event this contract for services is terminated, the City shall not be obligated to make any further quarterly allocation payments.

The first quarterly payment shall be made by September 30, 2015. Subsequent quarterly payments will be held until the City receives an unqualified audit. Once the audit is received, payment shall be made by the end of each subsequent quarter. In the event this contract for services is terminated, the City shall not be obligated to make any further payments.

**SECTION 4: OBJECTIVES AND SERVICES** PTA shall perform the following services for and on behalf of the city in consideration for the allocation payments described above:

- Provide safe public transportation to all citizens of Paducah/McCracken County.
- Provide handicap accessible transportation.
- Provide trolley services.

- Provide maintenance for buses and trolleys.
- Provide Trolley for Downtown, Lowertown and Paducah Tours.

It is understood and agreed that PTA shall retain the right to charge trolley riders during times of their choosing (such as Quilt Week, etc.)

**SECTION 5: ACCOUNTING**

- (A) PTA shall conduct all accounting, payroll, financial management, and shall make regular reports of PTA expenditures to ensure such expenditures are proper.
- (B) City shall have the right to inspect the operations of PTA, including reviewing its books, records, ledgers, or other documents, without prior notice of said inspection.
- (C) PTA shall supply an annual financial audit to the City on or before October 31, 2015. The second quarterly payment shall not be made until the audit is received.

**SECTION 6: ENTIRE AGREEMENT** This contract for services embodies the entire agreement between the parties and all prior negotiations and agreements are merged in this agreement. This agreement shall completely and fully supersede all other prior agreements, both written and oral, between the parties.

**SECTION 7: WITHDRAWAL OF FUNDS** Notwithstanding any other provision in this Contract for Services, in the event it is determined that any funds provided to PTA are used for some purpose other than in furtherance of the services described herein, the City shall have the right to immediately withdraw any and all further funding and shall immediately have the right to terminate this Contract for Services without advance notice and shall have the right to all remedies provided in the law to seek reimbursement for all monies not properly accounted.

Witness the signature of the parties as of the year and date first written above.

**CITY OF PADUCAH**

By \_\_\_\_\_  
 GAYLE KALER, Mayor

**PADUCAH AREA TRANSIT SYSTEM**

By Arthur Boykin  
 Title Executive Director

# Agenda Action Form

## Paducah City Commission

Meeting Date: August 11, 2015

**Short Title:** Contract with Luther F. Carson Four Rivers Center

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Claudia Meeks  
Presentation By: Jeff Pederson, City Manager

### Background Information:

As part of the Investment Fund Decision Items for FY2016, the Commission approved appropriation of funding for the Luther F. Carson Four Rivers Center in the amount of \$64,337.

When the City provides funds to any organization, we prepare a simple Contract For Services agreement that describes the public services the organization will provide as a result of receiving the city funds.

**Goal:**  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

**Funds Available:** This expenditure was appropriated in the FY2016 Budget.

Account Name: Investment Fund  
Account Number: 004-0401-536-8061

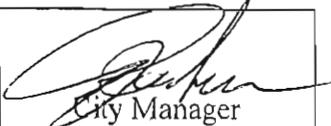
Finance

### Staff Recommendation:

Authorize the Mayor to enter into a one-time Contract For Services with the Luther F. Carson Four Rivers Center in the amount of \$64,337.

### Attachments:

Ordinance  
Contract

Department Head	City Clerk	 City Manager
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ORDINANCE NO. 2015-8-\_\_\_\_\_

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH THE LUTHER F. CARSON FOUR RIVERS CENTER, INC. FOR SPECIFIC SERVICES

BE IT ORDAINED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. That the Mayor is hereby authorized to execute a contract with the Luther F. Carson Four Rivers Center Inc. in the amount of \$64,337, to be paid in quarterly installments of \$16,084.25 each, to provide an extensive youth performance schedule in continuing with their tradition of the "Class Act" series. This contract shall expire June 30, 2016.

SECTION 2. This expenditure shall be charged to the Investment Fund 004-0401-536-8061.

SECTION 3. This ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Tammara S. Sanderson, City Clerk

Introduced by the Board of Commissioners, August 11, 2015  
Adopted by the Board of Commissioners, August 25, 2015  
Recorded by Tammara S. Sanderson, City Clerk, August 25, 2015  
Published by The Paducah Sun, \_\_\_\_\_  
\\ord\contract-Carson Center FY2015-16

## CONTRACT FOR SERVICES

This Contract for Services, effective this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the CITY OF PADUCAH ("City") and LUTHER F. CARSON FOUR RIVERS CENTER, INC.

WITNESSETH:

WHEREAS, Luther F. Carson Four Rivers Center, Inc. will bring quality entertainment and cultural enrichment to Paducah and McCracken County; and

WHEREAS, promoting cultural enrichment quality entertainment and providing community-enhancing activities, in the Paducah area serves a valid public purpose; and

WHEREAS, the City of Paducah desires to contract with Luther F. Carson Four Rivers Center, Inc. for the services to be described herein under the terms and conditions set forth in this Contract for Services.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants as herein set forth, the parties do covenant and agree as follows:

**SECTION 1: TERM** The term of this contract for services shall be from the effective date of the contract until June 30, 2016.

**SECTION 2: TERMINATION** Either party may terminate this Contract for Services upon failure of any party to comply with any provision of this agreement provided any such party notifies the other in writing of such failure and the breaching party fails to correct the breach within thirty (30) calendar days of the notice.

**SECTION 3: OPERATIONS PAYMENT** In consideration of providing a youth performance schedule and to carry out the objectives of Luther F. Carson Four Rivers Center, Inc., upon receipt of quarterly invoices, the City shall pay Luther F. Carson Four Rivers Center, Inc. the sum of Sixty-Four Thousand Three Hundred Thirty-Seven Dollars (\$64,337) in quarterly installments of \$16,084.25 each. The first quarterly payment shall be made by September 30, 2015. Subsequent quarterly payments will be held until the City receives an unqualified audit. Once the audit is received, payment shall be made by the end of each subsequent quarter. In the event this contract for services is terminated, the City shall not be obligated to make any further payments.

**SECTION 4: OBJECTIVES AND SERVICES** - Luther F. Carson Four Rivers Center, Inc. shall provide an extensive youth performance schedule in continuing with their tradition of the "Class Act" series, which over the past four seasons has brought in approximately 100,000 student visitors.

**SECTION 5: ACCOUNTING**

- (A) Luther F. Carson Four Rivers Center, Inc. shall conduct all accounting, payroll, and financial management.
- (B) Luther F. Carson Four Rivers Center, Inc. shall supply an annual financial audit to the City within two (2) weeks of receiving same.
- (C) Prior to June 30, 2016, Luther F. Carson Four Rivers Center, Inc., shall furnish to the City a financial report that details the expenditure of the funds for the purposes specified in Section 3.

**SECTION 6: ENTIRE AGREEMENT** This contract for services embodies the entire agreement between the parties and all prior negotiations and agreements are merged in this agreement. This agreement shall completely and fully supersede all other prior agreements, both written and oral, between the parties.

**SECTION 7: WITHDRAWAL OF FUNDS** Notwithstanding any other provision in this Contract for Services, in the event it is determined that any funds provided to Luther F. Carson Four Rivers Center, Inc. are used for some purpose other than in furtherance of the services described herein, the City shall have the right to immediately withdraw any and all further funding and shall immediately have the right to terminate this Contract for Services without advance notice and shall have the right to all remedies provided in the law to seek reimbursement for all monies not properly accounted.

Witness the signature of the parties as of the year and date first written above.

**CITY OF PADUCAH**

\_\_\_\_\_  
Gayle Kaler, Mayor

**LUTHER F. CARSON FOUR RIVERS CENTER, INC.**

Name

Brian G. Kasper

Title

EXECUTIVE DIRECTOR

# Agenda Action Form Paducah City Commission

Meeting Date: August 11, 2015

**Short Title:** Contract with Paducah Junior College, Inc. – Community Scholarship Program

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Claudia Meeks  
Presentation By: Jeff Pederson, City Manager

## Background Information:

As part of the Investment Fund Decision Items for FY2016, the Commission approved appropriation of funding for the Paducah Junior College, Inc., scholarship program in the amount of \$125,000, to be paid by June 30, 2016.

When the City provides funds to any organization, we prepare a simple Contract For Services agreement that describes the public services the organization will provide as a result of receiving the city funds.

**Goal:**  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

**Funds Available:** This expenditure was appropriated in the FY2016 Budget.

Account Name: Investment Fund  
Account Number: 004-0401-536-2307

Finance
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## Staff Recommendation:

Authorize the Mayor to enter into a one-time Contract For Services with Paducah Junior College, Inc. in the amount of \$125,000.

## Attachments:

Ordinance  
Contract

Department Head	City Clerk	 City Manager
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ORDINANCE NO. 2015-8-\_\_\_\_\_

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH PADUCAH JUNIOR COLLEGE, INC. FOR THE COMMUNITY SCHOLARSHIP PROGRAM

BE IT ORDAINED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. That the Mayor is hereby authorized to execute a contract with Paducah Junior College, Inc. in the amount of \$125,000 for the Community Scholarship Program. This contract shall expire June 30, 2016.

SECTION 2. This expenditure shall be charged to the Investment Fund account/Project 004-0401-536-2307.

SECTION 3. This ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Tammara S. Sanderson, City Clerk

Introduced by the Board of Commissioners, August 11, 2015

Adopted by the Board of Commissioners, August 25, 2015

Recorded by Tammara S. Sanderson, City Clerk, August 25, 2015

Published by *The Paducah Sun*, \_\_\_\_\_

\\ord\contract - Paducah Junior College fy15-16 (community scholarship)

## CONTRACT FOR SERVICES

This Contract for Services, effective this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the **CITY OF PADUCAH** ("City") and **PADUCAH JUNIOR COLLEGE, INC.** (PJC, Inc.).

### *WITNESSETH:*

WHEREAS, promoting education to students in the Paducah/McCracken County area and exposing them to post-secondary education serves a valid public purpose; and

WHEREAS, improving the education level of our community's young people will both make the Paducah workforce more attractive to investors and employers and enhance the life potential of individual students; and

WHEREAS, the City of Paducah desires to contract with PJC, Inc., for the services to be described herein under the terms and conditions set forth in this Contract for Services.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants as herein set forth, the parties do covenant and agree as follows:

**SECTION 1: TERM** The term of this contract for services shall be from the effective date of the contract until June 30, 2015.

**SECTION 2: TERMINATION** Either party may terminate this Contract for Services upon failure of any party to comply with any provision of this agreement provided any such party notifies the other in writing of such failure and the breaching party fails to correct the breach within thirty (30) calendar days of the notice.

**SECTION 3: OPERATIONS PAYMENT** In consideration of providing education and training and to carry out the objectives of PJC, Inc., the City shall pay PJC, Inc., the sum of \$125,000 in a one-time amount no later than June 30, 2016. PJC, Inc., shall provide an invoice to the City of Paducah prior to payment being made. In the event that this contract for services is terminated, the City shall not be obligated to make any further payments.

**SECTION 4: OBJECTIVES AND SERVICES** - PJC, Inc., will guarantee Paducah and McCracken County 8<sup>th</sup> graders who meet prescribed standards through their final four years of high school, a tuition scholarship for up to sixty (60) hours of college credit at WKCTC.

### **SECTION 5: ACCOUNTING**

- (A) PJC, Inc., shall conduct all accounting, payroll, and financial management.
- (B) PJC, Inc., shall supply an annual financial audit to the City within two weeks of its completion.

(C) PJC will provide a written financial report as of December 31st and June 30th during the term of this contract to the City Manager's Office by the 15th day of the 2nd month following the reporting date. The financial report, at minimum, shall disclose the dollar amounts that the City, County and others (each shown separately) have contributed to the PJC for the Community Scholarship program by fiscal year and the interest earned thereon. The report shall fully disclose how funds were used by fiscal year and purpose.

**SECTION 6: ENTIRE AGREEMENT** This contract for services embodies the entire agreement between the parties and all prior negotiations and agreements are merged in this agreement. This agreement shall completely and fully supersede all other prior agreements, both written and oral, between the parties.

**SECTION 7: WITHDRAWAL OF FUNDS** Notwithstanding any other provision in this Contract for Services, in the event it is determined that any funds provided to PJC, Inc. are used for some purpose other than in furtherance of the services described herein, the City shall have the right to immediately withdraw any and all further funding and shall immediately have the right to terminate this Contract for Services without advance notice and shall have the right to all remedies provided in the law to seek reimbursement for all monies not properly accounted.

Witness the signature of the parties as of the year and date first written above.

**CITY OF PADUCAH**

\_\_\_\_\_  
GAYLE KALER, Mayor

**PADUCAH JUNIOR COLLEGE, INC.**

Name Ashley Wright  
Title Vice Pres., Institutional Advancement