

REGULAR MEETING - DECEMBER 10, 1990

The Board of Commissioners of the City of Pikeville met in regular session on Monday, December 10, 1990. The meeting was conducted in the City Commission's designated meeting place in the City Hall Public Meeting Room at 260 Hambley Boulevard.

There being a quorum present, Mayor Walter E. May called the meeting to order at 7:00 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

There were no additions or deletions to the prepared agenda.

AGENDA ITEM III. MINUTES

The minutes for the previous regular meeting of November 26, 1990 were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Blankenship made the motion to approve the minutes of November 26, 1990 as circulated. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried unanimously.

AGENDA ITEM IV. BUSINESS FROM THE FLOOR

A. Loading Zones: The representative from UPS was not present to discuss this matter.

B. Tree City: Jenny Williams, Main Street Program Manager, advised the Commission that the Tree Board will file the application for Pikeville to become a "Tree City". By receiving the designation as a "Tree City", Pikeville will be eligible for grant monies for the planting of trees. Ms. Williams told the Commission the Main Street Program is interested in revitalizing the City Park. In order to apply and receive grant monies, a landscape plan for the City Park drawn by a licensed architect must be prepared. Once the landscape plan is accomplished funds can be applied for through the Keep America Beautiful Program and the Small Business Development on a 75:25% matching basis. Ms. Williams advised the Commission that a Planning Grant is available on a 50:50% matching basis to be used for the landscape plan. Commissioner Mounts made the motion to approve allotment of matching funds to be used in conjunction with the Planning Grant for the preparation of a landscape plan for the City Park not to exceed \$2,500.00. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

Jack Sykes, Chairman of the Historic Preservation Board, advised the Commission of grant monies available through the National Historic Preservation Fund by the Kentucky Heritage Council. Grants are available up to \$10,000.00 and have to be matched by the local government on a 50:50% basis. The application must be presented by December 15th. Funds will be applied for the completion and formalization of survey of Historic Landmarks and Districts in the City and to develop a set of guidelines which would be applicable to any remodeling, renovation, or removal. Mr. Sykes presented the Commission with a budget of projects the Board wishes to implement in relation to anticipated funds. The budget amount is \$20,000 - \$10,000 of this amount in matching funds. Mr. Sykes proposes \$6,900 of the matching funds to be in-kind services. There is a provision in the Historic Preservation Ordinance which allows for the Board to receive assistance in the form of its responsibility from a city staff member. Mr. Sykes asked the Commission to consider assigning a city staff person to work with the Historic Preservation Board in rendering clerical type duties and approval to file an application for the grant. The City Manager reported that he could assign the clerical duties to various city staff members. Commissioner Blankenship made the motion to approve filing an application for grant funds and to render clerical assistance to the Historic Preservation Board. Commissioner Morris seconded the motion. Mayor May explained if the Historic Preservation Board is successful in obtaining the grant, the city would be responsible for providing in-kind services for approximately \$6,900 and a cash expenditure of approximately \$3,100. Upon call of the roll, the motion carried unanimously.

AGENDA ITEM V. PAYMENT OF BILLS

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City Bills totaling \$262,217.95 were presented to the Commission for approval of payment. Upon the City Manager's recommendation the bills be approved for payment and verifying the funds are available for payment, Commissioner Morris made the motion, seconded by Commissioner Blankenship to approve payment of the City Bills totaling \$262,217.95. Upon call of the roll, the motion carried unanimously.

AGENDA ITEM VI.

OLD BUSINESS

A. CITY ENGINEER'S REPORTS: Jack Sykes representing Summit Engineering, Inc. gave a verbal report of ongoing City Projects:

1. Marions Branch: At the previous City Commission Meeting, the City Engineer was directed to prepare a cost estimate for extending water service to Marions Branch. Three alternatives were presented to the Commission. Estimate #1 includes an extension of a six inch water line from the water treatment plant up the road along the ditchline at an approximate distance of 1 mile. The proposed extension will provide service to eight houses. The estimate provides for the installation of 5,600 feet of six inch line, two fire hydrants, eight service connections and a gate valve for an estimated cost of \$98,095.00. Estimate #2 places the line in the same location as Estimate #1, but rather than placing six inch line which would provide fire protection, 4 inch PVC line was proposed. Estimate #2 cost is \$49,392.00. Estimate #3 proposed to extend service via a rivercrossing instead of installation of line along the roadway. This results in the reduction of six inch line to 2200 feet. Estimate #3 cost is \$63,480.00. Commissioner Blankenship voiced that rivercrossings will inevitably produce maintenance problems. He questioned what the cost would be for Estimate #1 should PSG do the extension. Mr. Sykes reported that he estimated PSG could do the work for 60 to 70% of the cost. Richard Bryant of PSG reported that he is currently working on preparing an estimate and advised it should be complete within the week. Mr. Sykes advised an easement would have to be negotiated. Commissioner Morris made the motion to authorize the City Engineer to submit the plans for the water line extension to serve Marions Branch to the Division of Water and to authorize the City Manager to proceed with the project after such time in negotiating with PSG it is determined the Water Fund can afford the expenditure. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 5 - 0. The City Manager reported that a letter and a copy of the Ordinance showing the annexation of Marions Branch has been sent to the property valuation administrator's office and he has been advised the property owners will be billed for the 1990 tax year. Mr. Johnson also indicated he would be touring the area with Leon Huffman of Kentucky Power Company to determine appropriate locations for street lights.

2. Wastewater Treatment Plant: Mr. Sykes gave a status report of the construction at the Wastewater Treatment Plant. Commissioner Mounts asked if there is an on-site inspector. Richard Bryant reported there is not, however he reported he has three candidates he is in the process of interviewing and assured the Commission he would hire someone within the week.

B. CITY ATTORNEY'S REPORTS: City Attorney Russell Davis, Jr., gave second reading to the following Ordinances:

1. ORDINANCE ADOPTING REGULATIONS FOR THE HOUSING INSPECTION PROCESS TO BE USED IN CONJUNCTION WITH PIKEVILLE'S DILAPIDATED HOUSING ORDINANCE NO. O-90-007.

ORDINANCE NO. O-90-034

Commissioner Blankenship made the motion to adopt Ordinance O-90-034. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried by the following votes:

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

ORDINANCE PROVIDING FOR THE DISCONNECTION OF WATER SERVICES TO ANY PROPERTY WHICH IS REQUIRED TO BE CONNECTED TO THE PUBLIC WASTEWATER DISPOSAL SYSTEM

ORDINANCE NO. O-90-035

Commissioner Blankenship made the motion to adopt Ordinance O-90-035 as presented and given second reading. Commissioner Davis seconded the motion. Upon call of the roll, the motion carried by the following votes:

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MAYOR:	WALTER E. MAY	YES
COMMISSIONER:	WALTER BLANKENSHIP	YES
	EUGENE DAVIS	YES
	FRANK MORRIS	NOT PRESENT AT TIME OF VOTE
	JOHNNY MOUNTS	YES

ORDINANCE AMENDING GARBAGE AND TRASH ORDINANCE PROVIDING FOR DISCONNECTION OF UTILITY SERVICES TO PROPERTY FOR NONPAYMENT OF GARBAGE BILLS; MAKING THE OWNER OF THE PROPERTY LIABLE FOR GARBAGE AND TRASH BILL; PROVIDING FOR A LIEN UPON THE PROPERTY FOR GARBAGE AND TRASH BILL
ORDINANCE NO. O-90-036

Commissioner Blankenship made the motion to adopt Ordinance O-90-036 as presented and given second reading. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried by the following votes:

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

3. Presented to the Commission for consideration were two ordinances accepting different portions of Walters Road. First reading was given to both of these ordinances at the previous City Commission Meeting and discussed were the terms of the maintenance agreement for the proposed extensions and the existing portion of Walters Road. It was decided at that time to not have second reading of the Ordinances until the coal operators executed the maintenance agreements. The agreements have not been executed at this time. Since the agreements have not be accepted by the coal operators, Mayor May asked which points of the agreement needed to be negotiated. Mr. Davis reported the original agreement is with Pike County Collieries and Dan Walters, who is personally guaranteeing the points of the agreement for the corporation. It has been requested that Dan Walters be released as a guarantor for that agreement. Walter Preston Walters, on behalf of Pike County Collieries, stated the previous agreement has been carried out, with the existing road being maintained. He stated he did not think there would be a problem, if the City wanted a personal guarantee with regard to the new agreement. The Commission advised, that Dan Walters should remain as a personal guarantor in the agreement. David Stratton reminded that he had previously addressed the Commission on behalf of the residents along Walters Road who requested the City not to accept the proposed extensions. It is their contention if the road remains outside the city street system, the state will maintain the road and the coal operators will be forced to abide by the mining regulations. The City would have no alternative but to file suit to recover the funds to repair the road. Mr. Stratton asked that the residents be given an opportunity to review the proposed maintenance agreements and offer input to the City Commission. Mayor May pointed out the matter was well publicized following the November 26, 1990 meeting. Mayor May explained the City Engineer inspected the proposed extension and prepared conditional specifications under which the roadway could be accepted into the city's street maintenance system. The coal company has paved 300 feet of roadway. Commissioner Morris made the motion to accept the road maintenance agreement between the City of Pikeville and Pike County Collieries. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried 5 - 0. The City Attorney advised he would get the agreement to Dan Walters for signature.

The road maintenance agreement between HJD Development and the City of Pikeville was addressed. The City Attorney reported there were several items of disagreement, the main point of which is the length of roadway to be accepted in the city's maintenance system. The agreement specifies acceptance of 320 feet. Mr. Salyers has requested the roadway be accepted in the length of 700 feet. Mr. Salyers has also interpreted Commissioner Mounts suggestion from the previous regular meeting to be that .03 of the .10 per ton amount to be placed in escrow for repair of all of Walters Road, be set aside for blacktopping of the roadway should the coal operator not blacktop the roadway after the completion of mining. It was explained that the intent of the suggestion was to aid Mr. Salyers in obtaining his permit. Mr. Salyers has not been asked to blacktop the proposed extension at this time due to no residences being established. It was thought to be more prudent to blacktop after the mining is complete or when residences are established. Mr. Salyers also objects to paying .10 per ton on the percentage of reject. Commissioner Blankenship made the motion to accept the agreement as prepared. The motion died from lack of a second. Mr. Salyers asked the Commission to reconsider extending the length of the roadway. The Commission discussed

this matter at some length and the City Engineer explained the past policy with regard to acceptance of hillside roadways. The Commission also heard discussion relative to the intended use of Coal Severance funds. The City Engineer reported he is aware of only one designated coal haul road in the city's street maintenance system. Commissioner Morris made the motion to revise the agreement to provide for acceptance of the extension in the length of approximately 400 feet, up to, but not including the drain, providing HJD will do the 50 feet of blacktopping per city specifications on the section of roadway adjacent to the existing Walters Road. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried unanimously. The City Engineer was directed to revise the map to depict the additional length of the roadway. Mr. Salyers asked if the Commission would give second reading to the Ordinance to accept this section into the City's street maintenance system. The City Attorney advised he would have to prepare an amended ordinance detailing the length of the road. Mr. Davis was directed to prepare the Ordinance and give first reading toward the conclusion of the meeting.

City Manager, John Johnson, presented the Commission with an amended agreement from the Kentucky Infrastructure Authority with regard to the Fund "B" Loan (\$537,755.00) for off-site improvements to be used in conjunction with the mall project. The agreement is amended to provide for a time extension until March 28, 1991. Mr. Johnson requested the Commission approve the amendment subject to the KIA remitting a written amendment with regard to special condition #1 which stated: "the general fund tax revenues from payroll business license and property taxes should be committed to the debt of the water and sewer system. An opinion by the city attorney and appropriate action by the city commission to accomplish this commitment should be obtained prior to pre-closing the Authority's loans." Special Condition #1 should read: "the general fund tax revenues from payroll business license and property taxes from the mall and its respective tenants...loans." Mr. Johnson advised the Commission of special condition #2 which states: "The City must amend the rate ordinance to read: should the mall not produce required revenues to support the additional operation, maintenance, replacement costs, and debt service for the facility, the current rates will be increased adequately to cover these costs". Commissioner Blankenship made the motion to accept the agreement subject to the City Manager receiving the changes to special condition #1 as specified. Commissioner Morris seconded the motion. Commissioner Mounts voiced his opposition to increasing the sewer rates. Mayor May advised that he was not in support of raising sewer rates either, however, KIA is acting as a lending institution and must institute such measures to ensure repayment of the loan. Upon call of the roll, the motion carried unanimously.

Ordinance O-90-037 was presented and given second reading entitled as follows:

**ORDINANCE ACCEPTING ROAD LOCATED IN THE BOB AMOS PARK LEADING TO THE
OVERLOOK AS A CITY STREET**

Commissioner Morris made the motion to adopt ordinance O-90-037 as read. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried by the following votes:

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

Second reading was given to Ordinance O-90-038 entitled:

**ORDINANCE SETTING SPEED LIMIT ON THE ROAD LEADING TO THE OVERLOOK IN BOB
AMOS PARK AT 15 M.P.H.**

Commissioner Blankenship made the motion, seconded by Commissioner Morris to adopt Ordinance O-90-038 as read. Upon call of the roll, the motion carried by the following votes:

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

An Ordinance was presented to the Commission for first reading. The Ordinance was read entitled:

ORDINANCE DESIGNATING TWO (2) PARKING SPACES ON MAIN STREET FOR SHERIFF'S

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INSPECTION PARKING

The Commission questioned if the Ordinance could be adopted on an emergency basis due to the indication of Walter Petot at the last City Commission Meeting that the Sheriff's Office had to be relocated by January 4th. Mr. Davis gave reading to the ordinance and inserted an emergency clause. Commissioner Mounts made the motion to adopt the Ordinance. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried unanimously.

Mr. Davis advised the Commission that he had sent a draft agreement for the lease of the water tank site to Mountain Water District for their consideration.

C. CITY MANAGER'S REPORTS: City Manager John Johnson presented a resolution with regard to applying for a matching fund grant to do renovation at the Overlook. Mr. Johnson advised the renovation is expected to cost from \$85,000 to \$90,000, however the grant funds are available up to \$20,000 and can be matched in-kind. The resolution was read as follows:

WHEREAS, the City of Pikeville proposes to develop recreational resources to provide for the health and well being of the general public, and

WHEREAS, the City of Pikeville intends to make preapplication to the Department of Local Government for assistance under the Land and Water Conservation Fund Act of 1965, and

WHEREAS, the Land and Water Conservation Fund is limited to funding a maximum of fifty percent (50%) of proposed project costs estimated at \$40,000.00.

NOW, THEREFORE BE IT RESOLVED, that the City of Pikeville hold in reserve fifty percent (50%) of the proposed project costs for the purpose of matching the Land and Water Conservation Fund assistance, and

BE IT FURTHER RESOLVED, that in the event a grant is awarded, the City of Pikeville understands that it will sign assurances to comply with all applicable Federal and State laws, rules and regulations, especially Title VI of the Civil Rights Act and Section 504 of the 1973 Rehabilitation Act.

/s/ Walter E. May
WALTER E. MAY, MAYOR

ATTEST:

/s/ Karen Harris
KAREN HARRIS, CITY CLERK

DATE: 12-10-90

Commissioner Blankenship made the motion to adopt the resolution. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried unanimously.

Mr. Johnson advised the Commission that it had been a past tradition to purchase hams or turkeys for City Employees for Christmas. Mr. Johnson requested approval to purchase hams at \$1.95 per pound and turkeys at .99 per pound from Velocity Market. Commissioner Morris made the motion to continue with the tradition and to approve purchase of the hams or turkeys from Velocity Market. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 4 - 0 (Commissioner Mounts not present at the time of the vote).

Mr. Johnson requested to meet with the Commission in executive session for the purpose of discussing contract negotiations.

AGENDA ITEM VII.

NEW BUSINESS

A. Franchise: A letter was presented to the Commission from R. L. Huffman of Kentucky Power Company advising of the nearing expiration of a franchise agreement between the City of Pikeville and Kentucky Power Company to operate within the City of Pikeville. Mr. Huffman requested permission to begin the paperwork in anticipation of securing an additional 20 year franchise agreement. It was the consensus of the Commission to allow Mr. Huffman to begin the process.

B. Tourism: David Stratton, Chairman of the Pikeville/Pike County

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Tourism & Recreation Commission, submitted an operating budget for the year 1991. Mr. Stratton was questioned if the Tourism Commission had located office space. Mayor May advised the Commission he had extensive discussion with the president of the Chamber of Commerce. It was decided at that time, the City of Pikeville would gain control of the train car once the Chamber of Commerce relocated their offices. It was questioned whether the car should be moved. No action was taken with regard to this question. Mayor May further explained he would like the City to enter into a written lease agreement with the Tourism Commission to allow them to use the train car as office space at no fee, however it would be agreed, the City would retain ownership. Commissioners agreed with this concept. Mr. Stratton asked the Commission to allow the Tourism Commission to exceed their line item budget by 10% without having to return to the Commission for approval. Commissioner Blankenship made the motion, seconded by Commissioner Morris to approve the budget. Upon call of the roll, the motion carried unanimously.

Three members' term of the Tourism Commission have expired. These members represent the Motel/Hotel/Restaurant Association. Mayor May presented the names of Howard Walls, Vickie Pinson and Debbie Huffman to serve on the Tourism Commission. Commissioner Blankenship made the motion, seconded by Commissioner Morris to approve the appointments. Upon call of the roll, the motion carried unanimously.

Upon motion by Commissioner Blankenship and seconded by Commissioner Davis, the motion carried by a unanimous vote to cancel the City Commission's December 24, 1990 scheduled meeting.

At 8:58 p.m., Commissioner Davis made the motion, seconded by Commissioner Mounts to adjourn to an executive session for the purpose of discussing pending legal matters and a contract negotiation. Upon call of the roll, the motion carried unanimously.

At 11:20 p.m., Commissioner Blankenship made the motion, seconded by Commissioner Morris to reconvene to regular session. Upon call of the roll, the motion carried 3 - 0 (Commissioners Davis and Mounts were not present at the time of the vote).

A resolution was presented and read by City Attorney Russell Davis as follows:

WHEREAS, the City of Pikeville, Kentucky, a Third Class City, created Pikeville Kentucky Public Hospital Corporation, a non-profit corporation of the City of Pikeville, Kentucky to hold title to all real estate located on the By Pass Road in Pikeville pursuant to the issuance of Revenue Bonds in 1969 and upon which is located a hospital facility; and,

WHEREAS, the City and Pikeville Kentucky Public Hospital Corporation, its creation owns and controls the facility; and,

WHEREAS, the Pikeville Kentucky Public Hospital Corporation, The City of Pikeville and the Methodist Hospital of Kentucky, Inc., a non-profit corporation, entered into a Sublease Agreement dated January 1, 1969, recorded in Deed Book 503, Page 134, which specifically sets forth that the City shall lease said property to the Methodists on an annual basis and further that the Methodists are to manage and operate the hospital project pursuant to the directions of the City; and

WHEREAS, the City is responsible for payment of Revenue Bonds issued in 1969 which were utilized to construct the current hospital facility; and,

WHEREAS, the City's indebtedness on those bonds continues through the year 2009; and,

WHEREAS, the financial condition of the Methodist Hospital of Kentucky, Inc., is of serious consequence to the City; and,

WHEREAS, the Methodist Hospital of Kentucky, Inc., is currently involved in a NLRB Proceeding, Action No. 9RC15808, which involves the operations of the hospital facility; and,

WHEREAS, the interest of the City could be dramatically affected by the outcome of said action.

BE IT HEREBY RESOLVED, that the City of Pikeville, Kentucky hereby authorizes and directs its attorney or his designee to intervene in this action.

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Adopted this 10th day of December, 1990.

/s/ Walter E. May
WALTER MAY, MAYOR FOR THE CITY
OF PIKEVILLE

ATTESTED:

/s/ Karen Harris
Secretary

Commissioner Morris made the motion to adopt the resolution. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried by the following votes:

MAYOR:	WALTER E. MAY	YES
COMMISSIONER:	WALTER BLANKENSHIP	YES
	EUGENE DAVIS	ABSTAIN
	FRANK MORRIS	YES
	JOHNNY MOUNTS	NOT VOTING

Commissioner Morris made the motion to employ a labor attorney to intervene on behalf of the City of Pikeville and to authorize the Mayor and the City Manager to negotiate their rates and to enter into a contract. Commissioner Blankenship seconded the motion. City Attorney Davis advised the attorney would be Ray Haley of the firm of Westfall, Talbott, and Woods in Louisville, Kentucky, a firm that specializes in labor matters. Upon call of the roll, the motion carried by the following votes:

MAYOR:	WALTER E. MAY	YES
COMMISSIONER:	WALTER BLANKENSHIP	YES
	EUGENE DAVIS	ABSTAIN
	FRANK MORRIS	YES
	JOHNNY MOUNTS	NOT VOTING

First Reading was given to an Ordinance entitled:

ORDINANCE ACCEPTING PORTION OF ROAD ON PETER FORK OF CHLOE CREEK AS A CITY STREET

There being no further action to come before the Commission, Commissioner Blankenship made the motion, seconded by Commissioner Morris to adjourn the meeting. Upon call of the roll the motion carried 5 - 0. (Adjournment Time: 11:35 p.m.)

The City Commission's next scheduled meeting is January 14, 1991 at 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