



**SPECIAL CALLED CITY COMMISSION MEETING
AGENDA FOR OCTOBER 2, 2025
5:00 PM
CITY HALL COMMISSION CHAMBERS
300 SOUTH FIFTH STREET**

*Any member of the public who wishes to make comments to the Board of Commissioners is asked to fill out a Public Comment Sheet and place it in the box located at the end of the Commissioner's desk on the left side of the Commission Chambers. The Mayor will call on you to speak during the **Public Comments** section of the Agenda.*

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE

DELETIONS

PROCLAMATION Declaring October 2025 City Government Month

PRESENTATION Retail Dog/Cat Sales - Todd Blevins, Kentucky State Director - State Affairs - Humane World for Animals

PUBLIC COMMENTS

MAYOR'S REMARKS

Items on the Consent Agenda are considered to be routine by the Board of Commissioners and will be enacted by one motion and one vote. There will be no separate discussion of these items unless a Board member so requests, in which event the item will be removed from the Consent Agenda and considered separately. The City Clerk will read the items recommended for approval.

	I.	<u>CONSENT AGENDA</u>
	A.	Approve Minutes for September 15, 2025 Board of Commissioners Meeting
	B.	Receive & File Documents
	C.	Reappointment of Jonathan Perkins and appointment of Tyler Sanderson and Bonnie Koblitz to the Tree Advisory Board
	D.	Appointment of Jeffrey Neubert to the Historical & Architectural Review Commission (HARC)
	E.	Appointment of Lisa Humphrey to the Board of Adjustment
	F.	Appointment of Jim Chapman to the Paducah Planning Commission
	G.	Personnel Actions
	H.	Authorization to sign the Amendment to the Anthem Blue Cross Blue Shield Administrative Services Agreement - S. WILCOX

		I.	Approve purchase of P25 mobile and portable radios from Communications International. \$273,121.04 - B. LAIRD
		J.	Employment agreement to re-hire retired police officer Travis Counts - B. LAIRD
		K.	Approve contract with Motorola to re-program existing radios for the Police Department. \$237,420.22 - B. LAIRD
		L.	Purchase One (1) SUV for use by the Fire Department - C. YARBER
		M.	Fleet Maintenance Service Agreement between the City of Paducah Fleet Division and City of Wickliffe, KY - C. YARBER
		N.	Authorize the Acceptance of a Community Development Block Grant in the Amount of \$583,406 - H. REASONS
		O.	Authorize the Acceptance of a FEMA Assistance to Firefighters Grant in the Amount of \$51,818 - S.KYLE
	II.	<u>MUNICIPAL ORDER(S)</u>	
		A.	Authorize the purchase of real property located at 3047 Jackson Street from Midway Management, LLC for an amount not to exceed \$762,850. - B. LAIRD
	III.	<u>ORDINANCE(S) - ADOPTION</u>	
		A.	Approve a Ten (10) Year Non-Exclusive Cable Franchise with Ritter Communications - M. SMOLEN
		B.	Repeal & Replace Article IV, Chapter 34 Urban Renewal of the Code of Ordinances - C. GAULT
	IV.	<u>ORDINANCE(S) - INTRODUCTION</u>	
		A.	Amend Section 20-23 of the Code of Ordinances related to Body Piercing - C. MEEKS
		B.	Revisions to the City of Paducah Remote Worker Incentive Program - N. UPCHURCH
		C.	Budget Amendment for CDBG Grant for Entitlement Community Funds - A. KYLE
	V.	<u>DISCUSSION</u>	
		A.	911 Radio Project Update - B. LAIRD
	VI.	<u>COMMENTS</u>	

		A.	Comments from the City Manager
		B.	Comments from the Board of Commissioners
	VII.	<u>EXECUTIVE SESSION</u>	

September 15, 2025

At a Special Called Meeting of the Paducah Board of Commissioners held on Tuesday, September 15, 2025, at 5:00 p.m. in the Commission Chambers of City Hall located at 300 South 5th Street, Mayor George Bray presided. Upon call of the roll by City Clerk, Lindsay Parish, the following answered to their names: Commissioners Henderson, Smith, Thomas, Wilson and Mayor Bray (5).

INVOCATION

Commissioner Smith led the Invocation.

PLEDGE OF ALLEGIANCE

The Mayor led the pledge.

PROCLAMATIONS AND PRESENTATION OF DUCHESS AWARD:

Communications Manager Pam Spencer provided the following summary:

- Mayor Bray presented a proclamation to Myrna Redfield, Robert Hernandez, and several city employees proclaiming September 15 through October 15 as Hispanic Heritage Month. This proclamation celebrates the culture and historical contributions of people from, or whose ancestors came from, Spain, Mexico, the Caribbean, or Central or South America. Mayor Bray read the proclamation in English, and then Myrna Redfield read the proclamation in Spanish. Redfield, who works as President & CEO of Four Rivers Nuclear Partnership, is a native of Puerto Rico. Mayor Bray also named Redfield a Duchess of Paducah.
- Mayor Bray presented a proclamation to members of the Daughters of the American Revolution, Paducah Chapter proclaiming September 17 through 23 as Constitution Week. September 17 marks the anniversary of the drafting of the Constitution.

PUBLIC COMMENTS:

Jonathan Gericke and Parker Jaco both made comments in opposition of the tax increase.

CONSENT AGENDA

Mayor Bray asked if the Board wanted any items on the Consent Agenda removed for separate consideration. Commissioner Thomas requested that Item I(G) be removed. Mayor Bray asked the City Clerk to read the remaining items on the Consent Agenda.

I(A)	Approve Minutes for the September 2, 2025, Board of Commissioners meeting.
I(B)	Receive & File Documents: <i>Deed File:</i> 1. Deed of Conveyance – City of Paducah to Paducah Independent School District – 200 South 25 th Street – Softball field at Brooks Stadium – MO #3052

September 15, 2025

	<p>2. Temporary Construction Easement Agreement - City of Paducah to Paducah Independent School District – 200 South 25th Street – Softball field at Brooks Stadium – MO #3052</p> <p><u>Contract File:</u></p> <ol style="list-style-type: none"> 1. Change Order No. 1 – Communications International – MO #3098 2. Contract with Murtco – Repairs to the pump out lines – Transient Boat Dock – MO #3108 3. Funding Agreement – Paducah-McCracken County Riverport Authority – MO #3114 4. Memorandum of Agreement – 1541 Olivet Church Road – Daren and Kelly Hack – MO #3115 5. Memorandum of Agreement – 6615 Blandville Road – Dustin Hawkins – MO #3116 6. Contract with Reliable Electric – Lighting at Dolly McNutt Plaza – MO #3117 7. Contract For Services – Paducah Alliance of Neighbors – MO #3122 8. Linwood Motors – Purchase of two Compact SUV’s for Parks Department – MO #3123 9. Modification to Tolling Agreement – Jim Smith Contracting Company, JSC Terminal and City of Paducah – MO #3125 10. Contract For Services FY2026 – GPEDC – MO #3126 11. Agreement For Design Services – RL Turner Corporation – Robert Coleman Spray Park – MO #3127 <p><u>Financials:</u></p> <ol style="list-style-type: none"> 1. Forest Hills Village, Inc. – Financial Statements Year Ended May 31, 2025 and 2024 <p><u>Bids and Proposals File:</u></p> <ol style="list-style-type: none"> 1. Dolly McNutt Lighting – Reliable Electric – sole bidder – MO #3117 2. Two SUV’s for Parks Department – Linwood Motors sole bidder – MO #3123 3. Design Work for Coleman Spray Ground – RL Turner – sole bidder – MO #3127
I(C)	Reappointment of Joseph Benberry to the Paducah Planning Commission. Said term shall expire: August 31, 2029.
I(D)	Reappointment of Ashley Johnson to the Paducah-McCracken County Riverport Authority. Said term shall expire: September 26, 2029.
I(E)	Personnel Actions
I(F)	A MUNICIPAL ORDER AUTHORIZING PURCHASE OF REAL PROPERTY LOCATED AT 1302 TENNESSEE STREET, PADUCAH, McCRACKEN COUNTY, KENTUCKY (MO #3128, BK 14)
I(G)	A MUNICIPAL ORDER AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH SPROCKET, INC. IN THE AMOUNT OF \$100,000 Commissioner Thomas requested removal for separate discussion
I(H)	A MUNICIPAL ORDER AUTHORIZING THE ENGINEERING DEPARTMENT TO PARTNER WITH THE PURCHASE AREA DEVELOPMENT DISTRICT TO SUBMIT AN APPLICATION FOR THE GRANT PROGRAM FOR MATCHING FUNDS FOR THE DRA 2025 APPLICATION, AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATING TO THE APPLICATION (MO #3130, BK 14)
I(I)	A MUNICIPAL ORDER AUTHORIZING THE MAYOR TO EXECUTE A GRANT APPLICATION AND ALL DOCUMENTS NECESSARY THROUGH THE KENTUCKY

September 15, 2025

TRANSPORTATION CABINET FOR A COUNTY PRIORITY PROJECTS PROGRAM GRANT IN AN AMOUNT NOT TO EXCEED \$500,000 FOR THE PADUCAH STREET REHABILITATION PROGRAM (MO #3131, BK 14)
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Commissioner Henderson offered Motion, seconded by Commissioner Smith, that the items on the consent agenda be adopted as presented.

Adopted on call of the roll yeas, Commissioners Henderson, Smith, Thomas, Wilson, and Mayor Bray (5).

MUNICIPAL ORDERS

CONTRACT WITH SPROCKET, INC. in the amount of \$100,000

Commissioner Smith offered Motion, seconded by Commissioner Henderson, that the Board of Commissioners adopt a Municipal Order entitled, "A MUNICIPAL ORDER AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH SPROCKET, INC. IN THE AMOUNT OF \$100,000 ."

Adopted on call of the roll yeas, Commissioners Henderson, Smith, Thomas, Wilson, and Mayor Bray (5). (MO# 3129; BK 14)

CONTRACT MODIFICATION #3 – A&K CONSTRUCTION – CONSTRUCTION OF ENTRY PLAZA

Commissioner Thomas offered Motion, seconded by Commissioner Wilson, that the Board of Commissioners adopt a Municipal Order entitled, "A MUNICIPAL ORDER ADOPTING CONTRACT MODIFICATION NO. 3 TO THE CONSTRUCTION CONTRACT WITH A&K CONSTRUCTION, FOR THE CONSTRUCTION OF THE ENTRY PLAZA AT THE PADUCAH SPORTS PARK IN AN AMOUNT NOT TO EXCEED \$3,000,000 AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT MODIFICATION AND ALL OTHER DOCUMENTS RELATED TO SAME."

Adopted on call of the roll yeas, Commissioners Henderson, Smith, Thomas, Wilson, and Mayor Bray (5). (MO #3132; BK 14)

CONTRACT MODIFICATION #2 – SPRINTURF, LLC. – PADUCAH SPORTS PARK

Commissioner Wilson offered Motion, seconded by Commissioner Thomas that the Board of Commissioners adopt a Municipal Order entitled, "A MUNICIPAL ORDER ADOPTING CONTRACT MODIFICATION NO. 2 TO THE CONTRACT WITH SPRINTURF, LLC, FOR THE PADUCAH SPORTS PARK PROJECT TO EXTEND THE CONTRACT BY 73 DAYS, AND TO APPROVE A DEDUCTION IN THE CONTRACT PRICE OF \$129,992.49, AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT MODIFICATION AND ALL OTHER DOCUMENTS RELATED TO SAME."

Adopted on call of the roll yeas, Commissioners Henderson, Smith, Thomas, Wilson, and

September 15, 2025

Mayor Bray (5). **(MO #3133, BK 14)**

CONTRACT MODIFICATION #1 – AVANTI – PADUCAH SPORTS PARK

Commissioner Henderson offered Motion, seconded by Commissioner Smith that the Board of Commissioners adopt a Municipal Order entitled, “A MUNICIPAL ORDER ADOPTING CONTRACT MODIFICATION NO. 1 TO THE CONTRACT WITH AVANTI SOLUTIONS FOR THE PADUCAH SPORTS PARK PROJECT TO EXTEND THE CONTRACT BY 73 DAYS, REDUCE THE CONTRACT PRICE BY \$6,088.42 AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT MODIFICATION AND ALL OTHER DOCUMENTS RELATED TO SAME.”

Adopted on call of the roll yeas, Commissioners Henderson, Smith, Thomas, Wilson, and Mayor Bray (5). **(MO #3134, BK 14)**

CONTRACT MODIFICATION #2 – MUSCO SPORTS LIGHTING – PADUCAH SPORTS PARK

Commissioner Smith offered Motion, seconded by Commissioner Henderson that the Board of Commissioners adopt a Municipal Order entitled, “A MUNICIPAL ORDER ADOPTING CONTRACT MODIFICATION NO. 2 TO THE CONTRACT WITH MUSCO SPORTS LIGHTING, FOR THE PADUCAH SPORTS PARK PROJECT TO EXTEND THE CONTRACT BY 73 DAYS, AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT MODIFICATION AND ALL OTHER DOCUMENTS RELATED TO SAME.”

Adopted on call of the roll yeas, Commissioners Henderson, Smith, Thomas, Wilson, and Mayor Bray (5). **(MO #3135, BK 14)**

CONTRACT WITH PFGW ARCHITECTS FOR DESIGN AND CONSTRUCTION ADMINISTRATIVE SERVICES – MAINTENANCE BUILDING FOR PARKS AND RECREATION DEPARTMENT

Commissioner Thomas offered Motion, seconded by Commissioner Wilson that the Board of Commissioners adopt a Municipal Order entitled, “A MUNICIPAL ORDER APPROVING AN CONTRACT WITH PFGW ARCHITECTS FOR DESIGN AND CONSTRUCTION ADMINISTRATIVE SERVICES FOR A MAINTENANCE BUILDING FOR THE PARKS AND RECREATION DEPARTMENT IN THE AMOUNT OF \$289,500, AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT AND ALL OTHER DOCUMENTS RELATED TO SAME.”

Adopted on call of the roll yeas, Commissioners Henderson, Smith, Thomas, Wilson, and Mayor Bray (5). **(MO #3136, BK 14)**

ORDINANCE ADOPTIONS

SETTING TAX LEVIES: AD VALOREM PROPERTIES – FY2026

September 15, 2025

Commissioner Wilson offered Motion, seconded by Commissioner Thomas that the Board of Commissioners adopt an Ordinance entitled, "AN ORDINANCE SETTING THE LEVIES AND RATES OF TAXATION ON ALL PROPERTY IN THE CITY OF PADUCAH, KENTUCKY, SUBJECT TO TAXATION FOR MUNICIPAL PURPOSES AND FOR SCHOOL PURPOSES FOR THE PERIOD FROM JULY 1, 2025, THROUGH JUNE 30, 2026, WITH THE PURPOSES OF SAID TAXES HEREUNDER DEFINED."

Purpose	Rate per \$100
GENERAL FUND OF THE CITY:	
Real Property	\$0.271
Personal Property (except inventory)	\$0.356
Motor Vehicles and Watercraft	\$0.390
SCHOOL PURPOSES:	
PADUCAH JUNIOR COLLEGE:	
Real Estate	\$0.014
Personal Property (except inventory)	\$0.014
Motor Vehicles and Watercraft	\$0.031

SECTION 11. The City of Paducah shall collect the following taxes for the Board of Education:

PADUCAH INDEPENDENT SCHOOL DISTRICT:

Real Property	\$0.882
Personal Property (including inventory)	\$0.882

Property taxes levied herein shall be due and payable in the following manner:

- (1) In the case of tax bills which reflect an amount due of less than Two Thousand Dollars (\$2,000.00), the payment shall be due on November 1, 2025, and shall be payable without penalty and interest until November 30, 2025.
- (2) In the case of all other tax bills, payment shall be in accordance with the following provisions:
 - (a) The first half payment shall be due on November 1, 2025, and shall be payable without penalty and interest until November 30, 2025.
 - (b) The second half payment shall be due on February 1, 2026, and shall be payable without penalty and interest until February 28, 2026.

Adopted on call of the roll yeas, Commissioners Henderson, Smith, Wilson, (4) , nays - Commissioner Thomas (1). **(ORD NO. 2025-09-8856; BK 37)**

September 15, 2025

ORDINANCE INTRODUCTION

TEN-YEAR EXCLUSIVE CABLE FRANCHISE WITH RITTER COMMUNICATIONS

Commissioner Henderson offered Motion, seconded by Commissioner Smith that the Board of Commissioners introduce an Ordinance entitled, “AN ORDINANCE GRANTING A NON-EXCLUSIVE FRANCHISE TO E. RITTER COMMUNICATIONS, LLC TO OPERATE AND MAINTAIN A CABLE SYSTEM WITHIN THE CORPORATE LIMITS OF THE CITY OF PADUCAH, KENTUCKY, PURSUANT TO THE TERMS AND PROVISIONS OF THE PADUCAH ORDINANCE FOR REGULATION OF CABLE COMMUNICATIONS, AND APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE FRANCHISE AGREEMENT BETWEEN THE CITY OF PADUCAH, KENTUCKY, AND E. RITTER COMMUNICATIONS, LLC.” This ordinance is summarized as follows: This ordinance authorizes the Mayor to execute a Termination of Telecommunications Franchise Agreement and a non-exclusive Cable Franchise Agreement between the City of Paducah and E. Ritter Communications, LLC. Said Cable Franchise Agreement shall be for a term of ten (10) years and be in accordance with the terms and provisions of Chapter 22, Cable Communications, of the Code of Ordinances of the City of Paducah, Kentucky.

REPEAL AND REPLACE ARTICLE IV, CHAPTER 34 URBAN RENEWAL OF THE CODE OF ORDINANCES

Commissioner Henderson offered Motion, seconded by Commissioner Smith that the Board of Commissioners introduce an Ordinance entitled, “AN ORDINANCE REPEALING AND REPLACING ARTICLE VI, “URBAN RENEWAL AND COMMUNITY DEVELOPMENT AGENCY”, OF CHAPTER 35 “COMMUNITY PLANNING AND DEVELOPMENT”, OF THE CODE OF ORDINANCES OF THE CITY OF PADUCAH, KENTUCKY.” This ordinance is summarized as follows: This ordinance repeals and replaces Article VI, “Urban Renewal and Community Development Agency,” of Chapter 35, “Community Planning and Development” of the Code of Ordinances of the City of Paducah, Kentucky, to establish the Urban Renewal and Community Development Agency separately from the Paducah Planning Commission, and to set the powers, authority, composition, terms, and meetings of said Agency.

DISCUSSION

Communications Manager Pam Spencer provided the following summary:

Tree Voucher Program

“Director of Parks and Recreation Amie Clark presented to the Board a program to provide financial incentives to property owners to plant shade trees. The proposed Tree Voucher Program would help replenish Paducah’s tree canopy, educate the public about the benefits of planting trees, and remove barriers that may exist for residents interested in planting trees on their private property. Applications for the proposed Tree Voucher Program will open to the public November 15 with only one voucher per applicant/household. Applications will be accepted through

September 15, 2025

January 9. After an application review period, vouchers would be issued to approved applicants beginning February 1, 2026.

Below are a few of the program elements:

- Vouchers will be in the amount of \$250 and valid for one calendar year.
- Vouchers will be available until the designated funds are depleted. The City is setting aside \$150,000 for this program.
- Applicant information will be stored for a future tree-mapping project.
- Vouchers can be redeemed at the participating nurseries.
- Vouchers only can be used for the purchase of an approved tree species and size as listed in the guidelines.

The delivery, planting, and long-term maintenance of the tree will be the responsibility of the property owner. Once planted, a member of the Tree Advisory Board will inspect to ensure proper planting.”

ADJOURN

Commissioner Henderson offered Motion, seconded by Commissioner Smith, that the meeting be adjourned.

Adopted on call of the roll yeas, Commissioners Henderson, Smith, Thomas, Wilson, and Mayor Bray (5).

TIME ADJOURNED: 6:06 p.m.

ADOPTED: October 2, 2025

George Bray, Mayor

ATTEST:

Lindsay Parish, City Clerk

October 2, 2025

RECEIVE AND FILE DOCUMENTS:

Minute File:

1. Letter from Collins & Company – re: Deborah Jones v. City of Paducah

Deed File:

1. Commissioner's Deed – Marshall, et al to City of Paducah – 715 Jones Street
2. Commissioner's Deed – Anderson, et al to City of Paducah- 718 Jones Street

Contract File:

1. Construction Change Directive No. 1 – A&K Construction – Sports Park – Soil Stabilization (no commission action required)
2. Construction Change Directive No. 2 - A&K Construction – Sports Park – Cement Stabilization (no commission action required)
3. Construction Change Directive No. 3 - - A&K Construction - Sports Park – Various items (no commission action required)
4. Contract For Services – Family Service Society - \$25,000 – signed by CM
5. Contract For Services – Paducah Tennis Association - \$3,000 – signed by CM
6. Contract For Services – Luther F. Carson Four Rivers Center \$25,000 – signed by CM
7. Contract For Services – Market House Theatre \$20,000 – signed by CM
8. Contract For Services – National Quilt Museum \$15,000 – signed by CM
9. Contract For Services – Paducah Arts Alliance \$3,000 – signed by CM
10. Contract For Services – Child Watch \$4,999 – signed by CM
11. Contract For Services – Housing Authority of Paducah \$4,999 – signed by CM
12. Contract For Services – Paducah Historical Preservation Group \$2,500 – signed by CM
13. Contract For Services – Paducah-McCracken County Senior Center - \$5,000 – signed by CM
14. Contract For Services – Paducah Interfaith Ministry d/b/a Paducah Cooperative Ministry (PCM) – Grant in aid - \$15,000 – signed by CM
15. Contract For Services – Friends of the Lower Town Arts and Music Festival \$25,000 – signed by CM
16. Contract For Services – The B.L.O.O.M Initiative \$10,000 – signed by Cm
17. Contract For Services – Family Service Society (\$50,000) – MO #3103
18. Contract For Services – Washington Street Community Development Corp. \$25,000 – MO #3104
19. HUD Consolidated Plan – MO #3105 (complete document can be found in LaserFiche)
20. Contract For Services – Sprocket, Inc. - \$100,000 – MO #3129
21. Contract with Peck Flannery Gream Warren (PFGW) – Parks and Recreation Maintenance Building – MO #3136

Financials:

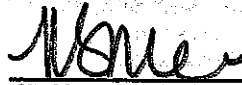
1. Paducah Water Works – Month Ended August 31, 2025

Bids and Proposals File:

1. Bids for Parks and Recreation Maintenance Building
 - a. PFGW – Awarded Bid MO #3136
 - b. Sherman Carter Barnhart
 - c. Brandstetter Carroll

CITY OF PADUCAH
October 2, 2025

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

A handwritten signature in black ink, appearing to read "W. M. ...", written over a horizontal line.

City Manager's Office Signature

A handwritten date "9/29/25" in black ink, written below the signature line.

Date

**CITY OF PADUCAH
PERSONNEL ACTIONS
October 2, 2025**

NEW HIRES - FULL-TIME (FT)

<u>POLICE</u>	<u>POSITION</u>	<u>RATE</u>	<u>NCS/CS</u>	<u>FLSA</u>	<u>EFFECTIVE DATE</u>
Stack, Casandra L.	Evidence Technician	\$22.66/hr	NCS	Non-Ex	October 6, 2025
<u>PUBLIC WORKS</u>					
Beith, Joshua A.	Fleet Mechanic II	\$23.50/hr	NCS	Non-Ex	October 6, 2025

PAYROLL ADJUSTMENTS/TRANSFERS/PROMOTIONS/TEMPORARY ASSIGNMENTS (FULL-TIME)

<u>E911</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>
Reed, Taryn E.	Supervisor \$34.17/hr	Supervisor \$35.02/hr	NCS	Non-Ex	October 30, 2025
<u>CUSTOMER EXPERIENCE</u>					
Cowles, Laura A.	Development Liaison \$27.23/hr	Development Liaison \$27.91/hr	NCS	Ex	October 2, 2025
<u>FIRE - SUPPRESSION</u>					
Anderson, Stephen D.	Firefighter Appointee \$16.26/hr	Firefighter \$16.26/hr	NCS	Non-Ex	September 18, 2025
McReynolds, Trevor C.	Firefighter Appointee \$16.26/hr	Firefighter \$16.26/hr	NCS	Non-Ex	September 18, 2025
Overstreet, Denik J.	Firefighter Appointee \$16.26/hr	Firefighter \$16.26/hr	NCS	Non-Ex	September 18, 2025
Tinin, Anderson J.	Firefighter Appointee \$16.26/hr	Firefighter \$16.26/hr	NCS	Non-Ex	September 18, 2025
<u>HUMAN RESOURCES</u>					
Krebs, Janet L.	Administrative Assistant \$21.33/hr	Administrative Assistant \$21.97/hr	NCS	Non-Ex	September 18, 2025
<u>PARKS & RECREATION</u>					
Askew, LaMiira A.	Administrative Assistant \$23.25/hr	Recreation Specialist \$25.56/hr	NCS	Non-Ex	October 30, 2025
<u>PLANNING</u>					
Gault, Carol	Director of Planning \$54.83/hr	Director of Planning \$56.48/hr	NCS	Ex	September 18, 2025
<u>POLICE</u>					
Thompson, Steven L.	Operations Captain \$47.63/hr	Operations Captain \$49.06/hr	NCS	Ex	August 21, 2025

TERMINATIONS - FULL-TIME (FT)

<u>FINANCE</u>	<u>POSITION</u>	<u>REASON</u>	<u>EFFECTIVE DATE</u>
Arellano - Tapia, Anayeli	Revenue Technician	Resignation	September 26, 2025
<u>POLICE</u>			
McKinney, Dallas J.	GIS Specialist	Resignation	October 3, 2025

Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Authorization to sign the Amendment to the Anthem Blue Cross Blue Shield Administrative Services Agreement - **S. WILCOX**

Category: Municipal Order

Staff Work
By: Stefanie
Wilcox
Presentation
By: Stefanie
Wilcox

Background Information: This Amendment is made part of the Administrative Services Agreement with Anthem Health Plans of Kentucky and is effective January 1, 2025. The Amendment replaces the Pharmacy Benefits Administrative Services Schedules for increased discounts on prescription drug coverage.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name:
Account Number:

Staff Recommendation: Authorize the Mayor to sign and accept the Amendment updating the Pharmacy Benefits Administrative Services Schedules.

Attachments:

1. MO - Amendment Anthem BCBS Administrative Services Agreement
2. 09 2025 Updated Anthem ASO Agreement

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT
TO THE ANTHEM BLUE CROSS BLUE SHIELD ADMINISTRATIVE SERVICES
AGREEMENT

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF
COMMISSIONERS OF THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The City Commission hereby authorizes the Mayor to execute an Amendment to the Administrative Services Agreement with Anthem Health Plans of Kentucky, which replaces the Pharmacy Benefits Administrative Services Schedule for increased discounts on prescription drug coverage. The retroactive effective date of this Amendment is January 1, 2025.

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

George Bray, Mayor

ATTEST:

Claudia S. Meeks, Assistant City Clerk

Adopted by the Board of Commissioners, October 2, 2025
Recorded by Claudia S. Meeks, Assistant City Clerk, October 2, 2025
\\mo\Amendment Anthem BCBS Administrative Services Agreement

**2025 AMENDMENT TO THE
ADMINISTRATIVE SERVICES AGREEMENT**

**WITH
CITY OF PADUCAH**

This Amendment is made part of the Administrative Services Agreement and is effective January 1, 2025. This Amendment supplements and amends the Agreement between Employer and Anthem Health Plans of Kentucky, Inc. dba Anthem Blue Cross and Blue Shield dba Anthem. If there are any inconsistencies between the terms of the Agreement or its Schedules and this Amendment, the terms of this Amendment shall control.

1. SCHEDULE A is replaced by the attached SCHEDULE A.
2. SCHEDULE B is replaced by the attached SCHEDULE B.
3. PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE is replaced by the attached PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE.
4. EXHIBIT A OF THE PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE is replaced by the attached EXHIBIT A OF THE PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE.
5. EXHIBIT B OF THE PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE is replaced by the attached EXHIBIT B OF THE PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE.
6. EXHIBIT C OF THE PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE is replaced by the attached EXHIBIT C OF THE PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE.

IN WITNESS WHEREOF, Anthem has caused this Amendment to be executed by affixing the signature of its duly authorized officer.

Anthem Health Plans of Kentucky, Inc. dba Anthem Blue
Cross and Blue Shield



By: Todd Axtell
Title: Regional Vice President
Date: May 29, 2025

**SCHEDULE A
TO
ADMINISTRATIVE SERVICES AGREEMENT
WITH
City of Paducah**

This Schedule A shall govern the Agreement Period from January 1, 2025 through December 31, 2025. For purposes of this Agreement Period, this Schedule shall supplement and amend the Agreement between the Parties. If there are any inconsistencies between the terms of the Agreement including any prior Schedules, and this Schedule A, the terms of this Schedule A shall control.

Section 1. Effective Date and Renewal Notice

This Agreement Period shall be from 12:01 a.m. January 1, 2025 to the end of the day of December 31, 2025.

Paid Claims shall be processed pursuant to the terms of this Agreement when incurred and paid as follows:

Incurred from 01/01/2011 through 12/31/2024 and

Paid from 01/01/2024 through 12/31/2024.

Anthem shall provide any offer to renew this Agreement at least 30 days prior to the end of an Agreement Period.

Section 2. Broker or Consultant Base Compensation

Not Applicable

Section 3. Administrative Services Fees

Change to Administrative Services Fees. In addition to the provisions in Article 18(c), Anthem reserves the right to change the Administrative Services Fees provided in this Section 3 of Schedule A during the Agreement Period based upon the occurrence of any of the following events:

- Employer's Member to Subscriber ratio is not within +/-5% of 2.05;
- Anthem is not the sole administrator for medical and pharmacy benefits under Employer's Plan;
- Employer's enrollment is not within +/-10% of 289 Subscribers;
- The total number of average monthly Subscribers falls below 100;
- Employer moves any of the Plan benefits administered under this Agreement to another administrator or to a public or private exchange;
- A material reduction in Provider billed or published charges that results in a decrease in Anthem's discount of 10% or more;
- A change in law or regulation that materially impacts underwriting assumptions made at the time of the offer or renewal.

If Employer terminates the Pharmacy Services Schedule with PBM at any time, then Anthem shall have the right to amend the Administrative Services Fees indicated in Section 3 of Schedule A of this Agreement.

A. Base Administrative Services Fee

PPO (PPO)

The fees below apply from 01/01/2025-12/31/2025

Base Administrative Services Fee	\$48.35 per Subscriber per month
Less Pharmacy Rebate Offset from Exhibit A to the Pharmacy Schedule	(\$36.93) per Subscriber per month
Total Administrative Services Fee After Offsets	\$11.42 per Subscriber per month

HSA (HSA)

The fees below apply from 01/01/2025-12/31/2025

Base Administrative Services Fee	\$48.35 per Subscriber per month
Less Pharmacy Rebate Offset from Exhibit A to the Pharmacy Schedule	(\$36.93) per Subscriber per month
Total Administrative Services Fee After Offsets	\$11.42 per Subscriber per month

Article 3(a) Retroactivity.

Notwithstanding anything to the contrary in the Agreement, Anthem reserves the right to limit the effective date of retroactive enrollment to a date not earlier than 60 days prior to the date the notice is received and Anthem reserves the right to limit retroactive terminations to a maximum of 60 days prior to the date the notice is received. Anthem reserves the right to not process Claims for retroactive additions beyond 60 days and to not pursue recovery of Claims for retroactive terminations beyond 60 days. Additionally, Anthem is not required to initiate recovery services if the Provider agreement or any law or regulation precludes recovery. Anthem shall credit per Subscriber per month and per Member per month Administrative Services Fees for each retroactive deletion up to a maximum of 60 days and shall charge Administrative Services Fees for each retroactive addition up to a maximum of 60 days.

B. Health and Wellness Program Fees

PPO (PPO)

The fees below apply from 01/01/2025-12/31/2025

Wellbeing Solutions ASO Core Foundational Program	\$1.27 per Subscriber per month	
Wellbeing Solutions ASO Core Foundational Program	\$1.69	per Subscriber per month. These charges are included in the musculoskeletal condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions ASO Core Foundational Program	\$0.87	per Subscriber per month. These charges are included in the oncology condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions ASO Core Foundational Program	\$1.66	per Subscriber per month. These charges are included in the behavioral health condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions ASO Core Foundational Program	\$2.85	per Subscriber per month. These charges are included in the radiology and imaging condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions ASO Core Foundational Program	\$0.60	per Subscriber per month. These charges are included in the care support condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.

HSA (HSA)

The fees below apply from 01/01/2025-12/31/2025

Wellbeing Solutions ASO Core Foundational Program	\$1.27 per Subscriber per month	
Wellbeing Solutions ASO Core Foundational Program	\$1.69	per Subscriber per month. These charges are included in the musculoskeletal condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions ASO Core Foundational Program	\$0.87	per Subscriber per month. These charges are included in the oncology condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions ASO Core Foundational Program	\$1.66	per Subscriber per month. These charges are included in the behavioral health condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions ASO Core Foundational Program	\$2.85	per Subscriber per month. These charges are included in the radiology and imaging condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions ASO Core Foundational Program	\$0.60	per Subscriber per month. These charges are included in the care support condition-based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.

C. Other Fees or Credits

Fee for Subrogation Services. The charge to Employer is 25% of gross subrogation recovery.

Fee for Overpayment Identification, Prevention, and Claims Prepayment Analysis Activities. The charge to Employer is 25% of (i) the amount recovered from review of Claims and membership data and audits of Provider and vendor activity to identify overpayments and (ii) the difference between the amount Employer would have been charged absent prevention or prepayment analysis activities and the amount that was charged to Employer following performance of prevention or prepayment analysis activities. This includes, but is not limited to, COB, Host Blue activities, contract compliance, and eligibility. The fee for Overpayment Identification, Prevention, and Claims Prepayment Analysis Activities will not exceed \$25,000.00 per Claim.

Fee for Independent Claims Review: \$500.00 per independent review.

Fees and Costs for Independent Dispute Resolution. Notwithstanding anything to the contrary in the Agreement, Employer shall assume liability for payment of all fees and costs, including but not limited to arbitrator fees, charged to or paid by Anthem as part of independent dispute resolution processes.

Enhanced Personal Health Care Fee. A fee shall be charged for Anthem's oversight of Enhanced Personal Health Care with Providers or Vendors. Such fee shall be 25% of the per attributed Member per month amount charged to Employer for the Provider performance bonus portion of the Enhanced Personal Health Care program. These charges are included in Paid Claims on the invoice and may accumulate towards any stop loss policy amounts.

Discount Share. Employer agrees to pay an additional amount based on the difference between Billed Charges for Covered Services and the Negotiated Amount. The "Negotiated Amount" is the amount Anthem, an Anthem Affiliate and/or Host Blue is contractually obligated to pay a Network Provider under a negotiated reimbursement arrangement, before application of Member cost-share amounts, such as deductibles, copayments and coinsurance. Prescription Drug Claims, Payment Innovation Program payments and Claims paid on a capitated basis are all excluded from the fee calculation. In addition, Claims paid at the out-of-network level of benefits using the Traditional Network fee schedule are excluded from the fee calculation. The Discount Share is equal to: 2% per Claim. up to \$5,000.00 per Claim (up to an aggregate maximum of \$21.00 per Subscriber per month (PSPM) per Agreement Period). (The minimum aggregate charge is eighteen dollars and thirty five cents (\$18.35) per Subscriber per month (PSPM) per Agreement Period). These charges are included in Paid Claims as claim related charges on the invoice and may not accumulate towards any stop loss policy amounts.

Traditional Network Savings Fee. Employer agrees to pay an additional amount based on the difference between Billed Charges for Covered Services and the Traditional Provider Negotiated Amount. The "Traditional Provider Negotiated Amount" is the amount Anthem, an Anthem Affiliate and/or Host Blue is contractually obligated to pay a Traditional Provider under a negotiated fee schedule, before application of Member cost-share amounts, such as deductibles, copayments and coinsurance. Prescription Drug Claims, Claims paid on a capitated basis and Payment Innovation Program payments are excluded from the fee calculation. This fee applies to certain Providers who are paid by Anthem, an Anthem Affiliate and/or Host Blue according to a Traditional Network fee schedule ("Traditional Provider").

The Traditional Network Savings Fee is equal to 50% per Claim

Non-Network Savings Fee. If Anthem or its Vendor negotiates with a non-Network Provider for Covered Services from the non-Network Provider, Employer will pay a fee equal to 50% of the difference between the non-Network Provider's Billed Charges and the amount Anthem uses to calculate Plan liability for the Covered Service (the "Plan Liability Amount"). In the case of facility-based Provider Claims, Plan Liability Amount will be based on the negotiated rate; if negotiations are not successful, the Plan Liability Amount shall be determined using a pricing tool. Fees paid to Anthem for Claims priced through such tool will not exceed \$25,000 per claim. In the case of professional Provider Claims, Plan Liability Amount will be based upon the negotiated rate obtained by Anthem or its Vendor, if applicable (in the absence of successfully negotiated Claims, there will be no fee charged as the amount will be determined by the local Blue plan).

Unidentified Recoveries. Anthem shall retain any funds received through recovery processes that are paid to Anthem and, following good faith and reasonable efforts, cannot be tied to a specific Employer or Member.

Third Party Stop Loss Coordination Fee. Employer will pay a fee of \$5.00 per Subscriber per month for generation of reports delivered to Employer related to use of an external stop loss carrier. Anthem shall assume no liability or responsibility to Employer if the stop loss carrier determines that a stop loss claim is not covered for any reason.

Fee for Ad Hoc Reports. Anthem shall provide, on an annual basis, up to 20 hours of time needed to generate custom or ad hoc reports at no additional charge. The charge to Employer beyond 20 hours per year is \$150.00 per hour for time needed to generate custom or ad hoc reports.

Fee for Article 11(e) Data Audits. \$150.00 per hour. Maximum of 250 Claims.

Fee for Electronic Data Feeds to an Outside Vendor. Anthem shall provide, on an annual basis, up to 12 electronic data feeds to an outside vendor in Anthem's standard format. The charge to Employer is \$1,000.00 for each additional feed.

Section 4. Paid Claims, Billing Cycle and Payment Method

A. Paid Claims

Paid Claims are described in Article 1-Paid Claims Definition of the Agreement.

B. Billing Cycle

Weekly

Anthem shall notify Employer of the amount due to Anthem as a result of Claims processed and paid by Anthem according to the billing cycle described above. The actual date of notification of Paid Claims and the Invoice Due Date will be determined according to Anthem's regular business practices and systems capabilities.

C. Payment Method

ACH Demand Debit Reimbursement for Paid Claims. Anthem will initiate an ACH demand debit transaction that will withdraw the amount due from a designated Employer bank account no later than the next business day following the Invoice Due Date, however, if the Invoice Due Date falls on either a banking holiday, a Saturday or a Sunday, the withdrawal shall be made on the following banking day.

Section 5. Administrative Services Fees Billing Cycle and Payment Method

A. Billing Cycle

Monthly List Bill (pay as billed)

Anthem shall notify Employer of the amount due to Anthem pursuant to Section 3 of Schedule A according to the billing cycle described above. The actual date of notification of amounts due and the Invoice Due Date will be determined according to Anthem's regular business practices and systems capabilities.

B. Payment Method

ACH Demand Debit Reimbursement. Anthem will initiate an ACH demand debit transaction that will withdraw the amount due from a designated Employer bank account no later than the next business day following the Invoice Due Date, however, if the Invoice Due Date falls on either a banking holiday, a Saturday or a Sunday, the withdrawal shall be made on the following banking day.

Section 6. Claims Runout Services

A. Claims Runout Period

Medical:

Claims Runout Period shall be for the 12 months following the date of termination of this Agreement.

B. Claims Runout Administrative Services Fee

Medical:

The fee for Claims Runout Services will be equal to 9% of Paid Claims. Fees in Sections 3(B), 3(C), and 7 of this Schedule A that (i) are associated with Claims processed or reviewed during the Claims Runout Period including without limitation subrogation fees, Claims prepayment analysis fees, recovery fees, discount share fees, network access fees; or (ii) apply to the Agreement Period but were not billed during the Agreement Period, will be billed and payable during the Claims Runout Period. Payment is due to Anthem by the Invoice Due Date.

Section 7. Inter-Plan Arrangements

Certain fees and compensation are charged each time a Claim is processed through the BlueCard Program and include, but are not limited to, Access Fees, Administrative Expense Allowance Fees, Central Financial Agency Fees and ITS Transaction Fees. Other Inter-Plan Arrangement related fees that Anthem may charge include, but are not limited to, fees for BlueCross Blue Shield Global Core® Program services. These fees may be separately billed or included in Paid Claims. The extent to which these fees and compensation are (i) included in the Base Administrative Services Fee; or (ii) included in Paid Claims or separately billed to Employer is as follows:

BlueCard Fees

Access Fees and AEA will be included in the Base Administrative Services Fees for Claims incurred in the Anthem Service Areas for the following states: California, Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri, Nevada, New Hampshire, New York, Ohio, Virginia, and Wisconsin.

Access Fees (Network Provider Claims only):

- 3.31% for fewer than 1,000 PPO traditional enrolled Blue Subscribers of network savings, capped at \$2,000.00 per Claim.

Administrative Expense Allowance Fees ("AEA") (Network Provider and Non-Network Provider Claims):

- Network Provider - \$5.00 per professional Claim and \$11.00 per institutional Claim for fewer than 1,000 PPO or traditional enrolled Blue Subscribers.
- Non-Network Provider - \$3.00 per Claim.

Central Financial Agency Fee ("CFA") (Network Provider, Non-Network Provider and Blue Cross Blue Shield Global Core Claims):

- \$0.35 per payment notice.

ITS Transaction Fee ("ITS") (Network Provider, Non-Network Provider and Blue Cross Blue Shield Global Core Program Claims):

- \$0.05 per transaction.

Negotiated Arrangement Fees - Not Applicable

Blue Cross Blue Shield Global Core Fees

Administrative Expense Allowance Fee:

- \$4.35 per Member-submitted Claim;
- \$5.50 per professional Claim; and
- \$18.55 per institutional Claim.

All other fees associated with the Blue Cross Blue Shield Global Core program, except the CFA and ITS Fees described above, are included in the Base Administrative Services Fee.

Section 8. Other Amendments. The Administrative Services Agreement is otherwise amended as follows:

Not Applicable

**SCHEDULE B
TO
ADMINISTRATIVE SERVICES AGREEMENT
WITH
City of Paducah**

This Schedule B shall govern the Agreement Period from January 1, 2025 through December 31, 2025. For purposes of this Agreement Period, this Schedule B shall supplement and amend the Agreement between the Parties. If there are any inconsistencies between the terms of the Agreement including any prior Schedules and this Schedule B, the terms of this Schedule B shall control.

The following is a list of services that Anthem will provide under this Agreement for the Base Administrative Services Fee listed in Section 3(A) of Schedule A. These services will be furnished to Employer in a manner consistent with Anthem's standard policies and procedures for self-funded plans.

Anthem may also offer additional, optional services to Employer, and such services, whether or not purchased by Employer, are not included in the services set forth below in this Schedule B. By way of example and not limitation, Anthem may offer certain optional programs that include utilization management activities. In such event, the services associated with those programs are not included in the services described below. Services under Article 13 will only be pursued or performed for Claims associated with these programs or that would have been impacted by these programs if the programs are purchased by Employer. If Employer has purchased such services, those services and any additional fees are also listed in Schedule A.

SERVICES INCLUDED IN THE BASE ADMINISTRATIVE SERVICES FEE IN SECTION 3A OF SCHEDULE A

Management Services

Anthem's benefits and administration as described in this paragraph:

- Anthem definitions, and exclusions
- Anthem complaint and appeals process (One mandatory level of appeal, one voluntary level of appeal)
- Claims incurred and paid as provided in Schedule A, excluding activities related to Claim recovery
- Accumulation toward plan maximums beginning at zero on effective date
- Anthem Claim forms
- ID card
- Explanation of Benefits (Non-customized)
- Acceptance of electronic submission of eligibility information in HIPAA-compliant format
- Preparation of Benefits Booklet (accessible via internet)
- Account reporting - standard data reports
- Standard billing and banking services
- Plan Design consultation
- Employer eServices
 - Add and delete Members
 - Download administrative forms
 - View Member Benefits and request ID cards
 - View eligibility
 - View Claim status and detail
- Responsible Reporting Entity for the Plan
- Information for preparation of SBC

Claims and Customer Services

- Claims processing services
- Medicare crossover processing
- Employer customer service, standard business hours
- Member customer service, standard business hours
- 1099s prepared and delivered to Providers
- Residency-based assessments and/or surcharges and other legislative reporting requirements
- Member eServices
- Member identity theft and credit monitoring and identity repair

Care Management

- Health Care Management
 - Referrals
 - Utilization management
 - Case management
 - Anthem Medical Policy
- SpecialOffers
- Member Digital Tools

Networks

- Network Access and Management
- Online Provider directory

Other Services Required by Federal Law not Otherwise Specified in the Agreement (as of the applicable effective date)

- For Claims that qualify as no surprises Claims, Anthem shall calculate and apply the Member's cost share at the in-network benefit level using the qualifying payment amount. Anthem shall post a disclosure of the patient protections against balance billing on www.anthem.com and shall include applicable language in Claim denial notices and explanations of benefits.
- Prepare advanced explanations of benefits to Members after receiving a notice of scheduled services from a Provider
- Provide cost transparency tool/self-service tool access
- Provide for continuity of care administration for Provider termination from the network
- Provide air ambulance Provider reporting
- Provide aggregated reporting as required under Section 204 of the CAA for the services that Anthem administers under the Agreement. This reporting does not include the D1 Premium and Life Years Report.
- Anthem represents that it is administering its Provider agreements consistent with the requirements set forth in Section 201 of the CAA. Anthem will provide a statement of compliance to Employer pertaining to Section 201 of the CAA on an annual basis.
- Upon request, Anthem will provide the non-quantitative treatment limitation analysis for the standard services that Anthem provides under the Agreement. Anthem will also provide reasonable assistance to Employer in the event of a regulatory audit for compliance with the Mental Health Parity and Addiction Equity Act.
- Post machine readable files on a monthly basis for the services Anthem administers for the Plan on www.anthem.com

**PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE
TO
ADMINISTRATIVE SERVICES AGREEMENT
WITH
City of Paducah**

This Pharmacy Benefits Administrative Services Schedule (“Pharmacy Services Schedule”) is by and between Employer and CarelonRx, Inc., an Anthem Health Plans of Kentucky, Inc. dba Anthem Blue Cross and Blue Shield Affiliate that will be referenced as the pharmacy benefits manager (“PBM”) for the purposes of this Pharmacy Services Schedule. The Pharmacy Services Schedule supplements and amends the Agreement between the Parties and is effective from 1/1/2025 through 12/31/2025 (which, for purposes of this Pharmacy Services Schedule and its Exhibits, is defined as the “Agreement Period”). Description of the Pharmacy Services and applicable fees for such services are set forth in the Exhibits (the “Exhibits”) to this Pharmacy Services Schedule and made a part of this Pharmacy Services Schedule. In the event of an inconsistency between the applicable provisions of this Pharmacy Services Schedule and the Agreement, the terms of this Pharmacy Services Schedule shall govern, but only as they relate to the Pharmacy Services. Except as set forth herein, all other terms and conditions of the Agreement remain in full force and effect. If there are any inconsistencies between the terms contained in this Schedule, and the terms contained in any of the Exhibits to this Pharmacy Benefits Schedule, the terms of the Exhibits shall control.

A. Definitions. The following definitions apply to this Pharmacy Services Schedule. Terms not otherwise defined in this Pharmacy Services Schedule shall have the same meaning as such term is otherwise defined in the Agreement.

- **340B Claims.** Prescription Drug Claims submitted by 340B pharmacies for Covered Prescription Services that price at the 340B price, dispensed to 340B eligible members, pursuant to a dispensing pharmacy’s participation under Section 340B of the Public Health Service Act, 42 U.S.C. §256b. When a Prescription Drug Claim is classified as a 340B Claim, it shall be considered a 340B Claim for all purposes under this Pharmacy Services Schedule (e.g., a Prescription Drug Claim classified as a 340B Claim for purposes of Prescription Drug Rebates must also be classified as a 340B Claim for purposes of pharmacy pricing).
- **Annualized Adjusted Prescription Drug Claims.** The annualized sum of the total number of: (i) retail Prescription Drug Claims with less than 84 days’ supply; (ii) retail Prescription Drug Claims with greater than or equal to 84 days’ supply multiplied by a factor of 3; (iii) mail order Prescription Drug Claims multiplied by a factor of 3; and (iv) Specialty Prescription Drug Claims.
- **Average Wholesale Price (AWP).** The average wholesale price of a Prescription Drug at the date and time the Prescription Drug is dispensed by the Network Pharmacy as established and reported by the Pricing Source. The AWP of a Prescription Drug shall be the AWP as reported by the Pricing Source and updated daily for the 11-digit NDC, drug specific, quantity appropriate actual package size dispensed as reported by the Network Pharmacy.
- **Biosimilar Products.** Drugs that (a) are highly similar to a US-licensed referenced biological product, notwithstanding minor differences in clinically inactive components, where there are no clinically meaningful differences between the biological product and the reference product in terms of the safety, purity, and potency of the product; and/or (b) are approved pursuant to 42 USC Section 262(k) or any successor legislative provision thereto.
- **Brand Name Prescription Drug or Brand Drug.** A Prescription Drug that is not a Generic Drug. Single-source and/or multi-source non-Generic Prescription Drugs set forth by utilizing Medi-Span drug identification. A Prescription Drug product that is indicated as either “O”, “M”, or “N”.
- **Branded Generic Claims.** Multi-source Brand Drugs that were billed to the Employer at the Generic Drug cost.
- **Compound Drug.** A mixture of two or more ingredients when at least one of the ingredients in the preparation is an FDA-approved Prescription Drug, excluding the addition of only water or flavoring to any preparation.
- **Covered Prescription Services.** A Covered Service that is Prescription Drugs or other pharmaceutical products, services or supplies dispensed by a pharmacy to a Member for which coverage is provided in

accordance with the Member's Benefits Booklet.

- **Dispense As Written Claims With Code 1.** Claims where a Brand Drug was dispensed when a Generic Drug is available, because substitution was not allowed by the Provider.
- **Dispense As Written Claims With Code 2.** Claims where a Brand Drug was dispensed when a Generic Drug is available, because the Member requested the Brand Drug.
- **Dispense As Written Claims With Code 3.** Claims where a Brand Drug was dispensed when a Generic Drug is available, because the pharmacist selected the Brand Drug.
- **Dispense As Written Claims With Code 4.** Claims where a Brand Drug was dispensed when a Generic Drug exists, because the Generic Drug was not in stock.
- **Dispense As Written Claims With Code 5.** Claims where a Brand Drug was dispensed when a Generic Drug is available, because the pharmacy dispensed the Brand Drug at the Generic Drug cost (also known as "House Generic Claims").
- **Dispense As Written Claims With Code 6.** Claims where a Brand Drug was dispensed when a Generic Drug is available, because of an override.
- **Dispense As Written Claims With Code 7.** Claims where a Brand Drug was dispensed when a Generic Drug is available, because the Brand Drug is mandated by state and federal laws and regulations.
- **Dispense As Written Claims With Code 8.** Claims where a Brand Drug was dispensed when a Generic Drug exists, because the Generic Drug is not available in the marketplace.
- **Dispense As Written Claims With Code 9.** Claims where a Brand Drug was dispensed when a Generic Drug is available, because of other non-specified reason.
- **Dispense As Written Claims.** Claims where a Brand Drug was dispensed when a Generic Drug exists and is available.
- **Dispensing Fee.** The amount paid for professional services rendered by a licensed pharmacist in dispensing Prescription Drugs.
- **Drug Rebates.** Drug Rebates as referenced herein shall include Medical Drug Rebates and/or Prescription Drug Rebates.
- **Formulary.** The list of Prescription Drugs or products (which may include over-the-counter drugs, supplies, devices, equipment, and other items such as disposable insulin syringes, and other diabetic supplies) developed, published, and revised from time to time by PBM.
- **Generic Dispensing Rate.** The total number of Generic Prescription Drug Claims received by PBM divided by the total number of Prescription Drug Claims received by PBM.
- **Generic Prescription Drug or Generic Drug.** Single-source and/or multi-source non-Brand Name Prescription Drugs, whether identified by its chemical, proprietary, or non-proprietary name as set forth by utilizing Medi-Span drug definition. A Prescription Drug product that is indicated as "Y".
- **Ingredient Cost.** The component of the prescription price that represents the charge for the ordered Prescription Drug product, supply, or other product (excluding any Dispensing Fee or taxes).
- **Mail Order Pharmacy.** A Network Pharmacy that provides Covered Prescription Services to Members via mailing or shipping utilizing the United States Postal Service and/or other common shipping carrier, including FedEx and/or United Parcel Service.
- **Manufacturer Administrative Fees.** Amounts received by PBM from manufacturers for administering, allocating, and collecting Prescription Drug Rebates that are attributable to Prescription Drugs.
- **Medical Drug Rebates.** Rebates Anthem and/or PBM receives directly from pharmaceutical manufacturers associated with utilization that is contingent upon and related directly to a Member's use of a Prescription

Drug administered by Anthem and covered under the medical benefit portion of the Plan(s). Medical Drug Rebates do not include any discount, price concession, or other direct or indirect remuneration Anthem and/or PBM receives for the provision of any products or services to pharmaceutical manufacturers.

- **Most Favored Nations Limitations.** Government restrictions that preclude pharmacies from making pricing agreements with PBMs or others that are more favorable than those afforded to state-run programs, such as Medicaid.
- **Network Pharmacy or Network Pharmacies.** A Mail Order Pharmacy, Retail Pharmacy, Specialty Pharmacy or other facility that is duly licensed to operate as a pharmacy at its location and to dispense Covered Prescription Services to Members and has entered into a participating pharmacy Agreement with PBM or its Vendor to dispense Covered Prescription Services to Members.
- **New-to-Market Drug.** A Specialty Drug or product that is newly introduced for sale by pharmaceutical manufacturers and made available for dispense at pharmacies and shall be deemed as such for one hundred eighty (180) days following its NDC effective date.
- **Pharmacy Benefit Plan.** That portion of the Benefits Booklet that describes Covered Prescription Services that is administered by PBM. Pharmacy Benefit Plan coverage includes any deductible or co insurance provided for under the Covered Prescription Services.
- **Powder Claims.** Claims for drugs where the dosage form, as identified by Medispan database or other nationally recognized pricing source selected by PBM in its sole discretion from time to time, is powder.
- **Prescription Drug.** Insulin and those drugs and drug compounds that are included in the U.S. Pharmacopoeia and that are required to be dispensed pursuant to a prescription or that are otherwise included on PBM's Formulary (e.g., certain over-the-counter drugs).
- **Prescription Drug Claim.** A Claim submitted to PBM for payment of Prescription Drug benefits that PBM invoices Employer for Prescription Drugs dispensed to Members by pharmacies. PBM's invoice shall be included as part of the invoice Anthem Health Plans of Kentucky, Inc. dba Anthem Blue Cross and Blue Shield bills for other Paid Claims, as further set forth in the Agreement.
- **Prescription Drug Rebates.** Any rebate and/or price protection payment associated with utilization that PBM receives and that is contingent upon and related directly to a Member's use of a Prescription Drug during the Agreement Period. Prescription Drug Rebates do not include any discount, price concession, Manufacturer Administrative Fees, or other direct or indirect remuneration PBM receives for the purchase of a Prescription Drug or for the provision of any products or services to manufacturer(s).
- **Pricing Source.** Medi-Span (or other nationally recognized third-party pricing source) selected by PBM in its sole discretion from time to time).
- **Retail Pharmacy.** A Network Pharmacy that provides Covered Prescription Services to Members at the point of sale or via delivery by an employee of the Network Pharmacy or contracted delivery courier. For purposes of clarification, delivery does not include mailing or shipping Covered Prescription Services to Members utilizing the United States Postal Service and/or other common shipping carrier, including FedEx and/or United Parcel Service.
- **Secondary Claims.** Claims where PBM is the secondary payer due to Coordination of Benefits (COB) with one or more other payers.
- **Specialty Drugs.** A drug identified on PBM's list of Specialty Drugs. Specialty Drugs may be high-cost, injected, infused, oral, or inhaled medications (including therapeutic biological products) that are used to treat chronic or complex illnesses or conditions. Specialty Drugs may have special handling, storage, and shipping requirements, such as temperature control. Specialty Drugs may require nursing services or special programs to encourage patient compliance.
- **Specialty Service Pharmacy.** A Network Pharmacy that provides Specialty Drugs to Members.
- **Specialty Starter Fill.** A prescription dispensed to Members who are initiating treatment on select medications for which: (a) the days' supply is typically limited to 15 days or less; (b) is a split fill and (c) the

NDC utilized for such medication is a specialty NDC.

- **Usual and Customary (U&C) Charge.** The lowest price a Network Pharmacy would charge in an uninsured transaction for an identical prescription on that day at that location, as submitted by the Network Pharmacy to PBM with the Prescription Drug Claim.
- **Zero Balance Claim.** A Claim for which the Member pays the full cost of the Prescription Drug.

B. Obligations of PBM.

In addition to the services provided by Anthem Health Plans of Kentucky, Inc. dba Anthem Blue Cross and Blue Shield under Article 2 of this Agreement, and if applicable to the Pharmacy Benefit Plan and as indicated in Exhibit B, PBM will provide the following pharmacy benefit management administrative and support services (the "Pharmacy Services"):

1. Network Pharmacy Services.

- a. PBM shall offer Employer access to a network of pharmacies that have entered into contractual arrangements with PBM or its Vendors under which such pharmacies agree to provide pharmacy services to Members and accept negotiated fees for such services ("Network Pharmacies"). PBM shall determine, in its sole discretion, which pharmacies shall be Network Pharmacies, and the composition of Network Pharmacies may change from time to time.
- b. PBM shall arrange for the dispensing of covered Prescription Drugs to Members through one or more networks of Network Pharmacies. If a Member obtains a covered Prescription Drug from a pharmacy that is not in the network, the Member shall be responsible for the total cost of the covered Prescription Drug. PBM's network will provide Members adequate access to the covered Prescription Drugs at the Network Pharmacies. Employer acknowledges that the availability of Prescription Drugs is subject to market conditions and that PBM cannot, and does not, assure the availability of any Prescription Drug from a Network Pharmacy.
- c. PBM and/or its Vendors shall perform periodic onsite or field audits of Network Pharmacies to ensure compliance with billing requirements as well as other terms and conditions of the Network Pharmacy agreements. PBM will pay Employer or apply as a credit to invoices, one hundred percent (100%) of the amounts PBM recovers from these audits, minus a recovery fee as set forth in Exhibit A and, if applicable, Attachment 1 to Exhibit D. These audits are separate and distinct from daily Claims review audits, for which there is no additional fee and which are included in the list of services offered as part of the Pharmacy Administrative Services Fee as set forth in Exhibit B. Employer will be financially responsible for all expenses incurred in connection with audits of Network Pharmacies requested by Employer that are not required by applicable law.
- d. Pursuant to the terms of the contract between PBM and Network Pharmacy, no Network Pharmacy shall charge, collect a deposit from, or have any recourse against a Member for the covered Prescription Drugs other than applicable cost shares, including in the event of breach of the Agreement and/or this Pharmacy Services Schedule by Employer or insolvency of Employer. This provision shall survive the termination of the Agreement and/or this Pharmacy Services Schedule for any covered Prescription Drug provided to a Member prior to such termination.
- e. PBM shall offer Employer a Mail Order Pharmacy program through which Members may receive mail order covered Prescription Services. The Mail Order Pharmacy shall dispense Covered Prescription Drugs upon receipt from a Member of (i) a valid new or refill prescription order and (ii) applicable cost share. The covered Prescription Drug shall be mailed or shipped to the Member's address set forth in the eligibility file, or as appearing on the face of the prescription, so long as such address is within the United States. Additional fees for express mail, shipping or handling may be charged to Members. PBM may suspend such services to a Member if Member fails to remit any applicable cost share due.
- f. PBM shall offer Employer a specialty pharmacy program through which Members may receive specialty pharmacy drug services. PBM shall provide all necessary information and forms to Members to obtain these specialty Prescription Drug services. The Specialty Drug list is a PBM developed and maintained list of Specialty Drugs and is modified by PBM from time to time.
- g. PBM shall operate a toll-free call center to respond to inquiries from Network Pharmacies regarding Pharmacy Services provided by PBM provided pursuant to this Pharmacy Services Schedule, including but not limited to technical and claims processing issues and Member eligibility verification ("Pharmacy Help Desk"). The Pharmacy Help Desk shall be available 24 hours a day, 7 days a week.

2. Drug Formularies.

- a. PBM will furnish and maintain a drug Formulary for use with the Pharmacy Benefit Plan, and PBM shall periodically review and update its Formulary. Employer shall adopt such Formulary as part of the design of the Pharmacy Benefit Plan. The drug Formulary will be made available to Members on PBM's web site and upon request may be provided to Employer in a mutually acceptable format for Employer's distribution to Members.
- b. PBM has placed certain Prescription Drugs on formularies that are developed through a process involving two committees, the Pharmacy and Therapeutics Committee ("P&T") and the Value Assessment Committee ("VAC"). The P&T examines the safety and efficacy of a Prescription Drug in comparison to similar drugs within a therapeutic class or used to treat a particular condition. The VAC examines member impact, provider impact, economics, law and regulations, and market dynamics as it determines tiering and utilization management edit placement of Prescription Drugs on the formularies in a manner consistent with the clinical determinations of the P&T.
- c. This provision is intentionally removed.
- d. If a Formulary exception process is included in the Employer's Plan design, in the event a Member or Provider believes that a Prescription Drug or supply not included on a Formulary is medically necessary to treat the Member's individual condition, the Member or Provider may request a coverage exception. In the coverage exception process, PBM will consider a variety of factors that include, but are not limited to, Prescription Drugs previously tried and failed by the Member to treat a particular diagnosis or condition, whether the Member is clinically stable on the Prescription Drug, and/or whether switching to a covered Prescription Drug would result in a clinically significant adverse reaction or other harm to the Member.

3. Claims Processing Services.

- a. PBM shall perform administrative services for Employer, including but not limited to, processing Claims with a Claims Incurred Date indicated in Section 1 of Exhibit A for Covered Prescription Services in accordance with the Pharmacy Benefit Plan. PBM will pay, on Employer's behalf, only Claims that are: (1) timely submitted by Network Pharmacies through PBM's point-of-sale service system; and (2) properly submitted by Members as requests for reimbursement for Covered Prescription Services. Employer may request PBM, on an exception basis, to process and pay Claims that were denied by PBM or take other actions with respect to the Pharmacy Benefit Plan that are not specifically set forth in this Agreement or the Benefits Booklet. PBM may honor such requests subject to system override capability and Employer paying a processing fee that has been mutually agreed to by the Parties.
- b. PBM will implement certain administrative overrides to authorize the dispensing of Prescription Drugs in response to certain requests that include but are not limited to requests for lost/stolen drugs and vacation supplies.
- c. PBM shall disburse to Member or Network Pharmacies payments that it determines to be due according to the provisions of the Pharmacy Benefit Plan.
- d. PBM shall provide notice in writing when a Member submitted Claim has been denied or a prior authorization request has been denied which notice shall set forth the reasons for the denial and the right to a full and fair review of the denial under the terms of the Pharmacy Benefit Plan and shall otherwise satisfy applicable law governing the notice of a denied Claim.
- e. Notwithstanding anything to the contrary in the Agreement, PBM will provide pharmacy Coordination of Benefits (COB) services as described in this provision if listed in Exhibit A and, if applicable, Attachment 1 to Exhibit D for the fee set forth in Exhibit A and, if applicable, Attachment 1 to Exhibit D. Employer shall be responsible for providing other party insurance liability information for Members on its eligibility file. If the eligibility file is provided by Employer and PBM determines that coverage under this Agreement is deemed secondary, the Member Claim will reject at point of sale and instruct the Member to submit the Claim to the third-party payer that is deemed primary. PBM shall coordinate benefits with the third-party payers as appropriate.

4. Utilization and Clinical Management Programs.

- a. PBM will provide a concurrent drug utilization program that assists pharmacies in identifying potential drug interactions, incorrect drug dosage, and inappropriate drug use and misuse. The program utilizes real-time Member health and safety protocols designed to monitor and screen each claim against the Member's Prescription Drug profile and is designed to help promote appropriate Prescription Drug use and help prevent adverse Member reactions. PBM shall make available to prescribing Providers, subject to such prescribing Providers' system capabilities, electronic access to Member eligibility; Prescription Drug Formulary status; Member medication history; a listing of Formulary alternative Prescription Drugs; and applicable cost share.
- b. PBM shall offer additional programs to help ensure clinically appropriate use of Prescription Drugs, and effectively manage the cost of care that may include but not be limited to drug edits (i.e. prior authorization, step therapy, quantity limits, and dose optimization), enhanced fraud waste and abuse program, and medication review. Employer shall pay fees for the programs selected by Employer as set forth on Exhibit A. Employer shall abide by all applicable policies and procedures of the programs selected that may require Employer to provide requested information prior to PBM initiating the service.

5. General Provisions.

- a. PBM shall assist Employer in determining whether its Prescription Drug benefit constitutes "creditable prescription drug coverage" as that term is used under the Medicare Part D laws (specifically, 42 C.F.R. 423.56). Unless otherwise agreed to by the Parties, Employer shall be solely responsible for communicating with Members regarding creditable prescription drug coverage matters.
- b. PBM shall make available a toll-free number staffed by adequately trained personnel to address Member questions.
- c. PBM will provide Employer with PBM's standard management and utilization reporting package in connection with the Pharmacy Services provided pursuant to this Pharmacy Services Schedule. At Employer's expense, PBM may prepare and provide custom and ad hoc reports within an agreed-upon time and format, at the rate set forth in Exhibit A of this Pharmacy Services Schedule, as applicable.
- d. PBM will provide Pharmacy Services in accordance with the Pharmacy Benefit Plan and the Plan document(s) adopted by Employer. The Pharmacy Services shall be procedural only and shall be performed by PBM within the framework of policies, interpretations, rules, practices, and procedures made, established, and provided in writing to PBM by Employer.
- e. PBM will maintain all licenses, permits, certifications, registrations, and other regulatory approvals required by law necessary for the performance of PBM's obligations pursuant to this Pharmacy Services Schedule.
- f. PBM will maintain at least one of the following accreditations during the term of the Agreement and this Pharmacy Services Schedule: (a) National Committee for Quality Assurance ("NCQA") certification; (b) Utilization Review Accreditation Commission ("URAC") Drug Utilization Management accreditation; and/or (c) such other NCQA certifications and URAC accreditations applicable to the Pharmacy Services provided hereunder.
- g. This provision is intentionally omitted.
- h. PBM agrees to be bound by its obligations under HIPAA as a Business Associate under the same terms as entered into by Anthem Health Plans of Kentucky, Inc. dba Anthem Blue Cross and Blue Shield under its Business Associate Agreement with Employer.

C. Obligations of Employer. To the extent not already provided under Article 3 of this Agreement, Employer shall:

1. Provide PBM with timely, accurate and complete information necessary for PBM to provide the Pharmacy Services. PBM shall be under no obligation to verify the accuracy and completeness of information provided to it by Employer.
2. Provide accurate, timely, complete, and ongoing Member eligibility information to PBM using PBM's prescribed format and methods. Such information shall include, but shall not be limited to, the number and names of Members eligible for and covered under the Pharmacy Benefit Plan and any other information determined by PBM to be necessary to provide Pharmacy Services. PBM will load Member eligibility data no later than three business days after receipt from Employer. PBM will be entitled to rely on the accuracy

and completeness of the Member eligibility data from Employer. Employer shall be solely responsible for any errors in Member eligibility data that Employer provides to PBM.

D. Drug Rebate Management.

1. During any Agreement Period, Employer shall not contract, directly or indirectly through a third party, with a manufacturer or any other third party for rebates, discounts, or other financial incentives on claims that are eligible for Prescription Drug Rebates under this Agreement. In the event that PBM determines such violation of this paragraph, Employer shall be deemed ineligible to earn Prescription Drug Rebates, the Drug Rebate Program will be suspended, and Employer shall be required to reimburse PBM for any Prescription Drug Rebates that were previously earned. If Employer fails to reimburse PBM for such Prescription Drug Rebates within 10 business days of PBM's request, PBM shall have the right to recover said amounts by offsetting such amounts against any amounts PBM owes Employer under this Agreement or any other agreement between Employer and PBM. Additionally, PBM may renegotiate the guarantees and/or any pricing terms of the Agreement.
2. Employer acknowledges and agrees that Prescription Drug Rebate amounts are subject to change for reasons including but not limited to:
 - a. Prescription Drug Rebate eligibility is modified under an agreement between PBM and/or its Vendor and a manufacturer; or
 - b. any action(s) or inaction(s) by manufacturer that impacts the availability or amount of Prescription Drug Rebate earned, that includes, but is not limited to, manufacturer's discontinuation of the covered Prescription Drugs.

If any change set forth in (a) - (b) above occurs, PBM may provide written notice to Employer of such change as soon as reasonably practicable. In such event, PBM shall notify Employer and revise or eliminate such payment as of the effective date of the reduction or elimination of the Prescription Drug Rebate payment. Such reduction or elimination of the Prescription Drug Rebate payment shall result in either a change in the Base Administrative Services Fee as described in Article 18(c) of the Agreement or a change in the percentage of Prescription Drug Rebates retained by PBM.

3. PBM will use reasonable efforts to negotiate and collect Prescription Drug Rebates from manufacturers. PBM shall not be required to institute litigation to negotiate and collect Prescription Drug Rebates from manufacturers. If PBM or its designee does elect to bring suit to recover Prescription Drug Rebates from manufacturers, PBM shall be entitled to deduct all reasonable attorney's fees and other expenses incurred in such litigation prior to payment of the Prescription Drug Rebates to Employer. Neither Party shall be responsible to the other Party, its affiliates, directors, employees, agents, successors, or permitted assigns for any claim arising from: (i) any failure by a manufacturer to pay any Prescription Drug Rebates; (ii) any breach of an agreement relating to the transactions contemplated by or otherwise relating to this Agreement by any manufacturer; or (iii) any negligence or misconduct of any manufacturer.
4. In the event that PBM, its Vendor, and/or manufacturer identifies through audit or other means that Employer has received an overpayment or an erroneous Drug Rebate payment, Employer shall immediately refund such amounts. If Employer fails to do so, PBM shall have the right to recover said amounts by offsetting such amounts against any amounts PBM owes Employer under this Agreement or any other agreement between Employer and PBM.
5. Prescription Drug Rebates paid pursuant to the Agreement and Exhibit A of the Pharmacy Services Schedule are intended to be treated as "discounts" pursuant to the Federal Anti-Kickback Statute set forth at 42 C.F.R. § 1320a-7b and implementing regulations.
6. PBM shall continue to provide Employer its share of the Prescription Drug Rebates under this provision until the termination of this Agreement and any applicable Claims Runout Period. PBM shall provide a final report of the Prescription Drug Rebates received attributable to Employer's Plan after the end of the Claims Runout Period. Any Prescription Drug Rebates received by PBM after the end of the Claims Runout Period shall be retained by PBM.
7. Employer acknowledges and agrees that no Prescription Drug Rebates shall be paid pursuant to Exhibit A unless and until this Pharmacy Benefit Services Schedule is fully executed.

E. Pharmacy Base Administrative Services Fees and Expenses

1. Employer agrees to pay PBM fees for the Pharmacy Services as set forth on Exhibit A.
2. PBM's fees for the Pharmacy Services may be renegotiated in the event of substantial changes that would increase or decrease the obligations or costs of providing the Pharmacy Services, including but not limited to changes in the Pharmacy Benefit Plan, legislative changes, or postal rate changes. In addition to other rights set forth in Article 18(c) of the Agreement, PBM shall have the right to change the Pharmacy Base Administrative Services Fees or other fees provided in Exhibit A if: (a) PBM is no longer the sole provider of the Covered Prescription Services contemplated in this Pharmacy Services Schedule; (b) Employer implements an on-site pharmacy; or (c) a change in applicable law occurs resulting in an increase in the cost or amount of Covered Prescription Services under this Agreement. PBM shall provide notice to Employer of the change in the Pharmacy Base Administrative Services Fees at least 30 days prior to the implementation date of such change. Any change in the Pharmacy Base Administrative Services Fees will be effective as of the date the change occurs, even if that date is retroactive. If such change is unacceptable to Employer, either Party shall have the right to terminate this Pharmacy Services Schedule by giving written notice of termination to the other Party before the effective date of the change. If Employer accepts the proposed Pharmacy Base Administrative Services Fees, PBM shall provide a revised Exhibit A, and, if applicable, Schedule A, that will then become part of this Agreement without the necessity of securing Employer's signature on the Exhibit and, if applicable, Schedule A.
3. If changes in the Pharmacy Benefit Plan are incompatible with existing systems and procedures and require PBM or its subcontractor to perform additional programming, reports, or services, such additional activities will be performed at the expense of Employer, if agreed to by PBM.
4. Employer shall be responsible for out-of-pocket production costs, travel expenses, and banking expenses incurred by PBM in carrying out implementation activities at the request of Employer.
5. PBM shall not provide or be responsible for the expenses or costs of services furnished by attorneys, actuaries, certified public accountants, investment counselors, or investment analysts, or for similar services performed for Employer. PBM shall not be authorized to engage such services or incur any expense or cost therefore without the written consent of Employer. In the event that such services are engaged by PBM at the written request of Employer, Employer shall be responsible for all costs and expense thereof, that shall be separately billed by the provider of the services or by PBM as incurred.
6. Employer agrees to pay PBM fees for Claims Runout Services described in Section 5 of Exhibit A of the Pharmacy Services Schedule.

F. Audits.

1. To the extent any conflict exists between this Section F of the Pharmacy Services Schedule and the Claims audit provisions in Article 12 of the Agreement, the terms and conditions of this Pharmacy Services Schedule shall govern with respect to the provision of Pharmacy Services.
2. Employer may audit PBM directly or through a third-party auditor mutually acceptable to PBM. Employer must provide at least 60 days prior written notice to PBM of its intent to conduct an audit of PBM's performance under this Pharmacy Services Schedule to ensure compliance with the Agreement and applicable laws. The scope of an audit including time, place, type and duration of all audits must be reasonable, mutually agreed to in writing by the Parties prior to the commencement of the audit, and in accordance with PBM's audit procedures and guidelines. Employer may conduct an audit once each contract year and such audit may only relate to the last two preceding contract years from the current contract year (the "Audit Period"). Neither Employer nor anyone acting on Employer's behalf shall have a right to audit for the period prior to the Audit Period. A pharmacy Claims audit will be limited to no more than 250 randomly selected Prescription Drug Claims. Employer acknowledges and agrees that Employer is not entitled to audit: (i) documents that are identified as proprietary or trade secret; and (ii) documents that PBM is barred from disclosing by law. All information and records reviewed pursuant to this Section F of the Pharmacy Services Schedule shall be considered Confidential Information for purposes of this Pharmacy Services Schedule.
3. Audit Procedures.
 - a. Any audit shall be contingent upon Employer's third-party auditor executing PBM's confidentiality agreement prior to conducting an audit.

- b. No Audit Period may be audited twice unless required by a governmental body. An audit performed pursuant to this Pharmacy Services Schedule shall be the final audit for the Audit Period and for any prior Audit Period unless otherwise agreed to in writing by the Parties.
 - c. Onsite audits and access to Claims processing systems will not be permitted except as otherwise provided herein.
 - d. Employer shall provide to PBM copies of all final audit reports within 30 days of the end of the audit or at the same time as they are made available by the third party auditor to Employer. PBM shall have a minimum of 60 days to review and respond to each audit finding. Employer or its respective auditor shall have 30 days to respond to PBM's response to each audit finding. If Employer or its respective auditor fails to provide a final audit report within the timeframe set forth above or fails to respond within 30 days of PBM's response, the audit will be considered closed.
 - e. Any errors identified and/or amounts identified as owed to Employer as the result of the audit shall be subject to PBM's review and approval prior to initiating any recoveries pursuant to this Pharmacy Services Schedule.
 - f. PBM reserves the right to terminate any audit being performed by or for Employer if PBM determines that the confidentiality of its information is not properly being maintained or if PBM determines that Employer or the auditor is not following PBM's audit policy.
4. Third party auditors must be independent and objective with no breach of PBM's Confidential Information. Any Employer requests for a third-party auditor to audit will constitute Employer's direction and authorization to PBM to disclose Employer-specific information, including Member information and PHI, to Employer's auditor. PBM will provide Employer's auditor with access to all applicable Employer-specific information reasonably necessary to determine the accuracy of Claims payments and verify PBM's performance under this Pharmacy Services Schedule, subject to PBM's third party confidentiality obligations; provided, however, any other documentation requested during the course of an audit not in the audit scope or necessary for the audit, will be provided at PBM's discretion.
 5. Employer shall not be permitted to audit any contract between PBM, and Network Pharmacies, or Vendors. Employer, through an independent third-party auditor, shall be entitled to perform a review of up to 10 pharmaceutical company contracts directly related to Employer's Prescription Drug Rebates. PBM will share such contracts with Employer's third-party auditor during an onsite audit. Any such audit shall be contingent upon Employer's third-party auditor signing a confidentiality agreement acceptable to PBM.

G. Termination. In addition to the provisions in Article 19 of this Agreement,

1. Either Party may terminate this Pharmacy Services Schedule by giving 90 days' notice prior to the date of the termination.
2. This Pharmacy Services Schedule shall terminate on the date the Agreement is terminated unless otherwise agreed to by the Parties. If the Parties agree to continue the Pharmacy Services Schedule after termination, applicable provisions of the Agreement shall remain in effect until a new agreement is reached by the Parties.
3. This Pharmacy Services Schedule shall terminate on the effective date of any governmental body's action that prohibits all activities contemplated under this Pharmacy Services Schedule.
4. Following termination of only this Pharmacy Services Schedule, the remainder of the Agreement shall continue in full force and effect during the Agreement Period. Termination of this Pharmacy Services Schedule will not terminate the rights or obligations of either Party arising out of the period during which this Agreement was in effect.
5. In the event of termination of this Pharmacy Services Schedule, PBM shall not be responsible for notifying Members of such termination or of the procedure to be followed to retain or obtain Plan coverage.
6. Upon notice of termination of this Pharmacy Services Schedule for any reason other than for non-payment of amounts due under this Schedule, the Parties will mutually develop a transition plan that includes but is not limited to: (1) a schedule of transition activities and timelines for completion; (2) a detailed description of the respective roles of PBM and Employer; and (3) such other information and planning as necessary to ensure that the transition takes place according to an agreed upon schedule and with minimum disruption to Members. The transition plan shall be subject to written approval by both Parties.

- 7. Unless mutually agreed to in writing by the Parties, upon termination of this Pharmacy Services Schedule, Employer shall cease adoption and use of PBM's Formulary as part of its Plan and agrees that it shall not copy, distribute, or sell PBM's Formulary.

H. Indemnification.

Each of PBM and Employer shall hold harmless, indemnify and defend the other Party, and its directors, officers, shareholders, employees, agents and affiliates, from and against any third party losses, claims, damages, liabilities, costs and expenses (including without limitation, reasonable attorneys' fees and costs) imposed upon or incurred by the indemnified Party arising out of or as a result of the negligence or willful misconduct of the indemnifying Party or its Vendors or subcontractors in the performance of the obligations under this Pharmacy Services Schedule. The obligation to provide indemnification under this Pharmacy Services Schedule shall be contingent upon the Party seeking indemnification: (1) providing the indemnifying Party with prompt written notice of any claim for which indemnification is sought; (2) allowing the indemnifying Party to control the defense and settlement of such claim; provided, however, that the indemnifying Party agrees not to enter into any settlement or compromise of any claim or action in a manner that admits fault or imposes any restrictions or obligations on an indemnified Party without that indemnified Party's prior written consent, which consent will not be unreasonably withheld; and (3) cooperating fully with the indemnifying Party in connection with such defense and settlement. Failure to provide prompt notice as set forth herein shall only constitute a violation of this Section H of the Pharmacy Services Schedule to the extent such failure materially prejudices the indemnifying Party with respect to its obligations to defend and indemnify pursuant to this Section H of the Pharmacy Services Schedule. To the extent any conflict exists between this Section H of the Pharmacy Services Schedule and the indemnification provisions in Article 16 and 17 of the Agreement, the terms and conditions of this Pharmacy Services Schedule shall govern with respect to the provision of Pharmacy Services.

IN WITNESS WHEREOF, the Parties have executed this Schedule to be effective as of the Effective Date.

CITY OF PADUCAH

Anthem Health Plans of Kentucky, Inc. dba Anthem Blue Cross and Blue Shield

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

CarelonRx, Inc.

By: _____

Title: _____

Date: _____

**EXHIBIT A – FEES & EXPENSES
OF THE PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE
TO
ADMINISTRATIVE SERVICES AGREEMENT
WITH
City of Paducah**

This Exhibit A shall govern the Agreement Period from 1/1/2025 through 12/31/2025 and is made part of this Pharmacy Benefits Administrative Services Schedule. This Exhibit is intended to supplement the Agreement between the Parties as it relates to Pharmacy Services only. In the event of an inconsistency between the applicable provisions of this Pharmacy Services Schedule and the Agreement, the terms of this Pharmacy Services Schedule shall govern, but only as they relate to Pharmacy Services. Except as set forth herein, all other terms and conditions of the Agreement remain in full force and effect.

Section 1. Effective Date and Renewal Notice

This Agreement Period shall be from 12:01 a.m. 1/1/2025 to the end of the day of 12/31/2025.

Paid Claims shall be processed pursuant to the terms of this Pharmacy Services Schedule when incurred and paid as follows:

- Incurred from 1/1/2025 through 12/31/2025 and
- Paid from 1/1/2025 through 12/31/2025.

PBM shall provide any offer to renew this Pharmacy Services Schedule at least 30 days prior to the end of an Agreement Period.

Section 2. Broker or Consultant Base Compensation

Not Applicable

Section 3. Pharmacy Administrative Services Fees

Change to Administrative Services Fees. The Administrative Services Fees in Section 3 of Schedule A of the Agreement and the Pharmacy Administrative Services Fees in Section 3 of Exhibit A may be changed during the Agreement Period based upon an event in Article 18(c) of the Agreement or Section E(2) of the Pharmacy Services Schedule.

A. Pharmacy Base Administrative Services Fee

Pharmacy Base Administrative Services Fee. The Pharmacy Administrative Services Fees shall also include a fee that will be charged monthly for services related to pharmacy benefits management including, but not limited to, pharmacy mail services, clinical services, and customer services. Such fee shall be:

\$0.00

B. Drug Rebate Allocation

1. Minimum Pharmacy Rebate Offset and Guarantee: PBM shall transfer to Anthem Health Plans of Kentucky, Inc. dba Anthem Blue Cross and Blue Shield an amount that will be used by Anthem Health Plans of Kentucky, Inc. dba Anthem Blue Cross and Blue Shield to reduce the Base Administrative Services Fee set forth in Section 3(A) of Schedule A. The amount of such offset, also referred to as the Pharmacy Rebate Offset is set forth in Section 3(A) of Schedule A. PBM shall reconcile each quarter the Pharmacy Rebate Offset that Employer received against the amount representing 100% of the actual Prescription Drug Rebates PBM has guaranteed in the Prescription Drug Rebate Performance Guarantee as defined in Exhibit C. If the actual Prescription Drug Rebate amount the PBM receives is greater than the Pharmacy Rebate Offset the Employer received from PBM, then PBM shall return the difference between the actual Prescription Drug Rebate amount and the Pharmacy Rebate Offset to the Employer. Provided, however, if the total Prescription Drug Rebates Performance Guarantee as defined in Exhibit C, exceeds the amount described herein, the PBM will pay the Employer the difference at annual true up.
2. Medical Drug Rebates: PBM shall retain 100% of the Medical Drug Rebates.

C. Other Fees or Credits

Fee for Pharmacy Prior Authorization. \$55.00 per authorization.

Fee for Step Therapy. PBM shall charge a fee of \$0.30 per pharmacy Claim.

Fee for Quantity Limits. PBM shall charge a fee of \$0.55 per pharmacy Claim for applying frequency and quantity limits to certain Prescription Drugs.

Fee for Pharmacy Physician Review. \$800.00 per review.

Fee for Vaccine Administration. PBM shall charge a fee for the administration of vaccines at a retail pharmacy location of \$2.50 per vaccine.

Fee for Custom Communications. PBM shall charge a fee of \$2.00 per custom communication requested by the Employer.

Fee for Member-Submitted Claims. PBM shall charge a fee of \$2.50 per Claim for each Member-submitted Claim.

Fee for Clinical Care Gap Outreach Program (Standard)(also referred to as Care Optimization Program) PBM shall charge a fee of \$0.25 per pharmacy claim for clinical, quality and cost of care messages in personalized Member communications.

Fee for Specialty Cost Optimization. PBM shall retain the difference between the amount charged to Employer for Specialty Drugs subject to the Specialty Cost Optimization Program and the amount charged to PBM as reasonable compensation for PBM's administration of the Specialty Cost Optimization Program.

Fee for Pharmacy Network Audit. The charge to Employer is 25.00% of the total amount recovered from periodic onsite or field audits of Network Pharmacies, including but not limited to, audits to determine compliance with billing requirements and the terms and conditions of the Network Pharmacy agreements. These audits are separate and distinct from Claims processing and financial accuracy audits

Pass-Through Pricing Administrative Fee. \$1.50 per Prescription Drug Claim in those applicable states that do not permit margin pricing

Fee for Member Communications. PBM shall charge a fee of \$1.30 per letter for the following programs:

- Non-FDA approved drug block
- Re-labeler program
- Safety Communications /Drug Recalls and Withdrawals
- New Implementation Formulary Disruption Letters
- Commercial Formulary Member Notifications (includes Newly Available Generic Notification when required by law)

Fee for Employer Reporting – Base Package. PBM's Base Package is included at no cost and includes access to RxGuide (unlimited). All custom reporting requests will be charged at \$150 per hour of time needed to generate customized ad hoc reports

Invoices for Prescription Drug Claims When PBM invoices Employer for Prescription Drug Claims, the amount billed will reflect pricing that may be greater than the amount that is paid to pharmacies for those Claims (Margin Pricing). The use of Margin Pricing provides some control over price swings that Members may otherwise experience when filling prescriptions.

Ongoing Pharmacy Management Allowance Credit. Employer shall receive an ongoing Pharmacy Management Allowance Credit ("Ongoing PMA Credit") in the amount of \$3,465.00 for year 1 of the Agreement Period, that shall be apportioned across all lines of business based on either drug spend or Member lives. This Ongoing PMA Credit shall be used by Employer to offset the cost of legitimate, necessary, and commercially reasonable services that are directly related to administering and managing pharmacy benefits and/or enhancing the value of Employer's pharmacy program. Subject to PBM approval, the Ongoing PMA Credit may be used for items including:

- Plan communications, including formulary letters and Member materials
- Clinical programs

- Wellness programs offered by PBM
- Consulting fees (if directly related to Employer's pharmacy benefit)
- IT programming
- Additional reporting or data feeds
- Data and other fees charged by other vendors; and
- Any other pharmacy related expense not referenced above that PBM approves in advance.

Employer shall submit all requests for reimbursement under the Ongoing PMA Credit noted above to PBM with documentation of Employer expenses and costs no later than thirty (30) days after the end of each year of the Agreement period. PBM shall reimburse Employer within 30 days of receipt of Employer's request and supporting documentation. Any unused portion of the Ongoing PMA Credit for the current contract year will not carry forward to the next contract year. PBM will not reimburse Employer's vendors directly.

In the event that Employer terminates the pharmacy portion of this Agreement prior to the end of the Agreement Period for any reason other than PBM's failure to comply with a material duty or obligation related to the administration of the pharmacy portion of Plan benefits under this Agreement, the Ongoing PMA Credit amount shall be reduced. The revised credit amount will be based on the prorated portion of the total credit amount which will be calculated by dividing the number of months from the beginning of the Agreement Period through the effective date of termination by the total number of months in the full Agreement Period and by then multiplying that result by the total credit amount. Employer shall reimburse PBM for any excess Ongoing PMA Credit amounts based upon this calculation within thirty (30) days of the termination of the pharmacy portion of this Agreement.

It is the intention of the Parties that, for the purposes of the Federal Anti-Kickback Statute, this Ongoing PMA Credit shall constitute and shall be treated as a discount against the price of drugs within the meaning of 42 U.S.C. 1320a-7b(b)(3)(A). To the extent required by laws or contractual commitment, Employer agrees to fully and accurately disclose and report any such discount, rebate, credit or allowance to Medicare, Medicaid or other government health care program as a discount against the price of the Prescription Drugs provided under this Pharmacy Services Schedule.

Unidentified Recoveries. PBM shall retain any funds received through recovery processes that are paid to PBM and, following good faith and reasonable efforts, cannot be tied to a specific Employer or Member.

Section 4. Pharmacy Administrative Services Fees and Paid Claims Billing Cycle and Payment Method

Billing cycles and payment methods are contained in Schedule A.

Section 5. Claims Runout Services

A. Claims Runout Period

Claims Runout Period shall be for the 12 months following the date of termination of this Pharmacy Services Schedule.

B. Claims Runout Administrative Services Fee

Pharmacy:

The fee for Claims Runout Services will be waived. Fees in Section 3(C) of this Exhibit A that (i) are associated with Claims processed or reviewed during the Claims Runout Period including without limitation subrogation fees, Claims prepayment analysis fees, recovery fees, network access fees; or (ii) apply to the Pharmacy Services Schedule Period but were not billed during the Pharmacy Services Schedule Period, will be billed and payable during the Claims Runout Period. Payment is due to PBM by the Invoice Due Date.

Section 6. Other Amendments. The Pharmacy Benefits Administrative Services Schedule is otherwise amended as follows:

Not Applicable

**EXHIBIT B – PHARMACY SERVICES
OF THE PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE
TO THE
ADMINISTRATIVE SERVICES AGREEMENT
WITH
City of Paducah**

This Exhibit B shall govern the Agreement Period from 1/1/2025 through 12/31/2025 and is made part of this Pharmacy Benefits Administrative Services Schedule. This Exhibit is intended to supplement the Agreement between the Parties as it relates to Pharmacy Services only. In the event of an inconsistency between the applicable provisions of this Pharmacy Services Schedule and the Agreement, the terms of this Pharmacy Services Schedule shall govern, but only as they relate to Pharmacy Services. Except as set forth herein, all other terms and conditions of the Agreement remain in full force and effect.

The following is a list of standard services that PBM will provide under this Pharmacy Services Schedule for the Pharmacy Administrative Services Fees set forth on Section 3 of Exhibit A. These services will be furnished to Employer in a manner consistent with PBM's standard policies and procedures for self-funded plans. PBM may also offer services to Employer that have an additional fee. If Employer has purchased such services, those services and any additional fees are also set forth on Exhibit A.

Prescription Benefit Services

- Mail Order Pharmacy
- Specialty Pharmacy Services
 - Prescription eServices
 - Pharmacy locator
 - Online Formulary
- Point of sale Claims processing (not including pharmacy COB services)
- Mail order Claims processing
- Mail order call center with toll free number
- Mail order regular mailing or shipping and handling
- Standard management reports
- Concurrent Drug Utilization Review (DUR) programs
- Retrospective DURs
- Pharmacy help desk with toll free number
- Daily Claims review audits of Network Pharmacies
- Assistance in determining "creditable prescription drug coverage" under Medicare Part D
- Integration of medical and pharmacy Claims data for proactive prior authorizations (i.e., a Member's diagnosis from medical Claims is incorporated into the pharmacy Claim system to seamlessly approve prior authorizations where diagnoses are required)

**EXHIBIT C - PERFORMANCE GUARANTEES
OF THE PHARMACY BENEFITS ADMINISTRATIVE SERVICES SCHEDULE
TO THE
ADMINISTRATIVE SERVICES AGREEMENT
WITH
City of Paducah**

This Exhibit C provides certain guarantees pertaining to PBM's performance under the Agreement between the Parties ("Performance Guarantees") and shall be effective for each year in the period from 1/1/2025 through 12/31/2025 (the "Performance Period"). Descriptions of the terms of each Performance Guarantee applicable to the Parties are set forth in the Attachments (the "Attachments") to this Exhibit C and made a part of this Exhibit C. This Exhibit shall supplement and amend the Pharmacy Benefits Administrative Services Schedule between the Parties. If there are any inconsistencies between the terms of the Agreement and this Exhibit C, the terms of this Exhibit C shall control. If there are any inconsistencies between the terms contained in this Exhibit, and the terms contained in any of the Attachments to this Exhibit C, the terms of the Attachments to this Exhibit C shall control.

Section 1. General Conditions

- A. The Performance Guarantees described in the Attachments to this Exhibit C shall be in effect only for the Performance Period indicated above, unless specifically indicated otherwise in the Attachments. Each Performance Guarantee shall specify a/an:
 - 1. Allocation. The term Allocation is the percent of total Amount at Risk to each Performance Guarantee.
 - 2. Amount at Risk. The term Amount at Risk means the amount PBM may pay if it fails to meet the target(s) specified under the Performance Guarantee.
 - 3. Measurement Period. The term Measurement Period is the period of time under that PBM's performance is measured, that may be the same as or differ from the period of time equal to the Performance Period.
 - 4. Performance Category. The term Performance Category describes the general type of Performance Guarantee.
 - 5. Reporting Period. The term Reporting Period refers to how often PBM will report on its performance under a Performance Guarantee.
 - 6. Service Feature. The term Service Feature is a service standard stipulated and defined to be guaranteed.
- B. PBM shall conduct an analysis of the data necessary to calculate any one of the Performance Guarantees within the timeframes provided in the Attachments to this Exhibit C. In addition, any calculation of Performance Guarantees, reports provided, or analysis performed by PBM shall be based on PBM's then current measurement and calculation methodology, that shall be available to Employer upon request.
- C. This provision is intentionally omitted.
- D. If the Agreement is not executed, PBM shall have no obligation to make payment under these Performance Guarantees.
- E. Unless otherwise specified in the Attachments to this Exhibit C, the measurement of the Performance Guarantee shall be based on data that is maintained and stored by PBM or its Vendors.
- F. If Employer terminates the Agreement or the Pharmacy Services Schedule between the Parties prior to the end of the Performance Period, or if the Agreement or the Pharmacy Services Schedule is terminated for non-payment, then Employer shall forfeit any right to collect any further payments under any outstanding Performance Guarantees, whether such Performance Guarantees are for a prior or current Measurement Period or Performance Period.
- G. Guarantees apply only as long as there are 7,523 Annualized Adjusted Prescription Drug Claims.

H. Prescription Drug Rebate and Prescription Drug Pricing Guarantee Changes.

1. Employer Directed Changes. PBM reserves the right to modify the financial provisions of this Pharmacy Services Schedule if any of the following occur and to the extent of any adverse financial impact to the overall economic value of the Pharmacy Services Schedule: (a) a change in the scope of services (retail network management, mail, specialty and rebate services) to be performed under this Pharmacy Services Schedule upon which the financial provisions included in this Pharmacy Services Schedule are based; (b) a material change in Plan design or (c) any substantive deviation from Employer's Formulary, which may impact Prescription Drug Rebates "Directed Changes").

Employer agrees to provide PBM with written notice of its desired Directed Changes. Upon receipt of the notice, PBM will have thirty (30) days to determine and inform Employer in writing of any such change to the financial provisions. PBM agrees to discuss its rationale and calculations with Employer's consultant. Employer will inform PBM of its decision of whether or not it will move forward with the Directed Changes. In the event Employer moves forward with the Directed Changes, such changes and pricing will be implemented in 60 days or as otherwise agreed to by the Parties and the Agreement will be amended to reflect the changes.

PBM shall have the right to revise Pricing Guarantees in the event there is a greater than 20.00% change in total membership or Claims volume.

2. Market Event Conditions. PBM reserves the right to modify or amend the financial provisions of this Pharmacy Services Schedule upon at least sixty (60) days prior written notice, if possible, to Employer in the event of a government-imposed change in federal, state or local laws or industry wide change that materially impacts the financial economics of the Pharmacy Services Schedule. For modifications or amendments made pursuant to the above, PBM agrees to modify the pricing in an equitable manner to preserve the financial interest of both Parties. PBM shall provide documentation demonstrating that the revised pricing terms are equitable based on the new industry standard. In the event Employer demonstrates the revised pricing terms are not equitable and the Parties are unable to reach agreement on revised pricing terms, Employer may terminate this Pharmacy Services Schedule upon ninety (90) days prior written notice.
- I. For the purposes of calculating compliance with the Performance Guarantees contained in the Attachments to this Exhibit C, if a delay in performance of, or inability to perform, a service underlying any of the Performance Guarantees is due to circumstances that are beyond the control of PBM, or its Vendors, including but not limited to any act of God, civil riot, floods, fire, pandemics, acts of terrorists, acts of war or power outage, such delayed or non-performed service will not count towards the measurement of the applicable Performance Guarantee.
 - J. As determined by PBM, Performance Guarantees may be measured using either aggregated data or Employer-specific Data. The term Employer-specific Data means the data associated with Employer's Plan that has not been aggregated with other Employer data. Performance Guarantees will specify if Employer-specific Data shall be used for purposes of measuring performance under the Performance Guarantee.
 - K. If any Performance Guarantees are tied to a particular program and its components, such Performance Guarantees are only valid if Employer participates in the program and its components for the entirety of the Measurement Period associated with the Performance Guarantee.
 - L. Employer acknowledges and agrees that each Performance Guarantee will be measured based on the Measurement Period as described in the Attachments to this Exhibit C and prorated to account for Employer specific Effective or renewal dates when measured using aggregated data. The Performance Guarantee will begin on the Employer Effective Date. However, if the Employer terminates the Pharmacy Benefits Schedule before the end of a Measurement Period, the Performance Guarantee measured will be based on the entire Measurement Period during which the termination occurred.
 - M. Any Pharmacy Implementation Performance Guarantee payment and/or any Pharmacy Operations Performance Guarantee payment owed to Employer represents Employer's sole and exclusive remedy for any failure by PBM to meet such Pharmacy Implementation Performance Guarantee and/or Pharmacy Operations Performance Guarantee; any such failure will not be deemed a material breach of this Pharmacy Service Schedule and PBM will have no additional liability.

Section 2. Payment

- A. If PBM fails to meet any of the obligations specifically described in a Performance Guarantee described in the Attachments to this Exhibit C, PBM shall pay Employer the amount set forth in the Section describing the Performance Guarantee. Payment shall be in the form of a credit on Employer's invoice for Administrative Services Fees that will occur annually unless otherwise stated in the Performance Guarantee.
- B. Notwithstanding the above, PBM has the right to offset any amounts owed to Employer under any of the Performance Guarantees contained in the Attachments to this Exhibit C against any amounts owed by Employer to PBM under: (1) any Performance Guarantees contained in the Attachments to this Exhibit C; or (2) the Agreement.
- C. Notwithstanding the foregoing, PBM's obligation to make payment under the Performance Guarantees is conditioned upon Employer's timely performance of its obligations provided in the Agreement and the Pharmacy Schedule, in this Exhibit C and the Attachments, including providing PBM with the information or data required by PBM in the Attachments. PBM shall not be obligated to make payment under a Performance Guarantee if Employer or Employer's vendor's action or inaction adversely impacts PBM's ability to meet any of its obligations provided in the Attachments related to such Performance Guarantee, that expressly includes but is not limited to Employer or its vendor's failure to timely provide PBM with accurate and complete data or information in the form and format expressly required by PBM.
- D. Where the Amount at Risk for a Performance Guarantee is on a percentage of a Per Subscriber Per Month (PSPM) fee basis, the Guarantee will be calculated by multiplying the PSPM amount by the actual annual enrollment during the Measurement Period.
- E. PBM shall reconcile the Pricing Performance Guarantees described in Attachment 1 to Exhibit C on an annual basis, calculated in accordance with Section 4 of this Exhibit C. The reconciliation for each year of the Performance Period will be submitted to Employer within 120 days after the end of the Measurement Period and any resulting value shortfall shall be paid by PBM to Employer within 30 days following submission of the reconciliation report.
- F. PBM shall pass through rebate amounts guaranteed by PBM as described in Attachment 1 to Exhibit C on a quarterly basis in accordance with Section 3 of this Exhibit C to Employer within 90 days after the end of the quarter. PBM will pass through additional collections from prior quarters in subsequent quarterly disbursements. PBM shall reconcile the Performance Guarantees for each rebate Performance Guarantee described in Attachment 1 to Exhibit C on an annual basis, calculated in accordance with Section 3 of this Exhibit C. The reconciliation for each Measurement Period will be submitted to Employer within 10 months following the end of the Measurement Period and any resulting value shortfall shall be paid by PBM to Employer within 30 days following the reconciliation. Prescription Drug Rebates collected post annual reconciliation attributable to the reconciled Measurement Period shall be retained by PBM.

Section 3. Prescription Drug Rebate Performance Guarantees

- A. Any payment due to Employer under a rebate Performance Guarantee will be offset by favorable results achieved in any other rebate Performance Guarantee.
- B. This Performance Guarantee will be determined by comparing the total Prescription Drug Rebates Performance Guarantee to the Prescription Drug Rebates credited to the Employer pursuant to the Pharmacy Services Schedule and Section 3(B) of Exhibit A. If the total Prescription Drug Rebates Performance Guarantee exceeds the Prescription Drug Rebates credited to the Employer, PBM will credit Employer the difference.
- C. For purposes of these Performance Guarantees, the following Claims will not be included in the calculation:
 - Medicare Part D ;
 - 340B Claims;
 - Vaccines;
 - Prescriptions filled through the Employer's on-site pharmacy;

- Compound Drugs;
 - Member-submitted Claims;
 - Coordination of Benefits (COB)/ Secondary Claims;
 - New to Market Drugs;
 - Out-of-Network Claims;
 - Subrogated Claims;
 - Indian Health Claims;
 - Long Term Care Claims;
 - IV Infusion Drugs
 - Military VA Claims;
 - Formulary Exception Claims;
 - Specialty Drug Starter Fill;
- D. The Parties acknowledge and agree that Prescription Drug Rebate Guarantees may be revised in the event of product offering decisions by drug manufacturers that result in: (a) a reduction of Prescription Drug Rebates, including the introduction of a lower cost alternative product which may replace an existing rebatable Brand Drug; (b) an unexpected launch of a Brand Drug and/or Generic Drug; (c) unforeseen delays in expected Brand Drug and/or Generic Drug launches; or (d) a Brand Drug converted to over-the-counter (“OTC”) status, recalled or withdrawn from the market.
- E. Prescription Drug Rebate Guarantees do not apply to Paid Claims processed through institutional, hospital or staff model/hospital pharmacies where the pharmacy, most likely, has its own manufacturer contracts (rebate or purchase discounts), or through pharmacies that participate in the federal government pharmaceutical purchasing program.
- F. COVID test kits, COVID anti-viral medication and COVID vaccines are excluded from the Prescription Drug Rebate Guarantees under this Pharmacy Services Schedule.
- G. In the event of market changes that impact drug price or in the event that clinically comparable lower rebate Prescription Drugs impact the level of Prescription Drug Rebates expected, a Prescription Drug Rebate Credit toward the Prescription Drug Rebate Guarantee amount will be applied (“Prescription Drug Rebate Guarantee Credit”). This Prescription Drug Rebate Guarantee Credit will be calculated as the difference between the originator Brand Drug rebates and the new product rebates or the drug cost savings from a lower drug cost due to a pricing change from a pharmaceutical manufacturer, resulting in neutrality for Employer.

Section 4. Prescription Drug Pricing Performance Guarantees

- A. To determine any payment due to Employer under these Prescription Drug Pricing Performance Guarantees, each Performance Guarantee is calculated based on the Prescription Drugs that were paid during the Measurement Period for:
- Retail pharmacy
 - Mail Order
 - Retail 90
 - Specialty Drugs

(each such subset of Paid Claims for Prescription Drugs is referred to as a “Pricing Guarantee Category”).

Each guarantee within a Pricing Guarantee Category is then compared to the sum of appropriate portion of the Paid Claims for Prescription Drugs plus any Member cost shares associated with each Performance Guarantee within that Pricing Guarantee Category. Paid Claims for Prescription Drugs include Ingredient Costs plus Dispensing Fees. Therefore, Paid Claims for Prescription Drugs dispensed by a Retail Pharmacy are separated into Brand and Generic Ingredient Costs and Brand and Generic Dispensing Fees. These Ingredient Costs and Dispensing Fees are compared against each identified Performance Guarantee provided in this Pharmacy Services Schedule to determine if the Performance Guarantee is met.

- B. Any payment due to Employer under a pricing Performance Guarantee within a Pricing Guarantee Category will be offset by favorable results achieved in any other Performance Guarantee within that same Pricing Guarantee Category. Overall favorable results for a Pricing Guarantee Category will not be used to offset unfavorable results under overall Performance Guarantees in another Pricing Guarantee Category.
- C. The following conditions apply to this Performance Guarantee:
1. This Performance Guarantee applies to Claims submitted by Network Providers applicable to Employer's Plan.
 2. Drugs identified at the time the prescription is filled as Dispense As Written Claims with code 5 will be included in the Generic Discount and Generic Dispensing Fee Performance Guarantees.
 3. "Discount" and "Dispensing Fee" shall refer to and mean effective rate/aggregate pricing, not per Paid Claim discount rates or dispensing fee.
 4. COVID test kits, COVID anti-viral medication and COVID vaccines are excluded from the Prescription Drug Pricing Guarantees under this Pharmacy Services Schedule.
 5. Claims for Covered Prescription Services delivered by a Retail Pharmacy to a Member will be included in the Retail Pharmacy Network Pricing Guarantees and not within the Mail Order Pharmacy Pricing Guarantees.
- D. PBM reserves the right to make changes to any of the Prescription Drug Pricing Performance Guarantees provided in the Attachments to this Exhibit C upon the occurrence, in the PBM's determination, of the following:
- This Guarantee shall only apply to Pharmacy Benefit Plans for which the PBM's Specialty Pharmacy is the exclusive pharmacy that may fill Specialty Drugs for Members.
- E. The following Claims will be excluded from this Performance Guarantee:
- Medicare Part D Claims;
 - 340B Claims;
 - Vaccines
 - Prescriptions filled through the Employer's on-site pharmacy;
 - Compound Drugs;
 - Member-submitted Claims;
 - Coordination of Benefit (COB) Claims/Secondary Claims;
 - Out-of-Network Claims;
 - Indian Health Claims;
 - Long Term Care Claims;
 - IV Infusion Drugs;
 - Military VA Claims;
- F. In the event that there are court or government imposed or industry wide or pricing source initiated changes in the AWP reporting source or source changes in the methodology used for calculating AWP, including,

without limitation, changes in the mark-up factor used in calculating AWP (collectively, the "AWP Changes"), the terms of any financial relationship between the Parties that relate to AWP will be modified by PBM such that the value of AWP for the purpose of such relationship(s) will have the same economic equivalence in the aggregate to the value used by the Parties prior to the AWP Change. The intent of this provision is to preserve the relative economics of both Parties for such financial relationships based upon AWP to that which existed immediately prior to the AWP Change.

In the event that the AWP pricing benchmark used by PBM's PBM hereunder is replaced with another benchmark calculation, PBM may switch to such new pricing benchmark. If a change to Pricing Guarantees is deemed necessary PBM will provide written notice of new pricing terms at least 30 days before the effective date of the change.

**ATTACHMENT 1 TO EXHIBIT C
Performance Guarantees
TO ADMINISTRATIVE SERVICES AGREEMENT
WITH
City of Paducah**

Pharmacy Performance Guarantees

This Attachment is made part of Exhibit C and will be effective for the Performance Period from 1/1/2025 through 12/31/2025. This Attachment is intended to supplement and amend the Agreement between the Parties. The Measurement Period for these Performance Guarantees will be annual, unless otherwise specified herein. These Performance Guarantees are guaranteed upon offer and acceptance of renewal of the medical portion of the Agreement.

Pharmacy Performance Guarantee	Measurement and Reporting Period
<p>Prescription Drug Rebate Guarantees</p> <p>NATIONAL FORMULARY</p> <p><u>Minimum Drug Rebates:</u></p> <p>(a) The Drug Rebates Employer receives from PBM will not be less than the following amounts ("Total Drug Rebates Guarantee"):</p> <p>NON-SPECIALTY DRUGS</p> <p>BRAND NAME PRESCRIPTION DRUGS</p> <p>(1) An amount equal to the sum of \$315.00 (YR1) per Paid Claim for Non-Specialty Brand Name Prescription Drugs dispensed at Retail Pharmacies for a supply of less than 84 days; plus</p> <p>(2) An amount equal to the sum of \$810.00 (YR1) per Paid Claim for Non-Specialty Brand Name Prescription Drugs dispensed at Retail Pharmacies for a supply of 84 days or greater.</p> <p>(3) An amount equal to the sum of \$840.00 (YR1) per Paid Claim for Non-Specialty Brand Name Prescription Drugs dispensed at Mail Order Pharmacies.</p> <p>SPECIALTY DRUGS</p> <p>BRAND NAME PRESCRIPTION DRUGS</p> <p>(1) An amount equal to the sum of \$4,060.00 (YR1) per Paid Claim for Specialty Brand Name Prescription Drugs dispensed at Retail Pharmacies</p>	<p><u>Measurement Period</u></p> <p>Annual</p> <p><u>Reporting Period</u></p> <p>Annual</p>
<p>Prescription Drug Pricing Guarantees</p> <p><u>Prescription Drug Pricing:</u></p> <p>(a) The Prescription Drug Pricing Guarantees for Ingredient Cost Discount and Dispensing Fees will be the amounts listed under the following Pricing Guarantee Categories :</p> <p style="text-align: center;"><u>BASE RETAIL PHARMACY NETWORK</u></p>	<p><u>Measurement Period</u></p> <p>Annual</p> <p><u>Reporting Period</u></p> <p>Annual</p>

Pharmacy Performance Guarantee	Measurement and Reporting Period
<p><u>RETAIL PHARMACIES</u></p> <p>The guarantees for Retail Pharmacies will be the following amounts:</p> <ol style="list-style-type: none"> 1. Brand Discount: AWP minus 20.00% (YR1) 2. Brand Dispensing Fee: \$0.35 (YR1) 3. Generic Discount: AWP minus 86.80% (YR1) 4. Generic Dispensing Fee: \$0.25 (YR1) <p style="text-align: center;"><u>RETAIL 90 PHARMACY NETWORK PROVIDERS</u></p> <p>The guarantees for Retail Pharmacy RETAIL 90 Network Providers dispensing 84-90 day supplies will be the following amounts:</p> <ol style="list-style-type: none"> 1. Brand Discount: AWP minus 23.80% (YR1) 2. Brand Dispensing Fee: \$0.00 (YR1) <p style="text-align: center;"><u>MAIL ORDER OPTIONS</u></p> <p><u>MAIL ORDER PHARMACY</u></p> <p>The guarantees for mail order will be the following amounts:</p> <ol style="list-style-type: none"> 1. Brand Discount: AWP minus 25.30% (YR1) 2. Brand Dispensing Fee: \$0.00 (YR1) 3. Generic Discount: AWP minus 89.30% (YR1) 4. Generic Dispensing Fee: \$0.00 (YR1) <p style="text-align: center;"><u>SPECIALTY SERVICE PHARMACY OPTIONS</u></p> <p><u>SPECIALTY SERVICE PHARMACY</u></p> <p>The guarantees for Specialty Service Pharmacy will be the following amounts:</p> <ol style="list-style-type: none"> 1. Discount: AWP minus 23.00% (YR1) 2. Dispensing Fee: \$0.00 (YR1) 	

Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Approve purchase of P25 mobile and portable radios from Communications International.
\$273,121.04 - **B. LAIRD**

Category: Municipal Order

Staff Work By: William Hodges, Ariana
Kitty, Brian Laird
Presentation By: Brian Laird

Background Information: This radio purchase will provide new radio hardware for the Parks Department, Engineering Department, and Public Works. These radios are necessary for communication on the new radio system that is being installed. The pricing was previously negotiated and approved by the City and County under contract 2023-1 with Communications International.

Does this Agenda Action Item align with a Commission Priority? Yes

If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name: Other Contractual Service

Account Number: EQ0036-000-70000-70008

Staff Recommendation: Approve the purchase

Attachments:

1. MO - agree – Communications International – Parks, Engineering and Public Works
2. Paducah Add on Radios Rev E - 8-12-25 parks-engineering-etc PD purchase

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER AUTHORIZING THE PURCHASE OF RADIOS AND ACCESSORIES FROM COMMUNICATIONS INTERNATIONAL IN THE TOTAL AMOUNT OF \$273,121.04 TO BE USED BY THE PARKS, ENGINEERING AND PUBLIC WORKS DEPARTMENTS AND AUTHORIZES THE MAYOR TO EXECUTE ALL DOCUMENTS RELATING TO SAME

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The City Commission hereby authorizes the Mayor to execute all documents related to the purchase of radios and accessories from Communications International in the amount of \$273,121.04 for use by the Parks Department, Engineering Department and Public Works Department.

SECTION 2. This expenditure will be paid from the City-Wide Radio Purchase, Equipment Communication – Account Number EQ0036-000-70000-70008.

SECTION 3. This Order shall be in full force and effect from and after the date of its adoption.

George Bray, Mayor

ATTEST:

Claudia S. Meeks, Assistant City Clerk

Adopted by the Board of Commissioners, October 2, 2025
Recorded by Claudia S. Meeks, Assistant City Clerk, October 2, 2025
\\mo\agree – Communications International – Parks, Engineering and Public Works



**COMMUNICATIONS
INTERNATIONAL**
An Employee Owned Company

Quote

Date: 8/12/2025
Valid Until 12/31/2025
Quote #:

City of Paducah
Capt. William Hodges

P25 Mobile & Portable Radios under contract 2023-01

Presented by:

Wayne Farro, Regional Account Manager

Item	Unit Price	Qty	Extended Price	Discount %	Discounted Price
XL-45P Portables					
PORTABLE, XL-45P, 7/800 MHZ, PH1, GRAY	\$2,300.00	65	\$149,500.00	26%	\$110,630.00
SERVICE ASSIST, EXT WARRANTY 3YR, XL45P	\$200.00	65	\$13,000.00	100%	No Charge
OPERATION,LOAD NIFOG PERSONALITY	\$0.01	65	\$0.65	100%	No Charge
FEATURE,PROFILE OTAP OVER-THE-AIR PRGM	\$350.00	65	\$22,750.00	100%	No Charge
FEATURE,P25 PHASE 2 TDMA	\$275.00	65	\$17,875.00	100%	No Charge
FEATURE, ENCRYPTION LITE	\$0.01	65	\$0.65	100%	No Charge
FEATURE,SINGLE-KEY AES ENCRYPTION	\$0.01	65	\$0.65	100%	No Charge
FEATURE,SINGLE-KEY DES ENCRYPTION	\$0.01	65	\$0.65	100%	No Charge
GPS OPTION - XL-45	\$310.00	65	\$20,150.00	100%	No Charge
WI-FI OPTION - XL-45	\$395.00	65	\$25,675.00	100%	No Charge
BATTERY,LI-ION,3100MAH	\$155.00	65	\$10,075.00	26%	\$7,455.50
ANTENNA,WHIP,1/4 WAVE,762-870MHZ	\$45.00	65	\$2,925.00	26%	\$2,164.50
BELT CLIP,STANDARD,XL-45	\$20.00	65	\$1,300.00	26%	\$962.00
CHARGER,1-BAY,TRI-CHEMISTRY	\$170.00	65	\$11,050.00	26%	\$8,177.00
Portable Profile Development & Programming	\$46.93	65	\$3,050.45	0%	\$2,257.33
					\$131,646.33
Options/Accessories					

SPEAKER MIC, STRAIGHT CORD	\$175.00	1	\$175.00	26%	\$129.50
SPEAKER MIC, COILED CORD	\$160.00	1	\$160.00	26%	\$118.40
6-BAY CHARGER, TRI-CHEMISTRY	\$920.00	1	\$920.00	26%	\$680.80
XL-85M Mobile Radio - Front Mount					
<i>Item</i>	<i>Unit Price</i>	<i>Qty</i>	<i>Extended Price</i>	<i>Discount %</i>	<i>Discounted Price</i>
MOBILE, XL-85M, 700/800 MHZ	\$ 2,500.00	35	\$87,500.00	26%	\$64,750.00
SERVICE ASSIST, EXT WARRANTY 3YR, XL85M	\$ 275.00	35	\$9,625.00	100%	No Charge
FEATURE P25 OTAP PROFILE	\$ 395.00	35	\$13,825.00	100%	No Charge
FEATURE, SINGLE-KEY DES ENCRYPTION	\$ 0.01	35	\$0.35	26%	\$0.26
FEATURE, SINGLE-KEY AES ENCRYPTION	\$ 0.01	35	\$0.35	26%	\$0.26
FEATURE, PHASE 2 TDMA	\$ 275.00	35	\$9,625.00	100%	No Charge
FEATURE, SINGLE BAND, 7/800	\$ 0.01	35	\$0.35	26%	\$0.26
FEATURE PACKAGE, P25 TRUNKING	\$ 1,200.00	35	\$42,000.00	26%	\$31,080.00
MICROPHONE, XL, STANDARD MOBILE	\$ 105.00	35	\$3,675.00	100%	No Charge
ANTENNA, ELEMENT, 700/800 3DB	\$ 100.00	35	\$3,500.00	26%	\$2,590.00
ANTENNA, BASE, STD ROOF MOUNT LOW LOSS	\$ 80.00	35	\$2,800.00	26%	\$2,072.00
SPEAKER, EXTERNAL, MOBILE	\$ 60.00	35	\$2,100.00	26%	\$1,554.00
KIT, MOUNTING XL-85 MOBILE UNIVERSAL	\$ 250.00	35	\$8,750.00	26%	\$6,475.00
CABLE, POWER, XL-CH	\$ 87.00	35	\$3,045.00	26%	\$2,253.30
Profile Development & Programming	\$ 57.93	35	\$2,027.55	0%	\$2,027.55
Front Mount Radio Installation	\$651.14	35	\$22,789.90	0%	\$22,789.90
Removal of Existing Radio	\$141.09	0	\$0.00	0%	\$0.00
					\$135,592.53

Options/Accessories					
GPS Kit	\$600.00	\$1.00	\$600.00	26%	\$444.00
XL-85M Control Station					
<i>Item</i>	<i>Unit Price</i>	<i>Qty</i>	<i>Extended Price</i>	<i>Discount %</i>	<i>Discounted Price</i>
MOBILE, XL-85M, 700/800 MHZ	\$ 2,500.00	1	\$2,500.00	26%	\$1,850.00
SERVICE ASSIST, EXT WARRANTY 3YR, XL85M	\$ 275.00	1	\$275.00	100%	No Charge
FEATURE P25 OTAP PROFILE	\$ 395.00	1	\$395.00	100%	No Charge
FEATURE, SINGLE-KEY DES ENCRYPTION	\$ 0.01	1	\$0.01	26%	No Charge
FEATURE, SINGLE-KEY AES ENCRYPTION	\$ 0.01	1	\$0.01	26%	No Charge
FEATURE, PHASE 2 TDMA	\$ 275.00	1	\$275.00	26%	No Charge
FEATURE, SINGLE BAND, 7/800	\$ 0.01	1	\$0.01	26%	No Charge
FEATURE PACKAGE, P25 TRUNKING	\$ 1,200.00	1	\$1,200.00	26%	\$888.00
SPEAKER, EXTERNAL, MOBILE	\$60.00	1	\$60.00	26%	\$44.40
MICROPHONE, XL-MOBILE, DESKTOP	\$245.00	1	\$245.00	26%	\$181.30
KIT, MOUNTING XL-85 MOBILE UNIVERSAL	\$250.00	0	\$0.00	26%	\$0.00
Control Station Power Supply & Antenna Package	\$1,944.83	1	\$1,944.83	26%	\$1,439.17
Profile Development & Programming	\$66.93	1	\$66.93	0%	\$66.93
Control Station Installation	\$1,412.38	1	\$1,412.38	0%	\$1,412.38
Removal of Existing Radio	\$141.09	0	\$0.00	0%	\$0.00

						\$0.00
						\$5,882.18
TOTAL EQUIPMENT & SERVICES						\$273,121.04
Removal of Existing Radio	\$141.09	1	\$141.09	0%		\$141.09

Radios for:
 Engineering
 Parks
 Public Works

Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Employment agreement to re-hire retired police officer Travis Counts - **B. LAIRD**

Category: Municipal Order

Staff Work By: Brian
Laird, Jordan Murphy
Presentation By: Brian
Laird

Background Information: Travis Counts worked as a police officer for the Paducah Police Department from 2001-2025. He retired in good standing and is eligible for rehire. Kentucky Revised Statutes allow for the re-hire of retired police officers and the Kentucky Retirement System requires an annual contract for retired police officers to return to work. Upon re-hire under a contract, the City is not required to pay into the pension system for the employee and does not pay for health insurance.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name:
Account Number:

Staff Recommendation: Approve agreement

Attachments:

1. MO - agree-employment – Travis Counts – PD
2. Travis Counts Employee Agreement 2025

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER APPROVING AN EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PADUCAH AND POLICE OFFICER TRAVIS COUNTS, AND AUTHORIZING THE MAYOR TO EXECUTE SAME

BE IT ORDERED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. Authorization. The Board of Commissioners of the City of Paducah hereby approves and the Mayor of the City of Paducah, Kentucky, is hereby authorized to execute an Employment Agreement with Police Officer Travis Counts to be employed in the Paducah Police Department.

SECTION 2. Effective Date. This Order shall be in full force and effect on and after the date as approved by the Board of Commissioners of the City of Paducah, Kentucky.

George Bray, Mayor

ATTEST:

Claudia Meeks, Assistant City Clerk

Adopted by the Board of Commissioners, October 2, 2025
Recorded by Claudia Meeks, Assistant City Clerk, October 2, 2025
\mo\agree-employment – Travis Counts – PD

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT made and entered into on this the ___ day of October, 2025, by and between the CITY OF PADUCAH, KENTUCKY, a municipal corporation, hereinafter referred to as EMPLOYER, and Travis Counts, a retired police officer, hereinafter referred to as EMPLOYEE.

WITNESSETH:

WHEREAS, EMPLOYER, in its capacity as a municipal corporation maintains a municipal police department; and

WHEREAS, in order to attract highly qualified persons to the field of law enforcement and to retain qualified and experienced officers for the purpose of providing maximum protection and safety to the citizens of and visitors to the City of Paducah and its environs, EMPLOYER intends to utilize the provisions of KRS 95.022 for purposes of hiring police officers who have retired from the Kentucky Employees Retirement System, the County Employees Retirement System, or the State Police Retirement System; and

WHEREAS, EMPLOYER has determined that a need exists for the employment of a retired police officer in the City of Paducah;

WHEREAS, EMPLOYEE is a retired "police officer", as that term is defined in KRS 95.022.

WHEREAS, EMPLOYEE has retired from the County Employees Retirement System, and wishes to enter into a one (1) year contract with EMPLOYER pursuant to KRS 95.022; and

WHEREAS, EMPLOYEE confirms that he/she has at least twenty (20) years of service credit, has been separated from service for the period required by KRS 61.637, i.e., for 2 (two)

months (length of time), retired with no administrative charges pending, and participated in the Law Enforcement Foundation Program fund under KRS 15.410 to 15.510 or retired as a commissioned officer pursuant to KRS Chapter 16.

NOW THEREFORE IN CONSIDERATION OF the aforesaid premises and the hereinafter stated terms and conditions, the Parties hereby agree as follows:

1. EMPLOYER hereby agrees to employ EMPLOYEE to serve for a one (1) year employment term, which term shall begin on October 16, 2025, and end on October 15, 2026.

2. EMPLOYER shall pay the EMPLOYEE a salary of \$ 32.76 per hour during the term of this Agreement.

3. The Parties herein confirm that there is/was no preexisting agreement between the Parties for EMPLOYEE to return to work for EMPLOYER prior to EMPLOYEE'S retirement.

4. EMPLOYEE will be employed in the position of Police Officer. The job description for that position is attached hereto and incorporated herein by reference.

5. EMPLOYEE understands that he is not eligible to receive health insurance coverage from EMPLOYER during his employment and EMPLOYER will not pay any employer contributions or retiree health expense reimbursements to the Kentucky Retirement Systems during his employment.

6. EMPLOYEE will be subject to all policies and procedures of the City of Paducah and the Paducah Police Department, with the exception of all policies relating to leave time.

7. With respect to leave, EMPLOYEE is entitled to 20 days (160 hours) of vacation leave and 10 days (80 hours) of sick leave during the Term of this Agreement. EMPLOYEE cannot carry over, nor is he entitled to receive a pay-out, for unused leave time at the end of the Term of this Agreement.

8. EMPLOYEE is entitled to all paid holidays recognized by the City of Paducah. If EMPLOYEE is scheduled to work a recognized holiday, he will be paid at a rate of double his regular hourly rate up to eight (8) hours.

9. EMPLOYEE shall be subject to the provisions of KRS 15.520 and KRS 95.450 during his employment. However, a decision to not renew this Agreement shall not be considered a disciplinary action or deprivation subject to due process.

10. EMPLOYEE understands and agrees that he will not be a member of the Fraternal Order of Police Bargaining Unit while employed pursuant to the provisions of this Agreement. Pursuant to written Agreement, retained on file at the Paducah Police Department, the FOP Bargaining Unit has specifically agreed that any employee hired pursuant to the provisions of KRS 95.022 will not be a member therein.

11. EMPLOYER and EMPLOYEE agree to file a copy of this Agreement, along with the attached job description with EMPLOYEE'S retirement system.

12. EMPLOYEE certifies that he/she has read the foregoing Employment Agreement and has had an opportunity to confer with counsel of his/her own choosing and after such consultation agrees to the terms hereof.

IN TESTIMONY WHEREOF witness the signatures of the parties this the date and year first above written.

CITY OF PADUCAH, KENTUCKY.

CITY REPRESENTATIVE

DATE: _____



EMPLOYEE

DATE: 9/9/25

Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Approve contract with Motorola to re-program existing radios for the Police Department.
\$237,420.22 - **B. LAIRD**

Category: Municipal Order

Staff Work By: Ariana Kitty, William
Hodges, Brian Laird
Presentation By: Brian Laird

Background Information: This flash programming will update existing Police APX4000 and APX4500 radios to operate on the new P25 radio system. This programming is necessary for existing Motorola radios to operate on the L3Harris radio system while eliminating the need to purchase brand-new portable and mobile radios for the police department.

Does this Agenda Action Item align with a Commission Priority? Yes

If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name: Other Contractual Service

Account Number: EQ0036-000-70000-70008

Staff Recommendation: Approve the contract

Attachments:

1. MO - agree –Motorola - PD
2. PaducahPD_QUOTE-3311355-1PhaseIIAPX4000
3. PaducahPD_QUOTE-3311435-1PhaseIIAPX4500Mobile

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER AUTHORIZING A CONTRACT WITH MOTOROLA IN THE AMOUNT OF \$237,420.22 TO RE-PROGRAM EXISTING RADIOS FOR THE POLICE DEPARTMENT, AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATING TO SAME

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The City Commission hereby authorizes the Mayor to execute a contract with Motorola in the amount of \$237,420.22 to re-program existing radios for the Police Department.

SECTION 2. This expenditure will be paid from “Other Contractual Services” Account Number EQ0036-000-70000-70008.

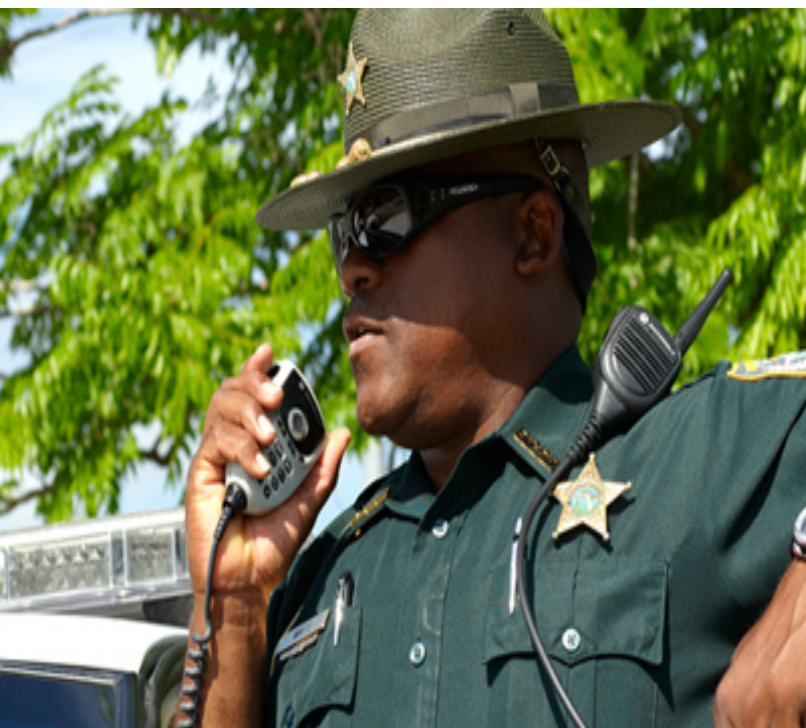
SECTION 3. This Order shall be in full force and effect from and after the date of its adoption.

George Bray, Mayor

ATTEST:

Claudia S. Meeks, Assistant City Clerk

Adopted by the Board of Commissioners, October 2, 2025
Recorded by Claudia S. Meeks, Assistant City Clerk, October 2, 2025
\mo\agree – Motorola - PD



PADUCAH POLICE DEPT, CITY OF

Phase II APX4000 Portables

09/23/2025

Billing Address:
 PADUCAH POLICE DEPT, CITY
 OF
 1400 BDWY
 PADUCAH, KY 42001
 US

Quote Date:09/23/2025
 Expiration Date:11/22/2025
 Quote Created By:
 Belden Parry
 beldenparry@callmc.com

End Customer:
 PADUCAH POLICE DEPT, CITY OF
 William Hodges
 whodges@paducahky.gov
 Contract: KY Master Agreement

Line #	Item Number	Description	Qty	List Price	Sale Price	Ext. Sale Price
	FLASHport Series	APX4000FLASHPORT				
1	T7907A	SOFTWARE LICENSE 9600 OR 3600 SINGLE SYSTEM DIGITAL TRUNKING	84	\$1,055.00	\$770.15	\$64,692.60
1a	H869CC	SOFTWARE LICENSE ENH: MULTIKEY	84			
1b	QA00580AE	SOFTWARE LICENSE ENH: TDMA OPERATION	84			
	After Market Encryption Upgrades					
2	T7936A	SOFTWARE LICENSE APX UCM UPGRADE CD*	1	\$62,641.53	\$45,728.32	\$45,728.32
2a	CA00182AR	ADD: AES ENCRYPTION SOFTWARE	84			
	Product Services					
3	LSV00Q00202A	DEVICE PROGRAMMING	84	\$107.14	\$107.14	\$8,999.76

Grand Total

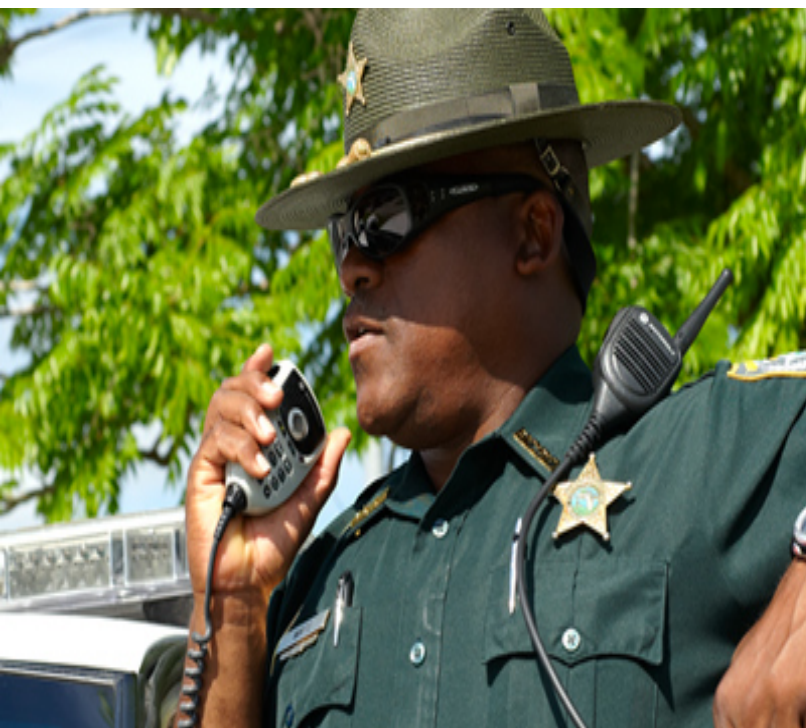
\$119,420.68(USD)

Notes:

- Additional information is required for one or more items on the quote for an order.
- Unless otherwise noted, this quote excludes sales tax or other applicable taxes (such as Goods and Services Tax, sales tax, Value Added Tax and other taxes of a similar nature). Any tax the customer is subject to will be added to invoices.



Any sales transaction following Motorola's quote is based on and subject to the terms and conditions of the valid and executed written contract between Customer and Motorola (the "Underlying Agreement") that authorizes Customer to purchase equipment and/or services or license software (collectively "Products"). If no Underlying Agreement exists between Motorola and Customer, then Motorola's Standard Terms of Use and Motorola's Standard Terms and Conditions of Sales and Supply shall govern the purchase of the Products.
 Motorola Solutions, Inc.: 500 West Monroe, United States - 60661 ~ #: 36-1115800



PADUCAH POLICE DEPT, CITY OF

Phase II Update APX4500 Mobile

09/23/2025

Billing Address:
 PADUCAH POLICE DEPT, CITY
 OF
 1400 BDWY
 PADUCAH, KY 42001
 US

Quote Date:09/23/2025
 Expiration Date:11/22/2025
 Quote Created By:
 Belden Parry
 beldenparry@callmc.com
 End Customer:
 PADUCAH POLICE DEPT, CITY OF
 William Hodges
 Contract: KY Master Agreement

Line #	Item Number	Description	Qty	List Price	Sale Price	Ext. Sale Price
	FLASHport Series	APX4500FLASHPORT				
1	T8012A	SOFTWARE LICENSE 9600 OR 3600 SINGLE SYSTEM DIGITAL TRUNKING	83	\$0.00	\$0.00	\$0.00
1a	GA00580AC	SOFTWARE LICENSE ENH: UPGRADE TO TDMA	83	\$609.00	\$444.57	\$36,899.31
1b	W969BL	SOFTWARE LICENSE ENH: MULTIKEY OPERATION	83	\$446.00	\$325.58	\$27,023.14
	After Market Encryption Upgrades					
2	T7936A	SOFTWARE LICENSE APX UCM UPGRADE CD*	1	\$61.53	\$44.92	\$44.92
2a	CA00182AR	ADD: AES ENCRYPTION SOFTWARE	83	\$745.00	\$543.85	\$45,139.55
	Product Services					
3	LSV00Q00202A	DEVICE PROGRAMMING	83	\$107.14	\$107.14	\$8,892.62
Grand Total				\$117,999.54(USD)		

Notes:

- Additional information is required for one or more items on the quote for an order.
- Unless otherwise noted, this quote excludes sales tax or other applicable taxes (such as Goods and Services Tax, sales tax, Value Added Tax and other taxes of a similar nature). Any tax the customer is subject to will be added to invoices.



Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Purchase One (1) SUV for use by the Fire Department - **C. YARBER**

Category: Municipal Order

Staff Work By: Jim Scutt,
Debbie Collins
Presentation By: Chris Yarber

Background Information: On August 28, 2025 sealed written bids were opened for the purchase of One (1) SUV to be used by the Fire Department. One bid was received. Linwood Motors was the responsive and responsible bidder in accordance with the specifications at a price of \$43,902.00.

Does this Agenda Action Item align with a Commission Priority? No
If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name: Fleet Lease Trust Fund

Account Number: 71000210 540050

Staff Recommendation: To receive and file the bid and adopt a Municipal Order authorizing the Mayor to execute an agreement with Linwood Motors for the Purchase of One (1) SUV for use by the Fire Department in accordance with the specifications in the amount of \$43,902.00.

Attachments:

1. MO - Linwood Motors - Fire SUV
2. 00020 - Invitation to Bid
3. Bid Tab -One (1) SUV - Fire Dept
4. Spec Pick Up List
5. LINWOOD BID
6. 0050 - Agreement_proposed_signed

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER ACCEPTING THE BID OF LINWOOD MOTORS FOR SALE TO THE CITY OF PADUCAH ONE (1) SUV FOR USE BY THE PADUCAH FIRE DEPARTMENT IN THE AMOUNT OF \$43,902, AND AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR SAME

BE IT ORDERED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The City of Paducah accepts the bid of Linwood Motors for one (1) SUV in the amount of \$43,902 for use by the Paducah Fire Department, said bid being in substantial compliance with bid specifications, and as contained in the bid of Linwood Motors of August 28, 2025.

SECTION 2. The Mayor is hereby authorized to execute a contract with Linwood Motors for the purchase of one (1) SUV in the amount of \$43,902, for use by the Paducah Fire Department, authorized in Section 1 above, according to the specifications, bid proposal and all contract documents heretofore approved and incorporated in the bid. In addition, Linwood Motors.

SECTION 3. This purchase shall be charged to Fleet Lease Trust Fund Account No. 71000210-540050.

SECTION 4. This Order shall be in full force and effect from and after the date of its adoption.

George Bray, Mayor

ATTEST:

Claudia Meeks, Assistant City Clerk

Adopted by the Board of Commissioners, October 2, 2025
Recorded by Claudia Meeks, Assistant City Clerk, October 2, 2025
MO\Linwood Motors - Fire SUV

INVITATION TO BID

RECEIPT OF PROPOSALS:

The City of Paducah, Public Works Department will receive sealed bids for the purchase of **ONE (1) SUV** for use by the **PADUCAH FIRE DEPARTMENT** on **Thursday, August 28, 2025 at 1:00 P.M. CST**. All Bids received will be publicly opened and read aloud in the Commission Chambers, Second Floor, City Hall, 300 South 5th Street, Paducah, Kentucky.

OBTAINING CONTRACT DOCUMENTS:

Copies of specifications may be obtained at the office of the Public Works Fleet Department located at 1120 North 10th Street.

BID EVALUATION - AWARD OF CONTRACT

After reasonable consideration of all bids received, a Notice of Award will be given to the **responsible bidder** who submits the **responsive bid of the lowest evaluated bid price in accordance with the specifications**.

PREFERENCE TO KENTUCKY BIDDERS

In accordance with KRS 45A.365, prior to a contract being awarded, a resident bidder of the Commonwealth shall be given a preference against a non-resident bidder registered in any state that gives or requires a preference to bidders from that state. The preference shall be equal to the preference given or required by the state of the non-resident bidder.

EQUAL EMPLOYMENT OPPORTUNITY

The Contractor shall ensure that employees and applicants for employment are not discriminated against because of their race, religion, color, sex, national origin, age or disability.

DRUG FREE WORKPLACE

The City of Paducah has adopted a Drug and Alcohol Free Workplace Policy in compliance with 803 KAR 25.280, in which drug and alcohol use and abuse in the workplace is prohibited. All contractors and subcontractors doing business for the City of Paducah shall adhere to this policy.

OWNER'S RIGHTS RESERVED:

The City reserves the right to reject any and all bids in accordance with the City of Paducah's Code of Ordinances and the Specifications.

CITY OF PADUCAH, KENTUCKY

PUBLIC WORKS DEPARTMENT

One (1) SUV - Fire Dept

LOWEST EVALUATED BID

BID OPENING: 1:00 p.m. CST on Thursday, August 28, 2025

OFFICIAL BIDDER OF RECORD Contact: Mailing Address:	Linwood Motors Jake Brenningmeyer 3345 Park Ave Paducah, KY 42001
One (1) SUV	\$43,902.00

Delivery Time	3-6 Months
Manufacturer:	Dodge

DOCUMENTS REQUIRED FOR COMPLIANCE SUBMITTED:

1. Bidder's Required Certification	Yes
2. Manufacturer Specifications	Yes
3. Warranty Information	Yes
4. Compliance with Tech Specs form	Yes
5. Deviations with Information	None
6. Addendum Signed and Included	N/A
Kentucky State Bidder	Yes

Responsive & Responsible Bidder:	Yes
Evaluation Score:	1000.00
BID RECOMMENDED FOR ACCEPTANCE	Yes

PUBLIC WORKS DEPARTMENT

ONE (1) SUV - Fire Department

BID OPENING: Thursday, August 28, 2025, 1:00 p.m., CST

No.	Official Bidder - Company/Business Name	Name of Person Picking up Specs/Plans	Mailing Address	Business Phone Number	Fax Number	E-Mail Address
1	Prime Vendor	Kim Jinas	4622 Cedar Ave Wilmington, NC 28403	910-744-2890		primervendor124@gmail.com via email 8/13/25 @ 7:09 am <i>JK</i>
2	Linwood	Jake Brenningmeyer	3476 Park Ave Paducah, KY 42001	270-444-6901		jake.brenningmeyer@gmail.com via email 8/15/25 @ 9:51 am <i>JK</i>
3	Brush & Upfitting	Jordan Perry	102 E Hwy 2792 Pine Knot, Ky 42635	606-516-0799		jr.perry433@gmail.com via email 8/20/25 @ 7:08 am <i>JK</i>
4						
5						
6						
7						
8						
9						
10						

CITY OF PADUCAH

PUBLIC WORKS DEPARTMENT REQUEST FOR BIDS



SPECIFICATIONS FOR THE PURCHASE OF

ONE (1) SUV

**FOR USE BY THE
PADUCAH FIRE DEPARTMENT**

August 2025

TABLE OF CONTENTS

ONE (1) SUV
for use by the
PADUCAH FIRE DEPARTMENT

CONTRACT DOCUMENTS

<u>SECT</u>	<u>DESCRIPTION</u>	<u>PAGES</u>
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00100	Information for Bidders	4
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TECHNICAL SPECIFICATIONS

<u>SECT</u>	<u>DESCRIPTION</u>	<u>PAGES</u>
02100	Technical Specifications	1
02200	Compliance with Technical Specifications Form.....	2

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Copies of specifications may be obtained at the office of the Public Works Fleet Department located at 1120 North 10th Street.

BID EVALUATION - AWARD OF CONTRACT

After reasonable consideration of all bids received, a Notice of Award will be given to the **responsible bidder** who submits the **responsive bid of the lowest evaluated bid price in accordance with the specifications.**

PREFERENCE TO KENTUCKY BIDDERS

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EQUAL EMPLOYMENT OPPORTUNITY

The Contractor shall ensure that employees and applicants for employment are not discriminated against because of their race, religion, color, sex, national origin, age or disability.

DRUG FREE WORKPLACE

The City of Paducah has adopted a Drug and Alcohol Free Workplace Policy in compliance with 803 KAR 25.280, in which drug and alcohol use and abuse in the workplace is prohibited. All contractors and subcontractors doing business for the City of Paducah shall adhere to this policy.

OWNER'S RIGHTS RESERVED:

The City reserves the right to reject any and all bids in accordance with the City of Paducah's Code of Ordinances and the Specifications.

INFORMATION FOR BIDDERS

BIDS

All sealed bids and purchasing procedures shall be in accordance with the City of Paducah's Code of Ordinances Chapter 2 Procurement, KRS 45A.345 – 45A.460, and the specifications contained herein.

All bids shall be submitted on forms supplied by the City of Paducah. Wording of the Bid Form or Bid Proposal shall not be altered, changed and/or modified. Bids submitted showing any alterations, changes, and/or modifications to the Bid Proposal shall be rejected. Unauthorized conditions, limitations, or provision attached to the proposal shall be cause for rejection of the proposal. Alterations by erasure or interlineations must be explained or noted in the bid over the signature of the bidder.

Bid Documents shall be enclosed in an envelope clearly labeled with the words "**Bid Documents, Name of Project, Name of Bidder, and Date and Time of Bid Opening,**" in order to guard against premature opening of the bid.

Each bid shall be addressed to the Public Works Director, City of Paducah Public Works Department, City Hall, 300 South 5th Street, P.O. Box 2267, Paducah, Kentucky, 42002-2267, on or before the day and hour set for opening of bids. It is the sole responsibility of the bidder to see that the bid is received on time and is properly labeled. The Owner will not be responsible for premature opening of a bid not properly addressed and identified.

No electronic bid, faxed bid, telegraphic bid or telegraphic modifications of bid will be considered. No bids received after the time fixed for receiving bids will be considered. **Bids received late will be disqualified and returned to the sender unopened.**

BIDDER OF RECORD

Bidders shall be listed as a plan holder on the Owner's Official Plan Holder's list located in the Public Works Fleet Administration office in order to be an "Official Bidder of Record." Bids received from Bidders who are not listed on the Owner's Official Plan Holder's list will be rejected.

INTERPRETATIONS

Any Bidder having questions regarding any portion of the specifications, or may be in doubt as to the true meaning of any part of the specifications, or finds discrepancies in or omissions from any part of the specifications, can submit a **WRITTEN** request via **EMAIL** for interpretation no later than **12:00 noon CST on Thursday, August 21, 2025** to the Attention of:

Jim Scutt, Superintendent
Public Works Fleet Department
VIA EMAIL: jscutt@paducahky.gov

Following receipt of all comments on the aforementioned day, interpretations and/or corrections will be made by Addendum. The Addendums will be e-mailed or faxed to each bidder of record, with the Bidder being required to acknowledge receipt.

BIDDER'S QUALIFICATIONS

The City of Paducah (hereinafter referred to as Owner) shall have the right to take such steps necessary to determine the ability of the bidder to perform the obligations under the Contract. A Bidder may be required to furnish evidence of experience in the types of work to the Owner in order to assure completion of the Contract in a satisfactory manner.

The Owner reserves the right to inspect the plant facilities and place of business of any Bidder participating in this bid. The right is reserved to reject any bid where an investigation of the available evidence or information does not satisfy the Owner that the bidder is qualified to properly carry out the terms of the Contract.

CERTIFICATIONS

The Certifications required by the laws of the Commonwealth of Kentucky as contained within Section 00320 of these Specifications shall be signed, notarized and submitted with the Bid Proposal. **Failure of the Bidder to comply with these provisions will make the Bid Non-Responsive and shall result in disqualification of the submitted Bid Proposal.**

CONFLICTS, GRATUITIES, AND KICKBACKS

The Owner adheres to the provision of KRS 45A.455 relative to conflicts of interests, gratuities, kickbacks, and use of confidential information in all bid offerings. During the bid process, Bidders shall not contact any employee of the Owner in reference to this Bid, with the exception of the Owner's designee(s). Failure to abide by this provision may serve as grounds for disqualification for award of this contract to the firm.

COMPLIANCE WITH SPECIFICATIONS

The Bidder shall accurately and fully complete the "Compliance with Technical Specifications" forms and submit with the Bid Proposal. Bidder shall indicate compliance with each Technical Item by marking "YES" or "NO" with a check mark to indicate if the item being bid is exactly as specified. If the item is not being bid as exactly specified, the "NO" column must be checked and a detailed description of the deviation shall be listed on a separate attached sheet.

Failure to accurately complete and submit the "Compliance with Technical Specifications" form, along with any and all deviations, shall be grounds for rejection of the bid. If no exceptions or deviations are shown, the bidder shall be required to furnish the material exactly as specified. The burden of proof for compliance with this specification shall be the responsibility of the bidder.

EXCEPTIONS AND/OR VARIATIONS

Bidder shall list all information on a separate page regarding any and all exceptions and/or variations that are noted as a "NO" on the Technical Specifications.

DELIVERY

The Bidder shall indicate the projected delivery time in the Bid Proposal. **Delivery price shall be included in the Bid Price,** and shall include all transportation, fees, taxes, labor, materials, equipment, tools and services necessary for complete manufacture and delivery. Additionally, the vehicle delivered shall be equipped with a full supply of fuel, oil and lubricants upon delivery. At the time of delivery, all equipment must meet or exceed federal, state and local safety, health, lighting and emission standards.

MANUFACTURE SPECIFICATIONS AND WARRANTIES

A set of manufacturer specifications and warranty information shall be included with the Bid Proposal. The manufacturer's specifications shall include a detailed description of the vehicle proposed and the conformance to the Owner's specifications. The manufacturer's specifications shall include information regarding size, type model and make of all component parts and equipment.

SERVICE CAPABILITIES

The Bidder shall maintain a full service maintenance facility and fully stocked parts facility capable of full hydraulic, electrical and body repair. Factory-trained, qualified service personnel shall man the full service facility. **Bidder shall state location and provide documentation of service facility within the Bid Proposal.**

Widespread failure by the manufacturer's authorized dealers to render warranty service when required shall subject the manufacturer's line to suspension from the approved products list until satisfactory evidence of correction is provided.

EXAMINATION OF SPECIFICATIONS

Before submitting a bid, each bidder shall carefully examine the specifications and be fully aware of the item proposed for receipt of bids. Each bidder shall be fully informed prior to bidding as to all existing conditions and limitations, and shall include all costs necessary to furnish and deliver and completely set-up the items as set forth in the specifications. No allowance will be made to any bidder due

to lack of such examination or knowledge. The submission of a bid will be construed as conclusive evidence that the bidder has made such examination.

OPENING OF BIDS

At the time and place fixed for the opening of bids, the Owner will publicly open and read aloud every bid received within the time set for receiving bids, irrespective of any irregularities therein. Bidders and other persons properly interested may be present in person or by representative. The time of bid opening shall be in accordance with the time stated in the Advertisement and Invitation to Bid. **The official time set for the opening of the Bids shall be established by the City of Paducah's synchronized computer time as shown digitally on the City Clerk's computer.**

WITHDRAWAL OF BIDS

Any Bidder may withdraw his submitted bid by written request 24 hours or more prior to the scheduled time for opening bids. No bidder may withdraw his bid for a period of 60 days after the date set for opening thereof, and all bids shall be subject to acceptance by the Owner during this period. However, under justifiable circumstances, the Owner may release a bid if the Bidder can demonstrate from worksheets or other documents that an obvious error was made while preparing the bid.

BID EVALUATION - AWARD OF CONTRACT

After reasonable consideration of all bids received, a Notice of Award will be given to the **responsible bidder who submits the responsive bid of the lowest evaluated bid price in accordance with the specifications.**

The **responsible bidder** shall have the capability in all respects to perform fully the contracts requirements, and the moral integrity and reliability of which to assure good faith performance. The **responsive bidder** shall submit a bid that conforms in all material respects to the specifications without any deviations of the invitation for bids.

The **Evaluation Criteria** that will be utilized by the Owner to evaluate the bids received pursuant to objective measurable criteria, along with any formulas pertaining to how the contract shall be awarded has been listed on the "**Evaluation Form – Section 00330**" included with these specifications.

PREFERENCE TO LOCAL MATERIALS AND LABOR

Preference will be given to local resident bidders for the purchase of local materials and to the employment of local labor if price and other factors within the bids received are equal.

PREFERENCE TO KENTUCKY BIDDERS

In accordance with KRS 45A.365, prior to a contract being awarded, a resident bidder of the Commonwealth shall be given a preference against a non-resident bidder registered in any state that gives or requires a preference to bidders from that state. The preference shall be equal to the preference given or required by the state of the non-resident bidder. **The bidder shall indicate the state of residence on the Bid Proposal. The non-resident bidder shall indicate also if any preference is given by the Bidder's state.** The determination of state residency of the non-resident Bidder, according to Kentucky Administrative Regulations:

- The state of residency shall be the principal office as identified in the Bidder's Certificate of Authority to transact business in Kentucky as filed with the Commonwealth of Kentucky, Secretary of State
- If the Bidder is not required to obtain a Certificate of Authority (by the Secretary of State) to transact business in Kentucky, the state of Residency shall be the mailing address provided in the Bid Proposal.

EXECUTION OF AGREEMENT

Subsequent to Notice of Award, and **within ten (10) days** after the prescribed forms are presented for signature, the successful bidder shall:

1. A Contract Agreement in the form included in the specifications, in such number of copies as the Owner may require.
2. A Certificate of Insurance showing that the required insurance as set forth in the specifications is in force and shall contain appropriate wording to the effect that the policies described cover the Contractor's operations under this contract.

LICENSE REQUIREMENT

All firms doing business in the City of Paducah are required to be licensed in accordance with the City of Paducah Code of Ordinances. The successful Bidder shall be required to obtain a City of Paducah Business License at the time of Notice of Award. Information regarding business license can be obtained at the City's website: www.paducahky.gov.

PERMITS, CERTIFICATES, LAWS, ORDINANCES AND CODES

The Vendor shall, at his own expense, procure all permits, certificates and licenses required by the law for the execution of this project. The Vendor shall comply with all federal, state and local laws, ordinances or rules and regulations relating to the performance of the work. Information regarding State License requirements can be obtained at: <http://revenue.ky.gov/business>

EQUAL EMPLOYMENT OPPORTUNITY

The Vendor must ensure that employees and applicants for employment are not discriminated against because of their race, color, religion, age, sex or national origin.

DRUG FREE WORKPLACE

The City of Paducah has adopted a Drug and Alcohol Free Workplace Policy in compliance with 803 KAR 25.280, in which drug and alcohol use and abuse in the workplace is prohibited. All Vendors and employees of the Vendor doing business for the City of Paducah shall adhere to this policy.

HEALTH AND SAFETY STANDARDS IN CONSTRUCTION CONTRACTS

It is a condition of this Contract, and shall be made a condition of each subcontract entered into pursuant to this Contract, that the Contractor and any subcontractor shall not require any laborer or mechanic employed in performance of the contract work in surroundings or under working conditions which are unsatisfactory, hazardous, or dangerous to his health or safety, as determined under Construction Safety and Health Standards Title 29, CFR Part 1518, 36FR 7340, promulgated by the U.S. Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act, 82 Stat. 96. Additionally, the Contractor shall comply with all OSHA requirements in accordance with 23 CFR 634 and KRS 338.

REQUESTS FOR PAYMENT

Subsequent to satisfactory delivery of the vehicles in accordance with all of the provisions thereof, the Owner agrees to make Payment within **Thirty (30) days** after receipt of a properly completed invoice. The Owner reserves the right to withhold any of all payments or portions thereof if the Vendor fails to perform in accordance with the provisions of the contract or any modifications thereto.

REJECTION OF BIDS

The Owner reserves the right to reject any and all bids in accordance with the City of Paducah's Code of Ordinances and the Specifications.

OWNER'S RIGHTS RESERVED

The City reserves the right to reject any and all bids in accordance with the City of Paducah's Code of Ordinances and the Project Specifications. Additionally, any Award may be made to the lowest Bidder for all items, groups of items or on an individual item basis, whichever is deemed to be in the best interest of the City.

**CITY OF PADUCAH, KENTUCKY
PUBLIC WORKS DEPARTMENT**

**BID PROPOSAL for ONE (1) SUV
for use by the
PADUCAH FIRE DEPARTMENT**

Proposal of LENWOOD Motors
(hereinafter called Bidder), organized and existing under the laws of KY
(state) and doing business as LENWOOD MOTOR*, as
applicable to the City of Paducah, Kentucky (hereinafter referred to as Owner.)
**Insert "A Corporation", A Partnership" or "An Individual"*

In compliance with your Invitation for Bid, Bidder hereby proposes to furnish all the necessary labor, material, equipment, tools and services necessary for the purchase and delivery of **ONE (1) SUV** for use by the Paducah Fire Department in accordance with the specifications and other contract documents prepared by the City Public Works Department, at the prices stated below.

By submission of this Bid, each Bidder certifies that this Bid has been arrived at independent, without consultation, communication or agreement as to any matter relating to this Bid with any other Bidder or with any other competitor.

Bidder has submitted with this Bid Proposal the required signed and notarized Certifications as required by the laws of the Commonwealth of Kentucky. **Failure of the Bidder to comply with these provisions will make the Bid Non-Responsive and shall result in disqualification of the submitted Bid Proposal.**

If Notice of the Award is given to the Bidder within Sixty (60) days after the time of receipt of Bids, the Bidder agrees to execute and deliver a Contract Agreement in the prescribed form within ten (10) days after the Contract is presented for signature. Subsequent to the execution of the Contract, Bidder hereby agrees to commence Work and to deliver the vehicles as specified within the contract documents.

Prior to commencing Work, the successful Bidder shall furnish the Owner with a Certificate of Insurance showing that the required insurance as set forth in the specifications is in force.

In submitting this Bid, it is understood that the right is reserved by the Owner to reject any and all Bids in accordance with the City of Paducah's Code of Ordinances and the Specifications. Additionally, any Award may be made to the lowest Bidder for all items, groups of items, or on an individual item basis, whichever is deemed to be in the best interest of the City.

ADDENDUM

The Bidder hereby acknowledges receipt of the following Addenda, if any, and is fully aware of the implications of the addendums on the Bid:

Addendum No(s) _____ Dated _____

BID PROPOSAL:

The Bidder hereby satisfying all requirements of the specifications herein proposes and agrees to furnish **ONE (1) SUV** in accordance with the Specifications for the total amount of:

TOTAL BID: \$ 43,902,

Forty Three Thousand Nine Hundred Two (written bid)
 Total Bid price shall be shown in both words and figures. The amount shown in words shall govern in case of a discrepancy.

Proposed Body Manufacturer, Model and Year: 26 Durango Durango

Proposed Delivery Time: 3-5 months

Location of the full service maintenance facility: 3345 Park Ave
 Paducah KY 42001

GRADING CRITERIA

The Bidder is aware that the Owner will evaluate the Bids submitted based on the Criteria listed on the "Owner Evaluation Form - Section 00330" as included within the Specifications.

ATTACHEMENTS TO THE BID PROPOSAL REQUIRED:

Failure of the Bidder to submit the following documents with the Bid Proposal will make the Bid Non-Responsive and shall result in disqualification of the submitted Bid Proposal.

<u>INCLUDED</u>	<u>ITEM</u>
_____	1. Bidder's Certification Section 00320, signed and notarized.
_____	2. "Compliance with Technical Specifications" form. Bidder shall indicate compliance by checking "YES" or "NO" adjacent to each individual item. A "YES" indicates full compliance with the specification and a "NO" indicates an exception and/or variation to the specification.
_____	3. All individual items marked by a "NO" on the "Compliance with Technical Specifications" form shall indicate the exception on a separate attached sheet.
_____	4. One Copy of Full Manufacturer Specifications and Warranty information, including a detailed description of the equipment proposed and the conformance to the Owner's specifications. The manufacturer's specifications shall include information regarding size, type model and make of all component parts and equipment.

**CITY OF PADUCAH, KENTUCKY
BIDDER'S REQUIRED CERTIFICATIONS**

The Bidder is hereby given notice that in accordance with the statutes of the Commonwealth of Kentucky, the Bidder is required to submit the following Certifications with the Bid Proposal. **Failure to comply with this requirement will make the Bid Non-Responsive and shall result in disqualification of the submitted Bid Proposal.**

1. **NON-COLLUSION**

The affiant does solemnly swear, under penalty of perjury under the Laws of the United States, that I, the undersigned Bidder, and/or any agents, officers, employees and/or subcontractors employed, or that may be employed for any activity covered by the above Project have not directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken action in restraint of free competitive bidding in connection with this Bid Proposal.

2. **WORKERS' COMPENSATION AFFIDAVIT**

The affiant does solemnly swear, under penalty of perjury pursuant to KRS 198B.060(10), that I, the undersigned Bidder, and/or any agents, officers, employees and/or Subcontractors employed, or that may be employed, for any activity covered by the above Project shall be in full compliance with Kentucky's requirements for Workers' Compensation Insurance according to KRS 342, and Unemployment Insurance according to KRS Chapter 341.

The affiant acknowledges that failure on the affiant's part to comply with the foregoing assurances can result in a fine not to exceed four thousand dollars (\$4,000.00) or an amount equal to the sum of all uninsured and unsatisfied claims that might be prosecuted under the provisions of KRS 342 or unemployment insurance claims that might be prosecuted under the provisions of KRS 341, whichever is greater.

3. **CAMPAIGN FINANCE LAWS**

The affiant does solemnly swear, under penalty of perjury, that in accordance with KRS 45A.395, that I, the undersigned Bidder, and/or any agents, officers, employees and/or Subcontractors employed, or that may be employed, for any activity covered by the above Project have not knowingly violated any provisions of the **Campaign Finance Laws** of the Commonwealth of Kentucky; and that the award of a Contract to the Bidder or the entity in which he/she represents will not violate any provisions of the **Campaign Finance Laws** of the Commonwealth. This information provided by the Bidder will be considered confidential and exempt from the Kentucky Open Records Law.

4. **KRS 45A.343**

The affiant does solemnly swear, under penalty of perjury, that I, the undersigned Bidder, and/or any agents, officers, employees and/or Subcontractors employed, or that may be employed, for any activity covered by the above Project are fully aware of the requirements and penalties outlined in KRS 45A.343 requiring the following:

- (a) the Contractor and all Subcontractors performing the work under the Contract to reveal any final determination of a violation within the previous five (5) year period pursuant to KRS Chapters 136, 139, 141, 337, 338, 341, and 342 that apply to the Contractor or Subcontractor; and that
- (b) the Contractor and all Subcontractors performing the work under the Contract to be in continuous compliance with the provisions of KRS Chapters 136, 139, 141, 337, 338, 341, and 342 that apply to the Contractor or Subcontractor for the duration of the Contractor.

Failure to reveal a final determination of a violation or to comply with the statutes for the duration of the contract shall be grounds for cancellation of the contract and disqualification of the eligibility for future contracts for a period of two (2) years.

5. **KY DEPT OF REVENUE**

The affiant does solemnly swear, under penalty of perjury, that in accordance with KRS 45A.395, that I, the undersigned Bidder, and/or any agents, officers, employees and/or Subcontractors employed, or that may be employed, for any activity covered by the above Project are **duly registered with the Kentucky Department of Revenue** to collect and remit the sales and use tax imposed by KRS Chapter 139, and will remain registered for the duration of any contract awarded.

6. **TAXES AND FEES**

The affiant does solemnly swear, under penalty of perjury, that in accordance with KRS 45A.395, that I, the undersigned Bidder, and/or any agents, officers, employees and/or Subcontractors employed, or that may be employed, for any activity covered by the above Project are **not delinquent on any State, City or County taxes or fees** owed to the Commonwealth of Kentucky, The City of Paducah, or any other governmental agency and will remain in good standing for the duration of any contract awarded.

Therefore, as a duly authorized representative for the Bidder, I have fully informed myself regarding the accuracy of all statements made in this affidavit, and acknowledge the City of Paducah, Kentucky is reasonably relying upon these statements in making a decision for contract award and any failure to accurately disclose such information may result in contract termination, repayment of funds, and other available remedies under law.

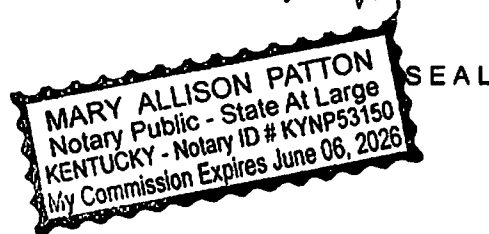
Signature: [Handwritten Signature]
Printed Name: JAKE BUSHNAGAN
Title: SALES MGR
Company: LYNDON
Date: 8/25/25

STATE OF Kentucky)
COUNTY OF McCracken)

The foregoing instrument was sworn to and acknowledged before me this 25th day of August, 2025, by Mary Patton, office manager (title) of Lynwood Chrysler Dodge Hyundai (Name of Company).

My commission expires: 06/06/2026.

Mary Allison Patton
Notary Public, State at Large



EVALUATION FORM

VEHICLE: ONE (1) SUV for use by the Fire Department

DATE: _____

BIDDER: _____

Grading Criteria:

Evaluate the Bidder's Criteria on a rated value scale:

0 = the lowest value to 10 = the highest value for each item listed below.

Rating x Weighted Percent = Criterion Score

The Sum of all Criterion Scores shall be the Owner's basis of the Bidder's Overall Score.

GRADING CRITERIA

NO.	CRITERIA ITEMS	WEIGHTED - PERCENT	RATING VALUE (0-10)	CRITERION SCORE
1	Technical Specifications Met	30	_____	_____
2	Price	70	_____	_____

BIDDER'S OVERALL TOTAL SCORE _____

**CITY OF PADUCAH, KENTUCKY
PUBLIC WORKS DEPARTMENT**

AGREEMENT TO PURCHASE ONE (1) SUV

THIS AGREEMENT, made this _____ day of _____, 20____ by and between the **CITY OF PADUCAH**, hereinafter called the **OWNER**, and _____ hereinafter called the **VENDOR**, for the consideration hereinafter named, agrees as follows:

ARTICLE 1. SCOPE OF WORK

The Vendor shall provide **One (1) SUV** to be used by the Paducah Fire Department, in full compliance with the Bid Proposal Dated **August 28, 2025** and with this Agreement, the Specifications and any Addendum(s) issued.

ARTICLE 2. TIME FOR COMPLETION AND LIQUIDATED DAMAGES

The Vendor hereby agrees to commence work under this Contract and to fully complete the delivery of the aforementioned Vehicle(s) within _____ consecutive calendar days thereafter from the date of this Agreement.

ARTICLE 3. THE CONTRACT SUM

The Owner agrees to pay the Vendor the following, subject to additions and deductions provided therein: _____ (\$_____) as quoted in the aforementioned Vendor's Bid Proposal and as approved by the Board of Commissioners on _____ by Municipal Order # _____.

ARTICLE 4. PAYMENTS

The Owner will make Payment in full upon satisfactory delivery in accordance with the Contract Documents and the Specifications. The Payment shall constitute full compensation for the work and services authorized herein.

ARTICLE 5. GOVERNING LAW

The Parties agree that this Agreement and any legal actions concerning its validity, interpretation and performance shall be governed by the laws of the Commonwealth of Kentucky. The parties further agree that the venue for any legal proceeding relating to this Agreement shall exclusively be in McCracken County, Kentucky.

ARTICLE 6. THE CONTRACT DOCUMENTS

The Specifications and any addendum that may have been issued are fully a part of this Contract as if thereto attached or herein repeated.

IN WITNESS WHEREOF: The parties hereto have executed this Agreement, the day and year first above written.

VENDOR

CITY OF PADUCAH, KENTUCKY

BY _____
TITLE _____

BY _____
George Bray, Mayor

ADDRESS:

ADDRESS:
Post Office Box 2267
Paducah, Kentucky 42002-2267

NOTICE OF AWARD

TO: VENDOR

VEHICLE: ONE (1) SUV

After consideration of all bids received for the above referenced **One (1) SUV** you are hereby notified that your Bid dated **August 28, 2025**, has been accepted as the responsive bid with the lowest **evaluated** bid price in accordance with the specifications. This Award is contingent upon final approval of the City of Paducah Board of Commissioners.

You are hereby required by the Information for Bidders to execute and deliver the Contract Agreement and deliver the Certificate of Insurance within ten (10) calendar days from the date of this Notice to you.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OWNER.

OWNER
CITY OF PADUCAH, KY

By: _____
Public Works Director

Date: _____

ACCEPTANCE OF NOTICE

Receipt of this NOTICE is hereby acknowledged by: _____

of _____ (Name of Company), this the ____ day of _____, 20__.

By _____

Title _____

NOTICE TO PROCEED

TO: **VENDOR**

VEHICLES: **ONE (1) SUV**

You are hereby notified to commence the necessary work in order to deliver the above mentioned **One (1) SUV** for use by the **Paducah Fire Department** in full accordance with the Agreement dated _____, the Specifications any Addendums issued on or before August 28, 2025, and you are to deliver the Vehicles within _____ **(xx) consecutive calendar days** thereafter. Therefore, the required date of delivery of the **One (1) SUV** is _____. The contract completion date shall be adjusted for all documented shut down periods and approved extensions as outlined in the specifications.

OWNER
CITY OF PADUCAH, KY

By: _____
Public Works Director

Date: _____

ACCEPTANCE OF NOTICE

Receipt of this NOTICE is hereby acknowledged by: _____

of _____ (Name of Company), this the ____ day of _____, 20__.

By _____

Title _____

INSURANCE AND LEGAL RESPONSIBILITY

INSURANCE

The Vendor shall secure and maintain such insurance from an insurance company authorized to write casualty insurance in the state where the work is located as will protect himself, the Owner and agents of the Owner from claims for bodily injury, death or property damage, which may arise from operations under this Contract. The Vendor shall not commence work under this Contract until he has obtained all insurance required under this paragraph, and shall have filed the certificate of insurance or a certified copy of the insurance policy with the Owner. Each insurance policy shall contain a clause providing that it shall not be canceled by the insurance company without (10) day's written notice to the Owner of intention to cancel. The cost of insurance is incidental to all contract items. All sub-Vendors shall meet the same minimum insurance requirements.

The Vendor shall procure and maintain the following insurance in addition to the insurance required by law:

1. Workmen's Compensation, in accordance with the Workmen's Compensation Laws for the Commonwealth of Kentucky.
2. Comprehensive general liability with limits of not less than one million dollars (\$1,000,000).
3. Automobile public liability concerning all owned, non-owned, and hired vehicles in connection with this project with limits of not less than one million dollars (\$1,000,000).

INDEMNIFICATION

The Vendor covenants and agrees to indemnify, hold harmless and render whole the Owner for any loss, cost, and expense, including attorney fees, which are incurred by the Owner for reason of the Vendor's failure to properly perform under this agreement. Additionally, it is expressly agreed and understood that the Vendor shall at all times indemnify and save the Owner harmless from any and all loss or damage which may be sustained by the Owner by reason of any negligent act or omission committed by the Vendor, and/or its employees and agents, in the performance of its work hereunder. The Vendor shall indemnify and save the Owner harmless from any and all claims, demands, and causes of action arising either directly or indirectly from any of such negligent act or omission including but not limited to claims by third parties for property damage or personal injury.

Notwithstanding the foregoing provisions, in the event loss or damage incurred by the Owner or claims, demands, or causes of action asserted against the Owner is attributable, in part, to the negligence of the Owner, through its employees and agents, the foregoing provisions shall not apply, but rather, the parties shall have such rights and remedies as provided by law.

Said indemnification shall also include reimbursement to the Owner for any attorney fees and court costs incurred by the Owner by reason of making a claim for loss or damage or by reason of the assertion of any claims, demands, or causes of action against it, provided; however, that in the event such attorney fees and costs of the Owner are reimbursed or paid by any insurance carrier, the foregoing provision shall not apply.

ACCIDENT PREVENTION

The Vendor shall exercise proper precaution at all times for the protection of persons and property. The safety provisions of all applicable laws and OSHA requirements shall be observed, and the Vendor shall take or cause to be taken such additional safety and health measures.

PERMITS, CERTIFICATES, LAWS, ORDINANCES, AND CODES

The Vendor shall, at his own expense, procure all permits, certificates and licenses required by the law for the execution of this project. In case of difference between building codes, specifications, state laws, local standards and ordinance, industry standards, utility company regulations and the Contract Documents, the most stringent shall govern.

COMPLIANCE WITH ALL LAWS

The Vendor shall be familiar with and comply with all Federal, State, County and City laws, by-laws, ordinances, and regulations, which control the work, actions and operations of those engaged or employed in the work or which affect materials used. The Vendor shall comply with all aforementioned governs and shall relieve the City of any or all claims made against the Vendor arising from violations of any such governs by the Vendor, his employees or his or their action. The Vendor shall be in good standing with all governmental entities and not be delinquent on any Federal, State, Local or property taxes, including penalty and interest charges.

DRUG FREE WORK PLACE REQUIREMENTS

The Vendor, employees of the Vendor, sub-Vendors, vendors or consultants shall have a substance abuse policy in accordance with OSHA and/or the U.S. Department of Transportation Safety Regulations.

NON-BINDING MEDIATION

If a good faith effort to resolve a dispute on terms satisfactory to both parties is unsuccessful, the Owner and the Contractor may submit the dispute to non-binding mediation to be held in Paducah, Kentucky, unless the parties mutually agree otherwise.

Notice of the request for mediation shall be filled in writing with the other party to the contract documents and a copy shall be filed with the Public Works Director. Request for mediation shall in no event be made on any claim, dispute, or other matter in question which would be barred by the applicable statute of limitations.

The Contractor will carry on the work and maintain the progress schedule during any mediation proceedings, unless otherwise mutually agreed in writing.

BREACH-DEFAULT

In the event of breach or default, the Owner shall be entitled to recover any costs and expenses incurred in enforcing this Agreement, including any court costs, expenses, and reasonable attorney fees.

OWNER'S RIGHT TO TERMINATE CONTRACT

The Owner shall have the right to terminate the employment of the Vendor after giving five (5) days written notice of termination to the Vendor in the event of any default by the Vendor.

PROGRESS AND PAYMENT

CONTRACT TIME

Following the execution of the Agreement, the Vendor shall commence with the agreed Contract regularly and uninterruptedly thereafter (unless otherwise directed in writing by the Owner) with such force as to secure the completion of the Contract in a responsible and timely manner as stated in the Agreement and in accordance with these Specifications.

SCHEDULE OF COMPLETION

The Vendor shall submit, if requested by the Owner, schedules which shall show the order in which the Vendor proposes, with dates at which the Vendor will start, including the estimated delivery date upon completion.

CHANGES IN THE WORK

The Owner may, as the need arises, order changes through additions, deletions or modifications without invalidating the Contract. Compensation affected by the change shall be adjusted at the time of ordering such change and documented on the Change Order form contained within these specifications.

EXTENSION OF CONTRACT TIME

A delay beyond the Vendor's control occasioned by an Act of God, or act or omission on the part of the Owner, or by strikes, lockouts, fire, etc., may entitle the Vendor to an extension of time in which to complete the Contracted work as determined by the Owner, provided, however, that the Vendor shall within ten (10) days of such occurrence, give written notice to the Owner or cause of such delay and of his intention to request an extension of Contract time.

REQUESTS FOR PAYMENT

The Owner shall pay the Vendor upon satisfactory delivery of the Vehicle(s) ordered. The Vendor shall furnish the Public Works Fleet Division all requested support documentation, manuals and supplies at the delivery of the Vehicle(s). The Owner reserves the right to withhold any payment or portions thereof if the Vendor fails to perform in accordance with the provisions of the contract or any modifications thereto.

OWNER'S ACTION ON A REQUEST FOR PAYMENT

Within **Thirty (30) days** from the date of receipt of a properly completed Request for Payment "Invoice" with all required documentation attached, the Owner will:

- a. Pay the request for Payment upon approval of the work, or
- b. Pay such other amount as may be decided is due the Vendor, informing the Vendor in writing of his reasons for paying the amended amount, or
- c. Withhold payment, informing the Vendor of his reasons for withholding payment.

OWNER'S RIGHT TO WITHHOLD

The Owner may withhold payment in whole or in part to the extent necessary to protect from the loss on account of any of the following causes discovered subsequent to approval of a Request for Payment by the Owner.

- a. Defective or incomplete work.
- b. Evidence indicating the probable filing of claims by other parties against the Vendor.
- c. Failure of the Vendor to make payments to Sub-Vendors, material supplier or labor.

AFFIDAVITS OF PAYMENT

The Owner may request the Vendor at any time to furnish appropriate affidavits of payment, waivers and releases of liens from any supplier to the extent of the payment made for labor or materials furnished to the project.

TERMINATION OF VENDOR'S RESPONSIBILITY

The Contract will be considered complete subsequent to delivery as specified, inspection made by the Owner and complete payment made to the Vendor.

CORRECTION OF FAULTY WORK AFTER FINAL PAYMENT

The approval of the Request for Payment by the Owner and the making of the payment by the Owner to the Vendor shall not relieve the Vendor of the responsibility of faulty materials or workmanship. The Owner will promptly give notice of faulty materials or workmanship and the Vendor shall promptly replace any such defects discovered within **One (1) Year** from the delivery date or as guaranteed by **Warranty**.

TECHNICAL SPECIFICATIONS

SCOPE

To furnish all the necessary labor, material, equipment, tools and services necessary for the purchase and delivery of the specified Vehicle(s) in accordance with the specifications contained herein.

GENERAL

The Vehicle(s) to be furnished in compliance with this specification shall be a new model, or the latest model in current production (as offered to commercial trade), and shall be of good quality as to workmanship. All equipment furnished shall be new, unused and of the manufacturer's current production design.

DELIVERY

The successful Bidder ("Vendor") shall deliver the Vehicle(s) to the Owner in care of the Public Works Department, Fleet Maintenance Division located at 1120 North 10th Street, Paducah, Kentucky 42001. Notification and arrangements shall be made with the Owner's Representative prior to delivery.

The Vehicle(s) delivered shall be equipped with a full supply of fuel, oil and lubricants upon delivery. At the time of delivery, all equipment must meet or exceed federal, state and local safety, health, lighting and emission standards.

MANUALS AND SUPPLIES

At the time of delivery, the Vendor shall supply the following for each Vehicle(s):

- One (1) copy of the operator's manuals
- One (1) complete technical manual with schematics
- Manufacturer's Warranty Policy/Certificate and all guarantees
- Keys – Minimum of two (2) sets

SERVICE CAPABILITIES

The Successful Bidder shall maintain a full service maintenance facility with a fully stocked parts facility capable of full hydraulic, electrical and body repair. Factory-trained, qualified service personnel shall man the full service facility. Bidder shall state location and service facility within the Bid Proposal.

Widespread failure by the manufacturer's authorized dealers to render warranty service when required shall subject the manufacturer's line to suspension from the approved products list until satisfactory evidence of correction is provided.

SPECIFICATIONS PAGE 2

	<u>YES</u>	<u>NO</u>
1. Jotto Desk Console with Cup Holder and Arm Rest Specific to Vehicle	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Wig-Wag Headlamps or LED's Mounted in Headlamp to Simulate Wig-Wag	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Flashing Back-up Lamps Mounted in the Rear White Reverse Lens	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. 12V Power & Ground Wiring with (3) 12V Accessory Outlets Mounted in Console	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Charge Guard Auto Shutoff Timer Mounted in Console with All Upfitter Installed	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Equipment Powered by Charge Guard	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Jotto Desk A-MOD Laptop mount Specific to Vehicle	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Exterior Color to be Chosen after bid is Awarded (Vendor to contact prior to order)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Brother Printer mount Specific to Vehicle	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inverter supplied by City of Paducah mounting and location to be determined after	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. vehicle selection	<input checked="" type="checkbox"/>	<input type="checkbox"/>

LINWOOD MOTORS
 3345 PARK AVE
 PADUCAH, KY 420014039

Configuration Preview

Date Printed: 2025-08-25 2:01 PM
 Estimated Ship Date:

VIN:
 VON:

Quantity: 1
 Status: BA - Pending order
 FAN 1: 00KDA City of Paducah
 FAN 2:
 Client Code:
 Bid Number: TB6066
 PO Number:

Sold to:
 LINWOOD MOTORS (60260)
 3345 PARK AVE
 PADUCAH, KY 420014039

Ship to:
 LINWOOD MOTORS (60260)
 3345 PARK AVE
 PADUCAH, KY 420014039

Vehicle: **2026 DURANGO PURSUIT VEHICLE AWD (WDEE75)**

	Sales Code	Description	MSRP(USD)
Model:	WDEE75	DURANGO PURSUIT VEHICLE AWD	44,879
Package:	2BZ	Customer Preferred Package 2BZ	0
	ERC	3.6L V6 24V VVT Engine Upg I w/ESS	0
	DFT	8-Spd Auto 850RE Trans (Make)	0
Paint/Seat/Trim:	PXJ	DB Black Clear Coat	0
	APA	Monotone Paint	0
	*C5	Cloth Bucket Seats w/ Shift Insert	0
	-X9	Black	0
Options:	4DH	Prepaid Holdback	0
	4ES	Delivery Allowance Credit	0
	MAF	Fleet Purchase Incentive	0
	5N6	Easy Order	0
	4FM	Fleet Option Editor	0
	4FT	Fleet Sales Order	0
	166	Zone 66-Orlando	0
	4EA	Sold Vehicle	0
Non Equipment:	4FA	Special Bid-Ineligible For Incentive	0
Bid Number:	TB6066	Government Incentives	0
Discounts:	YG1	7.5 Additional Gallons of Gas	0
Destination Fees:			1,995

Total Price: 46,874

Order Type: Fleet
 Scheduling Priority: 1-Sold Order
 Salesperson:
 Customer Name:
 Customer Address:

PSP Month/Week:
 Build Priority: 99

USA

Instructions:

\$ 39,402
4500

43,902

Note: This is not an invoice. The prices and equipment shown on this priced order confirmation are tentative and subject to change or correction without prior notice. No claims against the content listed or prices quoted will be accepted. Refer to the vehicle invoice for vehicle content and pricing. Orders are accepted only when the vehicle is shipped by the factory.

Rapid Response-1, LLC
 1031 Washington St
 Paducah, KY 42003 US
 2704422775
 brad@rapidresponse-1.com

Estimate

ADDRESS

JAKE BRENNINGMEYER
 LINWOOD MOTORS
 3345 PARK AVE.
 PADUCAH, KY 42001

ESTIMATE #	DATE
1194	08/25/2025

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
	Admin Durango Installing Console w/printer and wig/wag oem lights.			
NEW	Jotto Console w/printer, arm rest and cupholder	1	2,400.00	2,400.00
NEW	Jotto Desk and Swing Arm	1	850.00	850.00
NEW	Flash Pack	1	200.00	200.00
NEW	Auto Timer	1	250.00	250.00
4797 STOCK PARTS	Misc. Shop Materials	1	100.00	100.00
FREIGHT	Freight	1	70.00	70.00
4795 LABOR SALES	Labor	7	90.00	630.00
	SUBTOTAL			4,500.00
	TAX			0.00
	TOTAL			\$4,500.00

Accepted By

Accepted Date

Package Details	
Customer Preferred Package 2BZ	
Package Contents	
3.6L V6 24V VVT Engine Upg I w/ESS	
8-Spd Auto 850RE Trans (Make)	
Package Value Price	

Standard Features - WDEE75-DURANGO PURSUIT VEHICLE AWD

Code	Description
X9K	1 Yr. Trial (Registration Required)
RHV	10.1" Touchscreen Display
JKP	12 Volt AUX Power Outlet - Front
JJM	12 Volt AUX Power Outlet - Rear
JJ5	130 MPH Maximum Speed Calibration
JCF	140 MPH Primary Cert. Speedometer
WBN	18X8.0 Black Steel Wheels
DJC	195MM Front Axle
DRH	195MM Rear Axle
GXD	2-Door Passive Entry, Frt Door Locks
BAJ	220 Amp Alternator
NF4	24.6 Gallon Fuel Tank
TXQ	255/60R18 BSW On/Off Road Tires
CFN	2nd Row 60/40 Folding Seat
DLK	3.45 Rear Axle Ratio
ERC	3.6L V6 24V VVT Engine Upg I w/ESS
RTQ	4G LTE Wi-Fi Hot Spot
CYD	5 Passenger Seating
NAS	50 State Emissions
RCG	6 Speakers
BCZ	650 Amp AGM Battery
XF2	7 and 4 Pin Wiring Harness
DFT	8-Spd Auto 850RE Trans (Make)
MLX	Accent Color Lower Fascia
RD3	Accent Color Shark Fin Antenna
MRD	Accent Color Wheel Lip Molding
GAK	Acoustic Windshield
CG3	Advanced Multistage Front Air Bags
JMA	Air Filtering
RFP	Apple CarPlay
HAH	ATC w/3 Zone Temp Control
LMG	Automatic Headlamps
BC1	Aux Battery
LH2	Aux Switches
MWT	AWD Badge
CTL	Base Door Trim Panel
MMG	Belt Moldings
MFA	Black Headlamp Bezels
CHE	Black Headliner
CKJ	Black Vinyl Floor Covering
XAN	Blind Spot and Cross Path Detection
XPV	Blind Spot W/Trailer Detection
MNK	Body Color Door Handles

Standard Features - WDEE75-DURANGO PURSUIT VEHICLE AWD

Code	Description
MBP	body color upper fascia
MBT	Body Color/Accent Color Rear Fascia
WMH	Bright Hub Caps
XJM	Capless Fuel Fill w/o Discriminator
CKN	Cargo Compartment Carpet
CKT	Cargo Tie Down Loops
NDA	Catalytic Converter
X8S	Center Console Parts Module
CGU	Child Seat Anchor System-LATCH Ready
XFH	Class IV Receiver Hitch
*C5	Cloth Bucket Seats w/ Shift Insert
RTV	Connected Travel & Traffic Services
DS7	Conventional Differential Frt Axle
DS8	Conventional Differential Rear Axle
CLG	Covered Cargo Storage
GEG	Deep Tint Sunscreen Glass
CF9	Delete 3rd Row Seat
RFV	Disassociated Touchscreen Display
X82	Door Parts Module
X8J	Door Trim Panel Module
CGY	Drvr Inflatable Knee-Bolster Air Bag
JJB	DUAL NOTE ELECTROMECHANICAL HORNS
MZJ	Durango Bright Badge
AZ1	Durango Pursuit Vehicle
SBL	Electric Power Steering
BNB	Electronic Stability Control
XAX	Engine Hour Meter
NHA	Engine Oil Cooler
LSE	Enhanced Accident Response System
XFX	Equipment Mounting Bracket
NHJ	Exterior Mirrors w/Heating Element
X72	Exterior Plastics Module
TZF	Firestone Brand Tires
X9E	For Details, Visit DriveUconnect.com
BNR	Four Wheel Traction Control
LBR	Front & Rear Interior LED Lamps
GCB	Front Door Tinted Glass
X83	Front End Parts Module
X8W	Front Fascias Parts Module
MDA	Front License Plate Bracket
LAX	Front Passenger Seat Belt Alert
X89	Front Suspension Damper Parts Module
X84	Front Suspension Parts Module

Standard Features - WDEE75-DURANGO PURSUIT VEHICLE AWD

Code	Description
CDW	Frt Pass Forward Fold Flat Seat
WKB	Full Size Matching Spare Wheel
TBW	Full Size Spare Tire w/Matching Whl
X73	Glass Module II
RDG	Global Telematics Box Module (TBM)
LE7	Gloss Black Exterior Mirrors
MAK	Gloss Black Grille W/Granite Inner
LBC	Glove Box Lamp
RF5	Google Android Auto
JLP	GPS Antenna Input
JLN	GPS Navigation
Z6K	GVW Rating - 6500#
X8F	Hard Trim Module
RE8	HD Radio
X8Y	Headliner Parts Module
NMC	Heavy Duty Engine Cooling
BNG	Hill Start Assist
HGA	Hood Insulation
XE2	I/P Mounted Elec Shifter
LAC	Illuminated Entry
JB5	Instr. Panel Platinum Chrome Bezel
JAA	Instrument Panel
X81	Instrument Panel Parts Module
RTF	Integrated Center Stack Radio
XR8	Integrated Voice Command w/Bluetooth
CSV	Interior Assist Handles
X8T	Interior Trim Module
GAP	Laminated Front Door Glass
LMZ	LED Daytime Running Headlamps
LM6	LED Low/High Beam Headlamps
LA3	LED Taillamps w/Red Accents
X8G	Load Floor Parts Module
CXG	Lock On Sync Tire Press Sensor
RSF	Media Hub (2 USB, Aux)
CZX	Mini Console Police
APA	Monotone Paint
XA8	Non Adjustable Pedals
GXQ	Non-Key Alike Fobs
CUN	Overhead Console
XH3	ParkSense Rr Park Assist w/Stop
XAC	ParkView Rear Back-up Camera
CSR	Passenger Assist Handles
SCJ	Perforated Leather Wrapped Strg Whl

Standard Features - WDEE75-DURANGO PURSUIT VEHICLE AWD

Code	Description
BR9	Police ABS 4-Wheel Hd Disc Brakes
AYF	Police Group
SDB	Police Tuned Suspension
JPU	Power 4-Way Driver Lumbar Adjust
JPR	Power 8-Way Drvr/Manual Pass Seat
JKY	Power Accessory Delay
GTS	Power Heated Mirrors, Fold-Away
JPB	Power Locks
JAJ	Premium Instrument Cluster w/Tach
HGP	Premium Insulation Group
XPF	Protective Coating and Remover
XJ7	Push-Push Fuel Filler Door
GX4	Pushbutton Start
JP3	Pwr Front Windows, 1-Touch,Up & Down
XFC	R1234YF A/C Refrigerant
BHC	Rain Brake Support
BHD	Ready Alert Braking
HBB	Rear Air Conditioning w/Heater
X8U	Rear Fascias Parts Module
SES	Rear Load Leveling Suspension
X91	Rear Suspension Damper Parts Module
X85	Rear Suspension Parts Module
GNK	Rear View Auto Dim Mirror
GFA	Rear Window Defroster
JHB	Rear Window Wiper/Washer
GXM	Remote Keyless Entry
X8Z	Seat Parts Module
AXR	Secure Park Package
XX7	Selectable Steering Modes
GXX	Sentry Key Theft Deterrent System
MRF	Sill Molding
DHY	Single Speed Transfer Case
RT1	SiriusXM Guardian-included trial (B)
RTU	SiriusXM with 360L
AHV	Special Service Group
NHM	Speed Control
LNQ	Spot Lamp Wiring Prep.
RDZ	Steering Wheel Mounted Audio Ctrls
XHZ	Stop-Start Dual Battery System
GNV	Sun Visors w/Vanity Mirror
XSV	Super Nova Hydro Interior Accents
CJ5	Supp. Side Curtain All Rows Air Bags
CJ1	Supplemental Frt Seat Side Air Bags

Standard Features - WDEE75-BURANGO PURSUIT VEHICLE AWD

Code	Description
CGS	Supplemental Side Air Bags
JFJ	Temperature & Compass Gauge
SUD	Tilt/Telescope Steering Column
GBB	Tinted Windshield Glass
XBN	Tip Start
X88	Tire & Wheel Parts Module
XGM	Tire Pressure Monitoring Display
BNT	Trailer Sway Damping
NHQ	Transmission Heater
CD4	Tungsten Interior Accent Stitching
UBN	Uconnect 5 Nav w 10.1" Display (USA)
XXS	Upfitter Electronic Module (VSIM)
RF7	USB Host Flip
JHA	Var Intermittent Windshield Wipers
LAZ	Vehicle Information Center

**FCA Fleet Powertrain Care
5 Year / 100,000 Mile Limited Warranty Extension
(\$0 Deductible)**

THIS LIMITED WARRANTY IS PROVIDED TO OWNERS of a 2016 through 2021 Model Year Chrysler, Dodge, Jeep and Ram vehicles (excluding vehicles equipped with diesel engines) who purchased it through FCA US LLC specifically for Fleet Government Bid/Leases and Fleet Commercial/ Lease orders only.

YOUR LEGAL RIGHTS UNDER THIS LIMITED WARRANTY

This warranty is the express warranty FCA US LLC ("FCA") makes for your vehicle. This warranty gives you specific legal rights. You may also have other rights that vary from state to state. For example, you may have some implied warranties, depending on the state where your vehicle was sold or is registered.

These implied warranties are limited, to the extent allowed by law, to the time periods covered by this express written warranty.

If you use your vehicle primarily for business or commercial purposes, then these implied warranties do not apply and FCA completely disclaims them to the extent allowed by law. And the implied warranty of fitness for a particular purpose does not apply if your vehicle is used for racing, even if the vehicle is equipped for racing.

Some states do not allow limitations on how long an implied warranty lasts, so the above limitations may not apply to you.

Incidental and Consequential Damages Not Covered

Your warranty does not cover any incidental or consequential damages connected with your vehicle's failure, either while under warranty or afterward. Examples of such damages include: (a) lost time; (b) inconvenience; (c) the loss of the use of your vehicle; (d) the cost of rental vehicles, gasoline, telephone, travel, or lodging; (e) the loss of personal or commercial property; and (f) the loss of revenue.

Some states don't allow incidental or consequential damages to be excluded or limited, so this exclusion may not apply to you.

Persons to Whom the Limited Warranty is Offered

This Limited Warranty is provided to owners of a 2016 through 2021 Model Year Chrysler, Dodge, Jeep and Ram vehicles (excluding vehicles equipped with diesel engines) who purchased it through FCA US LLC specifically for Fleet Government Bid/Leases and Fleet Commercial/ Lease orders only.

What This Limited Warranty Extension Covers

This Powertrain Limited Warranty is a part of your New Vehicle Limited Warranty. It extends the 5 year or 60,000 mile powertrain limited warranty on mechanical components of the vehicle to 5 years from the in service date of the vehicle or 100,000 miles on the odometer, whichever comes first. It covers the cost of all parts and labor needed to repair a powertrain component listed below that is defective in workmanship and materials

Please keep this letter in your glove box along with your vehicle's other warranty information for future reference if necessary. All the other terms and conditions and the "What's Not Covered" items of your warranty remain the same as stated in your Warranty Information book.

Parts Covered

The Powertrain Limited Warranty covers these parts and components of your vehicle's powertrain supplied by FCA US LLC

Gasoline Engine: Cylinder Block and all Internal Parts; Cylinder Head Assemblies; Timing Case, Timing Chain, Timing Belt, Gears and Sprockets; Vibration Damper; Oil Pump, Water Pump and Housing; Intake and Exhaust Manifolds; Flywheel with Starter Ring Gear; Core Plugs; Valve Covers; Oil Pan; Turbocharger Housing and Internal Parts; Turbocharger Wastegate Actuator; Supercharger; Serpentine Belt Tensioner; Seals and Gaskets for listed components only.

Transmission: Transmission Case and all Internal Parts; Torque Converter; Drive/Flex Plate; Transmission Range Switch; Speed Sensors; Pressure Sensors; Transmission Control Module; Bell Housing; Oil Pan; Seals and Gaskets for listed components only.
NOTE: MANUAL TRANSMISSION CLUTCH PARTS ARE NOT COVERED AT ANY TIME.

Front Wheel Drive: Transaxle Case and all Internal Parts; Axle Shaft Assemblies; Constant Velocity Joints and Boots; Differential Cover; Oil Pan; Transaxle Speed Sensors; Transaxle Solenoid Assembly; PRNDL Position Switch; Transaxle Electronic Controller; Torque Converter; Seals and Gaskets for listed components only.
NOTE: MANUAL TRANSMISSION CLUTCH PARTS ARE NOT COVERED AT ANY TIME.

All-Wheel Drive (AWD): Power Transfer Unit and all Internal Parts; Viscous Coupler; Axle Housing and all Internal Parts; Constant Velocity Joints and Boots; Drive Shaft and Axle Shaft Assemblies; Differential Carrier Assembly and all Internal Parts; Output Ball Bearing; Output Flange; End Cover; Overrunning Clutch; Vacuum Motor; Torque Tube; Pinion Spacer and Shim; Seals and Gaskets for listed components only.

Rear Wheel Drive: Rear Axle Housing and all Internal Parts; Axle Shafts; Axle Shaft Bearings; Drive Shaft Assemblies; Drive Shaft Center Bearings; Universal Joints and Yokes; Seals and Gaskets for listed components only.

Four-Wheel Drive (4x4): Transfer Case and all Internal Parts; transfer case control module and shift mode motor assembly Axle Housing and all Internal Parts; Axles Shafts; Axle Shaft Bearings; Drive Shafts Assemblies (Front and Rear); Drive Shaft Center Bearings; Universal Joints and Yokes; Disconnect Housing Assembly; Seals and Gaskets for the listed components only.

HOW TO GET WARRANTY SERVICE

Where to Take Your Vehicle

In the United States (We include U.S. Possessions and Territories as Part of the United States for Warranty Purposes): Warranty service must be done by an authorized Chrysler, Dodge, Jeep or Ram dealer. We strongly recommend that you take your vehicle to your Selling Dealer. They know you and your vehicle best, and are most concerned that you get prompt and high quality service. If you move within the United States, warranty service may be requested from any authorized Chrysler, Dodge, Jeep or Ram dealer.

In Canada and Mexico: If you are traveling temporarily in Canada or Mexico, and your vehicle remains registered in the United States, your FCA US warranty still applies. Service may be requested at any authorized Chrysler, Dodge, Jeep or Ram dealership.

WHAT IS NOT COVERED UNDER THIS FCA US LLC LIMITED WARRANTY

Some Modifications Don't Void the Warranty But Aren't Covered

Certain changes that you might make to your vehicle do not, by themselves, void this warranty. Examples of some of these changes are: (a) installing non-FCA US LLC ("FCA") parts, components, or equipment (such as a non-FCA radio or speed control); and (b) using special non-FCA materials or additives.

But your warranty does not cover any part that was not on your vehicle when it left the manufacturing plant or is not certified for use on your vehicle. Nor does it cover the costs of any repairs or adjustments that might be caused or needed because of the installation or use of non-FCA parts, components, equipment, materials, or additives.

Performance or racing parts are considered to be non-FCA parts. Repairs or adjustments caused by their use are not covered under your warranty. Examples of the types of alterations not covered are: (a) installing accessories - except for genuine FCA / MOPAR accessories installed by an authorized Chrysler, Dodge, Jeep or Ram dealer; (b)

FCA Fleet Powertrain Care
5 Year / 100,000 Mile Limited Warranty Extension
(\$0 Deductible)

applying rustproofing or other protection products; (c) changing the vehicle's configuration or dimensions, such as converting the vehicle into a limousine or food service vehicle; or (d) using any refrigerant that FCA has not approved.

Environmental Factors Not Covered

Your warranty does not cover damage caused by environmental factors such as airborne fallout, bird droppings, insect damage, chemicals, tree sap, salt, ocean spray, acid rain, and road hazards. Nor does your warranty cover damage caused by hailstorms, windstorms, tornadoes, sandstorms, lightning, floods, and earthquakes.

Your warranty does not cover conditions resulting from anything impacting the vehicle. This includes cracks and chips in glass, scratches and chips in painted surfaces, or damage from collision.

Maintenance Costs Not Covered

Your warranty does not cover the costs of repairing damage caused by poor or improper maintenance. Nor does it cover damage caused by the use of contaminated fuels, or by the use of fuels, oils, lubricants, cleaners or fluids other than those recommended in your Owner's Manual.

The warranty does not cover the costs of your vehicle's normal or scheduled maintenance - the parts and services that all vehicles routinely need. Some of these parts and services, which your warranty does cover, include: (a) lubrication; (b) engine tune-ups; (c) replacing filters, coolant, spark plugs, bulbs, or fuses (unless those costs result from a covered repair); (d) cleaning and polishing; and (e) replacing worn wiper blades, worn brake pads and linings, or clutch linings.

Racing Not Covered

Your warranty does not cover the costs of repairing damage or conditions caused by racing, nor does it cover the repair of any defects that are found as the result of participating in a racing event.

Certain Kinds of Corrosion Not Covered

Your warranty does not cover the following: (a) corrosion caused by accident, damage, abuse, or vehicle alteration; (b) surface corrosion caused by such things as industrial fallout, sand, salt, hail, ocean spray, and stones; (c) corrosion caused by the extensive or abnormal transport of caustic materials like chemicals, acids, and fertilizers; and (d) corrosion of special bodies, body conversions, or equipment that was not on your vehicle when it left the manufacturing plant or was not supplied by FCA.

Other Exclusions

Your warranty does not cover the costs of repairing damage or conditions caused by any of the following: (a) fire or accident; (b) abuse or negligence; (c) misuse - for example, driving over curbs or overloading; (d) tampering with the emission systems, or with a part that could affect the emission systems; (e) use of used parts, even if they were originally supplied by FCA (however, authorized FCA / MOPAR remanufactured parts are covered); (f) windshield or rear window damage from external objects; (g) any changes made to your vehicle that don't comply with Chrysler; or (h) using any fluid that doesn't meet the minimum recommendations in your Owner's Manual.

Total Loss, Salvage, Junk, or Scrap Vehicles Not Covered

A vehicle has no warranty coverage of any kind if: (a) the vehicle is declared to be a total loss by an insurance company; (b) the vehicle is rebuilt after being declared to be a total loss by an insurance company; or (c) the vehicle is issued a certificate of title indicating that it is designated as "salvage," "junk," "rebuilt," "scrap," or some similar word.

FCA will deny warranty coverage without notice if it learns that a vehicle is ineligible for coverage for any of these reasons.

Restricted Warranty

Your warranty can also be restricted by FCA. FCA may restrict the warranty on your vehicle if the vehicle is not properly maintained, or if the vehicle is abused or neglected, and the abuse or neglect interferes with the proper functioning of the vehicle. If the warranty is restricted, coverage may be denied or subject to approval by FCA before covered repairs are performed.

Registration and Operation Requirements

This Limited Warranty covers your vehicle only if: (a) it is registered in the U.S.; (b) it is driven mainly in the U.S. or Canada, and (c) it is operated and maintained in the manner described in your Owner's Manual.

There is no Limited Warranty coverage on your Vehicle if it is sold, registered or operated, other than temporarily, by you, outside of the United States (including the 50 states, the District of Columbia, Puerto Rico, or Guam).

Other Terms of These Limited Warranties

Punitive, exemplary or multiple damages may not be recovered unless applicable state or local law prohibits this disclaimer. No person, including FCA US LLC employees or dealers, may modify or waive any part of this Limited Warranty.

General Information

It's your responsibility to properly maintain and operate your new vehicle. Follow the instructions contained in the General and Scheduled Maintenance Service guidelines in your Owner's Manual. Regular, scheduled maintenance is essential to trouble-free operation. If there is a dispute between you and FCA US concerning your maintenance of your vehicle, FCA US will require you to provide proof that your vehicle was properly maintained.

CITY OF PADUCAH, KENTUCKY
PUBLIC WORKS DEPARTMENT

AGREEMENT TO PURCHASE ONE (1) SUV

THIS AGREEMENT, made this _____ day of _____, 20____ by and between the **CITY OF PADUCAH**, hereinafter called the OWNER, and **LINWOOD MOTORS** hereinafter called the **VENDOR**, for the consideration hereinafter named, agrees as follows:

ARTICLE 1. SCOPE OF WORK

The Vendor shall provide One (1) SUV to be used by the Paducah Fire Department, in full compliance with the Bid Proposal Dated August 28, 2025 and with this Agreement, the Specifications and any Addendum(s) issued.

ARTICLE 2. TIME FOR COMPLETION AND LIQUIDATED DAMAGES

The Vendor hereby agrees to commence work under this Contract and to fully complete the delivery of the aforementioned Vehicle(s) within 90-150 consecutive calendar days thereafter from the date of this Agreement.

ARTICLE 3. THE CONTRACT SUM

The Owner agrees to pay the Vendor the following, subject to additions and deductions provided therein: **FORTY-THREE THOUSAND, NINE HUNDRED AND TWO DOLLARS (\$43,902.00)** as quoted in the aforementioned Vendor's Bid Proposal and as approved by the Board of Commissioners on 10/2/2025 by Municipal Order # _____.

ARTICLE 4. PAYMENTS

The Owner will make Payment in full upon satisfactory delivery in accordance with the Contract Documents and the Specifications. The Payment shall constitute full compensation for the work and services authorized herein.

ARTICLE 5. GOVERNING LAW

The Parties agree that this Agreement and any legal actions concerning its validity, interpretation and performance shall be governed by the laws of the Commonwealth of Kentucky. The parties further agree that the venue for any legal proceeding relating to this Agreement shall exclusively be in McCracken County, Kentucky.

ARTICLE 6. THE CONTRACT DOCUMENTS

The Specifications and any addendum that may have been issued are fully a part of this Contract as if thereto attached or herein repeated.

IN WITNESS WHEREOF: The parties hereto have executed this Agreement, the day and year first above written.

VENDOR LINWOOD
BY Jack Cunningham
TITLE Sales Mgr

ADDRESS:
3345 Lane Ave
Paducah, KY 42001

CITY OF PADUCAH, KENTUCKY
BY _____
George Bray, Mayor

ADDRESS:
Post Office Box 2267
Paducah, Kentucky 42002-2267

Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Fleet Maintenance Service Agreement between the City of Paducah Fleet Division and City of Wickliffe, KY - **C. YARBER**

Category: Municipal Order

Staff Work By: Jim
Scutt, Debbie Collins
Presentation By: Chris
Yarber

Background Information: On September 23, 2025, a Fleet Maintenance Service Agreement was entered into for the City of Paducah Fleet Division to provide all professional labor, materials, equipment, and operations necessary for scheduled maintenance, upkeep, repair and preventive maintenance, pursuant to the fee schedule for the City of Wickliffe, KY.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name:
Account Number:

Staff Recommendation: Approve a Municipal Order for the Fleet Maintenance Service Agreement for the City of Paducah Fleet Division to provide all professional labor, materials, equipment, and operations necessary for scheduled maintenance, upkeep, repair and preventive maintenance, pursuant to the fee schedule for the City of Wickliffe, KY.

Attachments:

1. MO - agree-fleet maintenance services – City of Wickliffe, Kentucky
2. City of Wickliffe_Service Ageement

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER APPROVING A FLEET MAINTENANCE, MOTORIZED EQUIPMENT AND EMERGENCY APPARATUS SERVICE AGREEMENT WITH CITY OF WICKLIFFE, KENTUCKY TO PROVIDE FLEET MAINTENANCE SERVICES AT HOURLY RATES AND AUTHORIZING THE EXECUTION OF ALL DOCUMENTS RELATED TO SAME

WHEREAS, the City of Paducah wishes to enter into a Fleet Maintenance Service Agreement with City of Wickliffe, Kentucky for the City of Paducah Fleet Department to provide fleet services at hourly rates.

NOW, THEREFORE, BE IT ORDERED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. That the Board of Commissioners hereby authorizes the Mayor to execute the City of Paducah Fleet Maintenance, Motorized Equipment and Emergency Apparatus Service Agreement (hereinafter the “Agreement”) with City of Wickliffe, Kentucky in substantially the form attached hereto and made part hereof (Exhibit A).

SECTION 2. That the hourly labor rates are as follows:

Shop Hourly Labor Rate

Heavy Truck	\$95 per hour
Heavy Equipment	\$95 per hour
Passenger Vehicle	\$95 per hour
Light Truck	\$95 per hour
Small Engine	\$95 per hour

SECTION 3. That the initial term of the Agreement shall be for a period of one (1) year. Such term shall automatically renew at the end of the Initial Term unless either party terminates the Agreement upon sixty days written notice in accordance with Paragraph 7 of the Agreement. In addition, the City of Paducah may terminate the Agreement with cause upon a thirty-day written notice for non-payment of fees.

SECTION 4. This Order shall be in full force and effect from and after the date of its adoption.

George Bray, Mayor

ATTEST:

Claudia S. Meeks, Assistant City Clerk

Adopted by the Board of Commissioners, October 2, 2025
Recorded by Claudia S. Meeks, Assistant City Clerk, October 2, 2025
mo/agree-fleet maintenance services – City of Wickliffe, KY

**CITY OF PADUCAH FLEET MAINTENANCE,
MOTORIZED EQUIPMENT, AND EMERGENCY APPARATUS
SERVICE AGREEMENT**

This Fleet Maintenance, Motorized Equipment and Emergency Apparatus Service Agreement (hereinafter "Agreement") is made and entered into by and between the **City of Paducah, Kentucky**, a municipal corporation, (hereinafter "Paducah") and City of Wickliffe (hereinafter "Customer").

1. **SERVICES.** Paducah agrees to provide all professional labor, materials, equipment, and operations necessary for scheduled maintenance, upkeep, repair and preventive maintenance, pursuant to the Fee Schedule attached hereto. The Fee Schedule will be updated on January 1st of each applicable year.
2. **HOURS OF OPERATION.** Normal operations are Monday through Friday from 6:30 a.m. until 3:00 p.m., with the exception of holidays. Repairs made outside regular operating hours will be performed at one and one half times the regular hourly fee.
3. **WARRANTY OF WORKMANSHIP.** Paducah will warrant its workmanship on repairs for a period of 30 days following completion of work.
4. **TOWING.** Customer will be responsible for towing any vehicles to the Department.
5. **WORK AUTHORIZATION.** Paducah is authorized to perform work on any equipment in which the fee is less than \$1,000. Any service or repair exceeding \$1,000 shall require prior written authorization from Customer's authorized representative.
6. **TERM.** This Agreement shall become effective on the date signed and be in effect for one year. Thereafter, the Agreement shall automatically renew unless terminated as specified in Paragraph 7.
7. **TERMINATION.** Either Party shall have the right to terminate this Agreement without cause upon sixty (60) days' written notice to the other Party. Paducah may terminate this Agreement with cause upon thirty (30) days' written notice for non-payment of fees.
8. **PAYMENT.** Paducah shall send monthly invoices to Customer with a due date of thirty (30) days. After sixty (60) days of non-payment, this Agreement shall be subject to Termination for Cause.
9. **AUTHORIZED REPRESENTATIVE.** Customer's authorized representative is Michael Starnes
10. **INSURANCE.** Customer shall maintain general and auto liability insurance with a single combined liability limit of not less than \$1,000,000 for claims arising out of and in connection with the provision of service by Paducah under this Agreement. Customer hereby waives any claim against Paducah for any physical damage to its vehicle(s) while in Paducah's custody and control.
11. **INDEMNIFICATION.** Customer shall indemnify, hold harmless, and defend Paducah from and against any and all claims resulting or arising from Paducah's performance, or failure to perform, under this Agreement.

**CITY OF PADUCAH – FLEET MAINTENANCE, MOTORIZED EQUIPMENT, AND
EMERGENCY APPARATUS SERVICE AGREEMENT**

CITY OF PADUCAH

CUSTOMER

By: _____

Title: Mayor

Date: _____

By: Bethany Cain
Title: City Clerk/Treasurer
Date: 9/23/25

246362

CITY OF PADUCAH – FLEET MAINTENANCE, MOTORIZED EQUIPMENT, AND
EMERGENCY APPARATUS SERVICE AGREEMENT

Shop Hourly Labor Rate Sheet

Heavy Truck -----	\$95.00 per hour
Heavy Equipment -----	\$95.00 per hour
Passenger Vehicle -----	\$95.00 per hour
Light Truck -----	\$95.00 per hour
Small Engine -----	\$95.00 per hour

Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Authorize the Acceptance of a Community Development Block Grant in the Amount of \$583,406 - **H. REASONS**

Category: Municipal Order

Staff Work
By: Hope
Reasons
Presentation
By: Hope
Reasons

Background Information: On September 16, 2024, the City of Paducah received notification from the US Department of Housing and Urban Development that Paducah had been selected as an entitlement community for the purpose of Community Development Block Grant funding. The City of Paducah accepted the designation and was allocated \$583,406 in funding for the 2025-26 federal fiscal year. On August 12, 2025, the Commission approved Municipal Order 3105 to submit a 5-year Consolidated Plan to the US Department of Housing and Urban Development describing local needs and plans for allocating the funding. The Consolidated Plan was submitted and approved, and now the City has received the Grant Agreement for signature to release the funding. This action will authorize the mayor to execute any necessary additional agreements to ensure funding in future years for the life of the 5-year Consolidated Plan.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name:
Account Number:

Staff Recommendation: Authorize the acceptance of the CDBG Grant and the Mayor to sign all documents related to same.

Attachments:

1. MO acceptance – CDBG Grant - \$583,406

MUNICIPAL ORDER NO. _____

MUNICIPAL ORDER ACCEPTING A COMMUNITY DEVELOPMENT
BLOCK GRANT IN THE AMOUNT OF \$583,406 AND AUTHORIZING THE
MAYOR TO EXECUTE ALL REQUIRED GRANT AWARD DOCUMENTS

WHEREAS, on September 16, 2024, the City of Paducah received notification from the US Department of Housing and Urban Development that Paducah had been selected as an entitlement community for the purpose of Community Development Block Grant funding. The City of Paducah accepted designation and was allocated \$583,406 in funding for the 2025-2026 federal fiscal year; and

WHEREAS, on August 12, 2025, the Commission approved Municipal Order 3105 to submit a 5-year Consolidated Plan to the US Department of Housing and Urban Development, describing local needs and plans for allocating the funding; and

WHEREAS, the City has received the Grant Agreement for signature to release the funding.

NOW, THEREFORE, BE IT ORDERED BY THE CITY OF PADUCAH,
KENTUCKY:

SECTION 1. That the Board of Commissioners hereby authorizes the Mayor to sign the Grant Agreement and all other documents necessary to release funding. Further, the Mayor is hereby authorized to execute any additional agreements as necessary to ensure funding in future years for the life of the Consolidated Plan.

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

George Bray, Mayor

ATTEST:

Claudia S. Meeks, Assistant City Clerk

Agenda Action Form Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Authorize the Acceptance of a FEMA Assistance to Firefighters Grant in the Amount of \$51,818 - **S.KYLE**

Category: Municipal Order

Staff Work By: Chris
Owens, Hope Reasons
Presentation By: Steve
Kyle

Background Information: The Assistance to Firefighters Grant (AFG) is an annual grant program administered by the Federal Emergency Management Agency (FEMA) that offers grant funding to fire departments across the country. The grants focus on enhancing the safety of firefighters, and therefore public, with respect to fire and fire-related hazards. The AFG program provides funding for critical training and equipment. The Paducah Fire Department has been awarded \$51,818 in federal funding for Fire Ground Survival Training and an additional prop for the training. The Fire Department will be required to contribute a 10% match in the amount of \$5,818 for a total project cost of \$57,636.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name:
Account Number:

Staff Recommendation: Authorize the acceptance of the FEMA Assistance to Firefighters Grant and the Mayor to sign all documents related to same.

Attachments:

1. MO - acceptance – FEMA AFG - Fire Ground Survival Training

MUNICIPAL ORDER NO. _____

MUNICIPAL ORDER ACCEPTING A FEDERAL EMERGENCY
MANAGEMENT AGENCY ASSISTANCE TO FIREFIGHTERS GRANT IN
AN AMOUNT OF \$51,818 FOR THE PADUCAH FIRE DEPARTMENT AND
AUTHORIZING THE MAYOR TO EXECUTE ALL REQUIRED GRANT
AWARD DOCUMENTS

WHEREAS, on November 27, 2024, the Paducah Board of Commissioners approved Municipal Order #2988, approving a Grant Application in the amount of \$51,300 for Fire Ground Survival Training and an additional prop for training; and

WHEREAS, the City has been awarded \$51,818 in federal funding for Fire Ground Survival Training and an additional prop for the training.

NOW, THEREFORE, BE IT ORDERED BY THE CITY OF PADUCAH,
KENTUCKY:

SECTION 1. That the Board of Commissioners hereby authorizes the Mayor to sign any documents relating to the award of grant funding in the amount of \$51,818.

SECTION 2. The grant required a 10% match in the amount of \$5,818, for a total project cost of \$57,636. This match amount shall be paid through Account Number 1000 1801 523070 (Other Contractual Services).

SECTION 3. This order shall be in full force and effect from and after the date of its adoption.

George Bray, Mayor

ATTEST:

Claudia S. Meeks, Assistant City Clerk

Adopted by the Board of Commissioners, October 2, 2025
Recorded by Claudia S. Meeks, Assistant City Clerk, October 2, 2025
\\mo\grants\acceptance - FEMA -AFG - Fire Ground Survival Training

Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Authorize the purchase of real property located at 3047 Jackson Street from Midway Management, LLC for an amount not to exceed \$762,850. - **B. LAIRD**

Category: Municipal Order

Staff Work By: Daron
Jordan, Brian Laird
Presentation By: Brian
Laird

Background Information: The police department headquarters is in need of replacement and the current location does not meet the current and future needs. Property located at 3047 Jackson Street, consisting of approximately 7 1/2 -8 acres, has been identified as the best available location to re-locate and construct a new police department. With Commission approval, and under the direction of the City Manager, a broker acting on behalf of the City negotiated a per acre price for the property. On September 17, 2025, Midway Management, LLC signed a Letter of Intent to sell the property to the City for \$95,000 per acre. The exact sale price will be determined upon the completion of an accurate boundary survey.

The purchase is contingent upon acceptable results of environmental testing and other items outlined in the Letter of Intent and purchase agreement.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name: Police Headquarters

Account Number: PO0137-000-70000-70008

Staff Recommendation: Approve the property purchase in an amount not to exceed \$762,850 plus all closing costs.

Attachments:

1. MO - prop purchase -3047 Jackson Street
2. ESCROW AGREEMENT 3047 Jackson Street
3. REAL ESTATE SALE AND PURCHASE AGREEMENT - 3047 JACKSON STREET (CITY OF PADUCAH)

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER AUTHORIZING PURCHASE OF REAL PROPERTY LOCATED AT 3047 JACKSON STREET, PADUCAH, McCRACKEN COUNTY, KENTUCKY

WHEREAS, the Midway Management, LLC owns certain real property located at 3047 Jackson Street, Paducah, Kentucky (hereinafter “Property”); and

WHEREAS, the City of Paducah desires to acquire said Property from Midway Management, LLC; and

WHEREAS, the City of Paducah has offered, and Midway Management, LLC has accepted, an offer to purchase said Property for \$95,000 per acre; and

WHEREAS, the total number of acres shall be determined based on a boundary survey but it is estimated to contain approximately 8.0 acres;

WHEREAS, the Board of Commissioners of the City of Paducah find that the acquisition of the Property for the amount of \$95,000 per acre is reasonable and fair, advances a particular public purpose of the City, and is in the best interest of the City.

NOW, THEREFORE, IT IS ORDERED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PADUCAH, KENTUCKY:

Section 1. Recitals and Authorizations. The Board of Commissioners declares that the acquisition of the Property by the City of Paducah advances a particular public purpose of the City, is in the best interest of the City and is hereby approved and authorized.

Section 2. Recitals and Authorizations. That the Mayor of the City of Paducah, Kentucky be and is hereby authorized to purchase on behalf of the City said Property for and in consideration of Ninety-Five Thousand Dollars (\$95,000) per acre, which total amount shall be

determined by a boundary survey but that such total shall not exceed Seven Hundred Sixty Thousand Dollars (\$762,850). The Mayor is further authorized to execute all documentation necessary to effectuate the transfer of the Property to the City of Paducah.

Section 3. Earnest Money Deposit. The Finance Department for the City of Paducah is hereby authorized to issue a check in the amount of Ten Thousand Dollars (\$10,000) to Keuler, Kelly, Hutchins, Blankenship & Sigler, LLP to be held in its escrow account and to be applied to the purchase price at the time of closing, as more particularly described in the Real Estate Closing Escrow Agreement, attached hereto as Exhibit A.

Section 4. Realtor's Commission. The Finance Department is further authorized to issue a check to Trifecta Real Estate Services, who served as realtor with respect to this transaction, for a total of 5 percent of the final purchase price, not to exceed \$38,142.50.

Section 5. Purchase Price. The Finance Department for the City of Paducah is further authorized to distribute funds for the purchase price of this property, as more particularly described in the Real Estate Purchase Agreement, attached hereto as Exhibit B.

Section 6. Severability. If any section, paragraph or provision of this Order 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 Order.

Section 7. Compliance with Open Meetings Laws. The City Commission hereby finds and determines that all formal actions relative to the adoption of this Order were taken in an open meeting of the 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 8. Conflicts. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Order are, to the extent of such conflict, hereby repealed and the provisions of this Order shall prevail and be given effect.

Section 9. Effective Date. This Order shall be in full force and effect on and after the date as approved by the Board of Commissioners of the City of Paducah, Kentucky.

George P. Bray, Mayor

ATTEST:

Claudia S. Meeks, Assistant City Clerk

Adopted by the Board of Commissioners, October 2, 2025.
Recorded by Claudia S. Meeks, Assistant City Clerk, October 2, 2025.

MO/prop purchase 3047 Jackson Street

REAL ESTATE CLOSING ESCROW AGREEMENT

THIS ESCROW AGREEMENT (the "Agreement") is made and entered into as of the Effective Date hereinafter defined by and among THE CITY OF PADUCAH, KENTUCKY, hereinafter referred to as "Buyer," and MIDWAY MANAGEMENT, LLC, hereinafter referred to as "Seller," and Keuler, Kelly, Hutchins, Blankenship & Sigler, LLP, a limited liability partnership, of 100 South 4th Street, Suite 400, Paducah, KY 42001, hereinafter referred to as "Escrow Holder."

WITNESSETH:

WHEREAS, Buyer and Seller have entered into a Real Estate Purchase Agreement dated as of October _____, 2025, (the "Principal Agreement") for the purchase and sale of that certain tract of real property located in McCracken County, Kentucky and which is commonly known as 3047 Jackson Street and is more particularly described in the Principal Agreement, which provides, among other things, for the deposit by Buyer into escrow of the amount of Ten Thousand Dollars (\$10,000.00), as an earnest money deposit more particularly described in Section 1 of the Principal Agreement (the "Deposit"); and

WHEREAS, at the request of Buyer and Seller, Escrow Holder has agreed to hold and administer the Deposit subject to and in accordance with the provisions of the Principal Agreement and this Agreement;

NOW, THEREFORE, in consideration of the premises, for other valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound, it is hereby agreed as follows:

1. Escrow and Deposit. Buyer will deposit with Escrow Holder the Deposit as required under the terms and provisions of the Principal Agreement, the Deposit to be held in escrow by the Escrow Holder in a non-interest bearing account maintained at INDEPENDENCE BANK and shall be paid in accordance with the provisions of Section 2 of this Agreement.

2. Disposition of the Deposit. Buyer and Seller presently intend that the closing of the transactions contemplated by the Principal Agreement (the "Closing") will take place on or before one-hundred eighty (180) days from the effective date of the Principal Agreement, (the "Closing Date") and that in conjunction with such Closing the Deposit shall be applied to the amounts due from Buyer to Seller pursuant to the Principal Agreement. In any event, the preceding sentence notwithstanding, Escrow Holder is authorized and directed by Buyer and Seller to continue holding the Deposit until, and to dispose of the same when, but only when, either Escrow Holder receives joint written instructions for the disposition of same signed by both Buyer and Seller or by duly authorized representatives of both Buyer and Seller, in which case (i) Escrow Holder shall dispose of the Deposit in accordance with such instructions, or (ii) Escrow Holder has delivered the Deposit to a "Successor", as defined in Section 6 of this Agreement, in connection with the resignation of Escrow Holder pursuant to Section 6 of this Agreement,

or (iii) in accordance with a final and non-appealable order of a court having jurisdiction over the parties of this Agreement and the disposition of the Deposit.

3. Cost of Services. The services of the Escrow Holder under this Agreement shall be provided without a fee to Buyer or Seller. However, Seller and Buyer specifically agree to share equally and promptly pay all out-of-pocket costs and expenses incurred by Escrow Holder under this Agreement.

4. Role of Escrow Holder. The Escrow Holder is acting under this Agreement as a depository only. The Escrow Holder shall not be liable for any act or omission whatsoever by it under or in connection with this Agreement except to the extent the same constitutes bad faith, negligence or willful misconduct. Without limitation of the preceding sentence, it is agreed that:

A. In the event of a disagreement between Seller and Buyer or any person or entity claiming under or through Seller and Buyer with regard to the Deposit or the obligations of the Escrow Holder under this Agreement, and without limitation of the right of the Escrow Holder to deliver the Deposit to a Successor and resign pursuant to Section 6 of this Agreement, the Escrow Holder shall be entitled to commence an interpleader action in the McCracken County Circuit Court to resolve the controversy (“Applicable Court”) and to pay the Deposit to the clerk of the Applicable Court. *Each of the parties to this Agreement agrees for the purpose of any such interpleader action to submit to the jurisdiction of the Applicable Court, and to pay or reimburse Escrow Holder, promptly upon written request of Escrow Holder made from time to time for all costs and expenses, including but not limited to reasonable attorneys’ fees, incurred by Escrow Holder as a result of, arising out of or connected with such action.*

B. The Escrow Holder shall not be responsible or liable in any manner whatsoever hereunder for the sufficiency, correctness, genuineness or validity of any document or instrument or for the identity, authority or rights of any person or entity executing or depositing any such document or instrument, and the Escrow Holder shall be protected in acting hereunder upon any notice, request, waiver, consent, receipt, document or any other writing believed by the Escrow Holder to be genuine and to have been made, signed, sent or presented by the party or parties purporting to have done so. The Escrow Holder shall not be responsible or liable for any mistake in fact or law or otherwise absent willful misconduct, bad faith or gross neglect.

C. Anything contained in this Agreement or the Principal Agreement to the contrary notwithstanding, the duties, responsibilities and immunities of the Escrow Holder under this Agreement shall be determined solely pursuant to the provisions of this Agreement. Moreover, the Escrow Holder shall have no duties under this Agreement except those which are expressly set forth herein.

D. The Escrow Holder shall not be bound by or charged with notice of any transfer or assignment, in whole or in part, made by a party to this Agreement or its

successor or assigns, unless or until written notice thereof is delivered to and acknowledged by the Escrow Holder.

E. Notwithstanding its relationship to the parties under this Agreement, the Escrow Holder shall have the right to represent Buyer in the interpleader action following the payment of the Escrow Fund to the clerk of the Applicable Court or to a Successor pursuant to Section 6 of this Agreement; provided, however, that Seller shall have no obligation to pay the Escrow Holder for services rendered for the benefit of Buyer, except as otherwise provided herein.

5. Indemnification of Escrow Holder. Buyer and Seller, for themselves and their respective heirs, executors, administrators, successors and assigns, hereby jointly and severally, unconditionally and irrevocably indemnify and hold the Escrow Holder harmless from and against any and all claims, actions and suits, whether groundless or otherwise, and from and against any and all liabilities, losses, damages, costs, charges and other expenses of every nature and character, including but not limited to reasonable attorneys' fees, arising out of, occasioned by, or in any manner related to, directly or indirectly, this Agreement and the agreement by Escrow Holder to serve in such capacity hereunder (collectively, the "Indemnified Claims"), except to the extent the Indemnified Claims result from the willful misconduct, bad faith or gross neglect of the Escrow Holder. The indemnification under this Section shall apply to any fees and expenses incurred by the Escrow Holder in any interpleader action referenced above, and shall survive any disbursement of the Deposits and any termination of this Agreement, including pursuant to any resignation of the Escrow Holder as provided below.

6. Resignation of Escrow Holder. The Escrow Holder may resign under this Agreement by giving five (5) days prior written notice to the Buyer and Seller and upon delivery of the Deposit to a successor ("Successor") which shall be designated by joint written instructions from the Buyer and Seller to the Escrow Holder on or before the expiration of such five (5) day notice or, if no Successor has been designated by joint written instructions from the Buyer and Seller within such time period, by delivery of the Deposit to a commercial bank reasonably acceptable to Buyer and Seller for such purpose, and pursuant to a replacement escrow agreement or similar documentation customarily used by (and providing for fees for such services customarily charged by) such commercial bank for such purpose. In the event of a disagreement between the Buyer and Seller as to the designation of a Successor, Escrow Holder may proceed under Section 4 of this Agreement. Upon the delivery of the Deposit to a Successor the Escrow Holder shall be fully released and discharged from any further obligations under this Agreement.

7. Notices. All notices required, permitted, or given pursuant to the provisions of this Agreement shall be in writing, and either (i) hand delivered, (ii) delivered by certified mail, postage prepaid, return receipt requested, (iii) delivered by an overnight delivery service, or (iv) delivered by facsimile machine or email, followed within twenty-four (24) hours by delivery under options (i), (ii) or (iii) addressed to the parties to the addresses given above.

Notices shall be deemed delivered twenty-four (24) hours after being sent in a manner described above. The addresses given above may be changed by any party by notice given in the manner provided herein.

8. Miscellaneous Provisions.

- A. This Agreement constitutes the final, complete and exclusive agreement among the parties to it with respect to its subject matter.
- B. This Agreement may not be changed, amended, waived, discharged or terminated orally, but only by an instrument in writing signed by all of the parties to it.
- C. This Agreement shall inure to the benefit of and be binding upon the parties to it and their respective heirs, executors, successors and assigns.
- D. This Agreement may be executed in any number of counterparts but all such counterparts shall constitute one and the same instrument.
- E. The Section headings contained in the Agreement are inserted for convenience only and shall not control or offset the meaning or construction of any of the provisions of this Agreement.
- F. This Agreement shall be construed and otherwise governed in all respects by the laws of the Commonwealth of Kentucky.
- G. Each party to this Agreement not a natural person represents and warrants to each other party hereto that this Agreement has been signed by a representative of such first party duly authorized to execute and deliver the same on behalf thereof.
- H. This Agreement shall become effective when, and only when, it has been signed by or on behalf of each of the parties to it and then shall be deemed dated as of the latest date signed by a party to it (the "Effective Date").

9. Counterparts. This Agreement may be executed in two or more counterparts, each of which (or the individual signature pages thereof) shall be deemed an original and all of which together shall constitute one and the same instrument. Counterparts may be executed by facsimile. Facsimile signatures or other reproductions shall have the same force and effect as an original signature.

IN WITNESS WHEREOF, the parties have respectively caused this Agreement to be executed as of the respective dates shown below.

BUYER:

THE CITY OF PADUCAH, KENTUCKY

By: _____
George Bray, Mayor

SELLER:

MIDWAY MANAGEMENT, LLC,
a Kentucky Limited Liability Company

By: _____
Theresa M. Lundberg, Authorized Member

ESCROW HOLDER:

KEULER, KELLY, HUTCHINS
BLANKENSHIP & SIGLER, LLP

By: _____

Date: _____

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (this "Agreement") is entered into on the _____ day of _____, 2025, by and among MIDWAY MANAGEMENT, LLC, a Kentucky limited liability company (hereinafter "Seller"); and THE CITY OF PADUCAH, KENTUCKY (hereinafter "Buyer").

W I T N E S E T H

WHEREAS, Seller is the owner in fee simple of certain real property consisting of approximately 8.03 +/- acres commonly known as 3047 Jackson Street, Paducah, Kentucky 42003, which is more particularly described in Exhibit "A" attached hereto, and made a part hereof, together all property rights and interests connected with or ancillary to the real property, including but not limited to any interest in improvements, fixtures, and appurtenances thereto, and any strips or gores (the "Property");

WHEREAS, Buyer has offered to purchase the Property in accordance with the terms that are contained in this Agreement; and

WHEREAS, Seller has agreed to those terms and has agreed to proceed with the consummation of the sale transaction as defined hereunder.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, and for other valuable consideration, the legal adequacy and sufficiency of which is hereby acknowledged by the parties hereto, the parties do hereby covenant and agree as follows:

SECTION 1. PURCHASE AND SALE OF THE PROPERTY

1.1 Extent of Property to be Sold. Subject to the provisions of this Agreement, Seller shall sell, deliver and assign to Buyer, and Buyer shall purchase and receive from Seller, all of Seller's right, title, and interest in and to the Property.

1.2 Purchase Price. The purchase price for the Property shall be \$95,000.00 per surveyed acre, subject to an accurate boundary survey acceptable to both parties; provided, however, the purchase price shall in no event exceed the sum of \$762,850.00 (the "Purchase Price"). The Purchase Price, less credit for such credits, prorations and adjustments as are provided herein, shall be paid to Seller upon delivery of the general warranty deed at Closing in the form of a cashier's or certified check or other immediately available funds acceptable to Seller.

1.3 Earnest Money. Within five (5) business days of the Effective Date, Buyer shall tender to Seller an earnest money deposit in the amount of \$10,000.00 (the "Earnest Money"). The Earnest Money shall be applied to the Purchase Price at Closing unless otherwise disposed of as set forth herein. The Earnest Money shall be held by the law firm of Keuler, Kelly, Hutchins, Blankenship & Sigler, LLP in accordance with an Escrow Agreement of even date herewith. In the event of Buyer's or Seller's default, or in the event

the conditions precedent are not satisfied fully, the Earnest Money shall be disposed of as set forth in this Agreement.

SECTION 2. REPRESENTATIONS, WARRANTIES, INDEMNITIES, AND COVENANTS OF THE SELLER.

2.1 Making of Representations, Warranties and Covenants. As a material inducement to Buyer to enter into this Agreement and consummate the transactions contemplated hereby, the Seller hereby makes to Buyer the representations, warranties, indemnities, and covenants contained in this Section:

(a) Authority. The Seller is a Kentucky limited liability company duly authorized to transact business in the Commonwealth of Kentucky with full power and authority to own the Property and carry on its business as it has prior to this date and with full power and authority to enter into this Agreement and carry out its obligations hereunder.

(b) Authorization, Execution and Delivery. This Agreement has been duly authorized by all requisite action on the part of the Seller, has been duly executed and delivered by the Seller, and constitutes the legal, valid, and binding obligation of the Seller enforceable against Seller in accordance with its terms.

(c) No Prohibition. The execution and delivery of this Agreement and the consummation of the transactions called for herein do not and will not (i) violate any provision of law or applicable governmental regulation concerning the Seller; (ii) contravene, conflict with, result in a violation or breach of any provision of, or result in the right of acceleration of any obligation under any mortgage, note, lease, agreement, instrument, order, arbitration award, judgment, or decree to which the Seller is a party or by which the Seller is bound; (iii) violate any law, rule, order or regulation applicable to the Seller or the Property; or (iv) give any governmental body the right to revoke, withdraw, suspend, cancel, terminate, or modify any governmental authorization that is held by the Seller concerning the Property.

(d) Fee Interest. The Seller has good and marketable title in fee simple to the Property, and when such title is conveyed to the Buyer at Closing, it shall be free and clear of all mortgages, deeds of trust, liens, pledges, charges, security interests, leases, restrictions of any kind, rights of refusal, options, or encumbrances of any nature whatsoever, subject only to (i) liens for taxes or assessments which have accrued since January 1, 2024, which shall be prorated at Closing and (ii) easements and conditions of record as provided in this Agreement.

(e) No Undisclosed Claims. There are no claims, actions, suits, or proceedings pending or threatened against or affecting the Seller or the Property that could have a material adverse effect on the Property. There is no basis for any such claim or proceeding known to the Seller. The Seller is not bound by nor has consented to any judgment, decree, or order which might have a material ongoing

effect on the Property. There are no judgments, decrees, injunctions, rules, or orders of any court, governmental department, commission, agency, instrumentality, or arbitrator which might in any way affect the ability of the Buyer to continue leasing the Property in the manner in which it has been operated prior to this date.

(g) FIRPTA. Seller is not a “foreign corporation”, “foreign partnership” or “foreign estate” as those terms are defined in the Internal Revenue Code of 1986, as amended, and that Seller will furnish to Buyer such further assurances with respect to this representation and warranty as Buyer shall reasonably request.

(h) Environmental. The condition of the Property is in compliance in all material respects with all applicable Environmental Laws (as hereinafter defined). There has been and will be no disposal or release of Hazardous Materials on the Property during Seller’s use or ownership of the Property. “Hazardous Materials” shall refer to (a) all materials and substances which are defined as such in (or for purposes of) all applicable Environmental Laws; (b) asbestos; or (c) any other hazardous, toxic or dangerous waste, substance or material. No release of any Hazardous Materials has occurred at, upon or under the Property in an amount which violates any Environmental Law or could reasonably be expected to give rise to an obligation to remediate under or pursuant to any Environmental Law. The Seller is not aware of any violation and has not received any notice of any violation of any Environmental Law relating to the Property or the operation of the business or to any of the processes used or followed by the Seller. There are no actions pending or threatened against the Seller alleging the violation of or imposing liability pursuant to any Environmental Law. For purposes of this Agreement, “Environmental Laws” means any federal, state, local or foreign law (including common law), statute, code, ordinance, rule, regulation or other requirement relating to the environment, natural resources, or public or employee health and safety as in effect as of the date of this Contract and includes, but is not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. § 9601 et seq. the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Clean Water Act, 33 U.S.C. § 1251 et seq. the Clean Air Act, 33 U.S.C. § 2601 et seq. the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq. the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136 et seq. the Oil Pollution Act of 1990, 33 U.S.C. § 2701 et seq. and the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq. as such laws have been amended or supplemented to the date hereof, and the regulations promulgated pursuant thereto, and all analogous state or local statutes.

(i) Compliance with Laws. The Property is in full compliance with applicable environmental, zoning and land use laws, and other applicable local, state and federal laws and regulations.

(j) Contracts. At the time of the Closing, there will be no outstanding

contracts executed by Seller for any improvements to the Property, and Seller shall cause to be discharged prior to the Closing all mechanics' or materialmen's liens arising from any labor or materials furnished to the Property or arising from contracts executed by Seller prior to the Closing (whether or not such contracts have been fully performed), and Seller shall terminate all such contracts at Closing at Seller's sole cost.

(k) Leases. Seller currently has no lease with any tenant and there are no third parties who can or have asserted a leasehold interest in the Property.

(l) Licenses and Permits. There are no licenses or permits held by Seller concerning the Property.

2.2 Survival of Representations, Warranties, Indemnities, and Covenants. In the event any of Seller's representations, warranties or covenants hereunder are determined to be false or misleading prior to Closing, Buyer shall have the option of (i) waiving such failure and proceeding to the Closing subject thereto; or (ii) declaring this Agreement to be in default and exercising the remedies available to Buyer under Section 7, including but not limited to the right to terminate this Agreement. All of Seller's representations, warranties, indemnities or covenants hereunder shall survive the Closing of the transaction contemplated under this Agreement indefinitely.

SECTION 3. INSPECTIONS BY BUYER.

3.1 Inspections. Buyer shall have an inspection period which shall commence on the Effective Date and continue until one hundred twenty (120) days after the Effective Date (the "Inspection Period") to conduct any testing, measurements, examinations, studies, inspections, or surveys of the Property, at Buyer's cost, for the purpose of determining the current condition of the Property and its acceptability for Buyer's intended purposes. Buyer shall have the option to extend the Inspection Period for an additional thirty (30) days upon written notice to Seller. Seller shall cooperate with Buyer in the making of the foregoing investigations. Accordingly, within five (5) days after the Effective Date, Seller shall deliver to Buyer the following items (each to the extent available or reasonably obtainable by Seller):

- (a) Copies of all tax bills for the last three (3) years for the Property;
- (b) Surveys, plats, site plans, topographical maps and engineering studies related to the Property;
- (c) Any and all information regarding zoning requests for the Property;
- (d) Any and all environmental reports/testing and soil reports/testing related to the Property;
- (e) Any and all documentation required for conducting environmental testing, soil testing, and a survey of the Property;
- (f) Copies of all utility documents related to the Property;
- (g) Any and all title insurance policies and title exception documents for the Property;

- (h) Any and all leases on the Property; and
- (i) Any other relevant information related to the Property.

3.2 Access to the Property. Seller hereby grants to Buyer and Buyer's agents and representatives the right to enter upon the Property at Buyer's expense from the Effective Date until the termination of this Agreement for the purpose of making inspections, measurements, surveys and conducting such tests and examinations as Buyer deems necessary, including but not limited to engineering studies, core borings, drillings, environmental studies and hazardous waste studies. Seller acknowledges, and Buyer agrees, that during the foregoing period, Seller will have complete control of the Property and Buyer will have only the rights with respect thereto specifically set forth in this Agreement.

3.3 Defects. If the inspections disclose any defect in the Property which in the Buyer's sole discretion materially affect Buyer's ability to use and occupy the Property for its intended purpose, Buyer shall have the right, at Buyer's sole option, to cancel this Agreement, in which case the Earnest Money shall be returned to Buyer and the parties released from all further obligations under this Agreement. This right of cancellation shall be exercised by Buyer by giving written notice to Seller.

SECTION 4. TITLE EXAM/SURVEY/APPRAISAL.

4.1 Title Commitment. During the Inspection Period, as defined below, Buyer may obtain a title commitment (the "Commitment") with respect to the Property showing Seller as the fee simple owner of the Property and the terms by which the title company agrees to issue to Buyer an owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price insuring Buyer's fee simple title to the Property subject to the terms of such policy. Buyer shall deliver to Seller in writing Buyer's objections to title for any items contained in the Commitment prior to the expiration of the Inspection period. If such objections are not resolved to Buyer's satisfaction within ten (10) days, then Buyer, in its sole discretion, may extend such cure period, waive its objection(s), or terminate the Agreement, in which case the Seller shall return the Earnest Money to Buyer. Buyer's obligation to close shall be contingent upon Buyer's receipt of title acceptable to Buyer.

4.2. Survey. During the Inspection Period, Seller shall procure a survey which depicts the boundaries of the Property to be sold (the "Survey"). Buyer understands that Seller will carve off a portion of land surrounding a cell phone tower located on the Property (the "Cell Phone Tower Tract"), which Cell Phone Tower Tract will be retained by Seller following closing. The Cell Phone Tower Tract shall not exceed 0.50 acres and shall include all such rights of ingress and egress as may be necessary. Seller shall provide a copy of the Survey to Buyer promptly upon receipt. The cost of the Survey shall be split 50/50 between Buyer and Seller.

4.3 Appraisal. Buyer may have the Property appraised by an appraisal company or other entity acceptable to Buyer. If the Property appraises for less than the Purchase Price, Buyer shall have the right to terminate this Agreement, in which case Seller shall

return the Earnest Money to Buyer. Buyer's obligation to close shall be contingent upon Buyer's receipt of an appraisal that determines the value of the Property to be at least the Purchase Price.

SECTION 5. CLOSING OF SALE TRANSACTION.

5.1 Time and Place of Closing. Subject to the full performance or waiver of performance of all parties of their respective duties set forth in this Agreement and the satisfaction or waiver of all of the conditions to Closing set forth in this Agreement, the Closing of the sale contemplated hereby shall be held no more than thirty (30) days from the expiration of the Inspection Period, at such time and place as is mutually agreeable by the parties hereto.

5.2 Conditions of Buyer's Obligations. The obligation of Buyer to consummate the purchase transaction under this Agreement is subject to the satisfaction of or compliance with each of the following conditions precedents as of the date of Closing:

(a) Seller shall have complied with and otherwise satisfied all of Seller's covenants, and warranties made herein, and all matters that are represented and warranted are true, complete and accurate at time of Closing.

(b) Seller, at Seller's expense, shall have brought all utilities necessary for Buyer's intended use to the boundary line of and be available to the Property.

(c) Any defects discovered during the Inspection Period have been cured by Seller to Buyer's satisfaction or waived by Buyer.

(d) Buyer shall have received all approvals necessary to consummate the Closing.

(e) Buyer shall be satisfied, in its sole and absolute discretion, with the results of all due diligence inspections and reports.

(f) Buyer shall have reviewed and approved all items depicted on the Survey, including the boundaries and dimensions of the Property.

In the event of the failure of any of the conditions set forth above, the Buyer shall have the right, at Buyer's option, to terminate this Agreement upon written notice to the Seller.

5.3 Closing Statement. The closing agent shall prepare a "Closing Statement" which reflects adjustments which will be made to the Purchase Price for the balance of any mortgage or lien encumbering the Property; any title defect that can be cured by expending money; and any additional amounts owed by Buyer or credits due to Buyer. Buyer and Seller shall execute the Closing Statement at Closing. The Closing Statement shall allocate closing costs as follows:

- (a) The following fees shall be charged to Buyer:
 - (i) title commitment; and
 - (ii) appraisal and any other due diligence studies performed at the request of the Buyer.

- (b) The following fees shall be charged to Seller:
 - (i) preparation of the Deed;
 - (ii) transfer taxes;
 - (iii) any other amounts required to deliver the Property to Buyer free and clear of all encumbrances.

- (c) The following fees shall be split equally between Buyer and Seller:
 - (i) the settlement agent's closing fee;
 - (ii) the premium for the ALTA owner's policy of title insurance and any municipal taxes thereon;
 - (iii) the surveyor's invoice; and
 - (iv) recording fee for the deed.

5.4 Documents to be Delivered by Seller. At the Closing, Seller shall deliver to Buyer: (i) a duly executed and acknowledged general warranty deed conveying the Property, free and clear of all encumbrances (the "Deed"); (ii) evidence satisfactory to Buyer that any encumbrances or liens theretofore affecting the Property have been paid and discharged of record; (iii) such other instruments and documents as are necessary or appropriate to properly and completely vest title to the Property in Buyer; and (iv) possession of the Property.

5.5 Deliveries by Buyer at Closing. Buyer shall deliver immediately available funds for the Purchase Price, less the Earnest Money, and such other documents, records, and items as may be reasonably necessary and appropriate to consummate the sale transaction under this Agreement.

5.6 Ad Valorem Taxes, Real Property Taxes and Governmental Assessments. Ad valorem taxes and/or real property taxes against the Property shall be prorated as of the date of Closing.

5.7 Brokers. Buyer shall pay a brokerage fee to Trifecta Real Estate Services in the amount of 5% of the Purchase Price. Seller represents and warrants that it is not represented by a realtor or brokerage with regard to this transaction. Seller agrees if any brokerage or finder's fee claims other than that of Trifecta Real Estate Services shall be made based on this Agreement, the defense of any such claim shall be the responsibility of the Seller, and additionally, Seller shall pay and satisfy such claim. Additionally, Seller shall indemnify the Buyer from any and all costs and expenses incurred by reason of such claim, including reasonable attorney fees.

SECTION 6. RISK OF LOSS AND POSSESSION.

6.1 Risk of Loss. Seller shall bear all risk of loss to the Property by fire or other casualty until Closing and conveyance to Buyer. Buyer shall assume all risk of loss to the Property after the Closing. In the event the Property shall be damaged to the extent that it is wholly or partially untenable or is totally destroyed from any cause, this Agreement may be voidable at the option of Buyer upon written notice to Seller. In the event of such damage, if Buyer does not exercise Buyer's right to terminate under this provision or any other contingency provision of this Agreement, Buyer shall have the right to the insurance proceeds pertaining to such damage and this Agreement shall continue in full force and effect.

6.2 Possession. Possession of the Property shall be delivered to Buyer at Closing.

SECTION 7. DEFAULT AND REMEDIES.

7.1 Default by Buyer; Remedies of Seller. If Buyer defaults under this Agreement, and if Seller is not in default and all conditions precedent to Buyer's obligations either have been satisfied or waived in writing by Buyer, then Seller may terminate this Agreement and receive the Earnest Money as liquidated damages and not as a penalty, which sum shall be Seller's sole remedy in full satisfaction and settlement of all damages for Buyer's default.

7.2 Default by Seller; Remedies of Buyer. If Seller fails to comply with any or all of the obligations, covenants, representations, warranties or agreements to be performed, honored or observed by Seller under and pursuant to the terms and provisions of this agreement, and such default is not cured within the cure period, then Buyer may, at its option, (a) elect to enforce the terms hereof by action for specific performance, (b) proceed to close this transaction notwithstanding such breach or failure (without waiving any right or remedy which might otherwise be available to Buyer at law or in equity arising from such breach or failure), or (c) terminate this Agreement and preserve its rights to seek damages and other relief available at law or equity.

SECTION 8. MISCELLANEOUS.

8.1 Disputes. This Agreement shall be governed and construed under the laws of the Commonwealth of Kentucky. Should any dispute arise between the parties, the parties shall submit the dispute for administered mediation. In the event the parties are unable to resolve the dispute through mediation, the dispute shall be presented to the appropriate state court in McCracken County, Kentucky for resolution. By execution of the Agreement, each of the parties consent to the exclusive jurisdiction of such courts, and waive their right to challenge jurisdiction or venue in such courts. **Each party also waives their right to trial by jury.** In the event a dispute must be resolved through litigation, the prevailing party shall be entitled to recover the costs and expenses of the dispute from the other party, including their reasonable attorney fees.

8.2 Eminent Domain. If after the Effective Date and prior to date of Closing, all or a substantial portion of the real property subject to this Agreement is subject to a bona fide threat of condemnation or is taken by a body having power of eminent domain, this Agreement may terminate and become void at the option of Buyer by written notice to Seller. If no such election is made, Seller shall assign, transfer, and set over to Buyer all its right, title, and interest to any awards that may have been or may hereafter be made for such taking, subject to the remaining provisions of this Agreement.

8.3 “Effective Date.” This Agreement shall not become effective and binding until the Agreement is fully executed and delivered by both Buyer and Seller.

8.4 Captions. The captions employed in this Agreement are for convenience only and are not intended to in any way limit or amplify the terms and provisions of this Agreement.

8.5 Merger Clause. It is agreed and understood between the parties that this Agreement together with the attached schedules represents the entire and exclusive agreement between the parties, and that all prior representations, covenants, warranties, understandings and agreements are merged herein. This Agreement may only be modified in a writing executed by all parties hereto.

8.6 Successors and Assigns. This Agreement shall apply to, inure to the benefit of and be binding upon and enforceable against the parties hereto and their respective successors, assigns, heirs, executors, administrators and legal representatives to the same extent as if specified at length throughout this Agreement. The Buyer shall have the right to assign its rights and obligations hereunder, in whole or in part, without the prior consent of the Seller.

8.7 Gender and Number. The plural shall include the singular and the singular, the plural, wherever the context so permits. The masculine shall include the feminine and the neuter; the feminine, the masculine and the neuter, and the neuter, the masculine and the feminine.

8.8 Notice. All notices required, permitted, or given pursuant to the provisions of this Agreement shall be in writing delivered to the addresses first above listed, and either (i) hand delivered, (ii) delivered by certified mail, postage prepaid, return receipt requested, (iii) delivered by an overnight delivery service, or (iv) delivered by facsimile machine or email and addressed. Notices shall be deemed delivered upon receipt. The addresses given above may be changed by any party by notice given in the manner provided herein.

8.9 Periods of Time. Whenever any determination is to be made or action is to be taken on a date specified in this Agreement, if such date shall fall on a Saturday, Sunday or legal holiday under the laws of the state in which the Property is located, then in such event said date shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

8.10 Preparation of Agreement. This Agreement shall not be construed more strongly against either party regardless of who is responsible for its preparation.

8.11 Further Agreements. Seller and Buyer agree to execute, acknowledge, and deliver, or cause to be delivered, any and all such conveyances, assignments, confirmations, satisfactions, releases, instruments of further assurance, approvals, consents and such other instruments and documents as may be reasonably necessary to carry out the intent and purpose of this Agreement and the transactions contemplated hereby.

8.12 Agreement to Cooperate. Seller agrees prior to Closing to fully cooperate with Buyer in the investigation and review of the Property.

8.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original. A PDF or other electronic signature of any party shall be considered to have the same binding legal effect as an original signature upon delivery thereof. Upon the request of any party, each party or signatory hereto shall also deliver this Agreement with its original signature, provided that any failure to do so shall not affect the preceding sentence or any provisions of this Agreement or obligations of any party or signatory hereto

8.14 Time of Essence. Time will be of the essence with respect to the performance of the terms and conditions of this Agreement.

IN WITNESS WHEREOF, the parties have respectively caused this Agreement to be executed as of the respective dates shown below.

SELLER:

MIDWAY MANAGEMENT, LLC,
a Kentucky limited liability company

By: _____
Theresa M. Lundberg, Authorized Member

BUYER:

THE CITY OF PADUCAH, KENTUCKY

By: _____
George Bray, Mayor

EXHIBIT A

TRACT NO. 1:

BEGINNING AT A STAKE IN THE SOUTHEAST CORNER OF THE INTERSECTION OF CLARK STREET AND 31ST STREET; THENCE EASTWARDLY IN AND ALONG THE SOUTH LINE OF CLARK STREET 321 FEET TO A STAKE ON THE WESTERLY RIGHT-OF-WAY LINE OF THE ILLINOIS CENTRAL GULF RAILROAD, INC. (FORMERLY PADUCAH AND ILLINOIS RAILROAD COMPANY) RIGHT-OF-WAY; THEN SOUTHWARDLY AND ALONG THE WESTERLY LINE OF SAID RAILROAD RIGHT-OF-WAY 867.4 FEET TO A STAKE IN THE NORTHERLY LINE OF JACKSON STREET WHERE IT INTERSECTS THE WESTERLY LINE OF SAID RAILROAD RIGHT-OF-WAY; THENCE WESTWARDLY AND ALONG THE NORTHERLY LINE OF JACKSON STREET 533.7 FEET TO A STAKE IN THE NORTHEAST CORNER OF JACKSON STREET AND 31ST STREET; THENCE NORTHWARDLY AND ALONG THE EASTERLY LINE OF 31ST STREET 839 FEET TO POINT OF BEGINNING.

EXCEPT THAT PROPERTY CONVEYED FROM MODINE MANUFACTURING COMPANY TO THE COMMONWEALTH OF KENTUCKY, DEPARTMENT OF HIGHWAYS IN DEED BOOK 294, PAGE 254, MCCRACKEN COUNTY CLERK'S OFFICE AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE EASTERLY LINE OF 31ST STREET 7 FEET NORTHWARDLY OF THE NORTHERLY LINE OF JACKSON STREET (AS MEASURED ALONG THE EASTERLY LINE OF 31ST STREET); THENCE IN AN EASTERLY DIRECTION IN A STRAIGHT LINE TO A POINT IN THE WESTERLY LINE OF THE PADUCAH & ILLINOIS RAILROAD RIGHT-OF-WAY 33.42 FEET NORTHWARDLY OF THE NORTHERLY LINE OF JACKSON STREET (AS MEASURED ALONG THE WESTWARDLY RIGHT-OF-WAY LINE OF SAID RAILROAD); THENCE SOUTHWARDLY AND ALONG WITH WESTWARDLY LINE OF SAID RAILROAD RIGHT-OF-WAY 33.42 FEET TO THE NORTHERLY LINE OF JACKSON STREET; THENCE ALONG THE NORTHERLY LINE OF JACKSON STREET WESTWARDLY TO THE EASTERLY LINE OF 31ST STREET; THENCE ALONG THE EASTERLY LINE OF 31ST STREET, NORTHWARDLY 7 FEET TO THE POINT OF BEGINNING.

Being the same property conveyed to MIDWAY MANAGEMENT, LLC, a Kentucky Limited Liability Company, by Deed dated October 31, 2012, of record in Deed Book 1240, page 662, McCracken County Court Clerk's Office.

Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Approve a Ten (10) Year Non-Exclusive Cable Franchise with Ritter Communications - **M. SMOLEN**

Category: Ordinance

Staff Work By: Lindsay Parish,
Michelle Smolen
Presentation By: Lindsay Parish

Background Information: The proposed ordinance authorizes the City of Paducah to enter into a new Cable Franchise Agreement with Ritter Communications. This action transitions Ritter from operating under its existing Telecommunications Franchise in Chapter 108 of the City Code to a Cable Franchise governed by Chapter 22. The change updates the City’s regulatory framework for Ritter, aligning its operations with the correct section of the Code for providing cable services within Paducah. Adoption of this ordinance will dissolve the prior telecommunications franchise and formally establish Ritter as a cable franchisee.

The agreement grants Ritter Communications a non-exclusive franchise for a term of ten (10) years. During this time, Ritter is authorized to construct, operate, and maintain its cable system within the City’s rights-of-way. The franchise does not give Ritter exclusivity over these public spaces but does establish the City’s conditions for use of them, ensuring that operations are consistent with public safety, City ordinances, and established standards of construction.

As part of the agreement, Ritter is bound to comply fully with the provisions of Chapter 22 of the Paducah Code of Ordinances, as well as the commitments made in its bid and application, which are incorporated by reference. Ritter and its successors must faithfully perform all requirements under the franchise. Importantly, the agreement requires Ritter to provide the City with engineering drawings and documentation at least 90 days before any proposed construction in City rights-of-way. These plans must be reviewed and approved in writing by the City’s Engineering Department before work begins, ensuring coordination and protection of public infrastructure.

This new Cable Franchise Agreement modernizes the City’s relationship with Ritter Communications by placing its services under the appropriate legal and regulatory framework. It provides clarity for the City, the company, and the public, while maintaining protections for the community through oversight of construction and adherence to local ordinances. Approval of this ordinance will complete Ritter’s transition from telecommunications to cable operations under City law and secure a clear, enforceable franchise agreement for the next decade.

This ordinance also authorizes the Mayor to execute a termination agreement with Ritter Communications for their current Telecommunications franchise.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority:

Communications Plan:

Funds Available: Account Name:
Account Number:

Staff Recommendation: Approve.

Attachments:

1. ORD Ritter Cable Franchise Agreement
2. CITY-RITTER AGREEMENT TO TERMINATE TELECOMMUNICATIONS FRANCHISE
3. 9-2 RDL Franchise with Ritter - Paducah (002)

ORDINANCE 2025-____ - _____

AN ORDINANCE GRANTING A NON-EXCLUSIVE FRANCHISE TO E. RITTER COMMUNICATIONS, LLC TO OPERATE AND MAINTAIN A CABLE SYSTEM WITHIN THE CORPORATE LIMITS OF THE CITY OF PADUCAH, KENTUCKY, PURSUANT TO THE TERMS AND PROVISIONS OF THE PADUCAH ORDINANCE FOR REGULATION OF CABLE COMMUNICATIONS, AND APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE FRANCHISE AGREEMENT BETWEEN THE CITY OF PADUCAH, KENTUCKY, AND E. RITTER COMMUNICATIONS, LLC

WHEREAS, E. Ritter Communications, LLC currently holds a franchise under the City of Paducah's Telecommunications Ordinance; and

WHEREAS, the pursuant to the City of Paducah's Telecommunications Ordinance, the grant of a Telecommunications franchise does not authorize the provision of cable services; and

WHEREAS, E. Ritter Communications, LLC now seeks to operate a cable television system within the City of Paducah and to terminate its existing telecommunications franchise; and

WHEREAS, the City of Paducah issued a request for proposals for a Cable Television Franchise in May of 2025;

WHEREAS, E. Ritter Communications, LLC submitted the only proposal; and

WHEREAS, the purpose of this Franchise is to grant a non-exclusive franchise to E. Ritter Communications, LLC to establish, operate and maintain a cable television system within the City of Paducah.

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

SECTION 1. The Mayor is hereby authorized, by and on behalf of the City, to execute the Termination of Telecommunications Franchise Agreement between the City of Paducah, Kentucky and E. Ritter Communications, LLC dated _____, 2025.

SECTION 2: The Mayor is hereby authorized, by and on behalf of the City, to execute the Cable Franchise Agreement between the City of Paducah, Kentucky, and E. Ritter Communications, LLC dated _____, 2025.

SECTION 3. There is hereby granted by the City of Paducah, Kentucky to E. Ritter Communications, LLC the right and privilege to construct, operate, maintain, and extend a Cable System within the City in accordance with the provisions set forth in the Franchise Agreement.

SECTION 4. Franchisee shall assume the reasonable publication costs as shall be presented to the Franchisee by the City Clerk after acceptance of this Franchise by the City and appropriate publication has occurred.

SECTION 5. If any section, paragraph or provision of this ordinance shall be found to be inoperative, ineffective or invalid for any cause, the deficiency or invalidity of such section, paragraph or provision shall not affect any other section, paragraph or provision hereof, it being the purpose and intent of this ordinance to make each and every section, paragraph and provision hereof separable from all other sections, paragraphs and provisions.

SECTION 6. This ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

George Bray, Mayor

ATTEST:

Lindsay Parish, City Clerk

Introduced by the Board of Commissioners, September 15, 2025

Adopted by the Board of Commissioners, _____

Recorded by Lindsay Parish, City Clerk, _____

Published by The Paducah Sun, _____

Ord\Ritter Cable Franchise
Prepared by Holly Homra, Denton Law

FRANCHISE TERMINATION AGREEMENT

THIS FRANCHISE TERMINATION AGREEMENT, made and entered into on this the _____ day of _____, 2025, by and between **the City of Paducah, Kentucky (“City”)** and **E. Ritter Communications, LLC (“Franchisee”)**.

WITNESSETH:

WHEREAS, the City and Franchisee entered into that certain Telecommunications Franchise Agreement dated _____, 2023 wherein Franchisee was granted a non-exclusive ten-year franchise to provide telecommunications services within the City of Paducah pursuant to Chapter 108 of the City of Paducah Code of Ordinances; and

WHEREAS, the pursuant to the City of Paducah’s Telecommunications Ordinance, the grant of a Telecommunications franchise does not authorize the provision of cable services; and

WHEREAS, Franchisee now seeks to operate a cable television system within the City of Paducah and to terminate its existing telecommunications franchise; and

WHEREAS, Franchisee was awarded a Cable Television Franchise on _____, 2025 and now seeks to operate pursuant to such franchise;

NOW, THEREFORE, in consideration of mutual promises contained herein and for other good and valuable consideration, the City and the Franchisee hereby declare that the Telecommunications Franchise Agreement dated _____, 2023, authorized pursuant to Ordinance No. 2023-12-8798 is hereby terminated, and of no legal force and effect, as of the effective date of this Termination.

WITNESS our signatures as of the date first above written.

CITY OF PADUCAH, KENTUCKY

By: _____
George Bray, Mayor

ATTEST:

CITY CLERK

E. RITTER COMMUNICATIONS, LLC:

By: _____

Title: _____

STATE OF _____)

:ss

COUNTY OF _____)

Subscribed, sworn to and acknowledged before me by _____, on behalf of **E. RITTER COMMUNICATIONS, LLC**, , on this the ____ day of _____, 2025.

My commission expires _____

Notary ID # _____

Notary Public, State at Large

CABLE TELEVISION FRANCHISE AGREEMENT

FOR THE

CITY OF PADUCAH, KENTUCKY

AND

E. RITTER COMMUNICATIONS, LLC

_____, 2025

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FRANCHISE AGREEMENT

THIS AGREEMENT, with an effective date of _____, 2025, is between the City of Paducah, Kentucky, a municipal corporation of the Commonwealth of Kentucky (“City”), and E. Ritter Communications, LLC, a Delaware limited liability company d/b/a Ritter Communications, d/b/a RightFiber (“Ritter”).

WHEREAS, the City offered at bid a non-exclusive Cable Television Franchise Agreement (“Franchise”) in accordance with Section 22-33 of the City’s Code of Ordinances (“City Code”).

WHEREAS, Ritter submitted an application with the City to activate the formal process for granting this Franchise pursuant to 47 U.S.C. § 546(a)-(g);

WHEREAS, the City reviewed the performance of Ritter under its existing Telecommunications Franchise Agreement dated effective December 12, 2023;

WHEREAS, the City reviewed the qualifications of Ritter to operate a cable system and provide cable services under the Franchise;

WHEREAS, the Paducah Board of Commissioners approved the terms of the Franchise expressed herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises contained herein, it is agreed as follows:

Section 1. Short Title. This agreement may be referred to and cited as the “Franchise Agreement” or “Franchise.”

Section 2. Definitions. Except as provided below, the terms, phrases, words, and their derivations used in this Franchise shall have the meaning given in the City’s Cable Ordinance. If not defined therein, the term shall have the meaning defined in the Cable Act, and if not defined therein, such undefined term shall be construed to reflect common usage as would apply, especially in the cable television industry where applicable:

(a) “Cable Act” is Title VI of the Communications Act of 1934, as amended from time to time, 47 U.S.C. § 521 et. seq.

(b) “Cable Ordinance” is Chapter 22 Cable Communications of the City’s Code of Ordinances.

(c) “Franchisee” is E. Ritter Communications, LLC, or its lawful successor, transferee or assignee.

(d) “Wireline MVPD” is a multichannel video programming distributor that utilizes the Streets to install cable or fiber and is engaged in the business of making available for purchase, by Subscribers, multiple Channels of video programming in the City.

Section 3. Grant of Authority.

(a) There is hereby granted by the City to the Franchisee the right and privilege to construct, operate, maintain, and extend a Cable System to all places within the City in accordance with the provisions herein. The rights granted hereunder shall be non-exclusive and shall not be transferred or assigned without the prior approval of the City as provided for in Section 29, herein.

(b) The Franchisee shall have the right to use and occupy Streets and Public Ways and Utility Easements for the purpose of installing and maintaining its wires, cables, and associated equipment in or on poles, by direct burial, or in underground conduits as necessary for the operation of the Cable System to provide Cable Service. This authority, however, does not obviate the need for obtaining permits from the City for construction involving the disturbance of Streets and for compliance with all City regulations and requirements relative to construction and operation of facilities in the Public Ways. The Cable System constructed and maintained by Franchisee or its agents shall not interfere with other uses of Streets. Nothing in this Franchise shall be construed to prohibit the Franchisee from providing services other than Cable Services as permitted by Applicable Law. The City hereby reserves all of its rights to regulate such other services to the extent not prohibited by Applicable Law and no provision herein shall be construed to limit or give up any regulatory right of the City.

Section 4. Reservation of Authority. The Franchisee specifically agrees to comply with the lawful provisions of the City Code and applicable regulations of the City. Subject to the police power exception below, in the event of a conflict between: (A) the lawful provisions of the City Code or applicable regulations of the City; and (B) this Franchise, the express provisions of this Franchise shall govern. Subject to express federal and state preemption, the material terms and conditions contained in this Franchise may not be unilaterally altered by the City through subsequent amendments to the City Code, ordinances or any regulation of City, except in the lawful exercise of City's police power. Franchisee acknowledges that the City may modify its City Code and regulatory policies by lawful exercise of the City's police powers throughout the term of this Franchise. Franchisee agrees to comply with such lawful modifications to the City Code; however, Franchisee reserves all rights it may have to challenge such modifications to the City Code whether arising in contract or at law. The City reserves all of its rights and defenses to such challenges whether arising in contract or at law. Nothing in this Franchise shall (i) abrogate the right of the City to perform any public works or public improvements of any description, (ii) be construed as a waiver of any codes or ordinances of general applicability promulgated by the City, or (iii) be construed as a waiver or release of the rights of the City in and to the Streets.

Section 5. Compliance with Applicable Laws and Ordinances.

(a) The Franchisee voluntarily makes the following express representations:

(1) Franchisee has examined all provisions of the Cable Ordinance and accepts and agrees to all the provisions of the Cable Ordinance as of the date of this Franchise's enactment, unless otherwise provided for herein.

(b) Notwithstanding any provision to the contrary, if a non-wireless facility based entity, legally authorized by state or federal law, makes available for purchase by Subscribers or customers “Cable Service” or its functional equivalent (including, but not limited to, Video Programming under 47 U.S.C. § 571(a)(3) or § 573) within the Franchise Area (“new Wireline MVPD”) with or without a Franchise or other similar lawful authorization granted by the City, and the City has the legal authority to mandate that new Wireline MVPD obtain a franchise or other similar lawful authorization from the City, then the City shall permit the Franchisee to construct and/or operate its Cable System and provide multi-channel video programming or its equivalent to Subscribers in the City under equivalent material terms and conditions when considered as a whole, as applicable to the new Wireline MVPD. “Material terms and conditions” include, but are not limited to: Franchise Fees and Annual Gross Revenues definition; the number of Public, Education and Government Access Channels and the transportation of those PEG Channels to the headend and the PEG Fee; customer service standards; and proportionate courtesy Cable Services. Within ninety (90) days after the Franchisee submits a written request to the City, the Franchisee and the City shall, following good faith negotiations and mutual agreement, enter into an agreement or other appropriate authorization (if necessary) containing the equivalent Material terms and conditions as are applicable to the new Wireline MPVD. If the parties are unable to reach agreement, following good faith negotiations, either party may seek review in a court of competent jurisdiction. Nothing herein shall in any way limit or reduce Franchisee’s right to provide Cable Service in the City under Applicable Laws, nor the City’s right to regulate Franchisee’s provision of Cable Service in the City under Applicable Laws. The provisions of this Section 5(b) shall apply to any wireline facility owned or operated by the City.

Section 6. Provision of Service.

(a) The Franchisee shall extend Cable Service to all residents within the City in accordance with the following standards.

(1) General Service Obligation. The Franchisee shall provide Cable Service to every residential dwelling unit within the Franchise Area reaching the minimum density of at least twenty (20) dwelling units per mile measured from the nearest technically feasible point of connection to Franchisee’s existing distribution cable. The Franchisee shall offer Cable Service to all new homes or previously unserved homes located within one hundred fifty (150) feet of the Franchisee’s existing distribution cable.

(2) The Franchisee may elect to provide Cable Service to areas not meeting the above density and distance standards. In so doing, the Franchisee may impose an additional charge in excess of its Standard Installation charge for any service installation requiring a Drop in excess of the above standards. Any such additional charge shall be computed on a time plus materials basis to be calculated on that portion of the installation which exceeds the one hundred fifty (150) foot standard set forth above. In the event of annexation into the Franchise Area, the Franchisee is not obligated to provide service to the area unless it meets the twenty

(20) dwelling units per mile measured from the nearest technically feasible point of connection to Franchisee's existing distribution cable.

(b) Franchisee shall provide one (1) Drop and one (1) outlet at City Hall, the McCracken County Public Library, each fire and police station, the public works facility and floodwall maintenance shop, the parks department and Paducah-McCracken County Senior Center, the information technology/911 facility, the Paducah Recreation Center and each public and private accredited K-12 school within the City including the Board of Education. Any charge for relocation of such installation shall be charged at Franchisee's current rate for such work. Additional installations at the same location shall be made by Franchisee only upon request of the City and at Franchisee's current rate for such work.

(1) No sooner than thirty (30) days of the effective date of this Franchise, the Franchisee may provide the City with a price list for the purchase of Cable Services and equipment at the locations listed in Section 6(b) above. The City shall have up to one hundred and twenty (120) days within which to designate the level of Cable Service to be provided at each location. The total charge for the Cable Service requested and necessary equipment shall be invoiced to the City as elected by the City. Franchisee agrees that charges for Cable Service imposed upon the City shall be set at rates no more burdensome nor less favorable than those charged by Franchisee to its cable customers within the Franchise Area.

(2) In the event the FCC's Third 621 Order is stayed or is finally reversed on appeal as to the issue of complimentary Cable Services constituting Franchise Fees, the City may request, and Franchisee shall provide, at no cost, Basic Cable Service be provided at the locations listed in Section 6(b) above. However, in no event shall Franchisee be obligated to provide such complimentary Basic Cable Service to more than twenty (20) locations in the City.

(c) To the extent prohibited by Applicable Law, no complimentary service obligations shall be enforceable if it would cause the Franchisee or the receiving entity to violate e-rate gift prohibitions or similar restrictions.

(d) Unless otherwise preempted by Applicable Law, Subscriber rates may be set and modified pursuant to Sec. 22-71 of the Cable Ordinance. The City reserves the right to implement rate regulation and prescribe procedures for establishing and modifying rates when, and to the extent, permitted by federal law and/or FCC rules.

Section 7. Insurance, Bonds and Indemnification.

(a) The insurance, performance bond and indemnification obligations as specified in Sec. 22-46 of the Cable Ordinance shall apply. Franchisee shall continue to comply with Section 22-46 of the Cable Ordinance. Upon the effective date of this Franchise, nothing in this Section 7 shall require Franchisee to refile documentation with the City so long as Franchisee is currently in compliance with Section 22-46 of the Cable Ordinance. Notwithstanding the foregoing, the Franchisee shall not be obligated to

indemnify the City for any damages, liability or claims resulting from the willful misconduct or negligence of the City or for the City's use of the PEG Channels.

Section 8. System Design: Minimum Channel Capacity.

(a) Franchisee shall develop, construct, operate, and maintain for the term of this Franchise, a System providing a minimum of one hundred twenty (120) Channels of programming consistent with the specifications attached hereto as Exhibit A.

(b) The System is a hybrid fiber-coaxial architecture. In addition, the System will be designed with the capability to transmit return signals upstream in spectrum to be determined by Franchisee.

(c) All programming decisions shall be made by Franchisee in accordance with applicable law, provided that Franchisee notifies City and Subscribers in writing thirty (30) days prior to any Channel deletions or realignments, and further subject to Franchisee's signal carriage obligations pursuant to 47 U.S.C. § 531-536, and further subject to City's rights pursuant to 47 U.S.C. § 545. Location and relocation of the PEG Access Channels shall be governed by Attachment C attached hereto. Such written notices may be delivered electronically.

Section 9. Interruption of Service. Franchisee shall interrupt Service only for good cause and for the shortest time possible. Such interruption shall occur during periods of minimum use of the System. If Service is interrupted for a total period of more than twenty-four (24) continuous hours in any thirty (30) day period, Subscribers shall, upon request, be credited pro rata for such interruption.

Section 10. Emergency Alert Capability. At all times during the term of this Franchise, Franchisee shall provide and maintain an Emergency Alert System (EAS) consistent with Applicable Laws including 47 C.F.R., Part 11, as may be amended or modified from time to time, and the Kentucky Emergency Management (KYEM) requirements. The City may identify authorized emergency officials for activating the EAS consistent with the KYEM requirements. The City may also develop a local plan containing methods of EAS message distribution, subject to applicable laws and the KYEM requirements. Nothing in this section is intended to expand Franchisee's obligations beyond that which is required by the KYEM requirements and Applicable Law.

Section 11. Technical Standards. The technical standards used in the operation of the System shall comply, at minimum, with the technical standards promulgated by the FCC relating to Cable Systems pursuant to Title 47, Section 76, Subpart K of the Code of Federal Regulations. To the extent those standards are altered, modified or amended during the term of this Franchise, the Franchisee shall comply with such alterations, modifications or amendments within a reasonable period after their adoption by the FCC. In addition, Franchisee is subject to the technical standards outlined in Attachment A, attached hereto.

Section 12. Special Testing. Pursuant to the FCC's Report & Order in *In re Cable Television Technical and Operational Standards* issued September 25, 2017, the City may request testing of compliance with signal quality standards in response to a pattern of customer complaints

regarding signal quality. If such special testing establishes that the System meets all required FCC technical standards, the City shall bear its expense for such special testing. If such special testing establishes that the System does not meet all required FCC technical standards, Franchisee shall bear the City's expense for such special testing.

Section 13. Access Facilities.

(a) The Franchisee shall provide Access Channels and Services pursuant to the requirements of Attachment C hereto. No later than sixty (60) days after the effective date of this Franchise, Franchisee shall collect on behalf of City a per Subscriber fee of Nine Tenths percent (.90%) of Annual Gross Revenues to support PEG access in the City pursuant to federal law (hereinafter "PEG Fee"). The payment of PEG Fees shall be made on a quarterly basis and shall be due forty-five (45) days after the close of each calendar quarter in the same manner as Franchise Fee payments are remitted pursuant to Section 15 herein. The PEG Fee may be reduced based upon mutual agreement of the parties. Consistent with Section 21(d) of this Franchise, in the event the imposition of a PEG Fee is determined to be unenforceable under Applicable Law or is otherwise declared invalid by any court, agency, commission, legislative body, or other authority of competent jurisdiction the PEG Fee shall no longer be enforceable under this Franchise absent a subsequent change in Applicable Law.

(b) The PEG Fee may be used by City to fund PEG expenditures in accordance with Applicable Law.

(c) The PEG Fee may be categorized, itemized and passed through to Subscribers as permissible, in accordance with 47 U.S.C. § 542 or other Applicable Laws. Franchisee shall pay the PEG Fee to the City on a quarterly basis. Any PEG Fees owing pursuant to this Franchise which remain unpaid more than thirty (30) days after the date the payment is due shall be delinquent and shall thereafter accrue interest compounded at the Wall Street Journal Prime rate plus two percent (2%).

(d) Franchisee shall provide PEG Fiber Transport as described in Exhibit B.

(e) Franchisee shall not be obligated to comply with Section 22-39(c) of the Ordinance.

Section 14. Other Business Licenses. This Franchise authorizes only the operation of a Cable System as provided for herein, and does not take the place of any other generally applicable franchise, license, or permit which might be required of the Franchisee by law.

Section 15. Franchise Fees.

(a) Franchisee shall pay City a Franchise Fee in an amount equal to five percent (5%) of Annual Gross Revenues derived by the Franchisee from the operation of the Cable System in the Franchise Area to provide Cable Services. The payment of Franchise Fees shall be made on a quarterly basis and shall be due forty-five (45) days after the close of each calendar quarter. Each Franchise Fee payment shall be accompanied by a report prepared by a representative of the Franchisee showing the basis for the computation of the

interpretation and effect, and construed in accordance with the laws of the Commonwealth of Kentucky, as applicable to contracts entered into and performed entirely within the Commonwealth.

(d) If any section, subsection, sentence, clause, phrase, or other portion of this Franchise is, for any reason declared invalid, in whole or in part, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, such portion shall be deemed a separate, distinct and independent portion. Such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect.

Section 22. Term of Agreement. The term of this Franchise shall be ten (10) years, beginning on _____, 2025, unless renewed, revoked, or terminated sooner as herein provided.

Section 23. Force Majeure. The Franchisee shall not be held in default under, or in noncompliance with, the provisions of this Franchise or the Cable Ordinance, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Franchise), where such noncompliance or alleged defaults occurred or were caused by strike, riot, war, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado, wild fire or other catastrophic act of nature, failure of utility service (through no fault of Franchisee) necessary to operate the Cable System, governmental, administrative or judicial order or regulation or other event that is reasonably beyond the Franchisee's ability to anticipate or control.

Section 24. Entire Agreement. This Franchise, including all Attachments, embodies the entire understanding and agreement of the City and the Franchisee, supersedes all prior agreements or proposals except as specifically set forth herein, and cannot be changed orally but only by an instrument in writing executed by the parties.

Section 25. No Third Party Beneficiaries. Nothing in this Franchise or any prior agreement is or was intended to confer third-party beneficiary status on any member of the public to enforce the terms of such agreements or Franchise.

Section 26. No Waiver of Rights. Nothing in this Franchise shall be construed as a waiver of any rights, substantive or procedural, the Franchisee may have under federal or state law unless such waiver is expressly stated herein.

Section 27. Renewal of Franchise. The renewal of this Franchise shall be governed by and comply with the provisions of 47 U.S.C. § 546 of the Cable Act, as amended.

Section 28. Enforcement and Termination of Franchise.

(a) Notice of Violation or Default. In the event the City believes that the Franchisee has not complied with the material terms of this Franchise, it shall notify the Franchisee in writing with specific details regarding the exact nature of the alleged noncompliance or default.

(b) Franchisee's Right to Cure or Respond. The Franchisee shall have thirty (30) days from the receipt of the City's notice described in Section 28(a), above: (i) to respond to the City, contesting the assertion of noncompliance or default, or (ii) to cure such default, or in the event that, by nature of the default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the City of the steps being taken and the projected date that they will be completed.

(c) Public Hearings. In the event the Franchisee fails to respond to the City's notice described in Section 28(a), above, or in the event that the alleged default is not remedied within thirty (30) days or such longer time period as may be mutually agreed upon by City and Franchisee, pursuant to Section 28(b), above, the City shall schedule a public hearing regarding the default. Such public hearing shall be held at the next regularly scheduled meeting of the City that is scheduled at a time, which is no less than ten (10) business days therefrom. The City shall notify the Franchisee in writing of the time and place of such meeting and provide the Franchisee with a reasonable opportunity to be heard.

(d) Enforcement. Subject to applicable federal and state law, in the event the City, after such public hearing, determines that the Franchisee is in default of any provision of the Franchise, the City may:

(1) draw from the performance bond required by Section 22-46 of the Cable Ordinance;

(2) seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages or seek other equitable relief; or

(3) in the case of a substantial default of a material provision of the Franchise, declare the Franchise to be revoked in accordance with the following:

(i) The City shall give written notice to the Franchisee of its intent to revoke the Franchise on the basis of noncompliance by the Franchisee, including one (1) or more instances of substantial noncompliance with a material provision of this Franchise Agreement. The notice shall set forth with specificity the exact nature of the noncompliance. The Franchisee shall have thirty (30) days from the receipt of such notice to object in writing and to state its reasons for such objection. In the event the City has not received a satisfactory response from the Franchisee, it may then seek termination of this Franchise Agreement at a public hearing. The City shall cause to be served upon the Franchisee, at least ten (10) days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to request termination of the Franchise.

(ii) At the designated hearing, the City shall give the Franchisee an opportunity to state its position on the matter, present evidence,

after which it shall determine whether or not the Franchise shall be revoked. The public hearing shall be on the record and a written transcript shall be made available to the Franchisee within ten (10) business days. The decision of the City shall be in writing and shall be delivered to the Franchisee in the manner set forth in Section 20, herein. The Franchisee may appeal such determination to an appropriate court. Such appeal to the appropriate court must be taken within sixty (60) days of the issuance of the determination of the City.

(iii) The City may, at its sole discretion, take any lawful action that it deems appropriate to enforce its rights under the Franchise in lieu of revocation.

Section 29. Transfer of the Franchise. Notwithstanding anything to the contrary in the Cable Ordinance or this Franchise, neither the Franchisee nor any other Person may transfer the Cable System or this Franchise without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed. No transfer of control of the Franchisee defined as an acquisition of fifty-one (51) percent or greater ownership interest in Franchisee shall take place without the prior written consent of the City. No such consent shall be required, however, for a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Franchisee in this Franchise or the Cable System in order to secure indebtedness. The City shall, in accordance with FCC rules and regulations, notify the Franchisee in writing of information it requires, if any, to determine the legal, financial, and technical qualifications of the transferee. So long as required by applicable FCC regulations, if the City has not taken action on the Franchisee's request for transfer within one hundred twenty (120) days after receiving such request, consent to the transfer shall be deemed given.

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ATTACHMENT A
DESCRIPTION OF SYSTEM

1. System. The Cable System shall be designed, constructed, routinely inspected, and maintained to guaranty the Cable System meets or exceeds the requirements of the most current additions of the National Electrical Code (NFPA 70) and the National Electrical Safety Code (ANSI C2).
2. General Requirements. Franchisee shall use equipment used in high-quality, reliable, modern Cable Systems of similar design.
3. Technical Specifications. The System shall meet or exceed FCC requirements. The System shall be designed such that no noticeable degradation in signal quality attributable to the System will appear at the Subscriber terminal.

ATTACHMENT B
PEG FIBER TRANSPORT

PEG Fiber Transport.

1. Franchisee shall construct, implement, and provide, at no charge or reimbursement of Franchisee’s costs, during the term of the Franchise, the transmission of the PEG origination locations via a bi-directional facility that connects the location(s) listed in paragraph 2 below to Franchisee’s head end facility (“Video Fiber Transport Network”).
2. The Video Fiber Transport Network shall serve all of the PEG origination locations listed below.

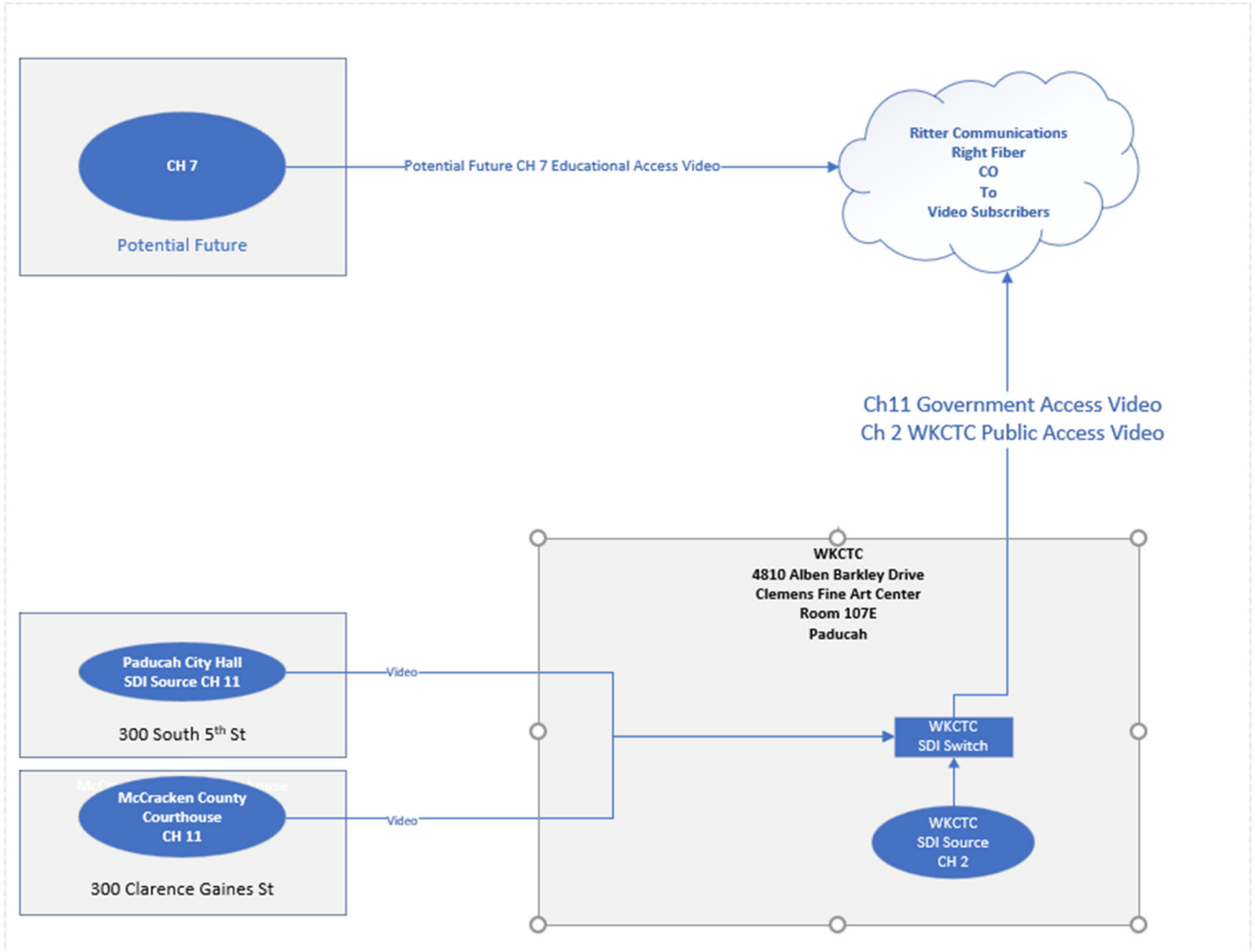
<u>Access Channel</u>	<u>Origination Location</u>
Public	West KY Community and Technical College 4810 Alben Barkley Drive, Clements Fine Art Center, Room 107E
Government	West KY Community and Technical College 4810 Alben Barkley Drive, Clements Fine Art Center, Room 107E
Educational	McCracken County Library 555 Washington Street

3. Transport equipment for the purpose of inserting Video Programming on the Video Fiber Transport Network, to the extent not already installed as of the effective date of this Franchise, shall be the responsibility of Franchisee. Franchisee shall purchase and install the transmitters/encoders and receivers needed at the locations in paragraph 2 above, if needed. Maintenance costs of the PEG transport network (“Transport Maintenance”) will be at the City’s expense. Franchisee will provide the City with prior notice of the anticipated costs of the Transport Maintenance at the time such maintenance is suggested by Franchisee or requested by the City, and Franchisee shall invoice the City for such costs upon completion of the work.
4. All other PEG production equipment and transmitting equipment (on City’s side of the demarcation point) shall be the responsibility of the City to purchase, install and maintain.

5. The Video Fiber Transport Network shall be capable of carrying Video Programming inserted at the location(s) in paragraph 2, above, upstream to the headend for redistribution over the Subscriber network.

6. Franchisee will be given up to six (6) months from execution of this Franchise Agreement to construct and implement the Video Fiber Transport Network to the locations listed in paragraph 2 above that connects to Franchisee's head end facility.

PEG Fiber Transport Diagram



ATTACHMENT C
ACCESS CHANNELS

I. GENERAL

- A. Franchisee shall provide Access Channels sufficient to meet community needs during the term of the Franchise as provided for herein.
- B. Access Channel operations must conform to the following minimum requirements:
1. Access Channels shall be carried on Franchisee's lowest priced Cable Service offering in accordance with Section 611 of the Cable Act.
 2. Subject to Section II.A.3 below, Franchisee shall have no control over the content of any programming carried on Access Channels. The Authority may select a non-profit corporation or other entity to manage the Access Channels consistent with the requirements of the Cable Ordinance, this Franchise, and Applicable Law.
 3. Franchisee agrees to provide three (3) Access Channels.
 4. All programming transmitted over the Access Channels shall be non-commercial in nature. Program material to be distributed on Access Channels shall contain no advertising or commercial content. Franchisee and City agree that City or the producer or distributor of such programming may include acknowledgments for Persons, which sponsor or underwrite access programming in a manner substantially similar to the sponsorship information provided on the Public Broadcasting System (PBS).
- C. Access Channels shall be operated in conformity with the provisions of this Franchise and the Cable Ordinance.
- D. An Access user, whether an individual, educational or governmental user, or any other lawful entity, acquires no property or other interest by virtue of the use of a Channel so designated, and may not rely on the continued use of a particular Channel number, no matter how long the same Channel may have been designated for such use. Franchisee, however, shall not relocate any Access Channel to a different Channel number without first giving thirty (30) days advanced written notice to the City. Franchisee shall endeavor to provide as much advance notice as possible to City for any Access Channel relocation.
- E. In the event any Access Channel(s) is relocated, Franchisee shall reimburse City up to Three Thousand and No/100 Dollars (\$3,000.00) for all reasonable actual costs associated with such a move including change of letterhead, promotion of the new Channel location and promotional spots for the new location and inform Subscribers of the new Channel location through bill inserts and newspaper or other advertisements.
- F. Franchisee shall provide the Access Channels as part of the Cable Service provided to any Subscriber, at no additional charge to the City, access users or Subscribers other

than the permitted basic services fee under applicable law so that the Access Channels are viewable by the Subscriber without the need for additional equipment beyond that required to receive the lowest priced Cable Service offering.

G. To the extent the configuration of the Cable System allows for detailed program listings to be included on the digital Channel guide, Franchisee will allow City to make arrangements with the Channel guide vendor to make detailed programming listings available on the guide. The City will be solely responsible for providing the program information to the vendor in the format and timing required by the vendor and shall bear all costs of this guide service.

H. Franchisee shall make a reasonable effort to group Access Channels with like Channels in the lowest cost SD and HD tier, and will be located in reasonable proximity to broadcast channels and other basic mainstream cable/satellite Channels.

I. Franchisee shall maintain all its upstream and downstream Access Channels and connections at the same level of technical quality and reliability required by this Franchise and all other Applicable Laws. Franchisee, in accordance with Applicable Law, shall provide routine maintenance and shall repair and replace all transmission equipment, including transmitters/receivers, associated cable and equipment in use as necessary to carry a quality Access Channel signal to and from a designated demarcation point between the City and Franchisee as set forth in Attachment B.

J. In the event Franchisee makes any change in the Cable System and related equipment and facilities or in Franchisee's signal delivery technology, which directly or indirectly affects the signal quality or transmission of Access Channels or Access programming or requires City to obtain new equipment in order to be compatible with such change for purposes of transport of and delivery of any Access Channels (SD or HD), Franchisee shall, at its own expense and free of charge to City, take necessary technical steps or provide necessary technical assistance and training of City's Access personnel to ensure that the capabilities of Access services are not diminished or adversely affected by such change.

K. Unused Access Channel capacity may be utilized by Franchisee. Because blank or underutilized Access Channels are not in the public interest, in the event the City or other Access Channel user elects not to fully program its Channel(s), Franchisee may program unused time on such Channels subject to reclamation by the City upon no less than sixty (60) days' notice.

L. Franchisee shall not be obligated to indemnify the City for any damages, liability or claims resulting from the willful misconduct or gross negligence of the City for the City's use of any PEG Access Channels.

M. The City will obtain from any non-governmental Access Channel programmer or user a written statement indemnifying Franchisee and the City from all claims regarding that party's programming or use of Access Channels.

N. Indemnification. Franchisee shall not be required to indemnify City for any liability, loss or damage due to violation of the intellectual property rights of third parties or arising out of the content of programming shown on any PEG channel and from claims arising out of the City's rules for or administration of the PEG Access Channels.

II. ACCESS CHANNELS

A. Public Access Channel

1. Franchisee shall provide capacity on one (1) Channel for public access purposes originating at West Kentucky Community & Technical College located at 4810 Alben Barkley Drive.

2. The City shall provide access to such capacity on a first-come-first served, non-discriminatory basis. The City, however, may reserve the right to limit the amount of time granted any one party in order to ensure that all users have access opportunity. Use limitations may be imposed only in those situations where demand exceeds availability.

3. Franchisee shall not exercise any control over program content with the following exceptions:

(a) A participant in public access cablecasting may not present any advertisement of, or information concerning any lottery, gift, enterprise or similar scheme, offering change, or any list of prizes. This prohibition does not apply to advertisement of, or information concerning state-conducted lotteries where the transmission is permitted by federal statute or FCC rules and regulations.

(b) A participant in public access cablecasting may not present obscene material.

(1) Franchise shall not exercise editorial control over any use of Access Channel capacity, except Franchisee may pre-screen or take other appropriate steps to ensure that obscene materials are not cablecast. Such steps may include, but not be limited to, requesting that the offending portions be deleted or by refusing to allow the program on the System.

(2) A participant may not present any advertising material designed to promote the sale of commercial products or services, including advertising by or on behalf of candidates for public office on any Access Channel. However, this is not to be construed to mean that candidates for public office may not appear on any Access Channel in behalf of their candidacy providing their appearance is in accordance with statutory requirements and FCC rules and regulations.

B. Government Access Channel

1. Franchisee shall provide capacity on one (1) Channel for government access purposes, with Franchisee's facilities originating at West Kentucky Community & Technical College located at 4810 Alben Barkley Drive. This Channel shall be made available in order to increase the general public's awareness of local governments by allowing for live or recorded coverage of Paducah City Commission and the McCracken County Fiscal Court meetings, planning commission meetings, special hearings, committee meetings, and discussions of independent boards, commissions, and City and county departmental programs. Franchisee shall cooperate with the City and provide assistance, advice and technical aid necessary to provide maximum utilization of the governmental Access Channel for whatever needs arise. This provision does not include actual production assistance. To the extent Franchisee imposes charges on the City for any assistance, advice and technical aid, Franchisee will provide advance written notice to City before any charges are imposed and invoiced to the City.

2. The governmental Access Channel shall serve as a means for the Mayor, Judge/Executive, City and County officials to communicate with the citizens of the Paducah Community. More specifically this Channel shall be regularly used to provide the Paducah Community with up to date information regarding day-to-day operations of the City, County, state and Federal governments.

C. Educational Access Channel

1. Franchisee shall dedicate capacity on one (1) Channel for the use by educational institutions such as primary and secondary schools, but not "home" schools, in the City of Paducah and McCracken County. The Educational Access Channel will originate at the McCracken County Public Library or another location within McCracken County to be determined.

2. To the extent not otherwise provided for in Section II. A.3 above, Franchisee shall not exercise any control over programming.

III. VIDEO ON DEMAND

A. To accommodate PEG programming in HD, Franchisee will provide, for as long as it makes video on demand ("VOD") available on its Cable System, in its VOD offerings twenty-five (25) hours of either SD or HD Access programming or a combination of both or such greater amount as may be mutually agreed to by the parties, as designated and supplied by the City to Franchisee. Franchisee and City shall execute a Video on Demand Licensing Agreement. Franchisee will not charge the City for VOD unless Applicable Law allows Franchisee to impose such a charge and any such change will be set at rates that are not discriminatory against the City.

B. The City's content may be electronically transmitted and/or transferred and shall be stored on Franchisee's VOD system. The City VOD Access programming will be available to Subscribers twenty-four (24) hours per day, seven (7) days per week. Any

City Access programming placed on VOD shall be available to Subscribers free of charge. Franchisee will provide, upon City's request, any aggregate data regarding Subscriber use of the City's programming on the VOD platform, if available to Franchisee. Access programming content shall have the same viewing quality and features (including program descriptions and search function) as all other free VOD content on Franchisee's Cable System. Programming submitted for placement on the VOD system shall be placed on and available for viewing from the VOD system as soon as possible from time of receipt of said programming and Franchisee will make best efforts to provide a 24-hour turn-around, and in no case longer than seventy-two (72) hours from receipt of said programming. Franchisee agrees to treat Access VOD programming in a nondiscriminatory manner as compared to other similarly situated providers of VOD content.

C. The City shall have the sole discretion to select the content of such Access VOD programming and shall be responsible for such content. The City's VOD programming will be located on Franchisee's on-demand menu pages on the second page or higher on a button with the City's choice of label). The City's Access VOD programming will be available in the City's Franchise Area, or more broadly distributed at Franchisee's option.

D. To the extent permitted, Franchisee shall authorize City to obtain from Franchisee's third party vendor, free of charge and at no cost to the City, monthly viewership/traffic reports showing statistics for Access VOD programs, or Franchisee shall provide (or require its third party vendor to provide) the City with access to online dashboard analytics allowing City staff to directly access traffic information.

Agenda Action Form Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Repeal & Replace Article IV, Chapter 34 Urban Renewal of the Code of Ordinances - C.
GAULT

Category: Ordinance

Staff Work
By: Carol Gault
Presentation
By: Carol Gault

Background Information: A few years ago the Urban Renewal and Community Development Agency and Planning Commission were joined as two boards utilizing the same members. This action would repeal that action and separate the 2 boards each having their own members.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority:

Communications Plan:

Funds Available: Account Name:
Account Number:

Staff Recommendation:

Attachments:

1. Ordinance repealing and replacing Article IV Chapter 34 Urban Renewal

**CITY OF PADUCAH
ORDINANCE NO. _____**

**AN ORDINANCE REPEALING AND REPLACING ARTICLE VI,
“URBAN RENEWAL AND COMMUNITY DEVELOPMENT
AGENCY”, OF CHAPTER 35 “COMMUNITY PLANNING AND
DEVELOPMENT”, OF THE CODE OF ORDINANCES OF THE
CITY OF PADUCAH, KENTUCKY**

WHEREAS, the Paducah Board of Commissioners did adopt on August 12, 2025, the Southside Revitalization Plan of the City of Paducah and designated Urban Renewal and Community Development Agency (“URCDA”) to act on behalf of the City for the implementation, oversight, administration and review responsibility for the Southside Revitalization Plan; and

WHEREAS, due its increased duties administering and implementing the Southside Revitalization Plan, the City of Paducah has determined that it is in the best interest of the City to repeal Article VI, “Urban Renewal and Community Development Agency” of Chapter 35 “Community Planning and Development” of the *Code of Ordinances of the City of Paducah, Kentucky*, which establishes URCDA and governs the composition of URCDA as a subcommittee of the Paducah Planning Commission, by repealing this Article VI in its entirety and replacing it as stated herein;

NOW THEREFORE be it ordained by the City Commission of the City of Paducah as follows:

SECTION A: Article VI, “Urban Renewal and Community Development Agency” of Chapter 35 “Community Planning and Development” of the *Code of Ordinances of the City of Paducah, Kentucky* is hereby revoked in its entirety and replaced with the following:

ARTICLE VI. - URBAN RENEWAL AND COMMUNITY DEVELOPMENT AGENCY

Sec. 34-121. - Established.

The Urban Renewal and Community Development Agency of Paducah, hereinafter referred to as the URCDA, was established by Resolution on February 23, 1960 by the City of Paducah.

(Ord. No. 2019-12-8608, § 1, 12-17-2019)

Sec. 34-122. - Composition; term and meetings.

(a) *Generally.* The URCDA shall consist of a total of five (5) residents within city limits of the City of Paducah as members who shall be appointed by the Mayor with the approval of the Board of Commissioners in conformity with applicable law.

(b) *Terms.* Three (3) of the members who are first appointed shall be designated to serve for terms of one (1), two (2) and three (3) years respectively, and the remaining two (2) of such members shall be designated to serve for terms of four (4) years each, from the date of their appointment as indicated in KRS 99.350. Any appointments heretofore made for a term of five (5) years are hereby confirmed and declared to be appointments for a term of four (4) years from the date of such appointment. Thereafter, members shall be appointed as aforesaid for a term of office of four (4) years, except that all vacancies occurring during a term shall be filled for the unexpired term. A member shall hold office until his successor has been appointed and qualified.

The term of each URCD A member, except for the initial term, shall be for a staggered four (4) year term A member shall hold office until a successor has been appointed and qualified.

(c) *Meetings.* The URCD A shall hold at least one (1) regular meeting per month at City Hall on a day and time determined by URCD A.

Sec. 34-123. - Powers and authority.

The powers, functions and duties of the URCD A and its authority shall be in conformity with KRS 99.330 to 99.510, as amended from time to time.

SECTION B. 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 C. 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 D. CONFLICTS. Upon the publication and on the effective date of this Ordinance, the following Chapter shall be repealed in its entirety and superseded with this Ordinance: Chapter 108.

SECTION E. EFFECTIVE DATE. This Ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

MAYOR GEORGE P. BRAY

ATTEST:

City Clerk, Lindsay Parish

Introduced by the Board of Commissioners, September 16, 2025

Adopted by the Board of Commissioners, _____, 2025

Recorded by City Clerk, _____, 2025

Published by *The Paducah Sun*, _____, 2025

Agenda Action Form Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Amend Section 20-23 of the Code of Ordinances related to Body Piercing - **C. MEEKS**

Category: Ordinance

Staff Work By: Claudia Meeks, Daron Jordan

Presentation By: Claudia Meeks

Background Information: The Commonwealth of Kentucky regulates body piercing, allowing any person who has completed bloodborne pathogen training and is registered with the local health department to perform any and all body piercings.

The current Ordinance relating to body piercing below the waist prohibits this piercing unless it is performed by a physician licensed to practice medicine in Kentucky.

Because the current City's Ordinance is in conflict with Kentucky Statute, this Ordinance necessary to amend that portion of Chapter 20, Section 66-93(b) to delete the language relating to body piercing below the waist.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority:

Communications Plan:

Funds Available: Account Name:
Account Number:

Staff Recommendation: Adopt an Ordinance amending Chapter 20, Section 20-23(b) deleting language "body piercing below the waist shall be prohibited unless performed by a physician licensed to practice medicine in the State."

Attachments:

1. ORD 20 – Amend to delete language - body piercing below the waist

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 20, SECTION 20-23(b) OF THE CODE OF ORDINANCES OF THE CITY OF PADUCAH, KENTUCKY, SO AS TO DELETE THAT PORTION WHICH STATES THAT “BODY PIERCING BELOW THE WAIST SHALL BE PROHIBITED UNLESS PERFORMED BY A PHYSICIAN LICENSED TO PRACTICE MEDICINE IN THE STATE.”

WHEREAS, the Commonwealth of Kentucky regulates body piercing, allowing any person who has completed bloodborne pathogen training and is registered with the local health department to perform any and all body piercings; and

WHEREAS, the City’s current ordinance relating to body piercing below the waist prohibits such unless performed by a physician licensed to practice medicine in the Commonwealth of Kentucky; and

WHEREAS, because the City’s Ordinance is in conflict with the Commonwealth’s statute, this Ordinance is being enacted to amend that portion of the City’s Code, Section 66-93(b), so as to delete the language relating to body piercing below the waist.

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

SECTION 1. That portion of Section 20-23(b) is hereby amended to state as follows:

Sec. 20-23. Operation Procedures for establishments and artists.

(b) Branding shall be prohibited unless performed by a physician licensed to practice medicine in the Commonwealth. ~~Body piercing below the waist shall be prohibited unless performed by a physician licensed to practice medicine in the state.~~

SECTION 2. SEVERABILITY. That if any section, paragraph or provision of this Ordinance shall be found to be inoperative, ineffective or invalid for any cause, the deficiency or invalidity of such section, paragraph or provision shall not affect any other section, paragraph or provision hereof, it being the purpose and intent of this Ordinance to make each and every section, paragraph, and provision, hereof separable from all other sections, paragraphs and provisions.

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 George Bray

ATTEST:

Lindsay Parish, City Clerk

Introduced by the Board of Commissioners, _____
Adopted by the Board of Commissioners, _____
Recorded by Lindsay Parish, City Clerk, _____
Published by The Paducah Sun, _____

Agenda Action Form

Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Revisions to the City of Paducah Remote Worker Incentive Program - **N. UPCHURCH**

Category: Ordinance

Staff Work
By: Nancy
Upchurch
Presentation
By: Nancy
Upchurch

Background Information: Ordinance # 2021-08-8700 created the City of Paducah Remote Worker Program. Since the beginning of the program, 26 people have relocated to Paducah. Currently, the program has no provision for a self-employed person. They make up 18% of the applications. This revision includes provisions to make the program available to self-employed persons who can provide documentation of their self-employment status. Additionally, the current incentives are confusing to the applicants. The changes proposed would not substantially change the amount of incentives the applicant receives. The incentive would change from a reimbursement of moving expenses and waiver of the first year of payroll taxes to a cash incentive of \$5000 payable in two installments of \$2500 each. The first payment will be made upon establishing residency in Paducah, the second paid at the one-year anniversary of their relocation.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority: [Commission Priorities List](#)

Communications Plan:

Funds Available: Account Name: Remote Worker Incentive Program

Account Number: ED-0118

Staff Recommendation: Approval of the revisions

Attachments:

1. Ord - amend Remote Worker Incentive Program 2025 (2)

ORDINANCE NO. 2025-____ - _____

AN ORDINANCE REVISING THE EXISTING REMOTE WORKERS
INCENTIVE PROGRAM

WHEREAS, the City of Paducah wishes to attract new individuals, families, and talent to the City;

WHEREAS, the City recognizes that technology is making work more easily accessible from home or other remote locations and that workers are increasingly attracted to jobs and industries which allow them to work remotely;

WHEREAS, the City recognizes that remote workers are often attracted to communities and programs which offer financial incentives,

WHEREAS, the City wishes to establish a Remote Workers Incentive Program to attract new, talented workers to live, work, shop, and attend school in the City of Paducah, thereby helping to better the community and boost the local economy.

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

SECTION 1. That the City of Paducah, Kentucky hereby establishes the City Remote Workers Incentive Program with the following conditions and/or requirements:

(a) *Eligibility.* In order to be eligible to participate in the City Remote Workers Incentive Program, an applicant/employee must:

- (1) Be 21 years old or older;
- (2) Be a U.S. Citizen, lawful permanent resident, or have other credentials necessary to work in the United States;
- (3) Live at least 100 miles outside the limits of the City of Paducah at the time of application for the City Remote Workers Incentive Program;
- (4) Work full-time for a company in which all offices are located at least 100 miles outside the limits of the City of Paducah; or
- (5) Self-employed person who can show evidence of self-employment by providing at least one of the following:
 - a. Copies of Tax Records
 - b. Profit and Loss Statement
 - c. Business License/Permits from current jurisdiction
 - d. Other evidence you may provide
- ~~(5)~~ (6) Be able to perform a majority of their employment duties remotely from a home office or co-working space located inside the City of Paducah limits evidenced by written documentation from their employer;
- ~~(6)~~(7) Acquire primary residency in the City of Paducah within three (3) months of acceptance into the Remote Workers Incentive Program, as evidenced by a lease with a physical address or a deed of conveyance of real estate which includes a home;
- ~~(7)~~ (8) Agree in writing that s/he will retain primary residence in the City of Paducah for at least one (1) year beyond the initial twelve-month program;
- ~~(8)~~(9) Not be a participant in any other publicly-funded program/initiative.

(b) *Incentives.* Individuals accepted into the City Remote Workers Incentive Program may be eligible to receive the following:

~~(1) Up to \$2,500.00 reimbursement for expenses associated with relocating to the City of Paducah. Expenses shall include: renter's deposit, down payment on a home, rental of moving trucks or trailers, the hiring of professional movers, and/or the purchase of packing materials.~~

~~(2) Up to \$70.00 per month reimbursement for fees associated with provision of internet services provided to a residence located within the City of Paducah. Such reimbursement shall be limited to twelve (12) months~~

~~(3) Waiver of City of Paducah Payroll taxes for twelve (12) months.~~

(1) \$5000 cash incentive payable as follows:

(i) \$2500 upon establishing residency in the City of Paducah

(ii) \$2500 one year after the first installment is paid

(b) *Equal Opportunity.* All individuals who meet the eligibility criteria set forth in this Ordinance shall have an equal opportunity to participate in the City Remote Workers Incentive Program without regard to race, color, age, religion, sex, disability, sexual orientation, or national origin.

SECTION 2. The Remote Workers Incentive Program shall be funded by Project Number ED0118 Remote Workers Incentive Program.

SECTION 3. Severability. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared invalid, such declaration of invalidity shall not affect the validity of the remainder of this Ordinance.

SECTION 4. Effective Date. This Ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

GEORGE P. BRAY, MAYOR

ATTEST:

Lindsay Parish, City Clerk

Introduced by the Board of Commissioners October 2, 2025

Adopted by the Board of Commissioners _____

Recorded by Lindsay Parish, City Clerk, _____

Published by The Paducah Sun, _____

Ord\amend Remote Workers Incentive Program 2025

Agenda Action Form Paducah City Commission

Meeting Date: October 2, 2025

Short Title: Budget Amendment for CDBG Grant for Entitlement Community Funds - **A. KYLE**

Category: Ordinance

Staff Work By: Hope Reasons,
Audra Herndon
Presentation By: Audra
Herndon

Background Information: On September 16, 2024, the City of Paducah was notified by the U.S. Department of Housing and Urban Development (HUD) that it had been designated as an “entitlement community.” This means Paducah qualifies for Community Development Block Grant (CDBG) funding directly from HUD (rather than competing with other cities or going through the state). As a result, the city was allocated \$583,406 for the federal fiscal year 2025–2026.

To actually use the funds, entitlement communities must prepare a 5-year Consolidated Plan. This plan identifies local needs (housing, infrastructure, community services, etc.) and lays out how the city intends to spend the grant money in line with federal rules. On August 12, 2025, the City Commission approved Municipal Order 3105, which authorized submitting Paducah’s 5-year Consolidated Plan to HUD.

As part of the Grant Agreement the City must provide evidence of a budget ordinance/amendment indicating inclusion of CDBG funds into the City's budget.

This ordinance will satisfy the Grant Agreement requirement for the budget amendment.

Does this Agenda Action Item align with a Commission Priority? No

If yes, please list the Commission Priority:

Communications Plan:

Funds Available: Account Name:
Account Number:

Staff Recommendation: Approval.

Attachments:

1. ORD budget amend FY26 CDBG Entitlement Community

ORDINANCE NO. 2025-____ - _____

AN ORDINANCE AMENDING ORDINANCE NO. 2025-06-8847, ENTITLED, “AN ORDINANCE ADOPTING THE CITY OF PADUCAH, KENTUCKY, ANNUAL OPERATING BUDGET FOR THE FISCAL YEAR JULY 1, 2025, THROUGH JUNE 30, 2026, BY ESTIMATING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE OPERATION OF CITY GOVERNMENT”

WHEREAS, on September 16, 2024, the City of Paducah received notification from the US Department of Housing and Urban Development that Paducah had been selected as an entitlement community for the purpose of Community Development Block Grant funding; and

WHEREAS, The City of Paducah accepted designation and was allocated \$583,406 in funding for the 2025-2026 federal fiscal year; and

WHEREAS, as part of the Grant Agreement the City must provide evidence of a budget ordinance/amendment indicating inclusion of CDBG funds into the City's budget.

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

SECTION 1. That the annual budget for the fiscal year beginning July 1, 2025, and ending June 30, 2026, as adopted by Ordinance No. 2025-06-8847, be amended by the following re-appropriations:

- Increase revenues and expenditures for the CDBG Fund by \$583,406.00.

SECTION 2. This ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

George Bray, Mayor

ATTEST:

Lindsay Parish, City Clerk

Introduced by the Board of Commissioners, _____

Adopted by the Board of Commissioners, _____

Recorded Lindsay Parish, City Clerk, _____

Published by *The Paducah Sun*, _____

\\ord\finance\budget amend FY26 CDBG Entitlement Community