

MINUTES } CITY OF PIKEVILLE

SPECIAL MEETING MINUTES - SEPTEMBER 13, 1993

The Board of Commissioners of the City of Pikeville met in Special Session on Monday, September 13, 1993. The meeting was held in the City Hall Public Meeting Room at 260 Hambley Boulevard.

The purpose of the Special Meeting was to discuss the following:

1. Open proposals for the use of UDAG funds and take any necessary action
2. Consider authorizing City Manager to advertise for bids for the installation of a traffic control device at the intersection of Huffman/Hambley.
3. Consider authorizing City Manager to advertise for bids for resurfacing of the walking track

There being a quorum present, Mayor Walter E. May called the meeting to order at 5:00 p.m. Commission Members present upon call of the roll were as follows:

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

1. Five bids were submitted pursuant to an advertisement for proposals for the utilization of UDAG (Urban Development Action Grant) Funds. Following is a summary of the proposals:

PIKEVILLE AREA FAMILY YMCA - Requested assistance in the amount of \$360,000 to aid in the construction of a facility which would include a basketball court, tennis court, raised walking track, racquetball courts, meeting rooms, gymnastic area and offices.

ADAMS CORPORATION - Proposes to develop 50 housing units in Keyser Heights with the assistance of \$1,000,000 in UDAG funds. The UDAG funds would aid in the installation of water, sewage and gas utilities and street construction. Housing units will be sold for less than \$70,000.00 each.

DESKINS MOTOR COMPANY, INC. - Applied for grant assistance in the amount of \$230,000 to be used toward the construction of a new automobile dealership facility.

OOTEN COAL CORPORATION/GROUSE POINT DEVELOPMENT - Proposed a \$28,174,000.00 project which consists of a 150 room hotel, a 10,000 seat civic center, and 30 housing units valued between \$45,000 and \$55,000 each. UDAG funds requested: \$4.2 million.

LOVER'S LEAP PARTNERS - Submitted three proposals for the construction of housing units at Lover's Leap. Proposal #1 provides for the construction of 44 units utilizing \$1,097,196 in UDAG funds. Proposal #2 provides for development of Proposal #1 and additional housing units for a total of 91 structures. UDAG funds requested for Phase I and II are \$1,845,480. Proposal #3 includes Proposals 1 & 2 and additional housing units for a total of 171 structures. UDAG assistance is requested in the amount of \$2,553,984 for Proposal #3.

Mayor May reported that he had contacted HUD (Housing & Urban Development) Official, David Sowell, who offered the following 5 suggestions to consider when evaluating the proposals:

1. Review each candidate's financing capabilities. Can the applicant secure funding? Can they guarantee, i.e. with a letter of credit, etc.?
2. Review to determine experience.
3. Ask for credit references for each proposed developer. Use Dunn & Bradstreet, or T.R.W. Determine if any bankruptcies have been filed or if there have been projects begun and then failed due to financial difficulties.
4. Require the developer to guarantee the total development as proposed. If the developer has not included a specific proposal, you must ask him to be specific.
5. The ratio required for use of the U.D.A.G. funds is on a \$2.50 to \$1.00 basis - i.e. \$2.50 private dollars for every \$1.00 of U.D.A.G. money. The private dollars must be in the bank and committed toward the project - not pledges or promises, but "cold, hard cash".

Commissioner Mounts suggested that a committee be appointed to evaluate the proposals. Commissioner Blankenship made the motion to authorize the

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City Manager to contact the CEO's of the three main financial institutions asking for them or their designee to serve on the committee; and, additionally, ask Don Wallen, City Auditor; Will Linder, City Grantsman; and John Mounts, City Commissioner to serve on the committee. Commissioner Clark seconded the motion. Upon call of the roll, the motion carried by the following votes:

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

The committee is scheduled to meet to review the proposals sometime during the week of September 20th.

City Manager Johnson reported that he had received correspondence from SEI & Development Company via Federal Express Mail. The bid advertisement provided for all bids to be received by September 9, 1993 at 2:00 p.m. Mr. Johnson reported that he was unsure as to whether the package contained a proposal for U.D.A.G. funds. The Clerk was directed to open the package and determine if it contained a proposal. The Clerk reported that there was no proposal, however the letter enclosed was a written notice of objection to the reallocation of UDAG funds previously committed to SEI's development at the old airport site. It was directed that the letter be reviewed by the City Attorney.

2. City Manager Johnson requested permission to advertise for bids for the installation of a traffic control device at the intersection of Huffman Avenue/Hambley Boulevard. Mr. Johnson advised the Commission that monies had been budgeted in the current year's operating budget to fund the installation of the traffic light. Commissioner Davis made the motion, seconded by Commissioner Blankenship to authorize the City Manager to advertise for bids for the installation of a traffic light at the corner of Huffman Avenue/Hambley Boulevard. Upon call of the roll, the motion carried unanimously.

3. Commissioner Mounts made the motion to authorize the City Manager to advertise for bids for the resurfacing of the walking track at Bob Amos Park. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

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 unanimously. (Adjournment Time: 6:05 p.m.)

APPROVED

Walter E. May
WALTER E. MAY, MAYOR

ATTEST:

Karen Harris
KAREN HARRIS, CITY CLERK

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FIVEA RECORD
MILLION CO