

MINUTES } CITY OF PIKEVILLE

CITY OF PIKEVILLE SPECIAL MEETING MINUTES JANUARY 3, 1996

The Board of Commissioners of the City of Pikeville met in Special Meeting on Wednesday, January 3, 1996 at 5:00 p.m. The meeting was held in the City Hall Public Meeting Room at 260 Hambley Boulevard.

There being a quorum present, Mayor Steven D. Combs called the meeting to order at 5:08 p.m. Commission Members present upon call of the roll were as follows:

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

Commissioner Sharon Clark was absent.

The Special Meeting was called for the following purpose:

TO DISCUSS A PENDING LEGAL MATTER CONCERNING GROUSE POINT DEVELOPMENT, MELCO-GREER, AND THE CITY OF PIKEVILLE AND TO TAKE ANY NECESSARY ACTION

City Attorney Davis advised the Commission that it would be appropriate to discuss the matter in Closed Session as it pertains to pending litigation.

At 5:10 p.m., Mayor Combs made the motion to adjourn to Closed Session for the purpose of discussing a legal matter. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 4 - 0.

At 5:45 p.m., Mayor Combs made the motion, seconded by Commissioner Blankenship to reconvene to regular session. Upon call of the roll, the motion carried 4 - 0.

City Attorney Davis reported that the Commission discussed a proposal, offered by Grouse Point Development, to settle a pending legal action with the City of Pikeville concerning a parcel of property in Poor Farm Hollow which the City owns. The City Attorney explained that Grouse Point Development is of the opinion that they have certain rights to that property by virtue of a 1984 Option Agreement and 1988 Lease Agreement, however the City disagrees with that opinion. Grouse Point Development proposes that the City convey, by deed of gift, a portion of the City's property on the ridgeline between Poor Farm Hollow and Coal Hollow, more specifically defined as, essentially all of the City's property on the ridgeline above the 1050 elevation line or about 4.5 acres of property. In exchange, Grouse Point Development will agree to release all of their claims against the City of Pikeville and surrender lease of all their rights by virtue of the 1988 Lease Agreement and 1984 Option Agreement. Mr. Davis advised the Commission that, economically, it would be more beneficial to the City to convey the 4.5 acres of property to Grouse Point Development than to proceed with litigation, which may take a number of years to settle. City Attorney Davis recommended the Commission accept Grouse Point Development's offer with the exception of their request that the City grant Grouse Point Development the right of first refusal to obtain the remaining property if it is not sold at public auction or by sealed bids, be refused. Commissioner Blankenship made the motion to authorize the Mayor to execute the deed with special warranties as to surface only, the tract of property to Grouse Point Development which consists of approximately 4.5 acres of property on the east side of Poor Farm Hollow which is above the 1050 elevation as reflected on the map (tendered to the City Clerk); this conveyance will provide there will be no easements or rights-of-way across the City's remaining property, either expressed or implied; and Grouse Point Development will be required to access the 4.5 acre tract by way of other property owned by Grouse Point Development in Coal Hollow which adjoins said property. In exchange for this deed of conveyance, the City of Pikeville expects Grouse Point Development, their successors, or assignees to release the City of Pikeville from all claims against the City of Pikeville surrounding Poor Farm Hollow, the 1988 Lease Agreement, and the 1984 Option Agreement; that Grouse Point Development would surrender in their lease any claim of right that they may have by virtue of the 1988 Lease Agreement or 1984 Option Agreement as well as any other expressed or oral agreement that Grouse Point Development may have before this time with the City of Pikeville. Commissioner Davis seconded the motion. During discussion, Commissioner Blackburn disclosed the fact that he may own property which adjoins the 4.5 acres proposed to be conveyed to Grouse Point Development. Mayor Combs disclosed that he formerly represented Melco-Greer in the litigation against Grouse Point Development and withdrew as counsel for Melco-Greer upon being elected as Mayor for the City of Pikeville. He further commented that City Attorney Davis negotiated the settlement with Grouse Point Development and any other aspects of the settlement as to the location and the value were entertained by City Engineer Sykes. Upon call of the roll the motion carried 3 - 0 - 1 with Mayor Combs abstaining from the vote.

There being no further business to discuss, Mayor Combs made the motion, seconded by Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried 4 - 0. (Adjournment Time: 5:52 p.m.)

APPROVED _____
STEVEN D. COMBS, MAYOR

ATTEST:

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KAREN W. HARRIS, CITY CLERK

