

## MINUTES } CITY OF PIKEVILLE

ATTEST:

*Charles L. Huffman*  
CITY CLERK

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At a special meeting of the Board of Commissioners of the City of Pikeville, held on Tuesday, November 19, 1963, at which all Commissioners and the Mayor were present and participating, with W. E. Butcher, City Manager, and O. T. Hinton, City Attorney, in attendance.

The Mayor announced that Messrs. Bob Holcomb, C. D. Roberts, and Herman Dotson, as Representatives of Consumers Natural Gas Company, were present and desired to continue negotiations for the sale of the gas service owned by the Consumers Natural Gas Company.

O. T. Hinton, City Attorney, reported, that he had been advised by Mr. Lassig of the Watkins & Associates Engineering Office of Lexington, Kentucky, that the appraisal by the Public Service Commission had been completed with the exception of one item of real estate and that the evaluation of the Consumers Natural Gas Plant was substantially the same as the estimate submitted by the Watkins Firm and the evaluation of the Kentucky Shale portion of the system was some higher than their evaluation.

O. T. Hinton stated that in view of advice received from Watkins & Associates and the probable costs incident to a condemnation procedure, he would recommend that the offer heretofore made by the City of Two-Hundred Thirty-Five Thousand Dollars (\$235,000.00) to be increased to Two-Hundred Fifty Thousand Dollars (\$250,000.00).

Mr. Holcomb addressed the Commissioners and explained in detail the basis of their evaluation at Two Hundred Seventy-Five Thousand Dollars (\$275,000.00) and stated that in an effort to agree on the purchase price rather than litigate the matter, they would accept Two-Hundred Fifty-Seven Thousand and Five Hundred Dollars (\$257,500.00).

After full discussion, B. P. Bogardus moved that the City increase their offer to purchase, effective the ~~1st~~ day of January, 1964, to Two-Hundred Fifty-Five Thousand Dollars (\$255,000.00).

Richard Wells seconded the motion.

Upon roll call the vote was as follows:

B. P. Bogardus	Yes
E. Bruce Walters	No, qualified with statement he was in favor of the purchase of the plant and would vote to buy for as much as \$250,000.00, and believed it could be bought for \$250,000.00.
W. E. Venters	No
R. G. Wells, Jr.	Yes
Mayor W. C. Hambley	Yes

Messrs. Roberts, Holcomb and Dotson retired to consider the matter and returned and announced they would accept the amount of Two Hundred Fifty-Five Thousand Dollars.

The Mayor announced that the motion was carried and the following resolution was offered by B. P. Bogardus, who moved the adoption and the motion was seconded by Richard G. Wells, Jr.

RESOLVED that the City purchase the entire physical assets of Consumers Natural Gas Company consisting of the system known as Consumers and the system known as Kentucky Shale, all as embraced in report of Watkins & Associates Engineers, at the price of Two Hundred Fifty-Five Thousand Dollars (\$255,000.00), to be paid for with the proceeds of Revenue Bonds and that O. T. Hinton, Attorney, be authorized and directed to proceed with the necessary steps to authorize and sell sufficient revenue bonds to provide the purchase money, the transfer to be effective as of January 1, 1964, and that he proceed to prepare the necessary contracts and papers to consummate this sale with Henry D. Stratton, Attorney for Consumers Natural Gas Company.

On roll call the motion was as follows:

B. P. Bogardus	Yes
W. E. Venters	Yes
E. Bruce Walters	No
R. G. Wells, Jr.	Yes
Mayor W. C. Hambley	Yes



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The Mayor declared the resolution carried and it is so ordered.

O. T. Hinton reported that there were approximately twelve easements over property along the By-Pass at the South End of the By-Pass and below the lower bridge between the lower bridge and Harolds Branch that would have to be acquired for the addition to the sewer, made necessary by the new contract with the C.F.W. Construction Company and that he had been unable to contact all of these parties, but it was his general information that they were unwilling to agree to grant easements to the City for nominal cost and that condemnation proceedings would be necessary.

O. T. Hinton also reported it would be necessary to obtain additional easements in lower part of City limits over property owned by Johnson Motor Sales, Freeland Vanhoose, Elliott Glass & Electric, Pikeville Oil & Tire and others, which are necessary to install additional sewers in that locality.

O. T. Hinton recommended that Joseph W. Justice assist him in contacting these property owners, in obtaining easements were possible and instituting condemnation proceedings in those it could not obtain by agreement and that Joe Justice had agreed to render this assistance for a flat fee of Two Hundred Dollars (\$200.00).

On motion of W. E. Venters and seconded by B. P. Bogardus, the following resolution was offered.

RESOLVED that the City employ Joe Justice to assist O. T. Hinton, City Attorney, in negotiations with property owners for the additional easements required on sewer contract and proceed with condemnation in cases where agreement could not be reached, for a flat fee of Two Hundred Dollars (\$200.00).

Upon roll call the vote was as follows:

B. P. Bogardus	Yes
W. E. Venters	Yes
E. Bruce Walters	No
Richard G. Wells, Jr.	Yes

The Mayor declared the motion carried and it is so ordered.

No further business coming before the Commissioners the meeting is declared adjourned.

APPROVED:

W.C. Hambley M.D.  
MAYOR

ATTEST:

Charles L. Huffman J.  
CITY CLERK

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Minutes of a Special Meeting of the Board of Commissioners held on Nov. 26, 1963, at which all Commissioners and the Mayor were present and participating, with W. E. Butcher, City Manager, and O. T. Hinton, City Attorney, in attendance, and also R. W. Murphy of Merrill Lynch, Pierce, Fenner & Smith in attendance.

The Mayor announced that Mr. R. W. Murphy of the firm of Merrill Lynch, Pierce, Fenner & Smith had presented a proposal for his firm to act as fiscal agent for the City and obtaining the sufficient funds to purchase the gas systems known as Consumer's and Kentucky Shales pursuant to the Agreement of Nov. 19, as well as funds necessary for additions and improvements to these systems and existing systems owned by the City.

O. T. Hinton, City Attorney, stated that he had examined the proposal and recommended that it be accepted.

After full discussion, motion was made by W. E. Venters that the proposal dated Nov. 14th be accepted and that the Mayor be authorized to formerly accept it in writing on behalf of the City.

B. P. Bogardus seconded the motion. After full discussion, upon roll call the vote on the motion was as follows:

B. P. Bogardus	Yes
W. E. Venters	Yes
E. Bruce Walters	Yes
R. G. Wells, Jr.	Yes
Mayor W. C. Hambley, M.D.	Yes