

# MINUTES } CITY OF PIKEVILLE

## CITY OF PIKEVILLE CITY COMMISSION REGULAR MEETING MINUTES MARCH 25, 1996

The Board of Commissioners of the City of Pikeville met in regular meeting on Monday, March 25, 1996. 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 6:00 p.m. Commission Members present upon call of the roll were as follows:

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

Commissioner Kenny Blackburn arrived at 6:04 p.m.

### AGENDA ITEM II. MINUTES

The minutes for the February 26, 1996 regular meeting were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Davis made the motion, seconded by Commissioner Clark to approve the minutes as submitted. Upon call of the roll, the motion carried 4 - 0 (Commissioner Blackburn not present at the time of the vote).

### AGENDA ITEM III. BUSINESS FROM THE FLOOR

A. PIKEVILLE COLLEGE: Burlin Coleman appeared before the Commission on behalf of Pikeville College to request the City's support and financial assistance in the establishment of an Osteopathic Medical School, which will become an affiliate of Pikeville College. According to the statistics that were provided by Mr. Coleman, the medical college will provide a substantial economic impact for Pikeville and Pike County. It is expected during the fourth year of operation that the medical school will have a full complement of 250 students and 41 faculty members. A total of \$6.2 million is expected in total revenues. The medical school will expect to employ 41 professors at an average annual salary of \$67,500. It is hoped that Pikeville Methodist Hospital will have 20 to 25 residents at an annual salary of \$35,000. Mr. Coleman told the Commission that it is the goal to educate and train approximately 60 primary care physicians each year who would be most likely to practice in under-served areas of Eastern Kentucky. Priority will be given to qualified applicants who live in these areas. Tuition and fees will not fully support the college until the fourth year. Therefore, the college must raise \$4 million to supplement operating revenues during the start-up period. Approximately \$1.75 million has been raised to date: Pikeville Methodist Hospital - \$800,000 over a four year period; Pikeville National Corporation - \$200,000 over a four year period; individual pledges - \$200,000; and \$500,000 from the Appalachian Regional Commission. Mr. Coleman asked the City of Pikeville for a contribution of \$250,000 to be paid over a four year period. Assurances were made to the Commission that no money will be collected until the college receives accreditation. The application for accreditation must be filed by April 15, 1996. City Attorney Davis advised the Commission that the City can not make any gifts of tax payers dollars to private organizations, however contributions can be made for public purposes. Mr. Coleman asked if the donation could be made in the form of a tax rebate. The City Attorney reported he would have to research the statutes. Commissioners Clark, Blackburn and Blankenship voiced support for the project, while Commissioner Davis and Mayor Combs stated that while they thought the project would be an asset to the community, would like additional time to consider the merits and legality of donating such a large sum of money. The Commission indicated they would be favorable to making a donation if the City Attorney determines a legal avenue and agreed to meet in special session within 10 days to consider the matter further. Mayor Combs made the motion to direct the City Attorney to pursue the issue with the Pikeville College Board and to authorize himself to write a letter of support to be included in the application package. Commissioner Davis asked that an amendment be added to the motion to provide for the City Attorney to ask the Attorney General for a ruling as to the legality of making such donation. City Attorney Davis reported that he could not get a written opinion from the Attorney General in less than 30 days, however advised the Commission that he would check with the Kentucky Municipal Law Center. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

B. PIKEVILLE PUBLIC LIBRARY: Pikeville Librarian, Billie Sue Davis, told the Commission that upon the Urban Renewal Agency's disbanding, the Board gave to Pikeville Public Library a tract of property at the corner Hambley Boulevard/Hibbard Street and a sum of money for the specific purpose of building a library. Mrs. Davis reported that it has become imperative that a new facility be bought as the lease on the building at the existing location expires in May, 1996. Existing buildings have been considered, however it was determined by the Library Board that a new facility would be constructed. The Library Board advertised for bids for architectural services and have awarded the project to Richardson & Associates of Whitesburg. Bill Richardson told the Commission that the Library has monetary assets in the sum of \$500,000.00 which will fund the construction of a 6,000 sq. ft. facility. Mr. Richardson presented schematics for a building compassing 13,000 sq. ft. which he says is required for a community the size of Pikeville. The building can be constructed in two phases - the core structure (6,000 sq. ft.) and two "book-end" additions. The two additions feature a reading rotunda, meeting room and lecture hall facilities, and staff areas. The total project can be completed for an estimated \$1.5 million. The Commission complimented the design of the library facility. Mayor Combs advised that he had appointed an ad-hoc committee to determine the feasibility of combining resources with the County to provide a regional library facility. He announced that a special called meeting will be scheduled for March 27,



1996 at Noon to hear the ad-hoc committee's final report. Ad-hoc Committee Member, Joe Justice, told the Commission that he thought it incumbent upon the City Library Board to withhold any further action with regard to the proposed library facility construction until other alternatives and sources of funding can be explored. Mr. Justice mentioned that the ad-hoc committee had met with Governor Patton and had discussed a proposed relationship and funding scheme with regard to the Telecommunications Center and a combined facility with the Pike County Library system. Mr. Justice estimated it would take a few months to determine if a combined facility is feasible. Mrs. Davis told the Commission that the Library is at the mercy of a month to month lease on their current building. She also commented that the Library Board is trying to award a construction contract prior to the Prevailing Wage Bill going into effect. Mrs. Davis explained that the Library Board was unaware that the Telecommunications Center wanted to be located in the same building with the library, however assured the Commission that sufficient space is available in phase 2 of the proposed library facility. Mayor Combs explained that he was concerned that sufficient resources for operation of the library would not be available, which was why he had asked Roger Recktenwald to be present for the special meeting, to report the status of the Telecommunications Center. City Library Board Member, Bill Elliott, told the Commission that the ad-hoc committee had a conflict of interest - Joe Justice is a member of the County Library Board and Bill Baird is the County Library Board's attorney. Mr. Justice reported that at the time the Mayor appointed him to serve on the ad-hoc committee, he had not been appointed to the County Library Board. He further commented that he did not see a merger of the Pike County Library and City Library as a conflict of interest. Mr. Justice continued that he felt that the Boulevard property should be used for a commercial development with the rental proceeds going to the Library for operating expenses. Mr. Justice told the Commission that he did not think there would be any further interest in expanding the library facility after the first phase is constructed. Mrs. Davis told the Commission that the Library Board is open to negotiations with Telecommunications and the County Library System. Mayor Combs advised that he had been speaking with Roger Recktenwald, Executive Director of the Big Sandy Area Development District, who reported that should the City Library and Telecommunications have a joint facility, the City Library Board could own the building in five years. It is expected that the Telecommunications Board would phase out operations within that period of time. Discussion concluded with comments from students Wheeler and Litifik in support of a City operated/owned facility.

C. PEACH ORCHARD: Mr. and Mrs. John Hall appeared before the Commission to report that since the previous meeting, an order has been issued and no appeal has been filed, for the demolition of the dilapidated structure on Peach Orchard. Mrs. Hall told the Commission that she had spoken with the City Attorney, who in turn spoke with Joe Justice, a property owner, with regard to burning the structure. Mrs. Hall said she would like to burn the structure this Thursday if there are no objections. City Attorney Davis reported he had talked with Mr. Justice and he had no objections to burning the structure. The Fire Chief had no objections as long as the burning regulations are adhered to.

D. SWIMMING POOL: A member of a local Boy Scout Troop asked the Commission if there were plans to cover the pool. The City Attorney explained that the City has a Swim Team Board which annually appears before the Commission to ask for approval of improvements. Estimates have been presented for covering the pool, but no action has been taken at this time. The Mayor reported that the Commission is looking at ways to fund the proposed expenditure.

#### AGENDA ITEM IV.

#### PAYMENT OF BILLS

A. CITY BILLS: Presented for approval of payment was a list of bills totaling \$483,785.63. Upon the City Manager's confirmation that sufficient funds were available for payment, Commissioner Blackburn made the motion, seconded by Commissioner Davis to approve payment of the bills as requested. Upon call of the roll, the motion carried 4 - 0 - 1 with Mayor Combs voting to approve payment of all bills with the exception of Robertson Wrecker for which he abstained from the vote.

B. SEWAGE EXTENSION PROJECT: Presented to the Commission on behalf of M & D General Contracting, was payment request # 6 for Contracts 1, 2, and 3 as follows:

Contract #1	Chloe Creek	\$ 64,800.00
Contract #2	Harolds Branch	\$ 91,399.50
Contract #3	North Interceptor	\$109,997.10
Retainage	(all projects)	\$ 29,577.40

Mayor Combs made the motion, seconded by Commissioner Blankenship to approve payment request #6 as submitted and as recommended by the City Engineer. Upon call of the roll, the motion carried unanimously.

The Chloe Project is now 49% complete; the Harolds Branch Project is currently 57% complete; and the North Interceptor Project is 63% complete.

#### AGENDA ITEM V.

#### OLD BUSINESS

A. CITY ENGINEER'S REPORTS: Jack Sykes representing Summit Engineering, City Engineers, presented a verbal progress report of ongoing projects as follows:

1. Raw Water Intake: During a special called meeting held on March 5, 1996, the Commission reviewed three options for repairs/improvements to the Raw Water Intake facility. The Commission directed that Summit Engineering's report be reviewed by an independent engineer. Mr. Sykes reported he worked with the City Manager and retained the firm of Camp, Dresser & McKee to make the evaluation. Mr. Sykes commented that this firm is somewhat familiar with the City's system, as they were the firm retained during the lawsuit with R. D.



Zande & Associates, Ltd. Alternate "A" provided for the plant to be repaired to the original condition. Alternate "B" included items in Alternate A with the addition of a grit removal chamber. Alternate "C" provided for additional screen installation rather than using the filter gallery. Alternate "B" as proposed and recommended by Summit Engineering provides the City with superior water quality during high flow conditions. The Camp, Dresser & McKee report concurred with Summit Engineering's numbers, but not necessarily with their recommendations. The consulting firm thinks that Alternate "C" is the better alternate. Their reason is that the equipment is more maintainable. The report says that neither of the alternates will provide a long-term solution. Recommended alternatives were to construct another intake on the same side of the river as the water plant, install submersible pumps, and pump the water to the plant to be cleaned at the plant. This alternate is estimated to cost \$2.25 million. The Commission asked that Mark Westfall of Summit Engineering prepare a report detailing the suggested changes and giving an estimate of the period of time the intake will remain completely functional.

2. Ashland Exploration: A contract was presented to the Commission from Ashland Exploration with regard to the proposed river bank improvements at the shopping center. Mr. Sykes reminded the Commission that a gas line had to be relocated. Summit Engineering had advised the gas company, telephone company, and Sandy Valley Water District of the project (Sandy Valley has not responded). Ashland Exploration has requested payment of \$31,000.00 - \$15,000.00 for the relocation of the line and an additional \$16,000.00 for the gas revenue they allege they are losing. Ashland Exploration has requested that the \$16,000.00 be posted prior to beginning the relocation. Mr. Sykes advised that he had forwarded the contract for the City Attorney for review. Mr. Davis advised that the contract is typical, however disagrees with their contention that the gas will be lost. The Commission authorized the City Attorney to write a letter to Ashland Exploration in an attempt to negotiate the cost.

3. Keyser Heights: Mayor Combs asked if the hole that the bore contractor had made near the Pauley Bridge was going to be filled in. Mr. Sykes reported that he had written Stuart Adams a letter approximately three weeks ago, requesting that he either install the encasement or fill the hole. It was reported that Mr. Adams advised that as soon as the weather breaks, the contractor will be back on the site.

4. Mossy Bottom: A report was presented to the Commission for review at the Mayor's request concerning whether the City's wastewater treatment plant can handle the flow from the proposed Mossy Bottom Plant. Mayor Combs reported that the request had been generated from the Big Sandy Area Development District who had done the work on the proposed sewer plant at Mossy Bottom. Roger Recktenwald had asked the City to consider accepting the waste for a limited period of time. City Engineer Sykes reported that the sewer plant was bid on several occasions and was consistently more than their allotted funding. Mr. Sykes advised, in his report, that the City's Wastewater Plant has the capacity to accept the waste. Mr. Sykes mentions in his report that decisions need to be made as to who will be responsible for the operating costs - the City or Mountain Water District, as well as considering the capital cost and Mountain Water District's revenue projections. Commissioner Blackburn expressed his opinion that the residents did not want to be annexed into the City Limits, and made the motion to not accept the sewage. Commissioner Clark seconded the motion. Upon call of the roll, the motion carried 4 - 1 with Mayor Combs voting casting a nay vote.

B. CITY ATTORNEY'S REPORTS: Russell H. Davis, Jr., presented the following report to the Commission:

1. Mountain Water District: Mr. Davis reported that the PSC entered an order to allow Mountain Water District to make payments on the arrears owed to the City of Pikeville for water purchases. No action has been taken with regard to the issue concerning the rate increase. The Mayor thanked the City Manager and City Attorney for their work on this matter.

2. Municipal Road Aid: The annual resolution for the acceptance of Municipal Road Aid monies from the State was presented. The apportionment for the 1996-97 year, for street improvements, is \$75,089.00. Mayor Combs made the motion, seconded by Commissioner Blankenship to adopt the Resolution. Upon call of the roll, the motion carried unanimously.

3. Pikeville Academy Building: Submitted for approval was a contract with Richardson & Associates for the Academy Building Stabilization Project. The work is able to be accomplished through ISTEA grant funds. One of the requirements to receive the funds was to advertise for proposals for architectural services. The Historic Preservation Board received 8 responses. The Historic Preservation Board appointed a three person committee to review the proposals and to recommend three firms to interview. Based upon the interviews, Richardson & Associates was selected for recommendation to the Commission for approval. The City Attorney reported that he had reviewed the contract and has negotiated the fee for services from 8% down to 7% and recommended approval of the contract. Mayor Combs made the motion, seconded by Commissioner Blackburn to award the architectural services contract to Richardson & Associates. Upon call of the roll, the motion carried unanimously.

Administrative Assistant, Sue Smallwood on behalf of the Pikeville Historic Preservation Board, expressed gratitude to Jack Sykes for the pro bono assistance given to the Board during their review of the proposals.

4. Main Street Parking: Second reading was given to an ordinance entitled:

ORDINANCE ESTABLISHING A TEN MINUTE PARKING ZONE FOR MOTOR VEHICLES FOR THE FIRST TWO PARKING SPACES ON THE LEFT SIDE OF MAIN STREET BEGINNING AT THE CORNER OF GRACE AVENUE AND MAIN STREET (O-96-001)



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Commissioner Blackburn made the motion, seconded by Commissioner Davis to adopt the Ordinance as read. 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

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

1. Annual Concrete Supply: Two bids were received for the annual concrete supply. City Manager Johnson advised that Pikeville Ready Mix was the low bidder as follows:  
 \$56.05/cu yd for 3000 PSI Concrete  
 \$57.50/cu yd for 3500 PSI Concrete  
 \$58.95/cu yd for 4000 PSI Concrete

The City Manager recommended approval of the low bid. Commissioner Blackburn made the motion, seconded by Commissioner Clark to award the bid for the annual concrete supply to the low bidder, Pikeville Ready Mix. Upon call of the roll, the motion carried unanimously.

2. Annual Stone/Asphalt Supply: Elkhorn Stone submitted a bid in the amount of \$5.75/ton for stone picked up at the plant and \$9.25/delivery. Mountain Enterprise submitted a bid in the amount of \$8.75/ton. Mr. Johnson advised that the companies are one in the same. Elkhorn Stone is located in Elkhorn City and Mountain Enterprises is located at Shelby. Mr. Johnson asked that both bids be approved to allow for crews to pick up small amounts of stone at the Shelby Plant since deliveries will not be made under a certain tonnage. Mountain Enterprises was the only bidder for the asphalt supply. The bid was as follows:

For supply only	Base	\$27.84/ton
	Surface	\$27.94/ton
	Tack Oil	\$300.00/ton
Supply & Placement	Base	\$37.95/ton
	Surface	\$37.95/ton
	Tack Oil	\$350.00/ton

Mr. Johnson recommended award of the asphalt bid to Mountain Enterprises. Commissioner Blankenship made the motion, seconded by Commissioner Blackburn to award the stone supply bid and the asphalt supply bid as recommended by the City Manager. Upon call of the roll, the motion carried 4 - 0 - 1 with Mayor Combs abstaining from the vote.

At 7:53 p.m., Mayor Combs made the motion, seconded by Commissioner Davis to adjourn to a closed session for the purpose of discussing a personnel matter pursuant to KRS 61.810 (f). Upon call of the roll, the motion carried unanimously.

At 8:19 p.m., Mayor Combs made the motion, Commissioner Blackburn seconded the motion, to reconvene to regular session. Upon call of the roll, the motion carried unanimously.

Mayor Combs reported that no action was necessary with regard to the closed session.

## AGENDA ITEM VI. NEW BUSINESS

### A. BOARD APPOINTMENTS

1. Technical Advisory Committee: Mayor Combs announced a vacancy on the Technical Advisory Committee due to the term expiration of a seat held by Rick Keene. Mayor Combs nominated Rick Keene for reappointment to the Technical Advisory Committee. Commissioner Blankenship seconded the motion. Upon call of the roll, the motion carried unanimously.

2. Pikeville/Pike County/Elkhorn City Joint Planning Commission: Mayor Combs reported that Jean Ann Corbin has resigned her seat as a member of the Joint Planning Commission. Mayor Combs nominated Nelson Scott to fill the vacancy. Commissioner Blankenship made the motion, seconded by Commissioner Clark to appoint Nelson Scott to complete the unexpired term of Jean Ann Corbin on the Joint Planning Commission. Upon call of the roll, the motion carried unanimously.

3. Historic Preservation Board. Mayor Combs advised that the terms of two appointees have expired on the Pikeville Historic Preservation Board. The Mayor delayed nominations until the next meeting.

## AGENDA ITEM VII. CONSENT ITEMS

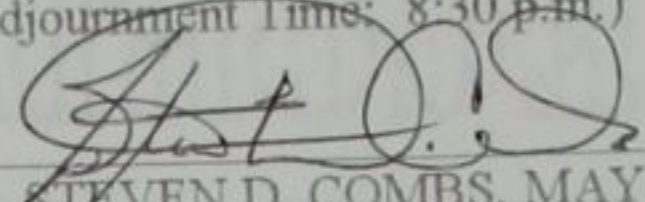
PSG REPORT: Concerning PSG's monthly activities report, Mayor Combs expressed his concern for the recent loss of gas services on two different occasions from Columbia Gas Transmission Corporation. He directed PSG Manager, Tom Bacon, to provide press releases to the news media in future occurrences.



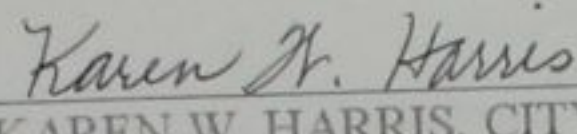
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There being no further business to come before the Commission, Commissioner Blankenship made the motion, seconded by Commissioner Clark to adjourn the meeting. The Mayor announced that a Special Meeting would be held at Noon on March 27th to discuss the Library Building Project with the ad-hoc committee. Upon call of the roll, the motion carried unanimously. (Adjournment Time: 8:30 p.m.)

APPROVED

  
STEVEN D. COMBS, MAYOR

ATTEST:

  
KAREN W. HARRIS, CITY CLERK