

**CITY OF PIKEVILLE
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
September 8, 2014 AT 6:00 P.M.**

The Board of Commissioners for the City of Pikeville met in a regular called session on Monday, September 8, 2014. The meeting was held in the City Hall Conference Meeting Room located at 243 Main Street, Pikeville, Kentucky.

There being a quorum present, Mayor Frank Justice called the meeting to order at 6:00 p.m. Commission Members present at roll call were as follows:

**COMMISSIONER: JIMMY CARTER
 JERRY KEITH COLEMAN
 BARRY CHANEY -Absent
 EUGENE DAVIS**

MAYOR: FRANKLIN D. JUSTICE, II

MINUTES

The minutes for the previous regular meeting held on August 25, 2014 were in each Commission Member's agenda package. There being no additions or corrections, Commissioner Davis made the motion to approve the minutes as prepared. Commissioner Coleman seconded the motion. Mayor Justice called for discussion, there being none, the motion carried unanimously. 4-0.

Consider a request to approve and authorize payment of the City of Pikeville bills as listed and submitted in the amount of \$739,552.50. Commissioner Davis asked if the city had the money. City Manager Mr. Blackburn replied yes. Commissioner Davis made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments on the bill list, there being none motion passed unanimously. 4-0.

BUSINESS FROM THE FLOOR

Mayor Justice asked if there was any business from the floor, there being none mayor continued with agenda.

CITY ENGINEER

Consider a request to approve and authorize payment of Pay Estimate #12, as submitted and as recommended by Codell Construction for the Pikeville Theatre project. Said request is contingent upon final approval by the Pikeville Theatre Building Committee for the recommendation for the City Commission to authorize payment. Said pay request is for \$170,854.58 for the following vendors and totals as submitted, B L Radden & Son, Inc. for \$2,092.45, Carpet Decorators, Inc. for \$1,984.50, Weiss, Inc. for \$2,085.25, Rising Sun Developing, Inc. \$73,503.92, Wright Way Ready Mix for \$10,080.00, Elliott Contracting, Inc. for \$78,908.46 and Codell Construction for \$2,200.00 (Codell's payment is contingent upon receipt of the receipt of grant funds per our addendum contract) for a total payment of \$170,854.58 and to authorize the Theatre Building Committee Chairman Donovan Blackburn to sign and execute any pay request or documents necessary to execute said payments. Commissioner Carter made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments. City Manager Mr. Blackburn commented there was one more pay request coming down for submittal next meeting. Mayor Justice called for additional comments, there being none motion passed unanimously. 4-0.

Consider a request to authorize and approve payment for Invoice #11 for Vaughn & Melton consulting Engineers, Inc. for \$33,751.40 for civil engineering services for the City of Pikeville's waste water Treatment Plant Upgrade and Improvement project. Commissioner Carter made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

CITY ATTORNEY

Russell Davis was present and read into record the following ordinance.

Consider a request to authorize a settlement agreement and approve payment of \$400,000 to the Vanhoose family for the commendation suit for the taking of their property for the Thompson Road widening project and authorize the mayor the authority to sign and execute any and all documents necessary to execute said agreement and make said payment. Commissioner Carter made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

Consider the reading and adoption of an emergency ordinance #0-2014-015. An emergency is declared to exist being that the property tax bills are now ready to be mailed and the delay in mailing the property tax bills may cause a financial hardship upon the City of Pikeville. Said ordinance is fixing a tax levy on real and tangible personal property, franchises, all for the general operating expenses purposes and providing for a due date and discount on all taxes, if paid on or before November 1, 2014 and penalties if not paid on or prior to February 1, 2015 and to authorize the mayor to sign and execute said ordinance on behalf of the City of Pikeville. Commissioner Carter made the motion to adopt the Ordinance. Commissioner Coleman seconded the motion to adopt. Mayor Justice called for roll call: Gene Davis: Yes; Jimmy Carter: Yes; Jerry Keith Coleman: Yes; Barry Chaney: Absent; Mayor Justice: Yes. Motion passed unanimously. 4-0.

Consider a first reading of an ordinance #0-2014-016 amending the fiscal budget for the 2014-2015 Fiscal Year. Rusty Davis read into record.

CITY MANAGER

City Manager Donovan Blackburn; Mayor before we move on today I just wanted to draw a couple of items to your attention. Phillip with Summit Engineering is here. Mr. Blackburn; Summit has passed out their project update before the meeting; Phillip is there anything updated from last time that you want to comment on? Phillip; just the pay requests for Thompson Road project and I think they are on the agenda. City Manager; Thompson road? No. Mayor Justice; Sewer project. City Manager; yes, the lift station, yes they are on the agenda. City Manager Blackburn; also in your all's packet that I handed out for your review I had asked Chris to go back as a couple of you had asked me on grants and if you look a couple of pages back in the last five (5) years alone the city has received from 2010 forward \$31,8888 in different grants and I just wanted to bring that to your attention and a list of attractions and events for Tourism, now that I filled that comment, I have a last item, we had looked at doing a quote, obviously the York House the roof is our biggest concern, trying to get the leaking stopped. We had an estimate on what it would cost just to fix the roof to stop it from leaking, but the question in hand is if we fix the roof the work we do has to be redone. Where you are going over and putting putty on something and coming back in a couple of months jerking that putty off and fixing it So the question is do we want to in the estimate is about \$17,000.00 and to re fix the roof is about \$56,000.00, so it is a difference of about \$30,000.00 but you are spending the \$17,000.00 twice, if that makes sense. So the question is do we want to spend the \$17,000.00 twice or just go ahead and look at putting the e work out for bid out to fix the roof, but I didn't want to put out with us discussing and I was going to in the work session, but it went a little bit long. Obviously there are several grants we are applying for and as the commission is aware this is probably going to be about a million dollar

project when it is done, there are several different grants that we are working with. But the concern is our biggest issue is to stop the rot and is caused by the leaking. Mayor Justice; is this on the agenda? City Manager; No sir, it was on the work session. Commissioner Carter; what would be the problem in there and just trapping it for right now? City Manager; well you can, but a tarp of that size you are going to spend somewhere around; Sean do you remember how much the cost was? Sean Cochran/Operations Manager; Yeah, actually I apologize, I had met with Mark White today and he is coming in the morning to talk about a couple of options. You are talking about \$17,000.00 just in tarps, and I say tarps but it not; Phillip can probably speak to you a little more, it is not like a blue tarp you would think of, it is a special membrane that would keep the water out. Mayor Justice; I was under the impression we had a grant when we took this project on? City Manager; again I have a grant to do the roof, and again we are going to redo that when we raise the other money and the question is I can stop the leak, but was putting it before the Commission for consideration whether we bid it and reject the bids to see what the cost would be, but what I didn't want to do was do the work and have to pay for it twice. Commissioner Coleman; Donovan, what is the time if you didn't fix the roof right now and the time the real repair would take place or are we going to turn around in six months and take it back off? Mayor Justice; it is not going to be six months. City Manager; well that is the thing, we are looking at it a couple different ways as contributions from the public come in and they just had their committee meeting this week and a lot of people want to give money and if we can raise \$40,000.00 or \$50,000.00 we would only need \$30,000.00 and be done with the roof project. City Manager; before we go ahead and spend the \$15,000.00 that we just received a grant for and then we have to raise that \$15,000.00. You're all's direction so if the City wants to start the fund raising and in two months I will be coming back and saying let's go ahead and bid. The other option is to have the City front the money and have Main Street raise the money and pay the City back in a two or three months' time, so we are not spending the money twice in two months' time. Commissioner Coleman; if you are spending the money and then you say two or three months I would be willing to consider, are you thinking that the time would be within a year to fix? Commissioner Carter; what is the time line on some of these grants? City Manager; six months to a year, that 'just typical and maybe with contributions a lot sooner than that. Commissioner Carter; Minta, what do you think? Minta Trimble/Main Street Director; I think if we have to spend the \$17,000.00 we need to do the project in the entirety and fix the entire roof. Commissioner Coleman; so we should put out to bid and see what the cost will be? Minta; I think it should be moving forward and get the roof repaired. City Manager; I go back to the timing of the fund raising and the kickoff of the project. Commissioner Carter; Minta what is realistically what you think you can come up with in two months? Minta; am I including the \$15,000.00? City Manager; No. Minta; I would say probably 3 months,

but you have to consider what months we are going into, the winter months and the grant we are apply for is due September 28th so we are looking at 3 months for we will know anything on that. City Manager; next funding cycle before we know anything? Minta; exactly. So as far as Main Street fund raising to raise \$25,000.00 to \$30,000.00 I would say three to four months. Commissioner Coleman; I just think it is a gamble and say not patch it and if the roof was to fall in on it while we are waiting. Minta; right, it is just like a pair of panty hose with a run, you still have an issue. Mayor Justice; I want to go back to the original issue and I want to see how much interest there is. Minta; I'm sorry Frankie, I didn't hear you. Mayor Justice; so we can patch the roof and see where we are? City Manager; yeah that was the point, we can and we have the bid and contractors ready to go. We can do that. That is part of my suggestion because when we got the bid in the end of last week the weather is getting ready to set in so I can give the green light and I think it is \$16,000.00. Sean; Yes, \$16,000 and some change. City Manager; we can do the repairs or we can repair and not spend the money twice. Whether it is three months from now or six months from now. Mayor Justice; forbid that we put the roof on and one takes interest and we have to tear it down? City Manager; I'm not disagreeing with you, this is a complex issue. Mayor Justice; in no way did I say I wanted to tear it down. City Manager; Mayor we specifically wrote language into the deed that gave us the right to do so in case the roof was to fall in between now and then and became something that wasn't salvageable so we was not wasting tax payers dollars and everyone understood that from the beginning. Again the \$16,000.00 will stop it and will stop it from deter rating it from what it is. So we have got buckets up there right now and is catching the water and we will continue to empty them and if we don't stop the leaking sooner than later we are going to be in the position that we are going to have to tear it down. Commissioner Coleman; I'm for patching it for right now; I just saying I hope we don't patch it and then turn around in six weeks and put a new roof on it. City Commissioner Carter; let's patch it then. City Manager; ok, moving forward. That was supposed to be for a work session, I apologize.

Manager Donovan Blackburn presented the commission with the following items for approval:

Consider a request to reappoint Darrell Pugh to the Pikeville Housing Authority Board. Mr. Pugh's new term will expire on September 16, 2018. Commissioner Carter made the motion to approve. Commissioner Carter seconded the motion. Mayor called for questions or comments, there being none motion passed unanimously. 4-0.

Consider a request to reappoint Phillip Reed to the Hatfield & McCoy Heritage Days committee. Chief Reed's new term will expire on 7-1-2016. Commissioner Coleman made the motion to approve. Commissioner Carter seconded the motion.

Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

Consider a request to authorize the job posting for the position of Administrative Clerk/Grant Administrator. Commissioner Carter made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

Consider a request to authorize and approve Change Order #3 between the City of Pikeville and Mountain Enterprises, Inc. for \$7,250.00 for the Pikeville Commons Lift Station Replacement Phase 1 project and to authorize the mayor to sign and execute said change order on behalf of the City of Pikeville. Commissioner Davis made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

Consider a request to authorize and approve a Service Agreement between Aramark Uniform Services and City of Pikeville, as submitted, and authorize the mayor the authority to sign and execute said contract on behalf of the City of Pikeville. Commissioner Carter made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

Consider a request to award a bid, as advertised, and authorize payment of an excavator to Thompson Tractor & Equipment Sales Inc. (who was the low bid) for \$46,930.00 and to authorize the City Manager the authority to sign and execute any and all paperwork necessary to place said excavator into the City of Pikeville's name. Commissioner Carter asked if that was a capital item. City Manager replied, yes. Commissioner Carter made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

Consider a request to authorize and adopt a resolution authorizing the City of Pikeville for the filing of a Kentucky Local Government Economic Development Fund (LGEDF) project proposal/grant application for up to \$500,000.00 for the Fire Station Relocation Project in local government economic development single county funds with the department for Local Government(DLG) authorizing and directing the Mayor to sign and execute any and all document which are deemed necessary by DLG to carry out this project and authorize the mayor to act as the authorized correspondent for said project. Commissioner Davis made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

Consider a request to award a bid, as advertised, for road salt to Morton Salt, Inc. (who was the low bidder) for \$112.03 per ton, which includes freight cost. Commissioner Davis made the motion to approve. Commissioner Carter seconded the motion. Mayor Justice asked Greg May with UMG, LLC what kind of rising price was the bid. Greg May referred to Donnie Slone, with UMG, LLC. Donnie replied about \$30 a ton. Mayor Justice so about 300% increase, how many tons did you use last year? Donnie Slone replied about 800 tons. Mayor Justice called for additional questions or comments, there being none motion passed unanimously. 4-0.

Consider a request to award a bid, as advertised and authorize payment for various water supply parts to Consolidated Piping Supply (who was the only bidder) for \$45,875.20. Commissioner Coleman made the motion to approve. Commissioner Carter seconded the motion. Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

Consider a request to authorize and approve Change Order #2 between the City of Pikeville and Mountain Enterprises, Inc. for \$5,800.00 for the Pikeville Commons Lift Station Replacement Phase 1 project and to authorize the mayor to sign and execute said change order on behalf of the City of Pikeville. Commissioner Carter made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments. City Manager Mr. Blackburn commented there was one more pay request coming down for submittal next meeting. Mayor Justice called for additional comments, there being none motion passed unanimously. 4-0.

Consider a request to authorize and approve a "Letter of Intent" for City of Pikeville, as submitted, to Raymond James & Associates on behalf of the University of Pikeville regarding the city being used as a conduit for a Series 2014 Bond Anticipation Note in order to provide interim construction financing for the new College of Optometry and authorize the mayor to sign and execute said letter of intent on behalf of the City of Pikeville. Commissioner Carter made the motion to approve. Commissioner Davis seconded the motion. Mayor Justice called for questions or comments. City Manager Mr. Blackburn stated the only comment he would make was this is no different than what we have done for the medical school or the hospital to support the growth for those intuitions and the City is simply a conduit and is not liable for the funding. Mayor Justice called for additional comments, there being none motion passed unanimously. 4-0.

Consider a request to reject the bid for the Riverfill Outdoor Arena Access Project and to consider rebidding. Commissioner Davis made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for questions or comments, there being none motion passed unanimously. 4-0.

City Manager Donovan Blackburn stated he would like to inform the commission on one more item he had from the work session and just for matter of record that work continues on the air service and some announcement are coming soon and one of the issues that came up is we may be looking at a revised contract and when we get to that session. I question whether we or if as I expected that if or when the new service takes off, hypothetically there is no one scheduled to fly on a Tuesday and under the terms of the agreement they have to pay their flight crew and other operations fixed costs and now with that in questioning I asked that would it not be possible instead of paying fuel costs and all the other costs we negotiate in order to save the subsidies money if we could not do an amendment not to fly on days with no bookings? We had those discussions today and I suggested looking at the fixed costs and what they would be charging and only be about 60% of the subsidy and what I am asking them to do is to amend the contract that if there is no booked flights that we don't require them to fly and we don't pay that full day of subsidy, and I think they agree to knock that down by about 40%. So I just wanted to make you aware of what was coming.

Pursuant to KRS 61.810 consider a request for closed session for the purpose of discussion economic development, legal and personnel issues. Commissioner Davis made the motion to approve. Commissioner Coleman seconded the motion. Mayor Justice called for comments, there being none. Motion passed. 4-0.

Commissioner Carter made the motion to re convene. Commissioner Coleman seconded the motion. Mayor Justice called for comments, there being none, the motion passed unanimously. 4-0. Mayor Justice called session back into order.

There being no further business to come before the Commission, Commissioner Davis has made the motion to adjourn the meeting. Commissioner Carter seconded the motion. Mayor Justice called for discussion, there being none, and the meeting was adjourned. 4-0

CONSENT ITEMS:

September 9, 2014: Open House at the Hilton Gardens, Tuesday September 9, 2014 from 6:00 p.m. until 8:00 p.m.

September 18, 2014: UPike Gala at the East KY Expo Center beginning at 6:30 p.m.

September 18, 2014: Chamber Luncheon at 11:30 a.m. at the East KY Expo Center. City Commission table is reserved.

September 23, 2014: SOAR Executive Committee meeting scheduled to be held at the Natural Bridge State Park on Tuesday at 1:00 p.m. Futures forum from 10:30 a.m. until 11:30 a.m.

October 7th thru the October 10, 2014: Kentucky League of Cities Annual Conference will be held at the Galt House in Louisville.

October 9, 2014: Groundbreaking event for lift station on Thompson Road at 4:00 p.m.

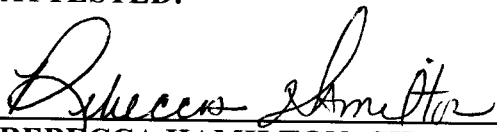
The next scheduled Regular Meeting of the City of Pikeville Board of Commissioners is September 22, 2014.

APPROVED:



FRANKLIN D. JUSTICE, II, MAYOR

ATTESTED:



REBECCA HAMILTON, CITY CLERK