

MINUTES } CITY OF PIKEVILLE

SPECIAL MEETING - MAY 27, 1992

The City of Pikeville Board of Commissioners were called to meet in Special Session on May 27, 1992 at 6:00 p.m. for the following purposes:

CITY OF PIKEVILLE
CITY COMMISSION MEETING
WEDNESDAY 6:00 P.M. (SPECIAL MEETING)
MAY 27, 1992
CITY HALL PUBLIC MEETING ROOM

- I. CALL TO ORDER
- II. MINUTES: Consider approval of the minutes from the Regular Meeting of April 27, 1992.
- III. Consider negotiations with the H.L. Libby Corporation in a proposal to develop the old airport site.
- IV. BUSINESS FROM THE FLOOR
 - A. Consider a report from the City Attorney relative to legislation passed with regard to public meetings.
 - B. Consider a request from the Jaycees for assistance with the 4th of July Fireworks Demonstration.
 - C. Consider a request from Forrest Beeler for an entrance to his property on Scott Avenue
- V. PAYMENT OF BILLS
 - A. City Bills
 - B. Wastewater Treatment Plant
- VI. OLD BUSINESS
 - A. City Engineer's Reports
 1. Status Reports w/any necessary actions
 - a. Wastewater Treatment Plant
 - b. Pauley Bridge
 - c. Perry Cline Emergency Shelter (change order)
 - d. Press Box at Pikeville High School
 - e. Huffman Avenue
 - f. Water Tanks
 - g. South Mayo Water Line
 - h. Ambulance Station
 - i. City Hall/River Fill Building
 - B. City Attorney's Reports
 1. Consider a resolution approving settlement for damages to Northgate Drive.
 2. Consider action to be taken on Mountain Water District's Water Purchase Contract.
 3. Consider approval of the operation agreement for the Emergency Shelter with the United Helping Hands of Pikeville, Inc.
 4. Consider second reading of an Ordinance amending the current Transient Room Tax Ordinance with regard to collections.
 5. Consider action with regard to the amended garbage rate ordinance.
 - C. City Manager's Reports
 1. Surplus Property: Consider opening bids received for the sale of a tract of property at the mouth of Chloe Creek.
 2. Consider an update on efforts toward the emergency ambulance service and bids received for vehicles.
 3. Consider a request for use of the riverfill behind the city park for a tent revival.
 4. Consider action with regard to the proposed High Street Project.
- VII. NEW BUSINESS
- VIII. PERSONNEL ACTIONS
- IX. ANNOUNCEMENTS
- X. CONSENT ITEMS
 - A. PSG Monthly Operating Report
 - B. Quarterly Police Department Report
- XI. ADJOURNMENT

Mayor Walter E. May presided and called the meeting to order at 6:20 p.m. Commission Members present and forming a quorum were as follows:

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

Commissioner Johnny Mounts arrived at 6:30 p.m.
AGENDA ITEM II. MINUTES

The minutes for the previous regular meeting of April 27, 1992 were included

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in each Commission Member's agenda package. There being no additions or corrections, Commissioner Blankenship made the motion to approve the minutes as submitted. Commissioner Davis seconded the motion. Upon call of the roll, the motion carried 4 - 0 (Commissioner Mounts not present at the time of the vote).

Due to citizen request, Business from the Floor was moved to Item III on the agenda and discussions with the H.L. Libby Corporation was moved to Item IV.

1992 Legislation: City Attorney Russell Davis, Jr. advised the Commission of legislation enacted during the recent session of the General Assembly. According to Section 4 of House Bill 16, KRS 61.815 is amended to provide for notice to be given in regular open meeting of the general nature of the business to be discussed in closed session, the reason for the closed session, and the specific provision allowing the business to be discussed in closed session. House Bill 16 also limits discussions and actions at a special meeting to those items listed on the agenda in the special meeting notice. The City Attorney was directed to notify all city agencies of this legislation.

Jaycees: Suzanne Stumbo, past president of the Pikeville Jaycees presented Mayor May with a plaque in appreciation of the support given to the Jaycees. Pat Honaker, representing the Pikeville Jaycees, requested the city assist in the purchase of fireworks for the Fourth of July. Ms. Honaker reported that she expects \$8,000 will be spent on fireworks for this year's demonstration. Commissioner Morris made the motion for the city to purchase \$5,000 in fireworks for the Fourth of July celebration. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

Forrest Beeler: Mr. Beeler came before the Commission to request to purchase a permanent easement to serve as ingress/egress for his property located adjacent to Scott Avenue. Mr. Beeler proposed to purchase a segment consisting of 7 ft. from the fence to the curb, 34 feet in width and 20 feet in length. After discussing the matter with the City Engineer, this was found not feasible due to there not being adequate space for the construction of a sidewalk. The consensus of the City Commission was to grant access across city property to Mr. Beeler for the purpose of ingress/egress to his property. The City Engineer was directed to work with Mr. Beeler to determine the most convenient access and the City Attorney was directed to prepare an agreement to be approved at the next meeting.

AGENDA ITEM IV. NEGOTIATIONS WITH H.L. LIBBY CORP.

At 6:40 p.m., Commissioner Davis made the motion to adjourn to a closed session pursuant to the provisions of KRS 61.810, Section 3, paragraph g, with representatives of the H. L. Libby Corporation for the purpose of discussing a proposal to develop the old airport site. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

At 8:02 p.m., Commissioner Davis made the motion, seconded by Commissioner Blankenship to reconvene to regular session. Upon call of the roll, the motion carried 5 - 0.

Mayor May reported the Commission looked favorably on the discussion with representatives of the H. L. Libby Corporation in a proposal to develop a power strip center on the old airport site. The Mayor invited the company to proceed with the preparation of the appropriate documentation which the Commission could review toward considering naming them as the city's developer of this site. Mayor May advised a meeting could be called to consider any necessary action upon review of the documentation by the city attorney.

AGENDA ITEM V. PAYMENT OF BILLS

A. CITY BILLS: A list of City Bills totaling \$388,456.99 were presented to the Commission for approval of payment. Upon the City Manager's recommendation the bills be approved and confirmation that funds were available for payment of the bills, Commissioner Blankenship made the motion, seconded by Commissioner Davis to approve payment of the bills as submitted. Upon call of the roll, the motion carried unanimously.

B. WASTEWATER TREATMENT PLANT: City Engineer Jack Sykes advised the Commission the wastewater treatment facility has reached substantial completion. Presented was a request for payment from Professional Services Group, Inc. for \$199,993.77. Balance due is estimated at \$75,000.00. Mr. Sykes assured the Commission the balance will cover any remaining work yet to be completed. Commissioner Mounts made the motion to approve payment to PSG in the amount of \$199,993.77. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 5 - 0.

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.

1. Pauley Bridge: Plans have been prepared for the repair of the bridge in accordance with the requirements set forth by the Department of Transportation. The plans have been forwarded to the Historic Preservation Council and the Highway Department for their review, however there have been

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no comments from either agency. Will Linder, grantsman was present, and advised there is a possibility of receiving some type of grant funds for the necessary repairs to the bridge. The City Engineer was directed to work with Mr. Linder in supplying the necessary figures for the grant application.

2. Perry Cline Emergency Shelter: Mr. Sykes reported the contract is now complete on this project. A change order, for items primarily related to the kitchen, was presented for approval in the amount of \$1,712.00. Work would include tile for the kitchen and dining room, installation of shower curtain rods and towel bars, etc. Mr. Sykes advised the majority of the change order will be in excess of the grant funds. Mayor May suggested that Sue Smallwood, Administrative Assistant, contact area civic organizations to see if they would be interested in making donations. Commissioner Morris made the motion to approve funding the change order in an amount not to exceed \$1,712.00. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

3. Press Box: The City Engineer displayed plans for the replacement of the press box that was demolished earlier in the year by a wind storm. The plans provide for three sides of the 60 ft. X 8 ft. structure to be block with a 61 ft. X 9 ft. concrete platform on top. Due to complaints from the news media with regard to the visibility, the city engineer was asked to eliminate as many of the partitions between the windows as feasible. It was also asked that Mr. Sykes obtain suggestions from the radio media relative to the placement of telephone jacks, power strips, and the installation of an 18 inch countertop. Commissioner Blankenship made the motion to approve the plans as revised and authorize the City Engineer to proceed with advertising for bids for the construction of the press box. Commissioner Davis seconded the motion. Upon call of the roll, the motion carried 4 - 0 (Commissioner Morris not present at the time of the vote).

4. Huffman Avenue: The contractor has completed the construction of the headwall. It is expected to be turned over to PSG by the first week of June. The City Engineer was asked to prepare estimates detailing the cost and the portion which would be the responsibility of the Highway Department and of the City for constructions of a turn lane on the By-pass.

5. Water Tank Repairs: Mr. Sykes advised that bids will be presented at the next meeting for the painting of the Harolds Branch and Road Fork tanks.

6. South Mayo Water Line Project: The engineer reported the draft plans for this project are complete and the contract documents have been drafted. Mr. Sykes advised that easements will be needed from the railroad, the highway department and four or five individual property owners. Results of the negotiation will be reported on at the next meeting. As a matter of discussion, Mr. Sykes reminded the Commission that the project will be awarded in four separate contracts. The City Attorney will review the proposed contract documents.

7. Ambulance Service: Mr. Sykes displayed a draft set of plans for the addition to the Fire Station to house the ambulances. Mr. Sykes estimated the cost for the three bays and sleeping quarters at \$96,000.00. Will Linder indicated the possibility of some type of grant funds becoming available in September or October which could be applied for to purchase a 4 wheel drive vehicle for the emergency ambulance service. Commissioner Morris made the motion to authorize the City Engineer to place the project out to bid. Commissioner Blankenship seconded the motion. Commissioner Mounts questioned how the addition was to be funded. The City Manager explained that Coal Severance has increased 25% and the state will be offering an addition of 12%, which will be allocated in the form of a grant, however there is no guarantee the city will be successful in obtaining those additional funds. The motion carried 3-2 (Commissioners Davis and Mounts cast "NO" votes).

8. Hughes Building: Mr. Sykes was directed at a prior meeting to determine the feasibility of renovating the Hughes Building in the riverfill to be used as city hall. Mr. Sykes estimated \$104,000 to bring the building to meet those standards set by the state for accessibility by handicapped persons (installation of an elevator, widening the stairway, etc.) and other minor remodeling. Mr. Sykes also presented plans depicting the construction of a building to house the police station and city hall which he estimated to cost \$528,000. After considerable discussion, the city manager was directed to come back before the Commission at the next meeting with a temporary plan which would solve the office space problem at city hall.

B. CITY ATTORNEY'S REPORTS: Russell Davis, Jr., City Attorney, presented the following items for the Commission's consideration:

1. Northgate Drive: Presented to the Commission was a resolution authorizing the acceptance of a settlement offer in the roadway damages dispute between the city and Kentucky Glass Lined Tank Systems, Inc. and Jackson Builders while installing the new water tank. The resolution was presented and read entitled:

RESOLUTION APPROVING SETTLEMENT WITH JACKSON BUILDERS, INC AND KENTUCKY GLASS LINED TANK SYSTEMS, INC. FOR DAMAGE TO NORTHGATE DRIVE DURING CONSTRUCTION ACTIVITIES

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WHEREAS, the City of Pikeville believes that Mountain Water District's contractor, Kentucky Glass Lined Tank Systems, Inc., who constructed the Road Fork Water Tank No. 2, and their contractor, Jackson Builders, damaged the paved surface to Northgate Drive during construction.

WHEREAS, the City of Pikeville recognized that a certain portion of that roadway was already damaged prior to construction,

WHEREAS, the insurance carrier for Kentucky Glass Lined Tank Systems, Inc. and Jackson Builders, Inc. has agreed to pay to the City of Pikeville in full settlement of their claim the sum of \$14,000.00.

WHEREAS, the Commission believes that the settlement proposal is fair and reasonable and desires to accept the same.

NOW, THEREFORE, BE IT RESOLVED by the City of Pikeville that the City does hereby approve a settlement of the City's claim against Jackson Builders, Inc., Kentucky Glass Lined Tank Systems, Inc., their employees and agents from all liability associated with damage that occurred to Northgate Drive during the construction of the Road Fork Water Tank No. 2 pursuant to contract with Mountain Water District for the total sum of \$14,000.00 and does hereby authorize the City Attorney, Russell H. Davis, Jr., to execute any and all necessary releases so to accomplish the settlement.

Passed this 27th day of May, 1992.

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

Upon roll call, the votes were as follows:

	YES	NO
WALTER E. MAY, MAYOR	X	
GENE DAVIS, COMMISSIONER	X	
FRANK MORRIS, COMMISSIONER	X	
JOHNNY MOUNTS, COMMISSIONER	X	
WALTER BLANKENSHIP, COMMISSIONER	X	

The Mayor declared the within resolution adopted.

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

ATTEST:

/s/ Karen Harris
KAREN HARRIS, CITY CLERK

2. Mountain Water District: The City Attorney requested an executive session pursuant to KRS 61.810, Section 1 paragraph c, to discuss possible litigation against Mountain Water District with reference to their water purchase contract with the City of Pikeville. At 9:00 p.m., Commissioner Morris made the motion to adjourn to closed session and requested by the City Attorney. Commissioner Davis seconded the motion. Upon call of the roll, the motion carried unanimously.

At 9:45 p.m., Commissioner Blankenship made the motion, seconded by Commissioner Morris to reconvene to regular session. Upon call of the roll, the motion carried 5 - 0.

The city attorney explained that Mountain Water District has not been paying the latest water rate increase that was adopted by the city of Pikeville based upon the contract formula for rate increases. Mountain Water District contends they should not be bound by the formula previously agreed and also that the data used to calculate the rate increase was incorrectly compiled. In an attempt to resolve the dispute, Commissioner Blankenship made the motion to authorize the city attorney to contact Mountain Water District advising them that the city of Pikeville would agree to arbitrate the issue of whether the correct information was submitted for the calculation of the formula for the rate increase; informing them the arbitration would be binding on both parties; that each party will equally split the cost of the arbitration by the American Arbitration Association; and should Mountain Water District not agree to arbitrate under the terms within 30 days, authorize the city attorney to file suit. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried unanimously.

3. Emergency Shelter Agreement: Presented to the Commission for approval was an agreement between the United Helping Hands, Inc. and the city of Pikeville for the operation of the Emergency Shelter at the Perry Cline Building. The agreement for operation is on a year to year basis. Commissioner Davis made the motion to authorize the Mayor to execute the agreement. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 5 - 0.

4. Hotel/Motel Room Fee: Presented and given second reading was an Ordinance entitled:

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AMENDMENT TO ORDINANCE ADOPTING THREE (3%) PERCENT ROOM TAX FOR FUNDING OF TOURISM AND RECREATION COMMISSION

Mr. Davis advised this amendment would provide for the liquor licensee to be withdrawn for establishments not paying the 3% fee as required.

Commissioner Blankenship made the motion to adopt the Ordinance as presented. 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

4. Garbage Ordinance: Mayor May expressed his dissatisfaction for the manner in which the recent garbage rate increase was put into effect. He reported receiving many complaints, especially from businesses whose rate had increased at much as 300%. The City Manager explained that he had corrected errors which were the cause of much of the increase in that dumpster sizes were incorrectly calculated by PSG which resulted in overbilling. After the billing problems were corrected, the overall increase including both residential and commercial customers was 72%. Mr. Johnson continued by assuring the Commission the rate increase was necessary in that the city was losing approximately \$14,000.00 per month prior to the rate increase. It is projected there will be a surplus of about \$5,000.00 which will go toward the purchase of new equipment. It was reported it had been at least ten years since the garbage rates had been increased. Mayor May commented that he had no doubts the rate increase was necessary, however he objected to the magnitude of the increase and apologized for past inefficient management. The Mayor stated the increase should have been gradual so as not to place a hardship on anyone. The Mayor directed the City Manager to write a letter of complaint to PSG and ask for an explanation why erroneous information was supplied.

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

1. Surplus Property: The City Manager opened the only bid received for the sale of a surplus parcel of property located at the mouth of Chloe Creek. Summit Engineering submitted a bid of \$500.00. Commissioner Morris made the motion to authorize the sale of the property to Summit Engineering with the stipulation that if Summit Engineering decided to sell the property, they would offer the property to the city first. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried unanimously.

2. Ambulance Service & Bids: Mr. Johnson advised the Commission that currently there are 14 firefighters who are certified EMT's. It is expected the remaining five firefighters will be certified EMT's by the end of August. Seven volunteer firefighters are certified. There are two paid firefighters who are currently in a paramedic program. The certificate of need required the purchase of two ambulances. Mr. Johnson presented the bids which ranged from \$111,001 to \$120,483. The lowest and best bid was submitted from Horton d/b/a CEI who can deliver within 3 1/2 weeks. Mr. Johnson recommended the bid be awarded to Horton. The Commission was advised a few items of equipment were inadvertently omitted from the bid document which would take the total price of the ambulances to \$112,307. Mr. Johnson stated that Pikeville National Bank has agreed to lend the funds necessary on a lease/purchase agreement. Mayor May announced that the Methodist Hospital has agreed to purchase one of the ambulances up to an amount of \$45,000.00 and donate it to the city of Pikeville. Commissioner Blankenship made the motion to accept the gift from the Methodist Hospital and directed the City Manager to write a letter of appreciation to the hospital's administrator. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried unanimously. Mr. Johnson advised that \$80,000.00 will be borrowed for the remaining ambulance and additional supplies. Commissioner Blankenship made the motion to award the bid for the purchase of the ambulances to Horton d/b/a CEI in the amount of \$112,307.00. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried unanimously.

3. Tent Revival: Mr. Johnson presented a request to the Commission from Curtis Anderson asking for permission to use the riverfill area behind the City Park for a tent revival from July 6th through July 17th. Commissioner Morris made the motion, seconded by Commissioner Mounts to allow the riverfill area behind the City Park to be used for two weeks for a tent revival between the hours of 6:00 p.m. to 10:00 p.m. on July 6-17. Upon call of the roll, the motion carried unanimously. The Commission directed the sound systems be kept at a moderate level and the area be cleaned each evening.

4. High Street Project: In conjunction with the application for funding

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to the state for the proposed High Street renovation project, Mr. Johnson reported he had received a copy of a letter to John Pinson from Will Linder's office requesting that a letter be submitted from the City Manager or the Mayor committing the city to condemn properties on High Street or the neighborhood, if necessary, and for the city to commit up to \$90,000.00 toward the project which would be used for street paving, drainage, and other repairs. The \$90,000.00 would not necessarily be committed from one budget year but over a two to three year period of time. Commissioner Blankenship made the motion to authorize the City Manager or Mayor to write the letters as requested. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried unanimously. Mayor May commented that High Street was not being cleaned on a regular basis and that trash, such as furniture and appliances, were not being hauled away in a timely manner. The Police Department was asked to cooperate with PSG in coordinating the effort to run the street sweeper on High Street, Sycamore Street and Kentucky Avenue by making sure the vehicles were moved. Annie Kinney reported trash and other litter is being thrown next to her property line fence from tenants of Housing Authority subsidized apartments. The Mayor suggested that a letter be written to the Housing Authority asking that the property owners keep the grounds clean and ask the Housing Authority to refuse to do business with landlords who do not cooperate.

There being no further business to come before the Commission, Commissioner Davis made the motion, seconded by Commissioner Morris to adjourn. Upon call of the roll, the motion carried unanimously. (Adjournment Time: 10:40)

APPROVED

Walter E. May
WALTER E. MAY, MAYOR

ATTEST:

Karen Harris
KAREN HARRIS, CITY CLERK