

## MINUTES } CITY OF PIKEVILLE

## REGULAR MEETING - AUGUST 26, 1991

The Board of Commissioners of the City of Pikeville met in regular session on Monday, August 26, 1991. The meeting was conducted in the City Hall Public Meeting Room at 260 Hambley Boulevard, Pikeville, Kentucky.

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

Added to the Agenda as item VI. E. were nominations to fill vacancies on the Joint Planning Commission and Zoning Board of Adjustments.

## AGENDA ITEM III. MINUTES

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

## AGENDA ITEM IV. BUSINESS FROM THE FLOOR

Bruce Larson representing the area family YMCA approached the Commission with regard to their lease of a parcel of property adjacent to Lorraine Street. Mr. Larson requested the Commission grant an extension on the existing lease thus affording the Commission the necessary time to complete the survey of the cut-thru and to settle any differences with the groups currently leasing property in that area. The lease expires on September 18th. Mr. Larson reported the YMCA will begin a fund drive in October and fears if the lease is not extended it may be perceived by the public that the YMCA does not have property on which to locate their proposed facility. Mayor May reported the surveys are completed and were presented to him by the City Engineer approximately 30 minutes prior to the meeting, however did not have sufficient time to present the information to the Commission. Mayor May advised he did not think it appropriate to extend the lease since the Commission is close to settling the property question. In addition, the site which is now currently under lease by the YMCA is not where it is proposed the building be located. The Mayor commented that the Commission is on record to provide the YMCA with the property to build the new facility subject to the YMCA raising the funds. Mr. Larson explained the difficulty of approaching a potential donor with only a promise of a site. Bruce Elliott, a Board Member of the YMCA stated that when they begin fund raising they are asked where the building will be located. The Mayor responded to Mr. Elliott by stating that the Commission will make a decision with regard to the lease at their September meeting.

Steve Harrison on behalf of the residents of the Lake Joann residents asked the Commission to consider extending sanitary and storm sewage service to this area. Mr. Harrison also remarked that the residents purchase their water from the Sandy Valley Water District, even though they have been within the City Limits for approximately eight years. Jack Sykes, City Engineer, reported that there may be a problem with extending the sewage lines in that area due to the fact the line ends at Keel Addition. The Keel Addition system is a small system which would not accommodate any significant additional flow. Mr. Sykes stated that a lateral line would have to be constructed, a pump station installed, and the line would have to be ran to the wastewater plant. As far as funding is concerned, Mr. Sykes reported that grant funds are very limited and informed the Commission that it would be a remote possibility of receiving funds for this project. The City Engineer was directed to study the area and make a report to the Commission at the next meeting.

Johnny Rasnick addressed the Commission with regard to the proposal from



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the National Guard to construct an armory facility on a 9.5 acre site known as the "lover's leap" property. Mr. Rasnick and his partners have offered the property to the City of Pikeville "as is" - there is no water service, no sewage service, and no asphalt on the roadway. A conditional deed and a deed of easement (for utility right-of-ways) have been prepared giving the city title to the property at no cost in an effort to determine if the city can, with the aid of the National Guard, get a roadway and utilities to the site. Terms and conditions of the deed require the city to acquire funding from the Department of Transportation or any other state agency to get facilities required by the National Guard to the site. The city will be working toward a time frame of the end of the current year. If the roadway is in place, the city will have until 1993 to extend the utilities to the site. Completion of the roadway will give the city a clear title to one-third of the property; extension of the water service an additional one-third; and with the extension of the sewage service, the remaining one-third. Mr. Rasnick told the Commission that the school board has yet to sign for a small portion of the parcel for the deed of easement, however the City Attorney indicated the board members have agreed to the concept. Commissioner Morris made the motion to accept the deed under the terms and conditions as cited by the City Attorney. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

## AGENDA ITEM V.

## PAYMENT OF BILLS

A list of City Bills totaling \$421,936.23 were presented to the Commission for approval of payment. Commissioner Blankenship made the motion to approve payment as requested. Commissioner Morris seconded the motion. In discussion, the City Manager reported funds to pay the bills as listed should be available the next week. Upon call of the roll, the motion carried unanimously.

## AGENDA ITEM VI.

## OLD BUSINESS

A. CITY ENGINEER'S REPORTS: Jack Sykes representing Summit Engineering, City Engineers, gave a verbal report of ongoing city projects as follows:

1. Foxcroft Water Tank: The painting and repairs have been completed.
2. Wastewater Treatment Plant: Phase I of the plant is on line and treating waste. Excavation for the second plant has begun. A meeting has been tentatively scheduled for September 16th with the Division of Water for a pre-construction conference on the plant.
3. 16 inch Water Line/Storage Tank: The line, itself, is complete. The line has been turned over to PSG and there is water in the line. The contractor still has clean-up work to do. Mayor May reiterated his request for the area at Baird Avenue where the tie-in was made to be repaired. Mr. Sykes reported the ring wall and the base of the Water Tank were poured this past week. Mr. Sykes anticipates the slab to be poured by the next week. The Commission was advised that Mountain Water District has given the contractor a time extension through October 15th. A change order is also being processed for additional piping work which will also be presented to Mountain Water District for approval.
4. Mall Access Road: The contractor, Paul Thacker Construction, has begun work on this project. The engineers have observed some problems on the site. Mr. Sykes explained when the contract was awarded for this project, the engineers required the contractor to undercut all the road and put in two feet of rock fill. There is a segment which stays wet. A change order will be required to allow the contractor to take out an additional couple of feet, put in rock and a french drain system to get all the seepage drain away from the road. Also an extension needs to be placed on an 18 inch drain pipe. The pipe was left to be picked up as part of the storm drain system for the mall, but the pipe extends over the roadway. Mr. Sykes recommended a change order to correct the problems in the amount of \$9,462.00. Commissioner Blankenship made the motion to approve a change order to the contract in the amount of \$9,462.00. Commissioner Davis seconded the motion. Upon call



- of the roll, the motion carried unanimously.
5. Riverfill Road Extension: As requested by the Commission at the previous regular meeting, Mr. Sykes presented the Commission with estimates to extend the river fill road. To extend the roadway via Huffman Avenue to the new Health Department, a cost of \$277,060.50 was cited which included curb, gutter and sidewalk. The cost without curb, gutter and sidewalk is estimated at \$182,064.00. Both estimates included tie-ins to Elm Street and the Day Care Center. The alternate to extend the river fill road from Baird Avenue to the Health Department is estimated to cost \$167,023.00 with curb, gutter and sidewalk and \$116,934.00 without curb, gutter and sidewalk. It was reported the new Health Department is partially open at this time. Mayor May reported his efforts to interest the state in contributing towards the blacktopping of the roadway were not met favorably. He further reported he had been unable to talk with Judge Patton with regard to the matter. The Mayor asked Mr. Sykes to prepare an estimate detailing the costs of extending the roadway from Huffman Avenue to Elm Street through the river fill area. Commissioner Blankenship was not entirely receptive to the idea of extending the roadway from Huffman Avenue. He voiced his opinion that it would restrict the college's uses of their property in this area. Mayor May explained that the college was given the property by the City and an easement was retained which would allow the City to construct a street. Mayor May asked the Commission to consider whether they would be willing to offer for sale the property from the City Park to Elm Street. He expressed his opinion that the proceeds would more than pay for the roadway extension. After further discussion, the Commission gave their consensus to allow Will Linder to investigate if there are any grant funds available for the roadway extension.

Mr. Sykes concluded his report by notifying the Commission he had filed an encroachment permit to the Department of Transportation for a turn lane on to the bridge at Combs Avenue. Mr. Sykes advised he expects the permit to be approved at any time. With regard to the request for extension of the turning lane at Baird Avenue, the Commission was advised that the Highway Department does not have adequate right-of-way.

B. CITY ATTORNEY'S REPORTS: City Attorney, Russell Davis, Jr., was present and submitted the following items to the Commission for their consideration:

1. Pikeville Public Hospital Corporation: Mr. Davis reported the Pikeville Public Hospital Corporation has asked the Commission to approve the financing of certain items of equipment for use by the Methodist Hospital of Kentucky. Mr. Davis explained that because the Pikeville Public Hospital Corporation is an agency of the City, it can borrow monies at a reduced rate. The Corporation has requested to purchase a Hewlett-Packard Imaging System in the amount of \$197,539.06, which will be paid over the next five years. The second financing arrangement is for a new nurse call system and a YAG Laser System in the amount of \$270,288.00. This debt will also be paid for over the next five years. The equipment will be leased to the Hospital and the Hospital will make the payments. The financial condition of the Hospital has been reviewed and it is the opinion that the Hospital can pay for the equipment. Mr. Davis advised the Commission that should the Hospital be unable to pay for the equipment, the City would be responsible for the debt.

A resolution was presented and read as follows:

RESOLUTION AUTHORIZING PIKEVILLE PUBLIC HOSPITAL CORPORATION TO INCUR INDEBTEDNESS IN THE SUM OF \$197,539.06 FOR A HEWLETT PACKARD IMAGING SYSTEM AND IN THE SUM OF \$270,288.00 FOR A NURSE CALL SYSTEM AND YAG LASER SYSTEM (RESOLUTION # R-91-015)

WHEREAS, the Pikeville Public Hospital Corporation has requested the City of Pikeville approve the incurrence of an indebtedness in the sum of \$197,539.06 for Hewlett Packard System and in the sum of \$270,288.00 for a Nurse Call System and YAG Laser, said equipment to be leased to the Methodist Hospital of Kentucky, Inc. in exchange for their agreement to pay the indebtedness for the equipment;

WHEREAS, upon payment in full of the indebtedness by the Methodist



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Hospital of Kentucky, Inc., said hospital shall acquire title to the equipment;

WHEREAS, the Commission of the City of Pikeville believes that it is in the best interest of the City of Pikeville to purchase the above-described equipment and incur the indebtedness therefor so to allow the Methodist Hospital of Kentucky to acquire needed medical equipment to run the community hospital at a significantly less interest rate than could be obtained in the financial market by the hospital.

WHEREFORE, BE IT RESOLVED BY THE CITY OF PIKEVILLE AS FOLLOWS:

1. That the Pikeville Public Hospital Corporation is hereby authorized to incur an indebtedness in the sum of \$197,539.06 to be paid at an interest rate of 8.497% in 60 monthly installments in the sum of \$4,056.59 for the purpose of acquiring a Hewlett Packard Imaging System to be leased to the Methodist Hospital of Kentucky, Inc.

2. That Pikeville Public Hospital Corporation is hereby authorized to incur an indebtedness in the sum of \$270,288.00 at an interest rate of 7.29167% to be paid in 60 equal installments for the purchase of a Nurse Call System and a YAG laser.

Passed this 26th day of August, 1991.

Commissioner Walter Blankenship moved the adoption of the foregoing resolution. Commissioner Frank Morris seconded the motion.

Upon roll call, the votes were as follows:

	<u>YES</u>	<u>NO</u>	
WALTER E. MAY, MAYOR	<u>X</u>	—	
GENE DAVIS, COMMISSIONER	—	—	ABSTAIN
FRANK MORRIS, COMMISSIONER	<u>X</u>	—	
JOHNNY MOUNTS, COMMISSIONER	<u>X</u>	—	
WALTER BLANKENSHIP, COMMISSIONER	<u>X</u>	—	

The Mayor declared the within resolution adopted.

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

ATTEST:

/s/ Karen Harris  
KAREN HARRIS, CITY CLERK

2. Property Tax: Presented to the Commission and read entitled was the following Ordinance:

AN ORDINANCE FIXING A TAX LEVY ON REAL AND TANGIBLE PERSONAL PROPERTY, FRANCHISES, BANK SHARES, ALL FOR THE GENERAL OPERATING EXPENSE PURPOSES AND PROVIDING FOR A DISCOUNT ON ALL TAXES, IF PAID ON OR BEFORE NOVEMBER 1ST, AND A PENALTY IF NOT PAID BY DECEMBER 31ST. (ORDINANCE # O-91-015)

Commissioner Davis made the motion to declare an emergency with regard to the Ordinance, forego second reading and adopt the Ordinance. Said emergency exists which requires the immediate adoption of this ordinance because the Tax Department has been notified by the property valuation administrator that the tax assessments have now been completed and the City's tax bills will be ready for mailing to property owners before the Commission's next scheduled meeting. 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

C. CITY MANAGER'S REPORTS: City Manager, John Johnson, reported the following items to the Commission:



1. ADF Application: Mr. Johnson advised the Commission that the ADF Application has been approved. The City has been awarded \$20,000.00. Mr. Johnson explained he had requested \$50,000.00 for the purpose of purchasing a water tank truck. The estimated cost of the 5,000 gallon water tank truck is between \$70,000 and \$80,000. The City Manager requested permission to advertise for bids. Commissioner Morris made the motion, seconded by Commissioner Blankenship to allow the City Manager to advertise for bids for a 5,000 gallon water tank truck. Upon call of the roll, the motion carried unanimously.

2. Asphalt Contract: The City Manager presented a proposal from Mountain Enterprises which establishes the prices the city can pay for asphalt. Base asphalt was quoted at \$27.84/ton; surface asphalt at \$27.94/ton; asphalt in place ranged from \$42.95 per ton to \$36.95/ton; and stone ranged from \$5.00 per ton to \$16.50 per ton - in place. Prices are in effect through December 31, 1991. Commissioner Morris made the motion, seconded by Commissioner Blankenship to accept the proposal. Upon call of the roll, the motion carried unanimously.

3. Marions Branch Water Line Extension: Mr. Johnson reported he had been in contact with Vernon Brown of the FmHA. The remainder of the funds from the Water Treatment Plant Project - approximately \$42,000.00 - has not been released at this time. It has been requested to use these funds for the extension of the water line to serve Marion's Branch. In answer to a question from Commissioner Morris, Mr. Johnson advised the water line extension project in Marion's Branch should begin one week from today.

4. Executive Session: Mr. Johnson requested an executive session for the purpose of discussing a personnel matter.

D. PSG REPORTS: Bill Harless, Manager of Professional Services Group gave a verbal report on the following items:

1. Bypass Sidewalk Project: Mr. Harless reported this project is proceeding on schedule.

2. Roll-Off Truck: Mr. Harless reported this vehicle has been in operation approximately three weeks. Commissioner Mounts expressed his opinion that it should be mandatory for everyone in the city to take advantage of the city's sanitation service. Mr. Harless suggested the Commission consider providing compactor stations and leasing them to customers. Mr. Harless was directed to make a survey of the companies affected, the cost involved, and revenue expected.

E. BOARD APPOINTMENTS: Mayor May reported the terms of the city's representatives who serve on the Pikeville/Pike County/Elkhorn City Joint Planning Commission have expired. Mayor May nominated Jean Ann Corbin and Steve Blevins to serve as the City's representatives and Frank Morris to serve as the Mayor's representative on the Pikeville/Pike County/Elkhorn City Joint Planning Commission. Commissioner Blankenship made the motion, seconded by Commissioner Davis to accept the Mayor's nomination of the aforementioned three individuals. Upon call of the roll, the motion carried unanimously.

The Mayor advised the Commission that the terms of the individuals serving on the Zoning Board of Adjustments have expired. Nominated by the Mayor to serve on this board were as follows: Frank Morris, Paul Thacker, Eddie Coleman, Stafford Damron and Judy Walters. Commissioner Blankenship made the motion, seconded by Commissioner Morris to approve Mayor May's nominations of the aforementioned individuals to serve on the Board of Zoning Adjustments. Upon call of the roll, the motion carried by a unanimous vote.

At 8:40 p.m., Commissioner Morris made the motion, seconded by Commissioner Davis to adjourn to an executive session for the purpose of discussing a personnel matter. Upon call of the roll, the motion carried unanimously.

At 9:50 p.m., Commissioner Blankenship made the motion to reconvene to regular session. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried unanimously.

The City Manager reported the Commission had requested additional



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information with regard to the personnel matter discussed in executive session. A decision will follow at a later time.

It was reported that the crack sealant will be applied to the Boulevard during the first week in September.

There being no further business to come before the Commission, Commissioner Davis made the motion to adjourn the meeting. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously. (Adjournment Time: 9:55 p.m.)

The City Commission's next scheduled meeting is September 23, 1991. The meeting will be held 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

