

**CITY OF PIKEVILLE
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
JANUARY 8, 2007**

The Board of Commissioners for the City of Pikeville met in regular session on Monday, January 8, 2007. The meeting was held in the City Hall Public Meeting Room, located at 118 College Street, Pikeville, Kentucky.

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

COMMISSIONER:	DALLAS LAYNE	
	EUGENE W. DAVIS	6:05 p.m.
	JAMES A. CARTER	
	BARRY N. CHANEY	
MAYOR:	FRANKLIN D. JUSTICE, II	

AGENDA ITEM II. MINUTES

The minutes for the previous regular meeting conducted on December 11, 2006 were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Layne made the motion, seconded by Commissioner Carter, to approve the minutes as prepared. The motion carried unanimously.

Mayor Justice welcomed 94th District State Representative, Leslie Combs, to the meeting.

AGENDA ITEM III. BUSINESS FROM THE FLOOR

There were no items presented during the call for Business from the Floor.

AGENDA ITEM IV. PAYMENT OF BILLS

A list of city bills totaling \$503,160.39 was presented to the Commission for approval of payment. Commissioner Carter made the motion to authorize payment of the bills as requested. Commissioner Layne seconded the motion. The motion carried unanimously.

AGENDA ITEM V. OLD BUSINESS

A. BIG SANDY AREA DEVELOPMENT DISTRICT UPDATE: Executive Director for the Big Sandy Area Development District, Sandy Runyon, reported that Phase VI of the Pikeville Redevelopment Project has been completed. The project will be closed out, pending a public hearing and approval by the Governor's Office for Local Development.

City Manager Blackburn reported that a letter had been submitted by city engineer's representative, Terry Anderson, certifying that the demolition portion of the project had been completed pursuant to the contract. The invoice for demolition totaling \$38,500.00 was presented on behalf of contractor, Toby Hall, d/b/a Pimco, for approval of payment. Commissioner Davis made the motion, seconded by Commissioner Layne to authorize payment to Toby Hall d/b/a Pimco for demolition services for Phase VI of the Pikeville Redevelopment Project in the amount of \$38,500.00. The motion carried unanimously.

B. PIKEVILLE MAIN STREET PROGRAM: Program Director, Serena Stiltner, presented the Commission with a written update of activities in which the Main Street Program has participated. She reported that she is currently assisting Pikeville/Pike County Tourism with an update of the Hillbilly Days brochure.

C. CITY ENGINEER'S REPORTS: Jack Sykes was present on behalf of Summit Engineering, Inc., city engineers. Mr. Sykes advised that he had no items requiring Commission approval. Updates for various projects were given during work session.

D. CITY ATTORNEY'S REPORTS: Russell H. Davis, Jr., city attorney, presented and gave first reading to the following ordinance:

ORDINANCE AMENDING THE FISCAL BUDGET FOR THE 2006-2007 FISCAL YEAR

The ordinance will remain on file in the office of the city clerk for public inspection. Second reading was scheduled for January 22, 2007.

E. CITY MANAGER'S REPORTS: Donovan Blackburn, city manager, presented the following matters for consideration:

1. **City Audit:** J. Donald Wallen of Wallen and Cornett, CPA's, presented the preliminary audit report of the city's financial statements for year ending June 30, 2006. Mr. Wallen explained the audit report is preliminary, awaiting the Management Discussion and Analysis Summary. There is a new requirement that a Management Discussion and Analysis Summary, prepared by the City Manager and Finance Director, is included in the final audit report.

In a brief summary, Mr. Wallen presented the following findings:

- The General Fund net assets saw an increase of \$1,420,000 over fiscal year 2005.
- The Water/Sewer/Gas Fund realized an overall profit of \$488,573.00

- **Uncollected property taxes decreased from \$58,000.00 in 2005 to \$51,000.00 in 2006.**
- **The city’s long-term debt was decreased by \$676,000.00.**
- **Occupational license fee collections increased by \$490,000.00. Mr. Wallen pointed out that this meant an additional \$5.2 million in wages was paid in the city.**
- **All grants were administered pursuant to federal guidelines.**
- **The finance director, Sue Varney, was commended for her investment activities and the amount of interest income earned by the city.**

In conclusion, Mr. Wallen commented that the city is growing and expanding, while keeping its costs under control.

2. Personnel Manual Amendments: City Manager Blackburn recommended approval of four amendments to the Personnel Policy Manual as follows: Sections 5.1 – 5.7, “Drug and Alcohol Testing Guidelines”; Section 3.1, “Holiday” – Added were two holidays, Martin Luther King Day and ½ day for Good Friday; Section 2.5, “Overtime Pay Policy”; and Section 3.13 “Service Awards”. Mayor Justice made the motion, seconded by Commissioner Carter to approve the amendments to the Personnel Manual as recommended by the city manager. The motion carried unanimously.

3. Police Vehicle Purchase: City Manager Blackburn requested to purchase a 4th police vehicle utilizing the current bid from Bruce Walters Ford. The city manager explained that the city received \$11,000 from insurance for a recent accident in which a police vehicle was irreparably damaged. The city previously approved purchase of three police vehicles. The city manager was asked to investigate the cost to acquire full-replacement value insurance coverage. Commissioner Davis made the motion to authorize the purchase of an additional police vehicle as requested by the city manager. Commissioner Layne seconded the motion. The motion carried 4 – 0 with Commissioner Carter abstaining from the vote.

4. Marion’s Branch Development: City Manager Blackburn presented and read an amended resolution regarding the Marion’s Branch proposed development. The resolution was read as follows:

RESOLUTION ON AGREEMENT TO SUPPORT THE CREATION OF A CORPORATION THROUGH THE PIKEVILLE/PIKE COUNTY AIRPORT BOARD FOR THE PURPOSE OVERSEEING THE MANAGING AND DEVELOPING THE MARION BRANCH PROPERTY

WHEREAS, the Pikeville/Pike County Airport Board currently owns and manages the property located within the City of Pikeville in Pike County, KY on Marion's Branch.

WHEREAS, the City of Pikeville commends the job the Pikeville/Pike County Airport Board had done in securing the mass of land through hard work and good negotiation skills. This land is now under the peoples' control for its future development to meet the needs of the region.

WHEREAS, the City of Pikeville did conduct and release their comprehensive plan in June of 2005. The plan did show a specific need to create affordable middle income housing for those who live and work in Pike County. The plan also outlined a need to create land mass within the area to support recruitment of job and industrial growth for the region creating a better way of life.

WHEREAS, the City of Pikeville is committed in ensuring that the community needs are put first by endorsing and committing towards this development to meet such a need creating affordable property and services with low tax consequence.

WHEREAS, the Pikeville City Commission supports and request for the Pikeville/Pike County Airport Board to adopt the attached motions dated January 08, 2007. This motion outlines and creates the Marion Branch Development Corporation and its responsibilities. This motion would create an 8 member board (4 members from the city and 4 from the county as outlined on the attached motion).

NOW, THEREFORE, BE IT RESOLVED the Pikeville City Commission fully supports this request and ask this request be given full consideration and support its passage at the next regularly scheduled Pikeville/Pike County Airport Board meeting to be held on Thursday, January 18, 2007.

Commissioner Layne made the motion to adopt the amended resolution as presented and read. Commissioner Chaney seconded the motion. The motion carried unanimously.

5. Closed Session: Commissioner Layne made the motion to adjourn to closed session for the purpose of discussing legal, economic development and personnel issues. Commissioner Davis seconded the motion. The motion carried unanimously.

Commissioner Carter made the motion, seconded by Commissioner Layne to reconvene to regular session. The motion carried unanimously.

City Manager Blackburn requested an increase in wage rates, as disclosed in closed session, for the Pond Laborer, Traffic Control Officer, and Custodial personnel. Commissioner Carter made the motion, seconded by Commissioner Layne to

approve the increase in wage rates for the three positions as recommended by the city manager. The motion carried unanimously.

Airline Tickets: City Manager Blackburn explained that he had purchased an airline ticket to attend the National League of Cities meeting in Reno, Nevada. He was unable to make the trip and requested permission to transfer the airline ticket with him reimbursing the city for the transfer of the ticket. Commissioner Layne made the motion, seconded by Mayor Justice to allow the transfer of the airline ticket as requested. The motion carried unanimously.

Wellness & Fitness Plan: The city manager requested the Commission's approval to enter into agreements with Pikeville YMCA and Curves to provide wellness and fitness programs for city employees. YMCA will waive the \$40.00 membership fee on sign-up day only. The city will pay \$10.00 per month; The YMCA will pay \$5.00 per month; and the employee will be responsible to pay \$10.00 per month (payroll deducted). The costs are based on an adult membership. The employee is required to attend at least twice weekly. The Curves Program provides for a \$30.00 membership fee and a \$19.00/month fee to be paid by the employee. The City will pay \$10.00/month. Mayor Justice made the motion to accept the provisions of the YMCA and Curves Wellness/Fitness Plans. Commissioner Davis seconded the motion. The motion carried 4 – 0 with Commissioner Chaney abstaining from the vote.

There being no further business to come before the Commission, Commissioner Davis made the motion, seconded by Commissioner Layne to adjourn the meeting. The motion carried unanimously.

The next scheduled meeting of the City of Pikeville Board of Commissioners is January 22, 2007 at 6:00 p.m.

APPROVED: _____
FRANKLIN D. JUSTICE, II, MAYOR

ATTEST:

KAREN W. HARRIS, CITY CLERK