

## MINUTES } CITY OF PIKEVILLE

## REGULAR MEETING - MARCH 27, 1989

The City of Pikeville Board of Commissioners met in a regular session on Monday, March 27, 1989. The meeting was conducted at the designated regular meeting place in the City Hall Public Meeting Room at 260 Hambley Boulevard.

## CALL TO ORDER

Mayor W. C. Hambley presided and called the meeting to order at 7:30 p.m. The following Commission Members were present and formed a quorum:

## COMMISSIONER

STEVEN D. COMBS  
GREG B. JUSTICE  
THOMAS W. HUFFMAN

## MAYOR:

W. C. HAMBLEY

Commissioner Johnny D. Mounts arrived at 7:35.

## MINUTES

The minutes for the previous regular meeting of March 13, 1989 were included in each Commission Member's agenda package. Thomas Huffman made the motion, seconded by Steve Combs to approve the minutes as presented. The motion carried 4 - 0 (Commissioner Mounts not present at the time of vote).

## CITY BILLS

City Bills totaling \$44,982.37 were presented to the Commission for approval of payment. Thomas Huffman made the motion, seconded by Greg Justice to approve payment of the City Bills totaling \$44,982.37. The motion carried 4 - 0 (Commissioner Mounts not present at the time of vote).

There were no Project Bills or Other City Bills presented for approval of payment.

CITY ENGINEER  
REPORTS

Jack Sykes of Summit Engineering, city Engineers, gave a verbal progress report of various City Projects.

1. Peach Orchard Guardrail: The engineer's initial proposal included installation of 1040 feet of guardrail. The contractor, George B. Stone Company, lacks installing 180 feet of guardrail for completion of the contract. Mr. Sykes reported that a couple of residents have requested an additional 200 feet of guardrail and he concurs with the request. The addition of 200 feet would take the guardrail to the top of the hill before turning onto Smith Hill. This would add \$1,756.15 to the contract price. Thomas Huffman made the motion to approve the addition of 200 feet of guardrail to the Peach Orchard contract. Greg Justice seconded the motion. The motion carried 4 - 0 (Commissioner Mounts not present at the time of vote).

2. Williams Hollow Sewer & Waterline Extension: A summary of the bids opened on March 23, 1989 was presented to the Commission. The project includes about 2600 feet of sewerline and 2500 feet of waterline. The low bid was submitted by Fleetwood Johnson Construction Company in the amount of \$137,770.00. Mr. Sykes explained that the bid is compromised of \$67,000 for sewerline; \$60,000 for waterline; and \$10,000 for gravel replacement. Commissioner Justice questioned the close dollar bid amounts for the water and sewer line installation. Mr. Sykes reported that the sewerline is normally more expensive than the \$15.00/foot bid. The usual bid is \$20 - \$25/ft. Mr. Sykes told the Commission that it appears that the contractor made the reduction in the double ditch off the sewerline. The Commission discussed the terms from the Division of Water under which this project was allowed. The tap-on ban exemption request was granted in exchange for the storm/sanitary separation on Steele Street/St. Claire Street. Estimate for this separation project is \$70,000. Materials alone for this sewer separation project are estimated at \$30,000. It is estimated that the project can be done for \$50,000 if city crews do the work. It was also noted that the City is in receipt of a \$17,000 ADF grant from the Big Sandy Area Development District to be applied to the Steele Street/St. Claire project. The Commission discussed the low bidder's prior job performance. Mr. Sykes said Mr. Johnson has assured him that sufficient personnel will be assigned to this project to ensure completion in a timely manner. Commissioner Justice expressed his desire to have stiff penalties included in the contract should the contractor not complete the project in the time period allotted. Mr. Sykes stated that a standard FHWA contract is used and provisions for liquidated damages



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amounting to \$200/day are part of the contract. Greg Justice made the motion to award the Williams Hollow Water/Sewerline extension contract to the low bidder, Fleetwood Johnson Construction Company, in the amount of \$137,770.00 under the terms he cited. Steve Combs seconded the motion. The motion carried unanimously. The Commission directed that the City Attorney review the contract. Discussion was had relative to the annexation times of Harolds Branch and Williams Hollow. It was determined that Harolds Branch had been part of the City for a longer period, but sewage extension for this area is estimated to cost \$700,000.

Sewage Treatment Plant: Mr. Sykes introduced Roger Reckterwald, Executive Director of the Big Sandy Area Development District. Mr. Reckterwald has been involved in all the meetings leading up to the approval of the "201" documents and addressed the Commission relative to the funding process. A letter, (copies in the agenda package) was discussed which was received from the Division of Water to the Infrastructure Authority. The letter serves as Division of Water approval for the issuance of a binding commitment to the City relative to funding for the wastewater plant. Along with being a release record of funding, the letter also starts a 40 day clock for review by all state and/or federal agencies dealing with wastewater treatment criteria. Approval has been conditioned on responses from other agencies. Mr. Reckterwald stated four issues the City needs to address:

1. Process of Procurement - both in the aspect of design engineering as well as for the project itself. Particular to the 201 plan, a proposal was made relative to the extended air plants. A work session was held by the City Commission on March 20th to discuss the extended air plants versus the existing trickling filter system. The recommendation in the 201 plan is the purchase of the extended air plants. City Attorney, Rusty Davis, has drafted a declaration of emergency which needs to be formally authorized by the Commission. This declaration would set aside the typical procurement procedures, which would be to advertise for public bid, thus enabling the City to purchase the package plants from Professional Services Group.

2. Step two is to establish a date for the final public hearing for the 201 plan.

3. Step three is authorization of negotiation of a contract for engineering design.

4. Step four would authorize the procurement of value engineering. Because the project is in excess of \$2 million the City is required to engage, by a standard procurement process. Mr. Reckterwald explained that the value engineering is basically a second opinion on the applicability of a particular site. Jack Sykes recommended scheduling the public hearing at 5:00 p.m. on April 10, 1989, in a effort to evaluate any responses before the City Commission meeting at 7:30 p.m. that evening.

In the City Attorney's absence, Jack Sykes read a resolution entitled: (R-89-003)

RESOLUTION FINDING THAT AN EMERGENCY EXISTS WHICH WILL CAUSE PUBLIC HARM AS A RESULT FROM THE DELAY THAT WOULD RESULT FROM COMPETITIVE BIDDING ON NEGOTIATIONS FOR A SEWER TREATMENT PLANT

Commissioner Huffman discussed whether approval of the 4 steps would be a premature action since the funding scheme has not yet been finalized. City Attorney Rusty Davis commented that regardless of funding, the wastewater plant must be upgraded as mandated by the Franklin Court Agreed Order. Commissioner Huffman expressed his concern over the possibility of increasing the sewer rate charge and the impact the increase would have on the citizens of Pikeville. City Engineer Jack Sykes explained the funding scenario is set up that if the mall project is approved, proceeds will fund the plant upgrade. If the mall project is disapproved, there will be \$150,000+ shortfall per year. Mr. Reckterwald commented that the extended air plants have been determined to be Pikeville's most inexpensive, equitable, as well as most efficient means of treating the sewage problem at this time. Regardless of the funding scheme, the 201 plan defines the best and cheapest way to treat the sewage in Pikeville. Commissioner Huffman referred to an enclosed letter in the agenda package from the Department of Housing and Urban Development stating that the \$4½ million UDAG may be terminated on April 17, 1989 if the mall developer has not submitted the necessary documentation. Commissioner Justice commented that the Sewage Treatment Plant was not in compliance for only



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three months out of the year. He voiced his opinion that the City should correct the deficiencies which caused the non-compliance and look for another site to build a Sewage Treatment Plant. Roger Recktenwald told the Commission that the Court Order demands the expansion and upgrade of the plant. He alerted the Commission to the fact that the longer approval of the four points is delayed, the more the mall project is jeopardized thus forcing an increase in sewage rates or an occupational tax increase. Jack Sykes estimated that the shortfall would necessitate about a 25% sewage rate increase.

Johnny Mounts made the motion to adopt Resolution R-89-003. Steve Combs seconded the motion. The motion carried 4 - 1 with Greg Justice voting "NO".

Thomas Huffman made the motion, seconded by Johnny Mounts to schedule a Public Hearing for review of the final 201 plan for April 10, 1989 at 5:00 P.M. The motion carried 4 - 1 with Greg Justice voting "NO".

The City Attorney reported that he has a few changes to make to the engineering design contract as submitted by PSG. Steve Combs made the motion to authorize the negotiation of an engineering design contract with PSG. Johnny Mounts seconded the motion. The motion carried unanimously.

The procurement of value engineering would actually be kept in step with the negotiation of the engineering design contract. Once the contract is executed for the design, then the value engineering contract should be executed. Steve Combs made the motion, seconded by Johnny Mounts to authorize the negotiation of procurement for value engineering. The motion carried unanimously.

This action allows for the advertisement for bids, acceptance of bids and review of proposals for value engineering.

CITY ATTORNEY  
REPORTS

Resolution R-89-004 was presented and read entitled:

RESOLUTION APPROVING ASSIGNMENT OF NONEXCLUSIVE FRANCHISE FROM GILLIAM CABLE TV TO CHARTER CABLE, INC.

This transfer would affect the Lake Joann and Coal Run areas. Mr. Gilliam has indicated to the City Attorney that Charter Cable, Inc., will offer the same channels as now exist plus at some future time addition channels. Charter Cable, Inc. bases its headquarters in Cincinnati, Ohio.

Greg Justice made the motion, seconded by Thomas Huffman to adopt resolution R-89-004. The motion carried unanimously.

First Reading was given to an Ordinance entitled:

ORDINANCE AUTHORIZING AND DIRECTING THE CITY OF PIKEVILLE, KENTUCKY TO PARTICIPATE IN THE COUNTY EMPLOYEES' RETIREMENT SYSTEM, EFFECTIVE JULY 1, 1989, PURSUANT TO KRS 78.510 TO 78.880

The Ordinance will be on file in the office of the City Clerk for a period of at least ten days for public inspection. Next scheduled reading is April 10, 1989.

Second Reading of an Ordinance to regulate underground storage tanks was scheduled for this meeting, however, the Commission directed that second reading not be considered.

The City Attorney reported that the Court of Appeals has denied W. W. Lindsey petition to rehear the appeal with regard to the gas price dispute case. The Court of Appeals reversed the local court decision and found in favor of the City of Pikeville. W. W. Lindsey has one more step, they can appeal and have 30 days to exercise this last appeal effort.

ACADEMY  
BUILDING

Resolution R-89-005 was presented to the Commission and read entitled:

RESOLUTION OF THE CITY OF PIKEVILLE, KENTUCKY, AUTHORIZING THE FILING OF A 1988 KENTUCKY COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION FOR THE PIKEVILLE CENTER FOR ARTS & HISTORY.

Grantsman, Will Linder, told the Commission that two Public Hearings have been held as required.



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Complete renovation of the Academy Building is expected to cost \$695,000 with \$300,000 being the local share and \$395,000 CDBG funds.

Thomas Huffman made the motion, seconded by Johnny Mounts to adopt the Resolution. The motion carried unanimously.

SURPLUS  
PROPERTY

Resolution R-89-006 was presented to the Commission for adoption. The Resolution appoints Clifford Collins, Public Works Superintendent; John B. Johnson, City Manager; Robert V. Courtney, Fire Chief; and Eugene Edmonds, Police Chief, as legal representatives of the City of Pikeville for the purpose of acquiring surplus property from the State of Kentucky.

Greg Justice made the motion to adopt the Resolution. Steve Combs seconded the motion. The motion carried unanimously.

FISHAMERICA  
FOUNDATION

Steve Combs made the motion, seconded by Greg Justice to accept grant monies not to exceed \$1,150.00 from the FishAmerica Foundation to aid the City in cleaning the "Pikeville Lake". The motion carried unanimously.

The grant funds will be released as a reimbursement upon submission of paid receipts. The grant monies must be used specifically toward the purchase of two 12" - 14" gas powered chain saws (\$500); Five 55 gallon plastic garbage drums (\$50.00); trash bags (\$100); dip nets, dragging hooks, ropes and other equipment (\$500).

## HAYSI PROJECT

The Commission authorized the submission of letters to various elected officials showing Pikeville's support of the Haysi Lake Project.

## FIRING RANGE

Per a proposal from the Kentucky State Police with regard to the Island Creek Fire Range and intended improvements estimated to cost \$3,000 funded by them, Thomas Huffman made the motion, seconded by Steve Combs to extend the current lease on the property for an additional ten years. The motion carried unanimously.

## MATERIAL

Clifford Collins reported to the Commission that he has determined that Jack Crim Construction has stockpiled about \$4,500 worth of materials at the Island Creek Headquarters. Mr. Crim has proposed to sell this material to the City for a total price of \$700.00. The Commission directed that no private contractor, from this date, will be allowed to store material on City Property. Steve Combs made the motion to purchase the materials for \$700.00 based on the Public Works Superintendent's recommendation. Greg Justice seconded the motion. The motion carried unanimously.

EXECUTIVE  
SESSION

Thomas Huffman made the motion to adjourn to Executive Session to discuss personnel matters. Greg Justice seconded the motion. The motion carried unanimously.

## RECONVENE

Thomas Huffman made the motion, seconded by Greg Justice to reconvene to regular session. The motion carried unanimously.

## TREASURER

Thomas Huffman made the motion, seconded by Greg Justice to adopt a resolution (R-89-007) appointing Lonnie Osborne to replace John B. Johnson as City Treasurer. The motion carried 4 - 0 - 1 with Steve Combs "Abstaining".

## URBAN RENEWAL

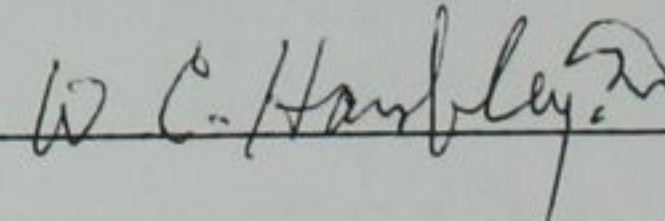
Greg Justice made the motion to accept the Mayor's appointment of Loren Williams to the Urban Renewal Board to serve the unexpired term of Art Willett. Thomas Huffman seconded the motion. The motion carried unanimously.

## ADJOURNMENT

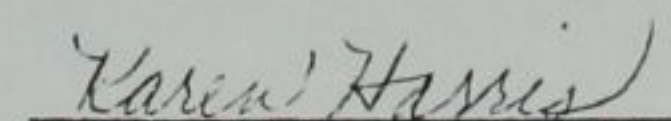
There being no further business to come before the Commission, Greg Justice made the motion, seconded by Thomas Huffman to adjourn the meeting. The motion carried unanimously.

The City Commission's next meeting scheduled is a Special Session for Wednesday, March 29, 1989 at 5:00 P.M. to consider reevaluation of the mall developer for the UDAG grant.

APPROVED



ATTEST:

  
KAREN HARRIS, CITY CLERK