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REGULAR MEETING - MARCH 14, 1988

The City of Pikeville Board of Commissioners met in a regularly scheduled meeting on Monday, March 14, 1988 in the City Hall Public Meeting Room at 260 Hambley Boulevard in Pikeville, Kentucky.

ROLL CALL

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:	STEVE COMBS
	GREG JUSTICE
	THOMAS HUFFMAN
	JOHNNY MOUNTS
MAYOR:	W. C. HAMBLEY, M.D.

MINUTES

The minutes for the previous regular meeting of February 22, 1988, Special Meetings of February 24, 1988 and March 4, 1988 were included in each Commission Member's agenda package. Thomas Huffman made the motion, seconded by Johnny Mounts to approve the minutes as submitted. The motion carried unanimously.

BUSINESS FROM
THE FLOOR

Geri Kinder of the Chamber of Commerce asked the Commission for permission to locate a carnival on the Riverfill in the vicinity of Division Street to First National Bank during Hillbilly Days. Mrs. Kinder explained that the Chamber of Commerce plans to assume the responsibility for the booths and has begun selling and designating booth space. She asked if booth space would be available on Huffman Avenue or if the street would be open to two-way traffic at this time. According to Walter Blankenship, blacktop will not be available until the 15th. The Commission was agreeable to waiting until after Hillbilly Days to open Huffman Avenue to two-way traffic. Thomas Huffman made the motion to authorize the requested riverfill space for the carnival. Greg Justice seconded the motion. The motion carried unanimously.

Mrs. Kinder advised the Commission that booth spaces are planned for Caroline Avenue and Grace Avenue. Division Street will be open to one lane of traffic. The Commission directed Mrs. Kinder to coordinate the proposed street closings with the Chief of Police.

A business owner on Main Street reported to the Commission that he has been advised that he can not set a vending machine on the sidewalk in front of his store frontage. The sidewalk is 9 feet wide and after the vending machine's placement, there would be approximately 7 feet available for pedestrian traffic. The Commission explained that there is an Ordinance prohibiting sidewalk vending for longer than one day per calendar month.

Lee Keene, Methodist Hospital Administrator, explained that the Hospital plans to build a professional building in the riverfill and funding has been applied for through the Farmers Home Administration. The Hospital received a letter from the Division of Water dated March 8, 1988, giving notice that the application is on hold until the City corrects the sewage problem in the City. Mr. Keene reported that he has been in contact with Vernon Brown of FmHA and he states the loan application will be on hold and no further action will be taken until the City takes the appropriate action to correct the sewage problem. Jack Sykes reported that he has been in contact with Jerry Hurst with the Division of Water. Any application for Federal funding assistance must go through a number of State agencies to make sure there is no conflict with the particular agency. It was Mr. Sykes' opinion that if the City executes the Agreed Order, the Division of Water would probably release the Hospital Project. Mr. Sykes reported that he has made Mr. Hurst aware of the proposal from the County for a regional sewer facility and Mr. Hurst thinks this action is appropriate, however the time frame for beginning the project may not be acceptable. Mr. Sykes reported that Mountain Water District has been in contact with Rubin & Hayes, a legal firm in Louisville, and they have advised MWD the steps that need to be taken to establish a Regional Sewer Authority. A work session is planned for some time in the future between the City Commission and Mountain Water District for discussion on the establishment of the Regional Sewer Authority.

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Eugene Howell, a South Mayo Trail resident, asked if the Commission had made a decision relative to the sewer hookup fee in the South Mayo Trail area currently under sewer line construction. As in past meetings, the Commission discussed the contractor's fee for a sewer tap in relation to the fee charged by the City. Greg Justice made the motion to set the tap fee for residential at \$150.00 and Commercial at \$300.00 for this area only. Thomas Huffman seconded the motion. The motion carried unanimously.

Rob Richardson reported that he attended an Urban Renewal Board continued meeting held on March 14, 1988. At this meeting, he asked the Urban Renewal Board to consider writing a letter to the Kentucky Senators and Congressmen that were previously contacted and express to them that the Urban Renewal Board has no objection to a Post Office being located in any area of Pikeville. Although the Urban Renewal Board indicated that they had no objection to a Post Office going in any where in Pikeville, they told Mr. Richardson that they could not direct a letter to be sent until all Board Members were present. Mr. Richardson asked the Commission to authorize sending a letter to the Kentucky Senators and Congressmen saying that the City Commission does not have any objection to the Post Office going in anywhere as long as it is in Pikeville. Thomas Huffman made the motion to authorize letters to be written to those that the Urban Renewal Board had previously written to supporting the location of a regional Post Office in the City Limits of Pikeville. Johnny Mounts seconded the motion. The motion carried unanimously.

CITY BILLS

A list of City Bills were presented to the Commission with their agenda package. The Bills total \$94,001.65. Natural gas purchases were discussed with relation to the pecking order. Several other bills were also discussed. Johnny Mounts made the motion, seconded by Steve Combs to approve payment of the bills totaling \$94,001.65. The motion carried unanimously.

PROJECT BILLS

Project Bills totaling \$17,525.29 were presented to the Commission for approval of payment. The Project Bills consist of payments to Kentucky Virginia Stone and Summit Engineering with regard to the South Mayo Trail Sewer Project. Jack Sykes reported that the original contract, excluding the line replacement behind the Board of Education, is about 95% complete. The Commission discussed the water leak problem on the South Mayo Trail and directed the engineer to evaluate the problem and report back at the next meeting. Thomas Huffman made the motion to approve payment of the Project Bills totaling \$17,525.29. Steve Combs seconded the motion. The motion carried unanimously.

OTHER BILLS

KLC Enterprises presented their request for payment in the amount of \$17,228.90 for natural gas purchased during February and Professional Services Group presented a bill totaling \$40,708.33 for operation and maintenance of the Water and Sewage Treatment Plants. Steve Combs made the motion to approve payment of the bills in regard to KLC Enterprises and PSG's request for payment. Greg Justice seconded the motion. The motion carried unanimously.

CITY ENGINEER REPORT

At the last City Commission meeting, the Commission directed Mr. Sykes to evaluate the entrance that is being constructed adjacent to Scott and Main Streets. Mr. Sykes presented each Commission Members with a list of concerns which they may want to discuss in a work session.

CITY ATTORNEY REPORT

Rusty Davis reported that he has received an appraisal from Phillip Blackburn on the James Bentley property; a partial report with regard to the research requested relative to the Urban Renewal Board has been received; and a letter has been received from Larry Webster with regard to Ted Herring. Mr. Davis would like to discuss these three matters in a closed session.

ADF

The Commission was given notice that a check has been received in the amount of \$17,156 from the Area Development Fund for the Cut-Thru overlook structure. Jack Sykes advised that the Commission needs to make a decision to put this project out to bid. A letter submitted with the check gives a deadline of the end of September for spending these funds. Summit Engineering has designed the project for the Tourism Commission. The project cost is estimated at \$50,000. David Stratton told the Commission that the Tourism Commission has \$12,000 to add to

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ADF monies and they plan to borrow the balance. Mr. Stratton assured the Commission that the City would not be liable for the balance of the funds needed to complete the Project. The Commission was asked to approve this project for bid. Thomas Huffman made the motion to adjourn to an executive session for the purpose of discussing this issue. Greg Justice seconded the motion. The motion carried unanimously. Upon reconvening to regular session, Steve Combs made the motion to accept the check in the amount of \$17,156 from ADF and dedicate the check to the Tourism Commission for the development of the Cut-Thru Overlook subject to the proviso that the City will not be liable upon any debts now or hereafter acquired by the Tourism Commission and authorize the City Engineer to advertise for bids. Greg Justice seconded the motion. The motion carried 4 - 0 - 1 with Thomas Huffman abstaining.

CHECK SIGNATURES

Three Resolutions were presented to the Commission for approval designating persons to sign checks and withdraw funds. The Resolutions are entitled:

RESOLUTION DESIGNATING FIRST NATIONAL BANK AS A DEPOSITORY OF FUNDS AND DESIGNATING PERSONS AUTHORIZED TO SIGN CHECKS AND WITHDRAW FUNDS

RESOLUTION DESIGNATING CITIZENS BANK AS A DEPOSITORY OF FUNDS AND DESIGNATING PERSONS AUTHORIZED TO SIGN CHECKS AND WITHDRAW FUNDS

RESOLUTION DESIGNATING PIKEVILLE NATIONAL BANK AS A DEPOSITORY OF FUNDS AND DESIGNATING PERSONS AUTHORIZED TO SIGN CHECKS AND WITHDRAW FUNDS

Greg Justice made the motion to adopt the Resolutions. Thomas Huffman seconded the motion. The motion carried unanimously.

WRECKER SERVICE

Johnny Mounts made the motion to pass a resolution that the Police Department guidelines be the only criteria for wrecker services to be placed on the call list and be limited to wrecker services located within a reasonable distance of the City Limits. It shall be the Chief Of Police's duty to monitor this service. Greg Justice seconded the motion. The motion carried unanimously.

WATER QUALITY

Enclosed with the agenda package was a response from PSG to a recent article on alleged "extremely high metal content" in the City's water. A water analysis report was also submitted which indicated that the water has very low metal content. Hal Williams of PSG reported that the problem began when the newspaper printed that the ink and the water when mixed created bad print. No action was taken on this report.

MALL

The City Commission has received a request from the state that the \$750,000 CDBG economic development grant be withdrawn. This item was discussed at some length and it was suggested that the request not be withdrawn until the deadline. Jack Sykes explained that the state's request means that if there is not a new developer by April 15th, the state will take steps to withdraw the CDBG. The Commission agreed to not take any action until the City Attorney determines the feasibility of redirecting these grant monies to another project.

SOUTH FLOOD GATE:

The Corp of Engineers has been unsuccessful in their negotiations with Raymond and Draxie England for an easement to implement the South Flood Gate construction. It is the City's responsibility to acquire all right-of-way. It was questioned if this flood gate would be raised above the new flood plain. Jack Sykes stated that this was the Corp of Engineers need to acquire additional right-of-way from the Englands. The agreement between the Corp of Engineers and the City provides that the Corp of Engineers will pay for the construction of the flood gate if the City provides the rights-of-way. Johnny Mounts made the motion to authorize the City Attorney to file suit against Draxie & Raymond England for the condemnation of the right-of-way easement. Thomas Huffman seconded the motion. The motion carried unanimously. Thomas Huffman made the motion to amend the prior directive to include that the Commission finds that there is a public need for a flood gate at the South end of Pikeville and the City Attorney is authorized to take the necessary legal steps to acquire the right-of-way needed. Greg Justice seconded the motion. The motion carried unanimously.

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DUMPSTERS

The Commission discussed the need to ask the Hospital to purchase a dumpster. The City Manager reported that the standard dumpster size that is compatable with the City's refuse trucks is 1½ cubic yards, however, the trucks are picking up larger ones. The Commission felt that there should be a policy adopted setting the standard size of dumpsters. The Commission directed Walter Blankenship to make a report for them to study at the next meeting.

ABC REVISION

An Ordinance was brought before the Commission and given first reading. The Ordinance was read entitled:

AN ORDINANCE OF THE CITY OF PIKEVILLE, KENTUCKY, CREATING THE REGULATIONS FOR CONTROL, LICENSING, OPERATION, ADMINISTRATION AND ENFORCEMENT OF THE SALE OF ALCOHOLIC BEVERAGES

The Ordinance will be on file in the office of the City Clerk for a period of at least ten days for public inspection.

WATER TREAT- MENT PLANT

The Commission asked Hal Williams to report on the progress of Powell Construction in completing the Punch List. Mr. Williams reported that the list is in such detail that a work session is necessary to discuss this item. Mr. Williams confirmed the fact that the plant is still leaking. The City Manager reported that a work session needs to be scheduled with the engineer for the project, R. D. Zande, to get the plant deficiencies resolved so the contract can be finalized. Powell Construction was notified of these deficiencies at the same time they were notified about the trickling filter at the Sewage Treatment Plant. The City Manager reported that Powell Construction will be in Pikeville on Monday, March 21st, to begin work on removing the rock. Mr. Carlton added that he has been unable to obtain signed affidavits from anyone with regard to Powell's equipment being the cause of the trickling filter damage. With regard to the Water Treatment Plant, the Commission discussed the need of a warranty extension and directed the City attorney to take care of this matter. Steve Combs made the motion to pass a resolution authorizing the City Attorney to take charge of the negotiations with Powell Construction in the construction of the Sewage Treatment Plant and that he make all diligent efforts to reserve the City's claims and cause of action against Powell Construction. Greg Justice seconded the motion. The motion carried unanimously.

WASTEWATER PLANT

Hal Williams requested that while Powell Construction has the trickling filter dug and they complete the work on the bottom and it is repaired that PSG remove the remaining rock from the bottom of the filter and the City purchase plastic media estimated to cost between \$38,000 - \$40,000. The plastic media will allow a more efficient use. Johnny Mounts made the motion to authorize Hal Williams to do what is necessary to remove the rock and getting the plastic media for the trickling filter. Greg Justice seconded the motion. The motion carried unanimously. Jack Sykes was instructed to inspect the trickling filter, along with Howard K. Bell, as Powell Construction removes the rock at the Sewage Treatment Plant.

NORTHMONTE

Jack Sykes presented the Commission with bids for the extension of the water and sewer lines to serve the Northmonte subdivision. The engineer's estimate for this project was \$25,437. The low bid was received from Valley Construction and Paving in the amount of \$29,155.00. The Commission discussed the second low bid from a local contractor which was \$600.00 higher than the low bid. The City Engineer explained to reject a low bid, there had to be a reason other than the contractor not being local. Commissioner Combs stated that there were problems encountered on the Smith Hill project (contractor for the project was Eston Eldridge). Mr. Sykes reported that these problems were anticipated. Johnny Mounts made the motion to award the bid to the low bidder, Valley Construction and Paving in the amount of \$29,155. Thomas Huffman seconded the motion. The motion carried 3 - 2 with Steve Combs and Greg Justice voting "NO". The cost of inspection is not included in the bid amount. Mr. Sykes told the Commission that Summit Engineering's fee would be somewhere around \$3,000 if the Commission designated them to do the inspection.

MUD CREEK WATER DISTRICT

A report was submitted to the Commission with regard to the financial condition of the Mud Creek Water District in relation to their

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utility arrears. The City Attorney was instructed to find out whether the City can cut-off the service to Mud Creek Water District for non-payment of their excessive arrears.

CLOSED SESSION

Johnny Mounts made the motion, seconded by Greg Justice to adjourn to a closed session to discuss personnel matters. The motion carried unanimously.

Upon reconvening to regular session, Greg Justice made the motion to set a new salary for the ABC Administrator to a cap of \$100.00 per month. Thomas Huffman seconded the motion. The motion carried unanimously.

CITY MANAGER

Greg Justice made the motion to accept the City Manager's resignation effective May 31, 1988. Steve Combs seconded the motion. The motion carried 3 - 2 with Johnny Mounts and Mayor Hambley voting "NO".

URBAN RENEWAL
LEASE

Thomas Huffman made the motion to hire Sid Trivette as a special attorney to take the Urban Renewal Lease with James A. Hughes and Associates for the riverfill property to court for a decision as to whether the lease is valid and authorize Mr. Trivette to file suit. Greg Justice seconded the motion. The motion carried 3 - 1 - 1 with Mayor Hambley voting "NO" and Steve Combs "ABSTAINING".

PAULEY ADDITION

Greg Justice made the motion to write a letter to Kirby Ison with the Department of Transportation requesting a concrete bridge at the Pauley Addition beside the existing bridge contingent upon this location being suitable with the Pauley Addition residents. Thomas Huffman seconded the motion. The motion carried unanimously.

APPEAL HEARING

Steve Combs made the motion to continue the meeting to Wednesday, March 23, 1988 at 4:00 p.m. for the purpose of providing an appeal hearing to Ted Herring. Johnny Mounts seconded the motion. The motion carried unanimously.

SUE SMALLWOOD

Steve Combs made the motion that pursuant to Sue Smallwood's request to be placed on a part-time basis, that she be placed on a part-time status pending final resolution of the water plant project at a salary agreed upon in the closed session to be forwarded to the City Manager. Greg Justice seconded the motion. The motion carried unanimously.

ADJOURNMENT

There being no further business to come before the Commission, Greg Justice made the motion, seconded by Steve Combs to adjourn the meeting to Wednesday, March 23, 1988 at 4:00 p.m. The motion carried unanimously.

APPROVED _____