

# MINUTES } CITY OF PIKEVILLE

## REGULAR MEETING MINUTES - SEPTEMBER 24, 1990

The City of Pikeville Board of Commissioners met in regular session on Monday, September 24, 1990. The meeting was held in the City Commission's regular meeting place in the City Hall Public Meeting Room at 260 Hambley Boulevard.

Mayor Walter E. May presided. There being a quorum present, the meeting was called to order at 7:05 p.m. Commission Members present upon call of the roll were as follows:

MAYOR:	WALTER E. MAY
COMMISSIONER:	WALTER BLANKENSHIP
	EUGENE DAVIS
	FRANK MORRIS
	JOHNNY MOUNTS

### AGENDA ITEM II. CALL OF THE AGENDA

Agenda Item VI. B, matter #2, Annexation of 1990-5, was moved in the Agenda to be discussed after Agenda Item VIII., Personnel Actions. Agenda Item VII. A, Appointments to the Preservation Board, was stricken from the Agenda.

### AGENDA ITEM III. MINUTES

The minutes from the previous regular meeting of September 10, 1990, were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Blankenship made the motion, seconded by Commissioner Davis to approve the minutes as submitted. Upon call of the roll, the motion carried unanimously.

### AGENDA ITEM IV. BUSINESS FROM THE FLOOR

There were no matters presented to the Commission as Business from the Floor.

### AGENDA ITEM V. PAYMENT OF CITY BILLS

A list of City Bills totaling \$226,122.07 were presented to the Commission for approval of payment. Upon the City Manager's verification there is sufficient funds to pay the payment requests as submitted, Commissioner Blankenship made the motion, seconded by Commissioner Mounts to approve payment of the City Bills totaling \$226,122.07. Upon call of the roll, the motion carried unanimously.

### AGENDA ITEM VI. OLD BUSINESS

A. CITY ENGINEER'S REPORTS: Dan Hall, representing Summit Engineering, presented the Commission with a progress report of ongoing City Projects.

1. A letter was prepared by the engineer to Professional Services Group with regard to the access road at the Animal Shelter. Work will begin to provide driving access to the Shelter on September 25th. Commissioner Blankenship inquired if the property line had been established. Mr. Hall indicated that the engineer's are in the process at this time. Bill Harless, PSG Manager, reported that work should be completed by the afternoon of September 26th, providing the property lines are established.
2. Wastewater Treatment Plant: The structures for the plant have been constructed up to the roof level height. Underground plumbing is approximately 90% complete.
3. Industrial Rubber Sanitary Sewer Line Extension: Bid reject letters were sent to each of the contractors who bid on this proposed sewer line extension.
4. Peach Orchard Water Tank Painting/Repairs: A notice to proceed will be issued on September 25th. Work should begin within 10 to 15 days.

B. CITY ATTORNEY'S REPORTS: City Attorney Russell Davis, Jr. gave a verbal report on the following matters:



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1. Public Works Services Contract: Each member of the Commission was notified last week of the impending deadline on the contract with Professional Services Group for the operations and maintenance of the Public Works Department. A work session was held with members of the Commission and representatives from PSG. Mr. Davis advised that it was the consensus of the majority of the Commission Members to allow the contract to continue. The current agreement provides that unless action is taken prior to October 1st canceling the contract, the contract will continue, consistent with the current term of PSG's contract to operate the wastewater and water treatment plants. The contract term for the plants is approximately 5 1/2 years. Commissioner Morris made the motion to allow the public service contract to be coextensive with the contract for the operation of the wastewater and water treatment plants. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried by a 5 - 0 vote.

2. John Reynolds Lease Agreement: Mr. Davis reported that Mr. Reynolds currently leases a parcel of property located at the corner of Division Street and Hambley Boulevard, known as the old City Hall Building for the sum of \$300.00 per month and also leases the parking lot on Huffman Avenue for \$50.00 per month. An amendment has been prepared for the lease of these two parcels whereby Mr. Reynolds would lease both properties until May 31, 1991 at the same price rate. Other terms of the agreement provide for a \$1,600.00 reimbursement to Mr. Reynolds for the removal of pumping equipment and concrete on the Huffman Avenue lot. Mayor May pointed out that the intentions for renegotiating the lease were in an effort to provide more public parking. Mr. Reynolds had a five year lease on the Huffman Avenue property. The lease for the Division Street property had expired. In exchange for Mr. Reynolds relinquishing the two remaining years on the Huffman Avenue lease, the City has agreed to allow him to lease both the Huffman Avenue property and the Division Street property until May 31, 1990. The City Attorney reported that Mr. Reynolds is in agreement with the terms of the renegotiated lease. Commissioner Blankenship made the motion to authorize the Mayor to execute the amended lease agreement. Commissioner Davis seconded the motion. Upon call of the roll, the motion carried by a 5 - 0 vote.

3. Hotel/Motel Room Fees: Mr. Davis reported that the Mayor had asked him to prepare a report concerning the delinquent Hotel/Motel Room Fees. According to the City Tax Administrator's records, the Best Western Motel of Pikeville currently has not filed returns for the quarter ended March, 1989 through quarter ending June 30, 1990. The City Attorney reported that a meeting was held with Lloyd Abdoo of the Best Western Motel where he submitted tax returns showing that he owed \$12,878.13 in Motel/Hotel Room Fees. Mr. Davis indicated that he is trying to work out an agreement whereby he would pay those amounts. Mr. Abdoo's company is currently in bankruptcy. Mr. Davis has been advised that Mr. Abdoo is desirous of reopening the lounge and in order to do so, he is required to remit the fees due to obtain a liquor license. The Landmark Inn has not filed a return for the quarter ending June 30, 1990. Mr. Davis reported that the City's ordinance provides that the business license can be revoked for non-payment of delinquent fees. Mr. Davis made the recommendation that the Commission notify both the Best Western Motel and the Landmark Inn that their hotel business license will be revoked if the delinquent taxes are not paid within 14 days. Commissioner Blankenship made the motion to authorize the Tax Administrator to call the operators of the Best Western Motel and the Landmark Inn asking that the delinquent fees be paid within seven days and if they do not pay, authorize the City Attorney to send written notification advising the operators that their business licenses will be revoked if the hotel/motel fees are not paid within 14 days. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried unanimously. The City Attorney reported that the Moderne Villa Motel and the Pinson Hotel have filed and paid their current hotel/motel fees. Commissioner Mounts questioned if the hotels located within the County are paying their fees as required. Ann Charles, Executive Director of the Pikeville/Pike County Tourism & Recreation Commission, reported that the County hotel/motel fees are current.

C. CITY MANAGER'S REPORTS: City Manager, John Johnson submitted a letter to the Commission from Kenneth O'Quinn of Lebanon, Virginia, requesting to lease the parcel of property located on the Bypass across from Dorsie's Dairy Bar (Blackie's Service Station) on which to locate a gas station to market coal-powered gasoline. The City Manager was



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authorized to contact Mr. O'Quinn to get more information on the term of the lease period requested and what he is willing to pay.

Mr. Johnson requested an executive session to discuss a legal matter and a personnel matter.

## AGENDA ITEM VII.

## NEW BUSINESS

Commissioner Mounts made the motion to designate the observance of Halloween Trick-or-Treat on Wednesday, October 31, 1990, from the hours of 6:00 p.m. - 8:00 p.m. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

Commissioner Mounts asked if anything had been done toward blacktopping the Williams Hollow Road. The City Manager reported that he requested the executive session to discuss contract price negotiations on the blacktopping of this road.

At 7:35 p.m., Commissioner Davis made the motion to adjourn to a closed executive session for the purpose of discussing a legal matter and a personnel matter. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

At 9:00 p.m. the motion reconvened to regular session upon motion by Commissioner Davis, seconded by Commissioner Mounts, and a unanimous vote.

City Manager, John Johnson, recommended that the Commission approve hiring Natalie Durbin Carter to fill the position of Tax Clerk on a six month probationary period. Commissioner Blankenship made the motion to accept the City Manager's recommendation. Commissioner Davis seconded the motion. Upon call of the roll, the motion carried unanimously.

Mayor May reported that the City Commission is in receipt of a letter threatening possible legal action with regard to the City acting improperly by not placing the annexation question of section 1990-5 on the ballot. Due to the Commission receiving the letter on this date, second reading of the ordinance finally annexing this area to the City of Pikeville will be delayed until the Commission has sufficient time to analyze the points of the letter.

City Attorney, Rusty Davis, advised the Commission that the City needs to authorize the hiring of a CPA firm to audit the Hotels/Motels located within the City of Pikeville. Commissioner Mounts made the motion to authorize the City Manager to hire a CPA firm to conduct audits on the Hotels/Motels located within the City of Pikeville in an effort to ensure the proper remittance of fees due the City of Pikeville. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried unanimously.

There being no further business to come before the Commission, Commissioner Blankenship made the motion, seconded by Commissioner Mounts to adjourn the meeting. Upon call of the roll, the motion carried unanimously. (Adjournment Time: 9:05 p.m.)

The City Commission's next scheduled meeting is October 8, 1990 at 7:00 p.m. in the City Hall Public Meeting Room at 260 Hambley Boulevard.

APPROVED

Walter E. May  
WALTER E. MAY, MAYOR

ATTEST:

Karen Harris  
KAREN HARRIS, CITY CLERK