

MINUTES } CITY OF PIKEVILLE

CONTINUED MEETING - MAY 1, 1989

The City of Pikeville Board of Commissioners met in a continued session on Monday, May 1, 1989 in the City Hall Public Meeting Room at 260 Hambley Boulevard.

Mayor Pro Tem Steven D. Combs called the meeting to order at 7:00 p.m. A quorum was present and the following Commission Members were present upon call of the roll:

COMMISSIONER: STEVEN D. COMBS
THOMAS W. HUFFMAN
JOHNNY D. MOUNTS

Commissioner Justice arrived at 7:05 and Mayor Hambley came in at 7:25.

Thomas Huffman made the motion to enter into an agreement with Professional Services Group for design engineering for the Wastewater Plant expansion project. Johnny Mounts seconded the motion. The motion carried 4 - 0.

The Commission was told by Rob Nicholas of PSG that inspection is left to the City. Commissioner Mounts expressed his opinion that the inspector should have knowledge relative to the design and construction of wastewater plants.

Greg Justice made the motion to advertise for value engineering with regard to the wastewater plant expansion project. Thomas Huffman seconded the motion. The motion carried 4 - 0.

C. J. May, on behalf of B D & E Development, gave a status report on the Mall Project. Mr. May told the Commission that B D & E Development has been negotiating for the past year with potential tenants and are very close to final commitment. It was estimated that a guaranteed 80% of the mall space will be leased before ground-breaking. The mall project demands financing from State, Federal and private sources. As evidenced by recent correspondence from Department of Local Government and Kentucky Infrastructure, State and Federal Funds have been given preliminary approval. Mr. May has two letters from Citicorp stating their willingness to finance the developer's share. Before finalization of the financing package and tenant commitments, the civil drawings must be completed and attached to all leases. The lease documents must be attached to the bank closing documents. B D & E plans to work on the civil drawings and if everything proceeds as planned, break ground in the fall. Commissioner Mounts asked when the developer can let the City know definitely if the project will proceed. Mr. May told the Commission that B D & E is 100% committed to the project, and indicated that barring any unforeseeable problems, B D & E can give the City a firm written commitment in 90 days. Commissioner Huffman asked the time frame for using the CDBG funds. Will Linder explained that the Department of Local Government requested budget materials be submitted by May 4th, and that this material has already been prepared. Commissioner Huffman questioned if the developer had done any engineering. Mr. May told the Commission that they have a site plan which is acceptable to tenants and elevations have been established, however they are using engineering documents prepared two years prior but will do their own engineering. The City Attorney commented that the 90 day period would be agreeable due to PSG have a 120 day contract for the design of the wastewater plant. Commissioner Mounts asked what the factors would be to cause the mall not to proceed. Mr. May answered that the amount of fill material required for the site and excessive interest rates would be the factors foreseen at this time. Agreements between the City, developer and Highway Department will be worked out in the next 60 - 90 days. Commissioner Combs asked if the developer would guarantee that local labor and materials would be used. Mr. May informed the Commission that B D & E does not do construction. Will Linder commented that there is a requirement in the Block Grant and UDAG that local labor and suppliers will be used where feasible. The funds are monitored by State and Federal officials. In closing discussion, the Commission instructed the developer to give updates on their progress each month.

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

The City Commission's next scheduled meeting is May 8, 1989 at 7:30 p.m. in the City Hall Public Meeting Room.

APPROVED: /s/ W. C. Hambley, M.D.
W. C. HAMBLEY, M.D., MAYOR

ATTEST:

/s/ Karen Harris
KAREN HARRIS, CITY CLERK

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