

MINUTES } CITY OF PIKEVILLE

SPECIAL MEETING MINUTES - DECEMBER 11, 1992

The Board of Commissioners of the City of Pikeville was called to meet in Special Session on Friday, December 11, 1992 for the following purposes:

1. Consider report from Jack Sykes, City Engineer, regarding extension of water, sewer, and gas lines to Thompson Road area and take any actions necessary.
2. Consider a report from John Rasnick on commercial development of old airport site, possible use of UDAG funds, and execution of agreement for the extension of utilities and any further action deemed necessary.
3. Personnel action.

There being a quorum present, Mayor Walter E. May called the meeting to order at 4:00 p.m. Commission Members present upon call of the roll were as follows:

MAYOR:	WALTER E. MAY
COMMISSIONER	SHARON CLARK
	EUGENE DAVIS
	JOHNNY MOUNTS

Commissioner Walter "Smokey" Blankenship was absent.

The meeting was conducted in the City Hall Public Meeting Room at 260 Hambley Boulevard.

1. City Engineer, Jack Sykes, displayed a map depicting construction that the airport site developer has proposed. The basis project consists of a 90,400 sq. ft. Lowes and a 44,000 sq. ft. Winn Dixie. The developer is requesting that the City Commission approve the extension of utilities - primarily sewage and gas - past the access road from the four-lane to the airport road. To accomplish the sewage extension, a force main would have to be constructed to the wastewater plant and it would be necessary to locate a pumping station in the vicinity of the north end of the development. A gravity sewer line would be constructed which would collect septic waste from the development and would be brought to the pumping station.

After discussing the matter with Will Linder, grantsman, Mr. Sykes indicated the best funding source is a Community Development Block Grant (CDBG). The estimate to extend the sewage service to the development is \$358,560.00. Mr. Sykes explained to the Commission that a 10" water line feeds this area which runs from the Bypass to Pauley, crosses the river to the airport road and then crosses back down the river. It has been recommended that a 10" water line be installed which would allow an alternate water supply to the area. Total estimate is \$600,000 which would include picking up the Lake Joann Subdivision. Mr. Sykes gave the opinion that the monies needed to include the Lake Joann Subdivision would probably not be fundable through CDBG, however, Mr. Linder suggested applying for the installation of the alternate water line while applying for the funds for the sewage extension.

No estimates were done for the extension of gas services. Mr. Sykes reported the cost would be minimal as both gas and sewage lines could be placed in the same trench.

Commissioner Mounts made the motion to authorize the City Engineer to contact Will Linder to direct him to prepare and file the necessary application for CDBG funds. Commissioner Davis seconded the motion. Mr. Sykes advised there would probably be a 90 day waiting period before the funding agency made a decision on the application. Upon call of the roll, the motion carried 4 - 0.

2. At a meeting held earlier in the week in Lexington, discussion was had by David Brooks, C. J. May and John Rasnick concerning the potential uses of UDAG monies for on-site developments for the airport site project. Mr. Sykes reported it was decided that UDAG funds could not be used for Phase 1 of the development, however there is a possibility it could be used for the 2nd phase of the project. City Attorney Davis presented an agreement for the extension of utilities to the airport site. Points of the agreement provide that the City will, at its sole cost and expense, extend adequate and sufficient utility lines for sanitary sewer and gas service to the Property; utility lines will be properly sized and constructed of a material and installed at elevations as required by the development; the parties (Big Sandy/Pikeville Limited Partnership and City of Pikeville) agree to promptly, execute, acknowledge and deliver all further acts, grants of necessary easements, permits or rights of way and any other documents necessary to effectuate the extension of the utility lines; the City will have the work completed no later than July 15, 1993; The City agrees not to impose any special taxes, assessments or fees for the work to extend the utilities, however Big Sandy will pay any taxes, permit fees and utility costs which are assessed on a city-wide basis.

In discussing the city's ability to pay back a loan for the extension of the utilities should the CDBG application be unsuccessful, the city manager explained that monies from property taxes and occupational taxes generated from the project could be used to repay the loan. According to C.J. May, the

MINUTES } CITY OF PIKEVILLE

Winn Dixie development will be valued at \$3.8 million and the Lowes development will have an expected valuation of \$5.7 million. It is estimated an additional 200 persons will be employed between the two retail facilities.

A resolution was presented and read as follows:

RESOLUTION AUTHORIZING THE EXECUTION OF A UTILITY AGREEMENT BETWEEN THE CITY OF PIKEVILLE AND BIG SANDY/PIKEVILLE LIMITED PARTNERSHIP

WHEREAS, the Pikeville City Commission has determined it is in the public's best interest to enter into an agreement whereby the City of Pikeville shall extend utilities to a development site located on the Old Airport within the City of Pikeville so to allow the construction of a 90,000 square foot Lowe's lumber store.

WHEREAS, the City Commission believes that the extension of utilities to the future development property site will assist future development and make utilities available to residential areas within the City not currently served.

THEREFORE, BE IT RESOLVED BY THE CITY OF PIKEVILLE that the Mayor of the City of Pikeville is hereby authorized to execute on behalf of the City of Pikeville a utility extension agreement between the City of Pikeville and the Big Sandy/Pikeville Limited Partnership, a copy of which is attached hereto.

Commissioner Mounts made the motion to adopt the resolution authorizing the execution of the utility agreement subject to the provision that construction of utilities will not be required of the City of Pikeville until such time as the developer has submitted to the City a signed lease from Lowes, a copy of the purchase agreement from Winn Dixie and an irrevocable financing commitment to do the project, and further on the understanding that the Mayor will, before executing the agreement, satisfy himself that in the event it becomes necessary for the City to self-finance the construction of utilities because of denial of CDBG funds, that there will be sufficient revenues raised from occupational taxes, property taxes or any other fees generated from the project in order to retire the debt. Commissioner Clark seconded the motion. Upon call of the roll, the motion carried by the following votes:

WALTER E. MAY, MAYOR	YES
WALTER BLANKENSHIP, COMMISSIONER	ABSENT
EUGENE DAVIS, COMMISSIONER	YES
SHARON CLARK, COMMISSIONER	YES
JOHNNY MOUNTS, COMMISSIONER	YES

3. At 4:55 p.m., Commissioner Davis made the motion to adjourn to a closed session, pursuant to Section 3, Paragraph f, of the Open Meetings Law, to discuss a personnel matter. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried 4 - 0.

At 6:11 p.m., Commissioner Mounts made the motion to reconvene to regular session. Commissioner Davis seconded the motion. Upon call of the roll, the motion carried 4 - 0.

Mayor May gave a Notice of Charges Preferred and Notice of Hearing to Robert Courtney. A copy of the charges was delivered to the City Clerk, who was directed to seal the document.

Mayor May announced the disciplinary hearing for Robert Courtney is scheduled for December 16, 1992 at 4:00 p.m., and said hearing will be conducted in the City Hall Public Meeting Room.

The following Resolution was presented and read:

RESOLUTION SUSPENDING ROBERT COURTNEY FROM DUTY PENDING THE OUTCOME OF A TRIAL ON CHARGES PREFERRED AGAINST HIM

IT IS HEREBY RESOLVED BY THE CITY OF PIKEVILLE that pursuant to KRS 95.450, that the Mayor of the City of Pikeville has preferred charges against Robert Courtney, a copy of which has been delivered to him, charging him with misconduct, insubordination and violation of the rules adopted by the City of Pikeville. The City Commission has determined that there is probable cause to believe that as a result of the charges preferred by the Mayor, that Robert Courtney may be guilty of conduct which justifies his dismissal or punishment. Therefore, pursuant to KRS 95.450(5), Robert Courtney is hereby suspended from duty with pay pending his trial on the charges.

Passed this 11th day of December, 1992.

Commissioner Johnny Mounts moved the adoption of the foregoing resolution. Commissioner Sharon Clark seconded the motion.

Upon roll call, the votes were as follows:

	<u>YES</u>	<u>NO</u>
WALTER E. MAY, MAYOR	X	
GENE DAVIS, COMMISSIONER	X	
SHARON CLARK, COMMISSIONER	X	
JOHNNY MOUNTS, COMMISSIONER	X	

MINUTES } CITY OF PIKEVILLE

WALTER BLANKENSHIP, COMMISSIONER

ABSENT

The Mayor declared the within resolution adopted.

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

ATTEST:

/s/ Karen Harris
KAREN HARRIS, CITY CLERK

The City Manager appointed Assistant Fire Chief, Tommy Hall, as Acting Fire Chief.

There being no further business to come before the Commission, Commissioner Mounts made the motion, seconded by Commissioner Davis to adjourn. The motion carried 4 - 0. Adjournment Time: 6:15 p.m.

APPROVED

Walter E. May
WALTER E. MAY, MAYOR

ATTEST:

Karen Harris
KAREN HARRIS, CITY CLERK