

# MINUTES } CITY OF PIKEVILLE

## SPECIAL MEETING MINUTES - MAY 29, 1991

The City of Pikeville Board of Commissioners were called to meet in special session on Wednesday, May 29, 1991 at 4:00 p.m. The meeting was held in the City Hall Public Meeting Room at 260 Hambley Boulevard in Pikeville, Kentucky.

Mayor Walter E. May presided and called the meeting to order at 4:05 p.m. Commission Members present and forming a quorum were as follows:

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

Commissioner Eugene Davis was absent.

### Agenda Item II.

### Minutes:

The minutes for the previous regular meeting of April 22, 1991 were included in each Commission Member's agenda package. There being no additions or corrections to the minutes, Commissioner Blankenship made the motion, seconded by Commissioner Morris to approve the minutes as submitted. Upon call of the roll, the motion carried 4 - 0.

### Agenda Item III.

### Payment of City Bills

City Bills totaling \$425,236.95 were presented to the Commission for approval of payment. Upon the City Manager's recommendation the bills be approved and confirming the funds were available to make payment, Commissioner Blankenship made the motion, seconded by Commissioner Mounts to approve the City Bills as submitted. Upon call of the roll, the motion carried 4 - 0.

### Agenda Item IV.

### Old Business

A. YMCA: Bruce Larson, representing the YMCA, advised the Commission that the Board has been negotiating with the Pikeville Little League with regard to the possibility of swapping leases. The YMCA is interested in the property which is adjacent to the golf driving range and putt-putt course. In meeting with representatives with the Pikeville Little League, an agreement has been reached between the YMCA and Little League with regard to the property swap and making compensation to them - namely the lease for the tract of property at the end of Hambley Boulevard adjacent to Cline Street. Mayor May requested that representatives from the YMCA and Little League meet together with the City Attorney to work out the terms of the lease agreement. Commissioner Mounts asked if representatives of the horse show rink had been approached with regard to the proposed land swap. The Commission was informed that the horse association had never executed a lease agreement for the tract on which the rink is located. Mayor May advised Mr. Larson to contact Greg Justice, Arnold Wheeler, President of the Pikeville Little League Association, confirmed the Little League and the YMCA have reached an agreement which is contingent upon a timely execution of a lease agreement which would allow sufficient opportunity to make ready the alternate playing fields by spring.

B. City Attorney's Reports: City Attorney, Russell Davis, Jr., presented the following items to the Commission:

1. Wholesale Water Rates: Mr. Davis explained that when the Ordinance, which would increase the rates charged to the wholesale water purchasers, was given first reading, Ernest Chaney of the Mountain Water District was present and expressed his dissatisfaction with regard to the rate increase. A letter was sent to the City from Mr. Chaney outlining his concerns. The letter was forwarded to H.J. Umbaugh & Associates, who recalculated the formula and addressed Mr. Chaney's concerns. According to the response from Umbaugh & Associates, Mr. Chaney's concerns were not appropriate, and if there was a calculation error, the error benefited the wholesale users. Mr. Davis reported he sent Mr. Chaney the letter from Umbaugh & Associates along with an explanation that the audit was complete and he was welcome to verify any of the city's expenses which were used to compute the increase. Mr. Davis reported, that to his knowledge, Mr. Chaney has not asked for the city's audit report, nor has there been any correspondence from Mr. Chaney to Mr. Davis' letter of May 10, 1991. Mayor May and Commissioner Blankenship voiced their opinions that the officials at Mountain Water District have had ample time to offer any input with regard to the



proposed rate increase. Mr. Davis presented and gave second reading to an Ordinance entitled:

AN AMENDED ORDINANCE OF THE CITY OF PIKEVILLE, KENTUCKY ADJUSTING WATER SERVICE RATES FOR CERTAIN WHOLESALE USERS AND AMENDING IN PART A CERTAIN ORDINANCE ADOPTED ON MAY 22, 1989  
ORDINANCE NO. O-91-010

Mr. Davis reported the Ordinance would become effective on July 1, 1991, which will provide for a month's notice to the water districts who can apply for approval of a rate increase through PSC.

Commissioner Blankenship made the motion to adopt Ordinance O-91-010. 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	ABSENT
	FRANK MORRIS	YES
	JOHNNY MOUNTS	YES

Mayor May instructed the City Attorney to send a certified letter of notice to each of the water districts affected by the Ordinance. Mr. Davis advised an amended agreement would be sent along with the notice for the officials of each water district to execute.

3. Athletic Center: Mr. Davis reported he had been unable to meet with the parties involved to work out a lease agreement between Studio 7 and the City of Pikeville for the use of the Athletic Center Building. The lease will be presented to the Commission at the next regular meeting. Mayor May commented there was a banner on display which implied that the Lighthouse Christian Bookstore was located in the building. The Mayor added that provisions should be made in the lease to restrict certain activities in the building. Commissioner Blankenship reported he had been informed some windows were broken during one of the activities at the youth center. The Parks Director was instructed to look into the matter.

4. Buckley's Creek Bridge: The Department of Transportation sent a letter to the Mayor inquiring as to when the City will fulfill its obligation to complete the tie-in from the new Buckley's Creek Bridge to Thompson Road. Mr. Davis reported he has reviewed the contract between the City and the Commonwealth of Kentucky and those contracts do appear to require the City to construct a roadway from the bridge to Thompson Road and that the road will be completed by the time the bridge is completed. The agreement also requires the City, upon completion of the new bridge, to barricade the Pauley Bridge so it can only be used for bicycle or pedestrian traffic. Initially, the developer for the proposed mall was going to fulfill the obligation as part of their project. It now appears that the development as proposed will not proceed. City Engineer, Jack Sykes, reported he has looked at alternatives to extending the roadway. One alternative provides for a two lane roadway with an engineer's estimate of \$70,000.00. Mr. Sykes added that he has gotten a contractor to quote the price. The contractor's estimate is \$123,000.00. Other alternatives were discussed, but these required the negotiation of easements for roadway construction. Mr. Sykes recommended that he be authorized to prepare a bid specification package and advertise for bids. Mr. Davis pointed out that the contract provides for the construction of a 4-lane roadway. Mr. Davis added that the City would probably have to ask for permission to vary from the contract. Commissioner Morris made the motion to authorize the City Engineer to prepare the project for bid and to advertise for bids. Commissioner Blankenship seconded the motion. In discussion, Commissioner Mounts voiced his opinion that this project may turn out to be like other projects approved in that the Commission approves a project but then later on has to redo the project. He asked why the entire specified grade could not be raised to the roadway at this time rather than waiting until a later time. Commissioner Mounts also asked what the maximum footage the grade had to be raised. Mr. Sykes reported that the grade needed to be raised approximately three feet in some areas at a cost of about \$10,000.00. Commissioner Mounts added he thought it more prudent to raise the grade at one time. Mr. Sykes explained that basically, the way the mall project was set up, the developer was to put the fill in and the KIA "Loan B" would be used for the paving and curb and guttering. Mayor May voiced his opinion that the City should do the minimum required to comply with the contract and when the development progresses, let the contractor fund the remainder. The City Attorney reported that if the City fails to comply with the terms of



the contract, the City can be held liable to pay back the federal grant monies received for the construction of the bridge. Mr. Sykes reported he would talk with Denton Biliter at the Department of Transportation with regard to a two-lane road versus a four-lane road. He reported he would advertise for bids for a two-lane roadway, but if Mr. Biliter voiced any opposition he would advertise for bids for a two-lane roadway and a four-lane roadway. Upon call of the roll, the motion carried 4 -0.

4. "911": Mr. Davis reported he received a copy of a new proposed ordinance from Pike County. Mayor May reported there has been considerable negotiations with regard to the establishment of a "911" system. The City Manager explained he is looking at the possibility of a city-wide 911 system as well as the offer to join Pike County for a city/county wide system. Cost for a city-wide system would cost anywhere from .58 to .60 per subscriber per month or .93 per subscriber per month if the City joins with the County. The county system will be based at the Kentucky State Police Headquarters, but the city will have a terminal. The county will offer a rebate of .35 per caller which will aid the City in offsetting dispatch costs. Commissioner Mounts objected to the rebate coming to the city instead of the consumer. The Commission requested to delay action, until the matter could be discussed in work session.

5. Day Care Center: The City Attorney advised he had received a letter and a copy of a proposed lease agreement between the Model City Day Care Center and the City of Pikeville. Mr. Davis reported he has reviewed the agreement prepared by Attorney Steve Combs which provided for the addition of ten to twelve new proposals. Mr. Davis explained he has prepared a memorandum detailing the differences between this agreement and that of the agreement previously submitted, however the memorandum has not been typed. Mr. Davis told the Commission he would send them a letter later on in the week explaining the differences between the last draft and the new agreement. Mr. Davis advised the Commission that negotiations had the Model City Day Care Center and the City differing on two items and the new agreement presented differs on 10 to 12 items. Commissioner Mounts expressed that the Commission should meet with the Model City Day Care Board to work out points of disagreement. The Commission delayed further discussion until such time as the City Attorney's memorandum is received and studied by the Commission. After the memorandum is studied, the Commission will invite the Model City Day Care Board to meet with them to discuss the proposed lease agreement.

Mr. Davis requested an executive session to discuss a legal matter.

At 4:40 p.m., Commissioner Morris made the motion to adjourn to an executive session for the purpose of discussing a legal matter with the City Attorney. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 4 - 0.

At 5:05 p.m., Commissioner Blankenship made the motion, seconded by Commissioner Morris to reconvene to regular session. Upon call of the roll, the motion carried 4 - 0.

B. CITY ENGINEER'S REPORTS: City Engineer, Jack Sykes, gave a status report of ongoing city projects as follows:

1. Wastewater Plant: Mr. Sykes reported the plant should be on line by the next City Commission Meeting.

2. By-Pass sidewalk and curb & guttering: Five bids were received ranging from \$398,104.50 up to \$474,490.00. The engineer's estimate for the project was \$308,497.00. The estimate was based upon not requiring the contractor to supply a bid bond, performance bond, nor were the prevailing wage rate requirement considered. Because the City will be receiving \$200,000.00 from the state toward this project, it is required for the contractor to supply the bid and performance bonds and comply with prevailing wage rate requirements. Mr. Sykes advised this is the reason the bids came in approximately \$90,000.00 higher than the engineer's estimate. Mayor May asked if the bids could be rejected and do the project with PSG crews. Mr. Sykes advised this could be done. Commissioner Blankenship questioned if the city would have to comply with the prevailing wage rate requirements. Mr. Sykes said he did not think so, but this could be confirmed before the project is begun. The agreement with the state provides that they will pay a little over \$17.00 per foot regardless who does the project. Bill Harless of PSG explained the estimate he has given to the Mayor and City Manager includes the purchase of a new bobcat versus paying \$7,200.00 for rental. The machine



will be owned by the City. Commissioner Blankenship made the motion to reject all bids and authorize the City Engineer to verify the project can be done in-house and confirm the City can meet all state requirements. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried 4 - 0.

3. Pauley Sewer Lift Station: A letter was submitted to the Commission from the Division of Water addressed to the City Manager. According to the inspection report, the lift station is considered to be a serious threat to human safety due to the build-up of fumes that have accumulated at the bottom of the tank. The station also has considerable corrosion damage which also threatens worker's safety. The station needs to be scraped and a new one installed. Mr. Sykes gave the Commission an estimate of \$35,000.00 to replace the station. Commissioner Morris made the motion to authorize the City Engineer to prepare plans and specifications and advertise for bids for the replacement of the Pauley lift station. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 4 - 0.

4. Water Tank Painting: Last year, three water tanks scheduled for painting were advertised. Approved was the painting of the Peach Orchard tank and at that time the Commission elected to not paint the Poor Farm Tank and the Foxcroft Tank. The contractor has agreed to hold his bid good through this year. The bid to paint both tanks was \$32,220.00. Commissioner Mounts made the motion to authorize the City Engineer to issue a work order to the contractor to paint the Poor Farm Tank and the Foxcroft Tank, with payment to be made from the 1991-92 operating budget. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 4 - 0.

5. Water Line Extensions: Mr. Sykes advised the Commission there is currently about \$30 million of 3% monies available for water line construction (available at 3% interest over a 30 year pay back period). Mr. Sykes has listed four projects: 1. extension of the Island Creek emergency tie-in (from the water plant to the crossing at Island Creek) estimated to cost \$83,000.00 (\$4,300.00 per year payback). 2. Extend water line through the old city limits with fire hydrants through Yorktown estimated to cost \$350,000.00 (\$18,000.00 per year payback). 3. Extend a 10 inch line from Yorktown through the current city limits estimated to cost \$269,000.00 with an annual repayment of \$14,000.00 per year. Mr. Sykes explained the City would gain about 52 customers with this extension. Commissioner Mounts asked how much money was being made from the purchase of the Chaney water system. The Finance Director reported the city is about breaking even. 4. Installation of a larger water tank at Cedar Creek at a cost of \$90,000.00. Commissioner Morris made the motion to authorize Will Linder to determine if these funds can be made available and if they can to authorize the City Engineer to prepare the plans and specifications for bidding. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 4 - 0.

The following resolution was presented to the Commission:  
RESOLUTION COMMENDING AND CONGRATULATING PAUL PATTON FOR WINNING THE DEMOCRATIC NOMINATION FOR LIEUTENANT GOVERNOR

WHEREAS, on May twenty-eighth, nineteen hundred ninety-one, Pike County Judge/Executive Paul Patton did win the Democratic nomination for Lieutenant Governor of the great Commonwealth of Kentucky;

WHEREAS, the Commission for the City of Pikeville desires to congratulate Paul Patton for his primary victory and further desires to express their support for Paul Patton's candidacy for Lieutenant Governor;

WHEREAS, the Commission for the City of Pikeville desires to commend Paul Patton for his many years of public service to his community and to the Commonwealth;

BE IT RESOLVED, by the City of Pikeville that the City Commission does hereby commend and congratulate Paul Patton for his election victory and does hereby express their support for Paul Patton in election for Lieutenant Governor.

Passed this twenty-ninth day of May, nineteen hundred ninety-one.

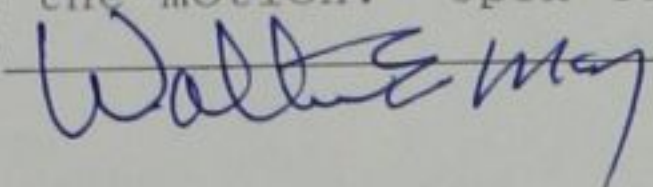
Commissioner Blankenship made the motion to adopt the resolution. Commissioner Mounts seconded the motion. Upon call of the roll, the



motion carried 4 - 0.

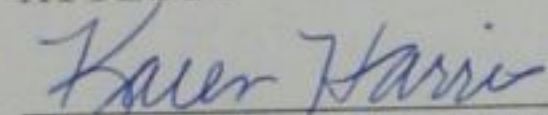
At 5:30 p.m. Commissioner Blankenship made the motion to recess and continue the meeting at 4:00 p.m. on May 30, 1991. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried 4 - 0.

APPROVED



WALTER E. MAY, MAYOR

ATTEST:



KAREN HARRIS, CITY CLERK



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