

**CITY OF PIKEVILLE
BOARD OF COMMISSIONERS
SPECIAL MEETING MINUTES
February 4, 2011 AT 4:00 P.M.**

The Board of Commissioners for the City of Pikeville met in a special called session on Friday, February 4, 2011. The meeting was held in the City Hall Conference Meeting Room located at 118 College Street, Pikeville, Kentucky.

(1) There being a quorum present, Mayor Franklin D. Justice, II called the meeting to order at 4:00 p.m. Commission Members present at roll call were as follows:

COMMISSIONER:	GENE DAVIS	Absent
	BARRY CHANEY	
	DALLAS LAYNE	
	JIMMY CARTER	
 MAYOR:	 FRANKLIN D. JUSTICE, II	

Commissioner Davis arrived @ 4:25 pm

(2) The minutes for the previous special meeting held on February 3, 2011 were in each Commission Member's agenda package. There being no additions or corrections, Commissioner Carter made the motion to approve the minutes as prepared. Commissioner Chaney seconded the motion. Mayor Franklin D. Justice, II called for discussion, there being none the motion carried unanimously. 5-0.

(5) Consider a request for a 2nd reading and adoption of ordinance #0-2011-005 finally annexing approximately 491.14 acres of property located at Buckley Creek. Commissioner Carter made the motion to approve. Commissioner Chaney seconded the motion. Mayor Justice called for comments, there being none, Mayor called roll call. Commissioner Eugene Davis being absent. The motion passed unanimously. 4-0.

ORDINANCE FINALLY ANNEXING BY THE CITY OF PIKEVILLE UNINCORPORATED
TERRITORY LYING ADJACENT TO THE PRESENT CITY CORPORATE LIMITS AND
COMPRISING OF APPROXIMATELY 491.14 ACERS EXTENDING THE CITY'S EXISTING
CORPORATE LIMITS ONTO BUCKLEY CREEK

ORDINANCE NO. 0-2011-005

February 4, 2011 Special Meeting

WHEREAS, Ordinance No. 0-2010-027 was passed on the 1ST day of December, 2010 by the Commission for the City of Pikeville, Kentucky enacting an ordinance stating its intent to annex to the City Limits of Pikeville certain unincorporated territory more particularly described hereinafter, and

WHEREAS, the territory to be annexed is adjacent and contiguous to the City of Pikeville's existing boundaries and the City Commission has determined that no part of the area to be annexed shall be included in the boundary of another city; and

WHEREAS, the Pikeville City Commission has determined that by reason of the population density, commercial and/or industrial use of the surrounding land, the territory sought to be annexed by the City of Pikeville is urban in character and suitable for development for the urban purposes by the City of Pikeville without unreasonable delay;

WHEREAS, pursuant to KRS 81A.425, notice was sent by first-class mail to each property owner listed on the records of the Pike County Property Valuation Administrator as of January 1, 2010; and,

WHEREAS, said notice was mailed no later than fourteen (14) days prior to the meeting at which the ordinance proposing the annexation and stated the intention of the City of Pikeville to annex the territory received its second reading; and

WHEREAS, Ordinance No. 0-2010-027, proposing the annexation was duly read in accordance with the Kentucky Revised Statutes, and was published and went into effect on December 4th, 2010; and,

WHEREAS, more than sixty (60) days have elapsed since Ordinance No. 0-2010-027 went into effect, and less than the 50% of the required signatures of the property owners or dwellers were received by petition in the area to be annexed has been received by the Mayor pursuant to KRS 81A.420; and,

WHEREAS, all notices required by Kentucky Revised Statutes have been provided and/or published according to law;

WHEREAS, following the adoption of said ordinance proposing to annex said property, the City of Pikeville did publish the ordinance in accordance with KRS 83A.060(9), and,

WHEREAS, less than the required 50% of signatures were received by petition in opposition of the annexation which would require an election to be held as prescribed in KRS 81A.420 and pursuant thereto, the City of Pikeville may adopt a final ordinance annexing to the City of Pikeville said property.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF PIKEVILLE that the tract or parcel of property described hereinafter, contiguous to the present city limits of Pikeville, Kentucky is hereby declared to be

annexed into the corporate limits of the City of Pikeville and shall be by the passage of this ordinance become part of the city for all purposes. The property annexed hereby is described as follows:

Buckley Creek
Proposed Annexation

Beginning at a point on the line of the City of Pikeville existing corporate line, Ordinance # 0-2001-021 and the City of Cola Run and being on the point on the South side of Tollage Creek between Tollage Creek and the Levisa Fork of the Big Sandy River Thence, up the point with the City of Coal Run corporate Boundary S 89°38'19" E a distance of 78.95'; Thence, S 63°14'17" E a distance of 434.25'; Thence, N 90°00'00" E a distance of 156.66'; Thence, S 84°57'54" E a distance of 133.68' to a point on the ridge between Tollage Creek and Buckley Creek; Thence, with the ridgeline and the City of Coal Run Corporate boundary N 45° 17'49" E a distance of 317.48'; Thence, N 60°36'32" E a distance of 114.80'; Thence, N 80°08'55" E a distance of 119.75'; Thence, S 76°53'05" E a distance of 79.01'; Thence, N 15°30'02" E a distance of 172.75'; Thence, N 29°24'30" E a distance of 388.83'; Thence, N 60°12'34" E a distance of 336.84'; Thence, N 84°01'21" E a distance of 163.36'; Thence, N 70°44'11" E a distance of 194.94'; Thence, N 90°00'00" E a distance of 197.83'; Thence, N 64°49'54" E a distance of 86.41'; Thence, N 34°12'59" E a distance of 449.98'; Thence, N 49°01'59" E a distance of 140.14'; Thence, N 57°06'00" E a distance of 389.04'; Thence, N 43°44'26" E a distance of 286.13'; Thence, S 84°22'39" E a distance of 328.22'; Thence, S 78°14'55" E a distance of 225.56'; Thence, N 50°48'57" E a distance of 290.83'; Thence, N 38°47'10" E a distance of 78.75'; Thence, N 05°27'24" E a distance of 181.51'; Thence, N 43°12'14" E a distance of 410.47'; Thence, N 17°03'21" E a distance of 166.72'; Thence, N 00°39'01" E a distance of 154.84'; Thence, N 22°32'41" E a distance of 83.49'; Thence, N 49°09'21" E a distance of 173.42'; Thence, N 30°7' 59" E a distance of 184.08'; Thence, N 02°13'36" E a distance of 96.93'; Thence, N 42°38'01" E a distance of 111.20'; Thence, N 40°33'38" E a distance of 275.72'; Thence, N 79°14'25" E a distance of 279.56'; Thence, N 66°43'24" E a distance of 207.02'; Thence, N 58°18'09" E a distance of 258.87'; Thence, N 62°01'42" E a distance of 218.52'; Thence, N 77°17'58" E a distance of 319.06'; Thence, N 75°39'11" E a distance of 222.82'; Thence, N 71°41'49" E a distance of 152.71'; Thence, N 16°10'18" E a distance of 206.36'; Thence, N 28°43'56" E a distance of 192.71'; Thence, N 25°27'09" E a distance of 384.69'; Thence, N 20°26'49" E a distance of 349.88'; Thence, N 46°03'47" E a distance of 222.25'; Thence, N 30°45'39" E a distance of 531.43'; Thence, N 21°04'13" E a distance of 188.85'; Thence, N 32°41'58" E a distance of 212.90'; Thence, N 47°53'08" E a distance of 110.28'; Thence, N 83°00'09" E a distance of 258.89' to a high knob on the ridge between Buckley Creek, Tollage Creek and Stonecoal Creek; Thence, leaving the line of the City of Coal Run and running with the ridge line between Buckley Creek and Stonecoal Creek N 72°27'36" E a distance of 276.58'; Thence, N 67°28'54" E a distance of 329.41'; Thence, S 56°25'01" E a distance of 386.90'; Thence, S 75°29'14" E a distance of 230.55'; Thence, S 76°24'58" E a distance of 186.69'; Thence, S 37°01'33" E a distance of 62.27'; Thence, S 49°09'37" E a distance of 97.53'; Thence, S 64°18'08" E a distance of 179.25'; Thence, S 60°01'55" E a distance of 119.70'; Thence, S 27°21'28" E a distance of 279.27'; Thence, S 46°12'03" E a distance of 180.88' to a high knob at the head of Knob Fork of Burning Fork; Thence, with the ridge between Buckley Creek and Knob Fork S 09°06'20" W a distance of 290.46'; Thence, S 02°09'44" E a distance of 132.26'; Thence, S 11°27'20" E a distance of 201.00'; Thence, S 11°45'23" E a distance of 199.05'; Thence, S 38°40'30" E a distance of 158.59'; Thence, S 62°32'18" E a distance of 418.84'; Thence, S 78°31'10" E a distance of 472.77'; Thence, S 73°52'51" E a distance of 214.06'; Thence, S 57°56'07" E a distance of 434.81'; Thence, S 57°27'51" E a distance of 195.34'; Thence, S 47°08'12" E a distance of 133.85'; Thence, S 76°00'28" E a distance of 168.65'; Thence, N 86°11'17" E a distance of 168.41'; Thence, N 45°07'10" E a distance of 567.57'; Thence, leaving the ridge and running down the hill through the land of Roopani Development S 06°13'21" E a distance of 1549.78'; Thence, crossing a drain at the back of the flat N 60°11'20" E a distance of 424.33'; Thence, up the hill S 82°24'33" E a distance of 106.46'; Thence, N 70°53'21" E a distance of 451.93' to the point; Thence, down the point S 08°42'35" E a distance of 81.25'; Thence, S 49°16'59" E a distance of 226.52'; Thence, S 00°00'00" E a distance of 401.16' point at or near the Commonwealth of Kentucky Right of Way for U.S. 119; Thence, with said right of way N 83°19'45" E a distance of 46.75'; Thence, N 86°10'52" E a distance of 484.15'; Thence, N 88°17'15" E a distance of 366.46'; Thence, S 89°16'52" E a distance of 121.09'; Thence, crossing U.S. 119 S 01°13'36" E a distance of 289.23' to a point on the Commonwealth of Kentucky Right of Way; Thence, with said right of way S 82°26'00" W a distance of 452.77'; Thence, S 27°16'20" W a distance of 64.29'; Thence, S 23°58'24" W a distance of 80.78'; Thence, S 10°42'10" W a distance of 101.12'; Thence, N 87°49'41" W a distance of 36.18'; Thence, S 01°16'00" W a distance of 128.30'; Thence, S 01°54'08" E a distance of 158.36'; Thence, S 01°43'32" E a distance of 68.82';

Thence, crossing Kentucky Route 1426 S 87°31'55" W a distance of 78.64'; Thence, along KY RT 1426 S 22°47'06" W a distance of 310.93; Thence, up the hill N 70°37'01" W a distance of 242.51'; Thence, down the drain N 28°12'25" W a distance of 201.34'; Thence, N 12°32'06" W a distance of 219.24'; Thence, around the hill N 42°19'28" E a distance of 192.98; Thence, N 70°00'33" E a distance of 297.90' to a point on the Commonwealth of Kentucky Right of Way for U.S. 119; Thence, continuing with said right of way N 40°26'17" W a distance of 93.82'; Thence, N 78°27'14" W a distance of 346.40'; Thence, S 80°28'23" W a distance of 478.03'; Thence, S 54°18'02" W a distance of 405.93'; Thence, N 84°27'21" W a distance of 258.83'; Thence, S 42°27'51" W a distance of 403.11'; Thence, N 86°20'36" W a distance of 506.43'; Thence, crossing U.S. 119 N 02°28'52" W a distance of 704.68' to a point on the hill above the boundary line for the Pike County Board of Education; Thence, up the hill N 10°44'05" W a distance of 1173.97'; Thence, around the hill with a line above the Pike County Board of Education boundary line N 77°54'49" W a distance of 1153.32'; Thence, S 89°01'46" W a distance of 189.65'; Thence, S 75°31'31" W a distance of 365.23'; Thence, N 73°28'46" W a distance of 311.58' to a point at or near the Elkhorn #3 Seam outcrop; Thence, with the Elkhorn #3 seam outcrop N 66°49'53" W a distance of 180.17'; Thence, S 88°53'59" W a distance of 153.83'; Thence, S 37°39'57" W a distance of 179.09'; Thence, S 82°29'12" W a distance of 474.36'; Thence, N 52°48'10" W a distance of 92.82'; Thence, N 04°59'08" W a distance of 170.13'; Thence, N 33°15'55" E a distance of 248.04'; Thence, N 04°52'52" E a distance of 154.24'; Thence, N 04°10'48" W a distance of 177.41'; Thence, N 29°34'43" E a distance of 127.16'; Thence, N 29°47'59" E a distance of 199.49'; Thence, N 22°23'38" W a distance of 238.58'; Thence, N 12°17'41" W a distance of 499.67'; Thence, N 79°43'01" W a distance of 99.46'; Thence, S 54°16'17" W a distance of 570.62'; Thence, S 40°15'44" W a distance of 624.70'; Thence, S 21°16'41" W a distance of 511.58'; Thence, S 23°25'38" W a distance of 220.98'; Thence, S 11°03'21" W a distance of 460.29'; Thence, S 37°18'43" W a distance of 406.88'; Thence, S 27°01'58" W a distance of 142.71'; Thence, S 01°39'43" W a distance of 404.77'; Thence, S 14°05'45" W a distance of 125.67'; Thence, S 02°52'41" W a distance of 460.17'; Thence, S 70°49'52" W a distance of 389.23'; Thence, N 87°49'03" W a distance of 415.65'; Thence, leaving the Elkhorn #3 seam and running around the side of the hill N 12°25'59" W a distance of 369.09'; Thence, N 22°05'50" E a distance of 475.38'; Thence, N 27°50'10" W a distance of 519.76'; Thence, meandering around the head of the branch S 66°08'07" W a distance of 426.01'; Thence, N 03°10'53" W a distance of 345.24'; Thence, N 70°43'08" W a distance of 405.98'; Thence, running out of the branch on the side of the hill S 16°03'29" W a distance of 674.29'; Thence, S 15°44'32" W a distance of 1668.39'; Thence, around the side of the hill S 58°00'30" W a distance of 3939.73' to a point on the existing City of Pikeville Corporate Boundary Line, Ordinance #0-2001-021; Thence, with the City of Pikeville Corporate Boundary N 37°44'42" W a distance of 906.55'; Thence, N 54°21'32" W a distance of 503.87'; Thence, N 49°40'07" W a distance of 408.68' to the point of beginning and containing 491.14 acres more or less.

BE IT FURTHER ORDAINED A map of the property in which the City of Pikeville is now annexing prepared by Summit Engineering, Inc. entitled "City of Pikeville, Area of Proposed Annexation Buckley Creek dated November 15, 2010 is on file in the office of the city clerk and may be viewed during regular office hours.

Said territory shall be annexed by the City of Pikeville upon passage and publication of this ordinance. This ordinance shall be in full force and effect after it is passed and published as required by law.

The above ordinance was given a first reading this 3rd day of February 2011.

This ordinance was given a second reading of the 4th day of February 2011.

Passed this 4th day of February, 2011.

Commissioner _____ moved for the adoption of the foregoing ordinance.

Commissioner _____ seconded the motion.

February 4, 2011 Special Meeting

Upon roll call, the votes were as follows:

	<u>YES</u>	<u>NO</u>
FRANK JUSTICE, II MAYOR	_____	_____
GENE DAVIS, COMMISSIONER	_____	_____
DALLAS LAYNE, COMMISSIONER	_____	_____
JIMMY CARTER, COMMISSIONER	_____	_____
BARRY CHANEY, COMMISSIONER	_____	_____

The Mayor declared the within ordinance adopted.

FRANK JUSTICE, II, MAYOR

ATTESTED:

MELANIE STEVENS, CITY CLERK

(3) Consider a request for Don Wallen to present to the City Commission the final audit results for the 2009-2010 fiscal year. Mr. Wallen steps to the podium to give the commission the results. He starts, First of all, we got a report completed. In the past, we've gone by how the general fund completed. Governmental reporting leans now toward net assets. We increased our net assets to \$5 million. When you look at that we took a lot in and we had a good year. How do we stand financially? How do we stand cash wise? If we didn't have any income coming in at all how long could we last? We could last 8 months with what we've got. Just going over some of the numbers with you, property taxes and license fees increased only about a thousand dollars. Whereas, franchise fees were up about \$48,000. Occupational taxes increased which is one of our biggest income revenues. Things changing are the amount of money employees are being paid and the number of employees there are. Enterprise Funds are more than carrying their weight. Water Fund are up; the Gas Fund is \$263,000 to the good. City Manager Donovan Blackburn adds that the loss in the sewer fund to UMG was an accumulative fund. He says that Sue's staff, now Tonya's staff, does a good job.

Mr. Blackburn adds that this is a very detailed audit that takes a lot of time and hours to put together. Mayor Justice thanks Sue for being present today and thanks Grace for her wonderful job.

(4) Consider a request to approve a lease agreement (contingent upon the City Manager and City Attorney review and approval of the terms and conditions of said lease) between the City of Pikeville and the East Ky Expo Center Corp for the city to take over the complete debt and operation of the Expo Center, assuming all current debt and assuming current contract terms between East Ky Expo Center Corp and SMG and to authorize the Mayor or Mayor Pro-Tem to sign and execute said lease and a document accepting debt and existing contact with SMG Management. Commissioner Carter made the motion to approve. Commissioner Chaney seconded the motion. Mayor Justice called for comments. Commissioner Davis asked, “do we know anymore about what we’ve been told?” City Manager Blackburn says the intent is that Mr. Baird will meet with his board and he has spoken with his board individually and from what I gather they are in support of this initiative. They have a regular meeting on February 14th and Mr. Baird’s intent is to present our proposed lease to his board that we take over the debt and the SMG contract. I’ve contacted Conway, Attorney Generals office, who pointed me to the Finance Secretary, and presented an email to them to see if I need to present it to them first or if I can move forward with it. If the commission authorizes this tonight, then the next step is the get the East Ky Expo board to accept. Mayor Justice speaks, “The East Ky Expo Center is an economic engine for our region. As Mayor of Pikeville, it is our responsibility to those we represent, to ensure this engine does not shut down. Through Governor Paul E. Patton’s leadership, he gave us a 130,000 square foot institution. Not stepping forward to ensure success of this facility would be going against what those who places us in our positions would demand. The Expo’s current deficit is \$600,000, with little revenue projected to pay operation. Judge Rutherford spoke about the regional facility and what it means to the quality of life for our region. The county is in tough economic times. The Governor publicly stated he wants to help, but the state’s budget will not allow them to offer funding. The only option would be to shut the doors. Currently, the City of Pikeville is an exception to what most counties are facing. With over \$200,000 million in public projects, and several private ongoing projects the city’s economy is growing. The need to support and preserve the Expo is a great priority to this commission. We thank Judge Rutherford for bringing this issue to the fore front. I also want to thank Charles Baird for his commitment to making this work. The East Ky Expo means different things to different people. All of which adds value and a much improved quality of life for our people. The facility represents a great sense of pride in town. This past year the facility was even used as a safe haven and distribution center for those affected by last year’s snow and flood events. Under Judge Rutherford’s leadership, he worked with the current management group and board to utilize this asset to assist those that were in great need. We share Judge Rutherford’s great concern as he had when Pike county residents are hurting. We know how important having this facility available in such crisis’s is to the Judge and

therefore will agree to an inter-local agreement with the Judge to ensure this facility is available to serve such a cause under Judge Rutherford's command. We will also place a Pike TVstudio in the facility. It is our intent to work with the East Kentucky Expo Board to ensure the lease is executed as soon as possible. For this and many other reasons I support the plan to move forward to support and preserve this facility." Commissioner Davis comments that all across the world they build these centers with the intent to service the community not to make money. Commissioner Carter says that the facility helps the county and the region more than it does the city. We cannot afford to let it fail. If people don't think it is good for the area they should re-think that. Commissioner Layne says that he applauds all that has been said. I am certainly backing this. Commissioner Chaney says that this facility has been compared to a sinking ship. It is getting no credit for the impact it has made financially and socially. I can remember when people used to say we need something like this around here. Looking at the years it has been here, I see it as the Queen Fleet, this is a worthy thing. Mayor says back to what Commissioner Carter was saying about serving the surrounding counties, we are the center hub. And I appreciate what Governor Patton brought back for us such as the road, parking garage, the Expo, etc. City Manager Blackburn states that the facility was not meant to make money. There was a desire for local support. The county didn't realize there was going to be all the trauma that has gone on. The surprise is that our country and state is in an economic state. This facility has a tremendous impact on the overall quality of life. Mayor still wants to point out that we still need the county, our legislators, judges, magistrates, and we all need to work together on this. Commissioner Davis shares an experience with everyone; he talks about having lunch with his wife in Whitesburg. He says that he seen someone familiar and they talked to him about the Expo Center and how surprised they were about how nice the Expo actually was. Mayor Justice called for further comments, there being none. Mayor called roll call, the motion passed unanimously. 5-0.

(6) Announcement of new rental trash can program. Donnie Slone says that we have real nice trash cans. Commissioner Carter asked if the cans are lease to own or just lease. Tonya Taylor says they are three dollars to lease.

(7) There being no further business to come before the commission, Commissioner Davis made the motion to adjourn the meeting. Commissioner Layne seconded the motion. Mayor Justice called for discussion, there being none, the meeting was adjourned. 5-0.

APPROVED:

FRANKLIN D. JUSTICE, II, MAYOR

ATTESTED:

MELANIE STEVENS, CITY CLERK