

**CITY OF DAYTON, KENTUCKY
ORDINANCE NO. 2026-3**

**AN ORDINANCE AMENDING SECTIONS §158.01
THROUGH §158.12 OF CHAPTER 158 OF THE CITY OF
DAYTON, KENTUCKY, CODE OF ORDINANCES
RELATING TO REASONABLE ACCOMMODATIONS IN
RESIDENTIAL NEIGHBORHOODS**

WHEREAS, the City of Dayton, Kentucky (“City”) enacted an ordinance relating to Reasonable Accommodations in Residential Neighborhoods in its City Code of Ordinances (“Code”) and set forth rules and regulations for enforcement of this ordinance; and

WHEREAS, the Kentucky General Assembly subsequently enacted a statute regulating sober-living facilities, which is covered under this ordinance, and City wishes to amend Chapter 158 of the Code to reflect this legislation and to comply with it.

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE BOARD OF COUNCIL OF THE CITY OF DAYTON, CAMPBELL COUNTY, KENTUCKY, AS FOLLOWS:

Code Chapter 158, titled “Reasonable Accommodations in Residential Neighborhoods,” of the City Code is hereby amended as follows, with words being deleted ~~lined through~~ and words being added underlined as follows:

§ 158.01 DEFINITIONS.

For the purposes of this chapter, the definitions shall apply unless the context clearly indicates or requires a different meaning.

“CITY.” ~~The City of Dayton, Kentucky.~~

“DISABLED.” A person with disabilities. For purposes of this chapter, the term “DISABLED” shall have the same meaning as set forth in the Federal Fair Housing Act and the American with Disabilities Act, i.e., is an individual who has a physical or mental impairment that limits one (1) or more of the major life activities of such individual, is regarded as having such impairment, or has a record of impairment. While a person recovering from substance abuse is considered a person with a disability under 42 U.S.C. § 3602(h), a person who is currently engaged in illegal use of a controlled substance is not.

“FAIR HOUSING LAWS.” The Federal Fair Housing Amendments Act of 1988 (“FHA”) and the provisions of KRS 344.600 et seq., as may be amended from time to time (collectively, “fair housing laws”).

“GROUP HOME.” A residential facility for the care of seven (7) or fewer unrelated individuals living in a single ~~housekeeping unit~~ dwelling unit and recognized as disabled individuals under the Fair Housing Act and American with Disabilities Act, or even fewer residents based on maximum occupancy restrictions for residential dwelling units established by the International Property Maintenance Code. A sober-living facility shall be considered as a “GROUP HOME” for all purposes consistent herewith.

“OPERATOR.” An individual or business entity, whether for profit or non-profit, which provides residential services at a group home.

“REASONABLE ACCOMMODATION.” The act of making a dwelling unit or housing facility(ies) readily accessible to and usable by a person with disabilities, through the removal of constraints in the city’s building, zoning, land use, permit, and processing procedures. All accommodations may not be reasonable, and the reasonableness of a request will be determined by the city.

“SOBER-LIVING FACILITY.” A single-family dwelling unit used by individuals recovering from a drug and/or alcohol addiction, considered as a disabled individual under state or federal law. A “SOBER-LIVING FACILITY” shall not provide on-site supportive services to residents, including the following: mental health services; clinical rehabilitation services; social services; medical, dental, nutritional or other healthcare services; financial management services; legal services; vocational services; and other similar supportive services. See “GROUP HOME.”

§ 158.02 PURPOSE.

(A) Fair housing laws impose an affirmative duty on local governments to make reasonable accommodation in their building, land use, and zoning regulations and practices when such accommodation may be necessary to afford disabled individuals an equal opportunity for housing.

(B) In furtherance of the purposes of the fair housing laws, this chapter is intended to preserve the residential character of single-family residential neighborhoods; ensure that group homes, including sober-living facilities, are actually entitled to reasonable accommodation; limit the secondary impacts of group homes, including sober-living facilities, by reducing noise and traffic; preserve safety and provide adequate on-street parking in residential areas; provide an accommodation for disabled individuals that is reasonable and actually bears some resemblance to the opportunities afforded nondisabled individuals to use and enjoy a dwelling in a residential neighborhood; and to provide a living environment that will enhance the opportunity for the disabled to be successful in their programs. Pursuant to fair housing laws, this chapter also is created to provide disabled individuals with reasonable accommodation in rules, policies, practices, and procedures to ensure equal access to housing and to facilitate the development of housing for individuals with such recognized disabilities when these disabilities may act as a barrier to fair-housing opportunities.

(C) This chapter establishes a procedure for making requests for reasonable accommodation in building, land use, and zoning regulations, policies, practices, and procedures to comply fully with the intent and purpose of fair housing laws. Unless a group home has been granted reasonable accommodation as provided in this chapter, group homes shall comply with all building, land use, and zoning regulations, policies, practices, and procedures applicable to the zoning classification in which they are located.

§ 158.03 APPLICABILITY.

(A) Reasonable accommodation within the context of land use and zoning regulations means providing individuals with recognized disabilities some flexibility in the application of land use and zoning regulations, policies, practices, and procedures, or even waiving certain requirements, when it is necessary to eliminate barriers to housing opportunities.

(B) All sober-living facilities shall comply with KRS § 222.502, which requires these facilities to be certified by a certifying organization and proof of this certification is provided to the Kentucky Cabinet for Health and Family Services.

§ 158.04 NOTICE TO THE PUBLIC OF AVAILABILITY OF ACCOMMODATING PROCESS. CERTIFICATION AND ZONING PERMIT REQUIRED

(A) The operator of a residential dwelling unit that will be used as a sober-living facility shall obtain a zoning permit from the City for this use, and if the property owner is different than the operator, then the property owner shall also be a signatory on an application for a zoning permit. Before a zoning permit is granted by the City to an operator of the sober-living facility, the operator shall submit to the City proof of the certification required under KRS § 222.502 and evidence that this certification was provided to Kentucky Cabinet for Health and Family Services.

~~—Notice of the availability of reasonable accommodation shall be prominently displayed and provided to requesting individuals, advising the public of the availability of the procedure for eligible applicants.~~

(B) The provisions set forth in this Code Chapter are intended to comply with KRS § 222.502, and if any conflict exists between this Chapter and KRS § 222.502, the provisions of the state statute shall control over this Chapter.

§ 158.05 APPLICATION FOR REQUESTING REASONABLE ACCOMMODATION.

(A) Forms for requesting reasonable accommodation for a group home shall be available in the Dayton Code Enforcement Department.

(B) An application for reasonable accommodation may be made by any disabled individual or his or her representative; the owner of the real property intended for use as a group home; or, the owner/operator of an entity providing residential services at the location.

(C) Requests for reasonable accommodation shall be in writing and provide the following information:

(1) Name, address, phone number, and email address of the applicant requesting reasonable accommodation;

(2) Name, address, phone number, and email address of the house manager who is responsible for the day-to-day operation of the facility, if any;

(3) Address of the property for which accommodation is requested;

(4) Name, address, phone number, and email address of the property owner(s), if not the applicant;

(5) If the operator is not the property owner, then the operator must provide a copy of any lease agreement between applicant and owner as well as written approval from the property owner to operate a group home at the property location;

(6) Detailed description of the requested accommodation with reference to any known regulation, policy, or procedure from which relief is sought;

(7) Reason that the requested accommodation may be necessary for disabled individual(s) to use the dwelling;

(8) Copy of the group home rules and regulations, including intake procedures and relapse policy, if applicable;

(9) Blank copy of all forms that residents or potential residents are required to complete;

(10) An affirmation by the applicant or owner/operator that only disabled residents shall reside at the group home; and

(11) Copy of any agreement between applicant and/or owner/operator and/or property owner setting forth or concerning any fee arrangement or financial reimbursement applicable to each resident of the group home.

(12) The applicant or owner/operator shall be responsible for filing with the city within thirty (30) days, any updates or changes to policies, procedures, ownership, or operating entity.

(13) Any information obtained by the city shall be considered confidential, shall be retained in a manner so as to respect the privacy rights of the applicant, and shall not be made available for public inspection unless otherwise required by law.

(14) A request for reasonable accommodation to the regulations, policies, practices and procedures may be filed at any time that the accommodation may be necessary to ensure equal access to housing. A reasonable accommodation shall not affect an individual's obligations to comply with other applicable regulations not at issue in the requested accommodation.

(15) If an applicant needs assistance in making the request for reasonable accommodation, it shall be provided to ensure that the process is properly undertaken.

(16) An applicant may seek relief from the strict application of the provisions of this chapter by submitting such request in writing to the Code Enforcement Director (hereafter "Director") setting forth specific reasons as to why accommodation over and above the provisions set forth herein is necessary.

(17) No fee will be charged for an application to obtain a reasonable accommodation under this chapter.

§ 158.06 GROUNDS FOR REASONABLE ACCOMMODATION.

In determining whether to grant a reasonable accommodation, the Director shall consider the totality of the following factors:

(A) The property will be used by an individual with a recognized disability protected under the fair housing laws;

(B) Special needs created by the recognized disability;

(C) Potential benefit that can be accomplished by the requested modification;

(D) Potential impact on properties within the vicinity;

(E) Physical attributes of the property and dwelling structure;

(F) Alternate accommodations that may provide an equivalent level of benefit;

(G) Whether the requested accommodation would impose an undue financial or administrative burden on the city;

(H) Whether the requested accommodation would require a fundamental alteration in the nature of a city function or service; and

(I) Whether granting the request would be consistent with the city's Comprehensive Plan.

§ 158.07 DISTANCE REQUIREMENT.

No group home shall be located within six hundred fifty (650) feet, as measured from the closest property lines, of any other group home.

§ 158.08 INSURANCE AND MORTGAGE NOTIFICATION REQUIREMENT.

(A) The owner or operator of any group home shall be required to maintain and provide proof to the city of liability insurance coverage in the amount of three hundred thousand dollars (\$300,000.00) per person and one million dollars (\$1,000,000.00) per occurrence, for personal injury to persons or property damage.

(B) The owner or operator shall be required to provide proof to the city that any mortgage lien holder on the subject property has been notified of the use of the premises as a group home.

§ 158.09 REVIEWING AUTHORITY.

(A) ~~Upon proper application made~~ After presenting proof of the certification required under KRS 222.502 and an approved zoning permit for the dwelling unit in which the sober-living facility will be located, requests the application requesting for reasonable accommodation shall be reviewed and approved by the Director of Code Enforcement using the criteria set forth herein.

(B) The Director shall issue a written decision on a request for reasonable accommodation within thirty (30) days of the date of the application, and he or she may either grant, grant with

modifications, or deny a request for reasonable accommodation in accordance with the required findings set forth below.

(C) If necessary to reach a determination on the request for reasonable accommodation, the Director may request further information from the applicant consistent with fair housing laws, specifying in detail the information that is required. In the event that a request for additional information is made, the thirty (30) day period to issue a decision shall be stayed until the applicant responds to the request.

§ 158.10 REQUIRED FINDINGS.

The written decision to grant, grant with modifications, or deny a request for reasonable accommodation shall be consistent with fair housing laws and based on the following factors:

(A) Whether the housing, which is the subject of the request for reasonable accommodation, will be used by an individual with a recognized disability as defined herein and protected under fair housing laws.

(B) Whether the requested accommodation is necessary to make housing available to an individual with a recognized disability protected under the fair housing laws.

(C) Whether the requested accommodation would impose an undue financial or administrative burden on the city.

(D) Whether the requested accommodation would require a fundamental alteration in the nature of the city's land use or zoning regulations, building codes, or related programs adopted by the city, including but not limited to Section 404.4, "Bedroom and living room requirements," and Section 404.5, "Overcrowding," of the International Property Maintenance Code.

(E) The requested accommodation will not result in a direct threat to the health, safety or welfare of other individuals or cause physical damage to the property of others.

(F) Whether the requested accommodation is necessary to make facilities of a similar nature economically viable in light of the particularities of the relevant market and market participants.

(G) Whether the existing supply of facilities of a similar nature and operation in the community is already sufficient to provide individuals with a recognized disability an equal opportunity to live in a residential setting.

(H) The city shall consider the following factors upon any request for accommodation:

(1) Whether the requested accommodation would fundamentally alter the character of the neighborhood;

(2) Whether the requested accommodation would result in a substantial increase in traffic or congestion in the neighborhood, create insufficient on-street parking, or increase noise in the neighborhood;

(3) Whether granting the requested accommodation would substantially undermine any express purpose of the city's Comprehensive Plan; and

(4) Whether the requested accommodation would create an institutionalized environment due to the number of and distance between facilities that are similar in nature or operation.

§ 158.11 WRITTEN DECISION ON THE REQUEST FOR REASONABLE ACCOMMODATION.

(A) The Director shall render a written decision on the request for reasonable accommodation within thirty (30) days of receipt. The written decision on the request for reasonable accommodation shall explain in detail the basis of the decision, including the Director's findings on the criteria set forth herein. The written decision shall give notice of the applicant's right to appeal and request reasonable accommodation in the appeals process, as set forth below. The notice of decision shall be sent to the applicant by certified mail.

(B) The written decision of the Director shall be deemed final unless an applicant appeals the decision to the ~~Board of Adjustment~~ city Code Enforcement Board within the prescribed time period.

(C) In the event the Director fails to render a written decision within the prescribed period of time, the request shall be advanced to the City ~~Manager~~ Administrator for final determination, who shall make such written determination within ten (10) days thereof. In the event a written determination is not issued within forty (40) days of the request, it shall automatically be deemed as granted.

(D) While a request for reasonable accommodation is pending, all laws and regulations otherwise applicable to the property that is the subject of the request shall remain in full force and effect.

(E) The Director shall be required to maintain records of requests for reasonable accommodation or modification and the response thereto, including final written decisions.

§ 158.12 APPEALS.

(A) Within thirty (30) days of the date of the Director's or City Administrator's written decision, whichever shall apply, an applicant may appeal an adverse decision. ~~Appeals from the adverse decision shall be made~~ in writing to the ~~Board of Adjustment~~ city Code Enforcement Board within the prescribed period of time.

(B) If an applicant timely requests assistance in filing an appeal, the city will assist the applicant to ensure that the applicant properly undertakes the appeals process.

(C) All appeals shall contain a statement of the grounds for the appeal.

(D) Nothing in this procedure shall preclude an aggrieved individual from seeking any other state or federal remedy available.

PASSED by City Council of the City of Dayton, Campbell County, Kentucky assembled in regular session.

First Reading: April 14, 2026

Second Reading: _____

MAYOR BEN BAKER

ATTEST:

TRISTIAN KLEIN
CITY CLERK/TREASURER

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk/Treasurer of the City Council of Dayton, Kentucky (the "City"), and as such I further certify that the foregoing Ordinance is a true, correct, and complete copy of the Ordinance duly adopted by the City Council of the City after two readings on the dates referenced above, and has been signed by the Mayor and is now in full force and effect, all as appears from the official records of the City in my possession and under my control.

IN WITNESS WHEREOF, I have hereunder set my hand this _____ day of _____
2026.

**CITY OF DAYTON, KENTUCKY
ORDINANCE NO. 2026-4**

**AN ORDINANCE AMENDING CHAPTER 95 OF THE OF THE
CITY OF DAYTON, KENTUCKY, CODE OF ORDINANCES TO
PROHIBIT THE USE OF CERTAIN MOTORIZED VEHICLES
IN JAMESTOWN PIKE PARK AND RIVERFRONT COMMONS
EXCEPT FOR AUTHORIZED LOW-SPEED ELECTRIC BIKES,
SCOOTERS, AND SKATEBOARDS**

WHEREAS, the City of Dayton, Kentucky (“City”) operates seven public parks in the City, which are open to the public; and

WHEREAS, the Board of the City Council of Dayton, Kentucky (“City Council”), pursuant to § 95.01 of the City Code of Ordinances (“Code”), the City Council has designated Jamestown Pike Park, which is located on Dayton Pike between 706 Boone Street and 110 Dayton Pike, and Riverfront Commons, which has an upper trail (the Levee Trail) and a lower trail (the Riverwalk Trail) that runs adjacent to the Ohio River between O’Fallon Avenue and Mary Ingles Highway, as city parks; and

WHEREAS, Jamestown Pike Park and Riverfront Commons are passive parks used primarily by walkers, runners, bikers, and hikers; and

WHEREAS, the City wishes to prohibit the use of certain motorized vehicles in these parks, along with Sargeant Park; and

WHEREAS, the City needs to amend this section to its Code to reflect this prohibition.

NOW, THEREFORE, BE IT HEREBY ORDAINED AND RESOLVED BY THE DAYTON CITY COUNCIL AS FOLLOWS:

The City of Dayton Code of Ordinances (“Code”) – specifically, Title IX: General Regulations, Chapter 95: Parks, § 95.39 -- of the City Code is hereby amended as follows, with words being deleted ~~lined through~~ and words being added underlined as follows:

§ 95.39 MOTORIZED VEHICLES PROHIBITED IN SARGEANT PARKS

(A) Operation of certain motorized vehicles in Sargeant Park, Jamestown Pike Park, and Riverfront Commons prohibited. No person shall drive or ride any motorized vehicle, including but not limited to an automobile, motorcycle, motorized “dirt bike, gas-operated scooter, golf cart, all-terrain vehicle, snowmobile, or ~~other~~ similar motorized vehicles in Sargeant Park, Jamestown Pike Park, and Riverfront Commons, other than in the designated parking areas serving ~~these~~ these parks, ~~which are located off of Covert Run Pike and Lincoln Road.~~ However, low-speed electric bicycles (“e-bikes”), as defined by 15 U.S.C. § 2085 (which are Class 1, Class 2, and Class 3 e-bikes) and low-speed electric scooters and skateboards are permitted to operate in these parks so long as the wattage of the electric motors of these vehicles does not exceed 750 watts. ~~However,~~ This section shall not apply ~~any~~ to vehicles performing authorized maintenance or construction in the park.

Section II

This ordinance shall be in full force and effect from and after its adoption, approval, and publication as is required by law.

PASSED by City Council of the City of Dayton, Campbell County, Kentucky assembled in regular session.

First Reading: April 14, 2026

Second Reading: _____

MAYOR BEN BAKER

ATTEST:

TRISTIAN KLEIN
CITY CLERK/TREASURER

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk/Treasurer of the City Council of Dayton, Kentucky (the "City"), and as such I further certify that the foregoing Ordinance is a true, correct, and complete copy of the Ordinance duly adopted by the City Council of the City after two readings on the dates referenced above, and has been signed by the Mayor and is now in full force and effect, all as appears from the official records of the City in my possession and under my control.

IN WITNESS WHEREOF, I have hereunder set my hand this _____ day of _____
2026.

CITY OF DAYTON, KENTUCKY

ORDINANCE NO. 2026-5

AN ORDINANCE AMENDING THE CITY OF DAYTON, KENTUCKY'S ANNUAL BUDGET FOR THE FISCAL YEAR RUNNING FROM JULY 1, 2025, THROUGH JUNE 30, 2026, AND ESTIMATING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE CITY TO THE FULL EXTENT AUTHORIZED BY KRS 82.082 AND INTERPRETATIVE CASE LAW.

WHEREAS, a proposed annual operating budget has been prepared and delivered to the City Council of the City of Dayton, Kentucky; and,

WHEREAS, the City Council, having reviewed and discussed the proposed budget, desires to adopt it for Fiscal Year 2026.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF DAYTON, CAMPBELL COUNTY, KENTUCKY, AS FOLLOWS:

1. The Annual Operating Budget for the Fiscal Year beginning July 1, 2025, and ending June 30, 2026, including all sources of estimated revenues and appropriations for all City funds as set forth in Exhibit 1, which is attached and made by reference a part hereof, is hereby adopted.
2. All encumbrances outstanding on June 30, 2025, for goods not yet provided or services not yet rendered are hereby reappropriated to conform with generally accepted accounting principles for the Fiscal Year beginning July 1, 2025, and ending June 30, 2026.
3. The balance of all capital construction, renovation, improvement projects and grants currently approved and/or nearing completion are hereby approved for reappropriation and carry over for the Fiscal Year beginning July 1, 2025, and ending June 30, 2026.
4. 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.
5. All prior Municipal Order/Resolutions and/or or Ordinances or parts of any thereof that conflict with this Ordinance are hereby repealed.
6. This Ordinance is adopted pursuant to KRS 83A.060 in that it was introduced on May 12, 2026, and given final reading on June 9, 2026, and this Ordinance shall be in full force and effect upon signature, recordation, and publication in summary pursuant to KRS Chapter 424.

Adopted by City Council of the City of Dayton, Campbell County, Kentucky assembled in regular session.

First Reading: May 12, 2026

Second Reading: June 9, 2026

MAYOR BEN BAKER

ATTEST:

TRISTAN KLEIN
CITY CLERK/TREASURER

**CITY OF DAYTON, KENTUCKY
ORDER/RESOLUTION NO. 2026-7R**

ORDER/RESOLUTION ADOPTING AND APPROVING THE EXECUTION OF A MUNICIPAL AID CO-OP PROGRAM CONTRACT BETWEEN THE CITY OF DAYTON, KENTUCKY, AND THE COMMONWEALTH OF KENTUCKY, TRANSPORTATION CABINET, DEPARTMENT OF RURAL AND MUNICIPAL AID FOR THE FISCAL YEAR BEGINNING JULY 1, 2026, AS PROVIDED IN THE KENTUCKY REVISED STATUTES AND ACCEPTING ALL STREETS REFERRED TO THEREIN AS BEING STREETS WHICH ARE A PART OF THE CITY OF DAYTON, KENTUCKY.

Be it resolved by the City Council of Dayton, Kentucky that:

The City Council of the City of Dayton, Kentucky, does hereby accept all streets referred to in said Contract as being city streets which are a part of Dayton, Kentucky; and

The City Council of the City of Dayton, Kentucky, does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in said Contract and does hereby accept said Contract and by such acceptance agrees to all the terms and conditions therein stated; and

The Mayor of the City of Dayton, Kentucky, is hereby authorized and directed to sign said Contract as set forth on behalf of the City Council of, and the City Clerk of, Dayton, Kentucky, and is hereby authorized and directed to certify thereto.

ADOPTED: May 12, 2026

**By: _____
Ben Baker
Mayor**

Attest:

**By: _____
Tristan Klein
City Clerk/Treasurer**

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk/Treasurer of the City Council of Dayton, Kentucky, and as such, I further certify that the foregoing is a true, correct, and complete copy of an Order/Resolution duly adopted by the City Council of the City at a regular meeting properly held on May 12, 2026, which is signed by the Mayor and is now in full

force and effect, all as appears from the official records of the City in my possession and under my control.

IN WITNESS WHEREOF, I have hereunder set my hand this _____ day of _____
2026.

Tristan Klein
City Clerk/Treasurer

MUNICIPAL ROAD AID COOPERATIVE
PROGRAM AGREEMENT

THIS AGREEMENT, entered into as of the date of the signature below of the Secretary of the Transportation Cabinet, is made by and between the Commonwealth of Kentucky, Transportation Cabinet, Department of Rural and Municipal Aid (“the Department”), and the Legislative Body of the Incorporated City of **DAYTON**, Kentucky (the “City”).

WHEREAS, Kentucky Revised Statutes (KRS) § 177.365(1) provides that 7.7% of revenue resulting from the imposition of motor fuel taxes on taxpayers pursuant to KRS § 138.220(1)(2), KRS § 138.660(1)(2), and KRS § 234.320 shall be set aside by the Finance and Administration Cabinet for the construction, reconstruction, and maintenance of urban roads and streets, and for no other purpose (“Municipal Road Aid Funds”), and

WHEREAS, the City has accepted an invitation from the Department to allow it to participate in a cooperative program to aid the City in the construction, reconstruction, and maintenance of certain roads and bridges using its share of the Municipal Road Aid Funds apportioned to it by the Department as provided below (the “Cooperative Program”), and

NOW THEREFORE, in consideration of the terms and conditions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Department and the City agree as follows:

1. Apportionment of Municipal Road Aid Funds. The City’s apportionment of Municipal Road Aid Funds shall be based on revenue estimates supplied by the Office of State Budget Director. For the Fiscal Year beginning July 1, 2026, this amount is **\$108,623.47** (the “Apportionment”). The above referenced estimate is based on the most recent available data and

is subject to change according to available revenue. The Apportionment shall be distributed by the Department to the City in accordance with the terms of this Agreement.

2. Assignment of the Apportionment. The City hereby assigns all of its right, title and interest in and to the Apportionment to the Transportation Cabinet's Division of Accounts for Fiscal Year 2027.

3. Distribution of Municipal Road Aid Funds. The City and the Department agree that the Apportionment shall be distributed by the Department to the City as follows:

a. First Distribution. The Department shall initially distribute to the City sixty percent (60%) of the Apportionment, less three percent (3%) of the Apportionment set aside for the emergency fund below. This initial amount is **\$63,219.00**.

b. Second Distribution. The Department shall distribute up to and including an additional thirty percent (30%) of the Apportionment to the City, less three percent (3%) of the Apportionment set aside for the emergency fund below. The amount of the second distribution will depend on how actual revenues compare to revenue estimates.

c. Final Distribution. The Department shall allocate and distribute the remaining balance of the Apportionment, less three percent (3%) set aside for the emergency fund below. The Final Distribution shall be based on actual revenues tabulated after the end of the fiscal year (June 30).

4. Emergency Fund. The City agrees that three percent (3%) of the Apportionment shall be withheld by the Department in an emergency fund (the "Emergency Fund"). The Emergency Fund shall include three percent (3%) of the total apportionments of all participants in the Cooperative Program, plus any remaining balances from previous fiscal years. The Department, upon written application from a duly authorized representative of the City, may

disburse these funds to the City for the purpose of it using said funds for emergency roadway and bridge projects designated by the City and lying within city limits. The Department may disburse up to fifty percent (50%) of the approved funds to the City for the purpose of it using said funds for emergency roadway and bridge projects designated by the City. Following the completion of the project, after final cost documentation has been submitted and processed, the Department will then distribute the determined remaining amount. If the actual cost of an emergency project is less than the amount of Emergency Funds disbursed by the Department, then the City shall reimburse the difference to the Department.

5. Disbursement of Funds. Upon execution of this Agreement, the Department will disburse the foregoing allocated funds directly to the City to pay for materials, labor and equipment necessary for the City to accomplish construction, reconstruction, and maintenance on streets designated by the City and lying within city limits. This assistance is extended insofar as funds are available from the Apportionment. The City shall be responsible for all costs associated with the construction, reconstruction and maintenance of roadways and bridges in excess of the amount of the Apportionment allocated and disbursed by the Department to the City. The Department may assist the City in fulfilling its needs by disbursing funds to the City for materials and work performed by contract, for materials obtained by contract and for the rental or purchase of road maintenance and construction equipment. Any rental rates shall be based on current edition of the "Blue Book for Rental of Equipment" or the Department's official rental rates. The Department may also disburse funds to the City for the hourly rate for personnel who perform the work. This rate may include employee fringe benefits such as leave overlay, retirement, social security, insurance, etc.

6. Use of Municipal Road Aid Funds. The City agrees and certifies that the Apportionment will be expended by the City solely for the purpose of construction, reconstruction, and maintenance of city streets as defined in KRS § 177.365(4).

7. Rights of Way. The City, if required under applicable law, will acquire any rights-of-way contemplated under this Agreement and assumes responsibility for any claims for damages arising from such acquisitions.

8. Indemnification. The City shall fully indemnify, hold harmless and defend the Department from and against all claims, actions, suits, demands, damages, liabilities, obligations, losses, settlements, judgments, costs and expenses (including without limitation reasonable attorney's fees and costs), whether or not involving a third party claim, which arise out of, relate to or result from (a) any breach of any representation or warranty of the City contained in this Agreement, (b) any breach of any covenant or other obligation or duty of the City under this Agreement or under applicable law, in each case whether or not caused by the negligence of the Department and whether or not the relevant claim has merit.

9. Reimbursement of Losses. The City will reimburse the Department for losses it may sustain arising out of performance of this Agreement. Such loss as sustained by the Department may be charged to the Apportionment in this or future fiscal years.

10. Termination of Agreement. The Department reserves the right to cancel this Agreement at any time deemed to be in the best interest of the Department by giving thirty (30) days written notice of such cancellation to the City. If this Agreement is canceled under this provision, then the City will receive any unpaid portion of the Apportionment from the Finance and Administration Cabinet.

11. Access to Records. The City acknowledges and agrees that pursuant to KRS § 177.369(3) it shall retain all records of the expenditures of the Apportionment for a period of five (5) years and said records, including any books, documents, papers, records, or other evidence, which are directly pertinent to this agreement [records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent and shall be exempt from disclosure as provided in KRS 61.878(1)(c)], shall be subject to audit by the Finance and Administration Cabinet or its duly authorized agent and made accessible by the City to the Finance and Administration Cabinet or its duly authorized agent for said period of time in order to determine the proper expenditure of said money for the purposes required by KRS § 177.365(1). The City also recognizes that any books, documents, papers, records, or other evidence received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS § 61.870 to KRS § 61.884.

12. Authorization. The Legislative Body of the City shall pass a resolution adopting and approving the terms of this Agreement in the form of the resolution attached to this Agreement and made a part hereof. The Chief Executive Officer of the City, and the Commissioner of the Department, or their authorized representatives, insofar as their actions are in accord with the laws of the Commonwealth of Kentucky, shall act for their respective parties on all matters arising under this Agreement.

13. Choice of Law and Venue. All questions as to the execution, validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Kentucky. Furthermore, the parties hereto agree that any legal action which is brought on the basis of this Agreement shall be filed in the Franklin County Circuit Court of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the dates listed below.

INCORPORATED CITY OF **City of DAYTON**

BY: _____
Chief Executive Officer (Mayor)

Date: _____

(For Kentucky Transportation Cabinet use only)

DEPARTMENT OF RURAL AND MUNICIPAL AID
OFFICE OF RURAL & SECONDARY ROADS

BY: _____
Commissioner

Date: _____

APPROVED AS TO FORM AND LEGALITY:

BY: _____
Office of Legal Services

Date: _____

COMMONWEALTH OF KENTUCKY
TRANSPORTATION CABINET

BY: _____
Secretary

Date: _____

R E S O L U T I O N

Incorporated City of DAYTON

Resolution adopting and approving the execution of a Municipal Aid Co-op Program Contract between the Incorporated City and the Commonwealth of Kentucky, Transportation Cabinet, Department of Rural and Municipal Aid for the fiscal year beginning July 1, 2026, as provided in the Kentucky Revised Statutes and accepting all streets referred to therein as being streets which are a part of the Incorporated City.

Be it resolved by the Legislative Body of the Incorporated City that:

The Legislative Body of the Incorporated City does hereby accept all streets referred to in said Contract as being city streets which are a part of the Incorporated City; and

The Legislative Body of the Incorporated City does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in said Contract and does hereby accept said Contract and by such acceptance agrees to all the terms and conditions therein stated; and

The Chief Executive Officer of the said Incorporated City is hereby authorized and directed to sign said Contract as set forth on behalf of the Legislative Body of, and the City Clerk of DAYTON is hereby authorized and directed to certify thereto.

The vote taken on said Resolution, the result being as follows:

AYES

NAYS

COMMONWEALTH OF KENTUCKY
INCORPORATED CITY OF DAYTON

I, _____, City Clerk of DAYTON certify that the foregoing is a true copy of the Order above. Given under my hand and seal of office this the _____ day of _____, 2026.

SIGNED _____

CLERK OF DAYTON