

MINUTES } CITY OF PIKEVILLE

CITY OF PIKEVILLE BOARD OF COMMISSIONERS REGULAR MEETING JUNE 26, 1995

The Board of Commissioners of the City of Pikeville met in regular meeting on Monday, June 26, 1995. The meeting was held in the City Hall Public Meeting Room at 260 Hambley Boulevard.

There being a quorum present, Mayor Pro Tem Eugene Davis called the meeting to order at 6:00 p.m. Commission Members present upon call of the roll were as follows:

COMMISSIONER: KENNY BLACKBURN
WALTER BLANKENSHIP
SHARON CLARK
EUGENE DAVIS

Mayor Steven D. Combs arrived at the meeting at 6:15 p.m.

AGENDA ITEM II. MINUTES

The minutes for the previous regular meeting of May 22, 1995 were presented to the Commission in their agenda package. There being no additions or corrections, Commissioner Blankenship made the motion, seconded by Commissioner Blackburn to approve the minutes as submitted. Upon call of the roll, the motion carried 4 - 0 (Mayor Combs not present at the time of the vote).

AGENDA ITEM III. BUSINESS FROM THE FLOOR

1. PIKEVILLE/PIKE COUNTY TOURISM: Tourism Executive Director, Suzanne Rasnick, asked the Commission to consider allotting \$10,000.00 in the City's 1995-96 operating budget to be used toward the construction of access steps and other improvements to the Dils Cemetery. Ms. Rasnick thanked the Commission for agreeing to disburse the entire amount collected for Hotel/Motel Room Tax Fees, however commented that the additional amount would only provide between \$2,000.00 to \$3,000.00 extra to the Tourism budget. It was reported to the Commission that a contract has been awarded to HB Construction for the construction of the access steps to the Dils Cemetery. The contract is a little over \$14,800.00. According to Ms. Rasnick, Tourism has about \$4,000.00 to use toward various projects. The Pike County Fiscal Court has allotted \$20,000.00 to Tourism for the 1995-96 year. Ms. Rasnick plans to use about \$4,000.00 of that money toward the Dils Cemetery project, with the remainder to be used in Elkhorn City, Blackberry, and at the Mountain PubLinks Golf Course. Ms. Rasnick advised the Commission that the Tourism Commission has applied for an African American Heritage Commission grant in the amount of \$12,000.00. If the application is successful, the funds are designated to upgrade the section of the Dils Cemetery where African Americans are buried. The grant is a 50:50 matching grant, however some of the match can be in-kind. The remainder of the City funds not used on the steps would be used toward the grant's match or should the grant be unsuccessful, would be used for the Dils Cemetery improvements. The Tourism Commission has a \$92,000.00 annual budget. Approximately \$55,000.00 of the revenues to the Tourism Commission are derived from the Hotel/Motel Room Tax Fees generated in the City. Mayor Combs advised Ms. Rasnick that the Commission will consider the request when the City's 1995-96 proposed operating budget is discussed.

2. ROLLERBLADING: Three teens appeared before the Commission requesting that an area be designated for rollerblading. The Commission referred the youths to the Police Chief to try to find a suitable location not needed for parking and to the City Attorney to work out the liability issues.

3. SUMMERFEST: Suzanne Rasnick, on behalf of the Tourism Commission, Chamber of Commerce and the Main Street Program, addressed the Commission relative to Summerfest/Pike County Fair activities scheduled for June 30 - July 4. While the celebration will not be as large scaled as Hillbilly Days, Ms. Rasnick told the Commission that several booths will be located in the street on Huffman Avenue. The booths will be located on one side of the street so as not to interfere with Sunday Church services. Ms. Rasnick requested the Commission authorize blocking traffic through the celebration as is done during Hillbilly Days. The Commission expressed their concern over closing streets to traffic for the five day period and commented they would like to see at least two lanes of traffic opened during July 3rd. Mayor Combs made the motion to authorize the Chief of Police to oversee the traffic control for the Summerfest/Pike County Fair celebration. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

4. HAROLDS BRANCH FIRE HYDRANTS: Charlie Comer, a resident of Harolds Branch, made a request to the Commission that water service be extended to each individual rental structure he owns and in addition that fire hydrants be installed on the line. The Commission advised Mr. Comer that the City could not install water lines on private property. The Fire Chief advised the Commission that existing fire hydrants on Harolds Branch provide adequate fire protection.

5. PIKEVILLE COLLEGE STREET IMPROVEMENTS: Pikeville College President, Bill Owens, advised the Commission that he and City Engineer Sykes had met and discussed potential projects. Those discussed were the widening of Elm Street, construction of a baseball field, paving streets in the vicinity of the College Gym, and the construction of a connector street from Park Street to the Health Department. Each of the proposed projects were discussed as follows:

a. Elm Street: The college has acquired all property along the northeast side of Elm Street from the last house on the right side of the street to the top of the hill. The street is currently 17 to 18 feet wide and two-way traffic results in significant congestion in the area. The college will assist in providing right-of-way and allowing structures they own to be relocated as necessary. The City Engineer concurred that the improvement is needed.

b. Baseball Field: The college is proposing to construct a baseball field on the riverfill and adjacent to properties immediately behind the college gym. In order to construct the field, the existing paved drainage ditch along the riverfill would have to be encased. The City Engineer advised that he felt the Commission would concur with the

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proposal if an adequate storm drain system was designed to handle storm drainage in the area. He also recommended that the college arrange to have overhead power and telephone facilities relocated.

c. Paving: The college is requesting that the City schedule paving of the streets in the vicinity of the college gym (Kilgore Avenue).

d. Connector Street: The college is requesting the City consider constructing a connector street from Park Street to the Health Department property line. The college would donate the required right-of-way along the South side of the gym.

Mayor Combs made the motion to authorize the City Engineer to do a study on the above requests, provide a cost estimate, and provide a time for completion on each of the items. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 5 - 0.

AGENDA ITEM IV.

PAYMENT OF BILLS

A. CITY BILLS: A list of City Bills totaling \$416,194.56 were presented to the Commission for approval of payment. Commissioner Blankenship made the motion, seconded by Commissioner Davis to approve payment of the bills as requested. Upon call of the roll, the motion carried 5 - 0* Mayor Combs abstained from the vote pertaining to the invoices from Riley & Scott Gas Company, Robertson's Wrecker, Elkhorn Stone, and N.H. Stone, Inc.

AGENDA ITEM V.

OLD BUSINESS

A. CITY ENGINEER'S REPORTS: Jack Sykes, representing Summit Engineering, Inc., City Engineers, presented a verbal progress report regarding the following projects:

1. Harolds Branch/Chloe Creek Sewer Extension Project: City Engineer Sykes reported that bids for the extension of sewage facilities for the Harolds Branch/Chloe Creek areas were opened on June 14, 1995. The bids were as follows:

Contract 1 - Chloe Creek

M & D General Contracting.....	\$ 929,791.25
Charles Contracting Co.....	\$1,212,015.00

Engineer's estimate for Contract 1 with 10% contingencies: \$776,917.35

Contract 2 - Harolds Branch

M & D General Contracting.....	\$ 814,017.00
Charles Contracting Co.....	\$1,149,116.00
Ashland Cattletsborg Paving.....	\$1,198,455.00

Engineer's estimate for Contract 2 with 10% contingencies: \$727,843.60

Contract 3 - North Mayo

M & D General Contracting.....	\$ 811,166.00
Ashland Cattletsborg Paving.....	\$ 983,910.00
Charles Contracting Co.....	\$1,014,272.00

Engineer's estimate for Contract 3 with 10% contingencies: \$727,886.50

Mr. Sykes reported that he had spoken with Kentucky Infrastructure Authority officials who had advised that they have applications for an additional \$3.5 million to assist applicants with projects with cost overruns. This indicates cost for utility projects are up, statewide.

According to the City Engineer, reasons for the cost overruns in the Pikeville project are attributed to the time of year the project was bid, the fact that no local contractors participated in the bidding, the close proximity of houses and other structures in relationship to the project area, and the low bidder on all three projects, M & D General Contracting, doubled the engineer's estimate for manholes, on each of the contracts.

Mr. Sykes reported that he had checked the references of the low bidder and found them to be a reputable firm which does quality work. The engineer advised that he did have one concern and that was M & D's lack of sanitary sewer experience. M & D president, Cornell Sprinkles, assured Mr. Sykes that he has adequate manpower and resources to complete the project. Mr. Sykes reported that M & D has a 65 member crew and will work on all three projects simultaneously.

Mr. Sykes told the Commission that he had negotiated with the low bidder and asked that he review his bid to determine if any of the line items could be decreased. Mr. Sprinkles agreed to an overall project decrease of \$60,000.00 if the City would extend the construction time from 180 days to 210 days.

In discussing the funding, total project cost as bid is \$2,554,974.25. Mr. Sykes recommended adding an additional \$127,748.71 to allow 5% project contingencies and to accept the contractor's offer to decrease the project cost by \$60,000.00 in exchange for extending the project completion date by thirty days, making the total project cost \$2,622,722.96. Available funding for the project is \$2,383,827.80 which includes the an additional 10% increase on the original loan amount from KIA. It is projected there will be a \$238,895.16 funding shortfall.

In reviewing the funding scenario, Mayor Combs commented that the City had to agree to undertake the lake cleanup project before any state funds would be committed for the sewer extension project. The City has negotiated a line of credit from the Pikeville National Bank & Trust Company in the amount of \$300,000.00 for the lake cleanup.

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Presented to the Commission were the bids for the Lake Cleanup Project. The bids were as follows:

McPeak General Contracting.....	\$294,700.00
East Kentucky Water, Inc.....	\$305,623.34
Elliott Contracting, Inc.....	\$348,217.27

Mr. Sykes told the Commission that the engineer's estimate was \$250,000.00 plus 10% contingency. He advised that the project cost could be decreased with the reduction of one or two of the aeration systems. Mr. Sykes told the Commission that he could not guarantee the remaining pumps would perform sufficiently.

The City Engineer reported that each of the contracts would be guaranteed with a contractor's bond. Inspection will be performed by Summit Engineering.

Commissioner Blackburn made the motion to award Contracts 1, 2 and 3 to the low bidder, M & D General Contractors for the total amount of \$2,494,974.25 and to award the Lake Cleanup Project to the low bidder, McPeak General Contracting in the amount of \$294,700.00. Commissioner Clark seconded the motion. Upon call of the roll, the motion carried unanimously.

With reference to the funding of the Sewer Extension Project, Commissioner Blackburn made the motion that the City provide interim financing for the \$238,895.16 shortfall between the contract cost and the funds available from the grant/loan. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously. Efforts to provide permanent financing through the KIA Fund A are to be pursued by the City's grantsman.

Mr. Sykes told the Commission that notice to proceed should be issued to the contractor in about 6 weeks. Actual work should begin in September with work to be completed in seven months. With the time extension of thirty days granted to the contractor, the engineer gave notice to the Commission that he may ask for additional compensation for inspection services - estimated at \$7,000.00 to \$8,000.00.

With regard to the Lake Cleanup Project, Mr. Sykes advised the Commission that work on this project should begin in the fall season.

2. Bob Amos Park Walking Track: The contractor has begun work on the resurfacing of the walking track in the Bob Amos Park.

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

1. Sewage Extension Project: With regard to the Harolds Branch/Chloe Creek Sewage Extension Project, the City Attorney reported that all easements for the project have been obtained without the need of condemnation proceedings. He attributed that success to the diligent work of the City Manager and City Engineer. Mr. Davis told the Commission that about \$150,000.00 was saved by their efforts. The City Attorney advised that Summit Engineering may request payment for their personnel's efforts.

2. Keyser Heights Phase II: City Attorney Davis reported that an injunction suit was filed against the Keyser Heights Phase II developer. The services of engineer Rick Keene were retained to evaluate the deficiencies and to recommend remedial action to be taken by the developer to correct drainage and erosion problems. Mr. Davis reported that Circuit Judge Lowe heard from the attorneys on Friday afternoon, however postponed any testimony until the site could be visited. Stuart Adams and Rick Keene visited the site on Sunday. Mr. Keene reported to the City Attorney that, as a result of the meeting, Mr. Adams had agreed to take the necessary steps to comply with the recommended action for a drainage control plan. On Monday afternoon, during the injunction hearing, Judge Lowe signed an Agreed Injunction which prohibits Mr. Adams from doing work outside the approved subdivision. Mr. Adams is required to submit an Erosion Control Plan within 10 days. Mr. Adams will begin remedial work within 10 days to correct the drainage problems.

3. ABC Ordinance: During the previous regular meeting, a citizen approached the Commission to request they consider an amendment to the ABC Ordinance to provide for spacing between alcoholic beverage package stores. Mr. Davis reported that he had reviewed several cities' (those comparable in size to Pikeville) ordinances and found only one city, Morehead, that provided spacing restrictions. Morehead provides that package stores can not be any closer than 1000 ft. and taverns can not be located any closer than 100 ft. He advised that he had spoken with Morehead officials who reported that this recent amendment is facing substantial opposition. It was the consensus of the Commission that no action was necessary with regard to this matter.

4. Mountain Water District: During a previous meeting, the City Attorney was directed by the Commission to obtain the services of an attorney from the law firm of Stoll, Keenon & Park to assist in the collection and the enforcement of the City's contract with Mountain Water District with regard to the rates charged to them for water purchases. The City Attorney reported that the task assigned has been difficult in that a recent Supreme Court decision referred all complaints between cities and water districts to the Public Service Commission. The attorney from Stoll, Keenon & Park has requested the Commission to authorize him to file a complaint/petition with the Public Service Commission seeking to enforce the water purchase contract with the Mountain Water District. The City Attorney reported that Mountain Water District has refused to compromise the issue stating that the PSC must grant approval for those negotiations. Mayor Combs made the motion to authorize the filing of the complaint/petition with the Public Service Commission for the enforcement of the water purchase contract with Mountain Water District. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

City Attorney Davis advised that the complaint/petition will be filed next week.

The City Attorney requested an executive session for the purpose of discussing several pending legal matters and to discuss a personnel matter with the City Manager. At 7:55 p.m., Mayor Combs made the motion, seconded by Commissioner Blankenship to adjourn to executive session for the stated purpose. Upon call of the roll, the motion carried unanimously.

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At 9:40 p.m., Mayor Combs made the motion, seconded by Commissioner Blankenship to reconvene to regular session. Upon call of the roll, the motion carried unanimously.

Mayor Combs made the motion to delete the allotment proposed in the 1995-96 operating budget for the Industrial Development & Economic Authority. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

Mayor Combs made the motion to allot a total of \$10,000.00, which includes the 5% administrative fee from the Hotel/Motel Room Tax Fees, in the 1995-96 operating budget to Pikeville/Pike County Tourism. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

C. CITY MANAGER'S REPORTS: City Manager, John B. Johnson, presented the following items for the Commission's consideration:

1. Budget Ordinance: First reading was given to an Ordinance adopting the 1995-96 operating budget for the City of Pikeville. The Ordinance was read entitled as follows:

AN ORDINANCE ADOPTING THE CITY OF PIKEVILLE, KENTUCKY ANNUAL BUDGET FOR THE FISCAL YEAR JULY 1, 1995 THROUGH JUNE 30, 1996, BY ESTIMATING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE OPERATION OF CITY GOVERNMENT

Second reading will be had during a Special Meeting scheduled for June 28, 1995.

2. Recommended to the Commission was the employment of Levi Kevin Belcher in the position of police officer. Commissioner Blackburn made the motion, seconded by Commissioner Blankenship to accept the recommendation of the Police Chief to hire Levi Kevin Belcher as a police officer. Upon call of the roll, the motion carried unanimously.

3. Commissioner Blackburn made the motion to grant a 3% across the board wage increase to all City Employees. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

4. Commissioner Blackburn made the motion, seconded by Commissioner Davis to fund 25% of the employee's cost toward the purchase of a family health insurance plan. Upon call of the roll, the motion carried unanimously.

5. Fire Truck Financing: During the City Commission's regular meeting of May 22, 1995, City Manager Johnson obtained approval to negotiate a \$200,000.00 loan from Family Bank to finance the purchase of a new fire truck. Since that time, the fire truck has been delivered and the final paperwork has been completed which necessitated an additional loan acquisition of \$3,656.00. The City Manager requested that the Commission amend their previous motion to provide for the acquisition of a loan in the amount of \$203,656.00 from Family Bank for financing of the new fire truck. Commissioner Blackburn made the motion, seconded by Commissioner Blankenship to authorize the City Manager to obtain a loan from Family Bank in the amount of \$203,656.00 to finance the acquisition of the new fire truck. Upon call of the roll, the motion carried by the following votes:

MAYOR:	STEVEN D. COMBS	YES
COMMISSIONER:	KENNY BLACKBURN	YES
	WALTER BLANKENSHIP	YES
	SHARON CLARK	YES
	EUGENE DAVIS	YES

6. City Manager Johnson advised the Commission of an opportunity to obtain a 1993 model, John Deere Mowing Machine. The mower could be used to cut grass behind guardrails and along the roadways. Mr. Johnson reported that the mower could be purchased for \$62,000.00, but recommended leasing the mower for a three month period at the rate of \$2,000.00 per month. Should the Commission decide to purchase the mower, the lease payments will be credited toward the purchase price. Mayor Combs made the motion, seconded by Commissioner Clark to lease the mowing machine for a three month period at the rate of \$2,000.00 per month. Upon call of the roll, the motion carried unanimously.

AGENDA ITEM VI.

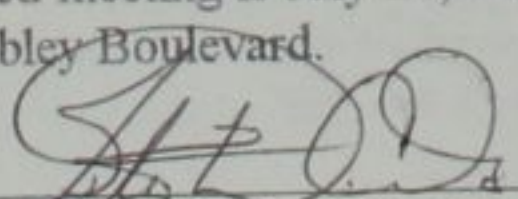
NEW BUSINESS

A. BOARD APPOINTMENTS: The Commission was advised of two vacancies on the Board of Zoning Adjustments. Member William Hickman, III. has expressed his desire to be reappointed to serve another term on that Board. Terrell Eddie Coleman has requested to not be reappointed to the Board. Mayor Combs made the motion, seconded by Commissioner Blankenship to reappoint William Hickman, III to serve on the Board of Zoning Adjustments. Upon call of the roll, the motion carried unanimously. The other appointment to the Board of Zoning Adjustments was postponed to the next regular meeting.

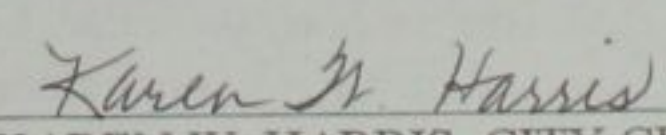
There being no further business to come before the Commission, Commissioner Blackburn made the motion, seconded by Commissioner Blankenship to adjourn the meeting. Upon call of the roll, the motion carried unanimously.

The City Commission's next regular scheduled meeting is July 24, 1995 at 6:00 p.m. The meeting will be held in the City Hall Public Meeting Room at 260 Hambley Boulevard.

APPROVED


STEVEN D. COMBS, MAYOR

ATTEST:


KAREN W. HARRIS, CITY CLERK