

# MINUTES } CITY OF PIKEVILLE

## SPECIAL MEETING MINUTES - APRIL 13, 1993

The Board of Commissioners of the City of Pikeville were called to meet in Special Session on April 13, 1993, for the following purposes:

1. TO CONSIDER A PROPOSAL FROM ABSHER ENTERPRISES FOR RIVER FILL PROPERTY PURCHASE
2. TO CONSIDER A REQUEST FROM WAYNE RUTHERFORD TO LEASE THE CITY'S BUILDING IN THE RIVER FILL
3. CONSIDER THE PLACEMENT OF TREES ALONG HAMBLEY BOULEVARD
4. CONSIDER A REQUEST FROM THE SHRINERS TO USE A PORTION OF THE RIVER FILL FOR PARKING DURING HILLBILLY DAYS
5. TO CONSIDER A CLOSED SESSION FOR THE PURPOSE OF DISCUSSING A PERSONNEL MATTER

The meeting was held 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 5:35 p.m. Commission Members present at call of the roll were as follows:

MAYOR:	WALTER E. MAY
COMMISSIONER:	WALTER BLANKENSHIP
	SHARON CLARK
	JOHNNY MOUNTS

Commissioner Eugene Davis was absent.

1. City Attorney Davis presented and reviewed a Memorandum of Understanding Between Absher Enterprises, Inc. and the City of Pikeville, whereby the city will sell a certain tract of property located in the Pikeville River Fill and adjacent to Main Street to Absher Enterprises for the purpose of constructing a 10 screen cinema. The eight points of the agreement were summarized as follows:

1. The City will sell to Absher Enterprises a tract consisting of approximately 2.767 acres (subject to easements) for \$200,000. The property will be conveyed upon full payment and execution of a sales agreement by deed of conveyance with special warranty.

2. The property shall be subject to a 30 foot sewer easement and a 20 foot water line easement. The 35 foot roadway easement shown on the map is deleted. No permanent improvements can be constructed over the area, however Absher Enterprises will be permitted to asphalt over the easements for the purpose of parking and to provide a roadway. The City will have the right to remove any surface material if necessary to maintain the utilities within the easement.

3. Absher Enterprises agrees to construct a 10 screen cinema complex consisting of approximately 1900 seats. Absher Enterprises is required to begin construction on or before December 31, 1993, if they fail to do so, title of the property shall revert to the city upon refund by the city to Absher Enterprises the total purchase price of \$200,000 without interest. Absher Enterprises is required to have construction complete and to have begun operation of the cinema complex on or before December 31, 1994. \$100.00 a day liquidated damages for each and every day thereafter until construction is complete and the cinema complex is in operation shall be assessed.

4. Absher Enterprises understands that a portion of the property to be conveyed is currently subject to a lease agreement between Wells Motor and the Urban Renewal and Community Development Agency which provides that the lessee shall be given thirty (30) days written notice of cancellation.

5. The City agrees to grant a permanent non-exclusive easement for the purpose of free parking on a certain tract of property owned by the city lying in the river fill and being adjacent to the riverfill property and ending at Division Street where it runs across the riverfill. Said parking lot consists of what is currently asphalted and being used as free parking at this time. The City will further except and reserve a permanent, non-exclusive easement for free parking upon any of the parking lots constructed by Absher Enterprises for its Cinema Complex during non-peak hours for so long as the property is used as a cinema. Both parties are to maintain their parking lots in good order and shall install lighting in these parking areas.

6. The City agrees to construct a sidewalk across its existing parking lot in the riverfill between Division Street and the property if Absher Enterprises constructs a similar sidewalk across its parking lot to the cinema complex.



7. Absher Enterprises agrees that no X-rated movies will be shown and a covenant will be placed in the deed of conveyance prohibiting such movies.

8. Absher Enterprises agrees that if the property to be conveyed to Absher Enterprises is resold, assigned or in any other manner conveyed by Absher Enterprises prior to the beginning of construction, a refund to the City of Pikeville for the difference between the purchase price and the sales price will be made by Absher Enterprises.

It was reported that Mr. Absher's attorney is currently completing a title search. Commissioner Blankenship made the motion to accept the memorandum of understanding and authorize the Mayor to execute the deed of conveyance upon completion of the title search. Commissioner Clark seconded the motion. Upon call of the roll, the motion carried 4 - 0.

Commissioner Clark made the motion, seconded by Commissioner Blankenship to apply the proceeds from the sale to the bank loan (\$435,000) which was obtained to purchase the improvements (building constructed by J.A. Hughes) made to the river fill. Upon call of the roll, the motion carried 4- 0.

2. Deputy County Judge, Frank Morris, asked permission to rent 1/2 of the downstairs of the city's building in the river fill through May, 1993. Mr. Morris advised the Commission that the building would be used for Wayne Rutherford's campaign headquarters, who will be responsible for providing liability insurance and utilities. City Manager Johnson recommended a rental fee of \$500.00 per month. Commissioner Blankenship made the motion to rent the requested portion of the building to Wayne Rutherford. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried 4 - 0. The Commission stressed to those present that the action to rent the building to Mr. Rutherford is in no way an endorsement of Mr. Rutherford in his candidacy for the office of county judge/executive.

3. Commissioner Clark reported that the Pikeville Beautification Program ordered more trees to be placed along Hambley Boulevard. Currently the trees are being planted in front of Roy Goff's Furniture, Unique Boutique and Dr. Nichols' office. The Goff's and Coleman's have objected to the placement of the trees in front of their stores because they feel the trees will prohibit potential customers from seeing their stores from the Boulevard. The Commission authorized the Mayor and Commissioner Clark to speak to the Goff's and Coleman's in an effort to continue with the beautification project.

4. John Mauldin, on behalf of the Shriners, asked the Commission to allow the use of the recently gravelled river fill area to be used for parking during Hillbilly Days. The Shriners would like to charge a fee of \$2.00 for each vehicle to park an unlimited time. The Commission expressed their opinion that no fee should be charged for parking, however did not see a problem with suitable signs being erected that advertised free parking and that donations would be accepted on behalf of the Shriners' Hospital. The Shriners are to provide parking attendants to make sure the cars are parked in the most efficient manner.

5. At 6:19 p.m., Commissioner Mounts made the motion, seconded by Commissioner Blankenship to adjourn to a closed session for the purpose of discussing a personnel matter pursuant to section 3 of the Open Meetings Law. Upon call of the roll, the motion carried 4 - 0.

At 6:58 p.m., Commissioner Blankenship made the motion to reconvene to regular session. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried 4 - 0.

The Commission had no action to take as a result of the closed session.

There being no further business to come before the Commission, Commissioner Blankenship made the motion, seconded by Commissioner Mounts to adjourn the meeting. Upon call of the roll, the motion carried 4 - 0. (Adjournment Time: 6:59 p.m.)

APPROVED

*Walter E. May*  
WALTER E. MAY, MAYOR

ATTEST:

*Karen Harris*  
KAREN HARRIS, CITY CLERK