

MINUTES } CITY OF PIKEVILLE

REGULAR MEETING - FEBRUARY 23, 1987

The Pikeville City Commission met in a regular session on Monday, February 23, 1987 at the Old City Hall Meeting Room on Division Street.

Mayor W. C. Hambley, M.D. called the meeting to order at 7:30 P.M. The following Commission Members were present and formed a quorum:

COMMISSIONER:	GREG JUSTICE
	ROBERT WEDDLE
	FRANK MORRIS
	ROBERT PAGE
MAYOR:	W. C. HAMBLEY, M.D.

The minutes for the previous regular meeting of February 9, 1987 were included in each Commission Member's agenda package. Robert Page made the motion, seconded by Greg Justice to approve the minutes as submitted. The motion carried 5 - 0.

City Engineer, Jack Sykes, gave a status report of projects now underway.

1. Chloe Creek Water Line: This joint city/county project's contract has been executed and the ground breaking ceremony was held this afternoon. The contractor has some material on site and expects to begin laying pipe on March 2nd.

2. South Mayo Sewer Line Project: Approval has been received from the Federal Historic Preservation Society last week which has been forwarded to Ramona Newman at the Department of Local Government in an effort to get the funds released from the Area Regional Commission. Approval should be received within a week. Execution of the contract will take place upon notification.

3. Ferguson Creek Water Project: 85% complete. The contractor lacks installation of about 100 feet of 10 inch line; 4 taps for service; a tie in on one end and plugging the old lines. Completion of the project is anticipated for this week with the exception of replacement of pavement for which the engineers have approached the contractor to see if they would be agreeable to allowing city crews to complete the replacement and deducting the amount from his contract.

4. Harold's Branch Water Line: The design has been submitted to the Division of Water for their review and approval so when the funding becomes available the City can advertise for bids.

5. Future Projects

a. Downtown Storm Drainage: Pike Street separation of sanitary and storm which picks up drainage from Second Street and Main Street.

b. Water Tank Painting: Three water tanks are in need of painting - Harold's Branch, Ratliff's Creek and inside waxing on the Peach Orchard Tank. Estimated cost is \$23,000. Would like to begin painting around the first of June.

c. Trash Catch Basins: Want to install along the channel along the riverfill to catch the trash before it reaches the lake.

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Mr. Sykes asked for permission to proceed with the design phases.

Frank Morris made the motion to proceed with the design phases for the three proposed projects based on Mr. Carlton finding funding to pay for the work on the water tanks. Robert Page seconded the motion. The motion carried unanimously.

Howard Statton and Grady Kinney came before the Commission to ask for permission to display a poster in the window of the meeting room for the 11th Annual Hillbilly Days. Mr. Statton explained that help is needed in replacing safety breaker boxes which is estimated to cost \$3,000 and placing portable toilets around town which will cost about \$1,500. They asked that the 1% Hotel/Motel Tax be used to fund these needed items. The Commission referred Mr. Statton and Mr. Kinney to the Tourism and Recreation Board.

Frank Morris made the motion to close Huffman Street during Hillbilly Days. Greg Justice seconded the motion. The motion carried unanimously.

Mr. Carlton presented the Commission with a check from the Big Sandy Area Development Agency for \$25,000 from their Area Development Fund which will fund pumps and other facilities at the Sewage Treatment Plant.

A list of City Bills totaling \$137,707.54 were presented to the Commission for approval of payment. Robert Page made the motion, seconded by Frank Morris to approve payment of the bills totaling \$137,707.54 as requested. The motion carried unanimously.

Roberts & Holcomb presented their bill for approval of payment in the amount of \$27,598.68 for natural gas purchased during the month of January. Frank Morris made the motion, seconded by Greg Justice to approve payment of the bill as presented. The motion carried unanimously.

A list of Project Bills in the amount of \$10,465.34 were submitted to the Commission for approval of payment. Robert Page made the motion to approve payment as requested. Robert Weddle seconded the motion. The motion carried 4 - 1 with Greg Justice voting to approve payment omitting item #4 to R. D. Zande in the amount of \$300.00 for the engineering services at the Raw Water Intake for electrical rehabilitation.

Mr. Carlton reported that the Architect for the City Hall Project, Richard Reeher of Comprehensive Design Collaborative, will advertise for bids for renovation of the Railroad Depot to be opened on March 19, 1987.

Presented to the Commission was Change Order #6 in the amount of \$11,231.00 for the Raw Water Intake Structure Modification Project. The change order allows for the purchase of a new shut-off valve and backflow preventor of existing potable water supply; purchase & installation of two 20 inch sewer plugs in the existing junction chamber and repair of sluice gates in the same chamber. Robert Page made the motion to authorize the change order in the amount of \$11,231.00. Robert Weddle seconded the motion. The motion carried 4 - 1 with Greg Justice voting "NO".

Presented to the Commission was a resolution entitled: *RES-445*

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A RESOLUTION AND MUNICIPAL ORDER OF THE BOARD OF COMMISSIONERS OF THE CITY OF PIKEVILLE, KENTUCKY, AUTHORIZING, DIRECTING AND APPROVING THE CREATION OF THE PIKEVILLE MUNICIPAL IMPROVEMENTS CORPORATION TO ACT AS THE AGENCY AND INSTRUMENTALITY OF THE CITY IN THE FINANCING OF PUBLIC PROJECTS, AND DIRECTING SUCH CORPORATION, ONCE DULY ORGANIZED, TO PROCEED WITH THE IMPLEMENTATION OF A PLAN TO FINANCE THE COSTS OF A PROPOSED PUBLIC PROJECT IN AND FOR THE CITY.

The above entitled resolution establishes a municipal improvement corporation to finance water and sewer lines, a water storage tank, sewage treatment plant improvements and street improvements costing \$2,750,000 more or less for the proposed shopping mall. The Public Project Revenue Bonds will be paid back from annual rental payments to be made by the City under a year-to-year lease of the improvements together with any other revenues which may be legally available for such purpose upon the determination of the Board of Commissioners. Danny Stratton was present and explained the resolution to the Commission. He said that the resolution establishes a municipal corporation or agency which will serve as a vehicle for the City to obtain the necessary funding for the improvements. The Mayor asked if the establishment of this corporation would encumber the City's bonding capacity. The question was not answered, but Rusty Davis, City Attorney explained that revenues which are pledged to cover the repayment are from the rentals of the utilities that are provided for the shopping mall. The City will lease the improvements developed by the municipal agency and the city's lease payments to the agency would then be applied to pay the bonds. Mr. Carlton, City Manager, told the Commission that the encumbrance would not be on the utilities but presumes that it will be taken from the repayment of the UDAG, from the wage taxes from the shopping center, or from the property taxes from the shopping center. If these funds did not come in on a timely basis when the payments were due, then the payment would have to be taken from other General Fund sources. The bonds would not be floated unless the UDAG was approved. Mr. Stratton again told the Commission that the introduced resolution merely establishes the agency to create the bond financing. It is not a resolution on the bonds themselves. What the resolution allows is for the project to proceed. When the grants are approved the City will then be presented with a specific bond proposal stating interest rates, etc. The City Commission will be the Board of Directors of the created agency.

Frank Morris made the motion to adopt the resolution. Robert Page seconded the motion. The motion carried 4 - 1 with Greg Justice voting "NO".

Second reading was given to Ordinance 0-87-005. The Ordinance was read entitled:

ORDINANCE SETTING SPEED LIMIT ON HAMBLEY BOULEVARD

Frank Morris made the motion to adopt the Ordinance. Greg Justice seconded the motion. The Motion carried unanimously.

Presented to the Commission was a proposal from Prudential-Bache to do an actuarial study for the City's proposed retirement system. This actuarial study would cost \$250.00. The State will do an actuarial study for \$765.00. The third possibility is a social security based retirement system. It was questioned whether the social security based retirement system would meet the meet the statutes for the police and

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fire departments. Mr. Carlton explained that the plan now being investigated includes the police and fire department in with the other employees. The rate would be 5½% City and 4½% employee. The Mayor voiced his opinion that whatever contribution or system is used there will be no premature withdrawals from the retirement plan. Frank Morris made the motion to authorize Mr. Carlton to present three plans and also separate plans for the Police and Fire Departments for a retirement system and engage Prudential-Bache and the State to perform the actuarial study. Greg Justice seconded the motion. The motion carried unanimously.

Robert Page made the motion to adjourn to a closed session to discuss personnel and possible litigation with regard to the Caroline Avenue steps leading to the riverfill parking. Robert Weddle seconded the motion. The motion carried unanimously.

Robert Page made the motion, seconded by Robert Weddle to reconvene the meeting. The motion carried unanimously.

Robert Page made the motion to grant a 6 month leave of absence to Sandra Layne, Assistant Cashier in the Utility Office, employ a person to temporarily assume this position, and to allow Ms. Layne to assume her position in the Utility Office upon completion of her leave of absence. Robert Weddle seconded the motion. The motion carried unanimously.

Robert Page made the motion, seconded by Robert Weddle to adjourn the meeting. The motion carried unanimously.

APPROVED

W.C. Hamley Jr.