

MINUTES } CITY OF PIKEVILLE

CITY OF PIKEVILLE BOARD OF COMMISSIONERS REGULAR MEETING MINUTES FEBRUARY 24, 1997

The Board of Commissioners of the City of Pikeville conducted their regular monthly meeting on Monday, February 24, 1997. 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 6:04 p.m. Commission Members present at roll call were as follows:

COMMISSIONER:	KENNY BLACKBURN
	EUGENE DAVIS
	JOHNNY MOUNTS
	SHARON CLARK
MAYOR:	STEVEN D. COMBS

AGENDA ITEM II. MINUTES

The minutes for the previous regular meeting of January 27, 1997 were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Blackburn made the motion, seconded by Commissioner Mounts to approve the minutes as submitted. The motion carried unanimously.

AGENDA ITEM III. BUSINESS FROM THE FLOOR

A. CARNIVAL: Pikeville College President, Bill Owens, was present to ask permission to locate a carnival on the property behind Matewan Bank during the week of the Hillbilly Days Festival. Mr. Owens advised that the location has been cleared with the Police and Fire Departments subject to the traffic lanes from Huffman Avenue down to the Courthouse being kept open. Commissioner Davis made the motion to allow a carnival to locate on the property. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried unanimously.

B. PIKEVILLE COLLEGE BASEBALL FIELD: Mr. Owens advised that Pikeville College is in the process of completing the baseball field located on the river fill behind the college gymnasium. Needed is approximately 4,000 cubic yards of topsoil. Mr. Owens requested permission to negotiate with the Wal-Mart site contractor to obtain the needed fill material. There will be no cost incurred by the City. City Engineer Sykes told the Commission that the contractor has approximately 70,000 cubic yards to waste. Mayor Combs made the motion to grant permission for Pikeville College representatives to negotiate with the Wal-Mart site contractor for the acquisition of the needed fill material. Commissioner Blackburn seconded the motion. The motion carried unanimously.

C. RIVER FILL PARK: Katie Deskins presented the Commission with the preliminary plans for the river fill park as prepared by Helen Powell. She reported that the committee had met with some of the Third Street residents concerning the proposed park development and received no negative comments. Ms. Deskins advised that a decision for the amount of property to be dedicated needs to be made before the project can proceed any further. She stated that the Commission had considered the possibility of increasing the size of the proposed development to include a portion of unsold river fill tracts.

Marvin Hensley, Board Member of the Pike County Extension Office, reminded the Commission that the agency had submitted a proposal to purchase River Fill lots 5, 6 & 7 for the purpose of relocating their facility. Mr. Hensley advised that the extension office would have no objections to having the park adjacent to their offices and commented they would be willing to only purchase two lots, should the Commission wish to designate a larger area to the park development.

Mayor Combs advised that flood map revisions from FEMA have not been received as yet. Before the lots can be purchased and construction begun, an amendment to the 1995 flood maps redefining the flood plain is necessary. Codes/Building Inspector, Levy Green, reported that he would contact FEMA to check the status of the amendment.

Mr. Hensley asked if the property would have to be offered for sale in public auction. The City Attorney advised that the city would not be required to auction the property since the extension office is a governmental agency. The Commission asked to look at the appraisal and the offer during executive session. The Mayor told Mr. Hensley that the matter would be placed on the next meeting's agenda.

D. BOWLES FAMILY PARTNERSHIP: Chris Chrisman appeared before the Commission on behalf of the Bowles Family Partnership. Mr. Chrisman advised they have received approval for a zoning change and intend to pursue commercial and residential development in Cedar Creek. It has been advised that the water pressure is insufficient for further development beyond the current approved area and the parcel for the Presbyterian Church. Mr. Chrisman presented the Commission with a proposal for the installation of a 200,000 gallon water tank, to be located on the hill above Hurricane Gap, and the installation of a water line off the hill to connect into the existing water line at the mouth of Shorty Cole Hollow. Cost estimate for the project is \$350,000.00 including contingencies. Mr. Chrisman reported that the city would realize financial benefits in participating in this development through an increase in the tax base. Phase I of the project includes 72 residential lots and Phase II has 22 residential lots plus the church parcel. With each lot valued at \$100,000, an estimated \$9.5 million would be added to the tax base. Water and sewerage revenues from the development are estimated to bring \$208,000 annually to the city's coffers. Mr. Chrisman commented that the city's capital outlay in the project would only be 20% of the cost the

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developer is bearing. Commissioner Clark asked if the city had participated in the cost in any other private developments. The City Manager advised that he did not think so. Commissioner Davis requested additional time to consider the proposal. The Mayor requested that a comparison of other developments be made, and directed the matter be placed on the Commission's next meeting agenda.

E. KEYSER HEIGHTS: Residents from Keyser Heights asked the status of the repairs to their entrance. Stuart Adams advised the Commission that he will replace the landscaping once Alpha Reclamation (contractor for the North Mayo Sewerage Extension project) fills in the hole. Mayor Combs asked Mr. Adams if he is going to replace the concrete. Mr. Adams told the Commission that he did not cause the damage to the roadway, but advised that he would make the repairs if it is determined that he caused the damage. City Engineer Sykes told the Commission that it is his opinion that Mr. Adams' project probably contributed to the damage, however thinks that the pooling water also contributed to the foundation softening. Commissioner Mounts suggested that Mr. Adams furnish the concrete, with the city providing the labor. The residents were advised that remedial work to the entrance can not be accomplished until the line is dug to the old manhole and connected to the new service. The City Engineer reported that concrete will have to be poured once the new sewerage line is complete. He suggested deleting the concrete work from Alpha Reclamation's contract and pour that segment along with the entrance at one time. The residents were assured that the entrance would be repaired.

AGENDA ITEM IV.

PAYMENT OF BILLS

A. CITY BILLS: A list of City Bills totaling \$431,124.97 was presented to the Commission for approval of payment. Commissioner Mounts made the motion, seconded by Commissioner Clark to approve payment of the City Bills as requested. The motion carried unanimously.

B. ACADEMY BUILDING:

1. Pay Request: Presented to the Commission for approval of payment was a request from Commonwealth Building in the amount of \$98,100.00 for the Academy Building Stabilization Project. Architect Bill Richardson advised the Commission that the majority of the billing is for stored materials. Mr. Richardson told the Commission that the project is inspected at least one time weekly. He reported that the stabilization portion of the project should be completed by the next meeting. The Mayor asked Mr. Richardson to return to the next meeting to deliver a progress report. Jack Sykes advised the Commission that he is Chairman of the Historic Preservation Board. Due to lack of a quorum, the Historic Preservation Board has not approved payment of the bill.

2. Change Orders 2 & 3: Presented for approval were change orders 2 and 3. Change Order #2 deducts a total \$10,950.00 from the contract. Added was \$6,850.00 to replace the floor structure on the second floor and the roof structure in the back of the building. Mr. Richardson advised this portion was not part of the original contract because the floor structure could not be seen until the drywall was removed. A deduction of \$17,800.00 is recommended through deleting removal of the existing term metal roof and to install Preservation Products, a reinforced elastomeric membrane system over the existing term metal. Mr. Richardson advised this product has a 10 year warranty and is much more economical than trying to replace the roof. He advised the life of the roof would be indefinite if the roof is maintained properly. Mr. Sykes told the Commission that the Historic Preservation Board made several calls concerning the proposed roof system and were pleased with the findings. The State Historic Preservation Board also gave a favorable recommendation for the elastomeric membrane. The manufacturer will inspect the contractor's work prior to issuing the warranty.

Change Order #3 adds \$17,513.00 to the contract with the construction of an elevator shaft. This addition was originally part of the next phase of construction, however additional funds are remaining in the budget in the first phase construction.

Commissioner Davis made the motion, seconded by Commissioner Mounts to authorize payment of the invoice to Commonwealth Building totaling \$98,100.00 and to approve change orders 2 and 3, all subject to the approval of the Historic Preservation Board. The motion carried unanimously.

Mr. Sykes advised the Commission that the city has received another \$500,000 ISTE grant. He reported that he has a couple of concerns with regard to the next phase of the project. He has been informed there is still a lien on the property. The City Attorney reported that the lien has been removed on the parcel where the Academy Building is located, however the college still has a lien in the amount of \$110,000.00 on the adjacent parking lot. Mr. Davis said he did not know if there is an agreement that the City would pay off the obligation in exchange for the building. Mr. Sykes reported that \$110,000.00 has been included in the Phase II budget for property acquisition. He added that college representatives have indicated they would be willing to forego payment and trade the parking lot to a city owned parcel located closer to downtown. Mr. Sykes told the Commission that the city is also responsible for providing a 20% match on the second ISTE grant. The Commission directed that a meeting be scheduled between college representatives, Jack Sykes, Rusty Davis, and Sue Smallwood to discuss this matter further.

C. NORTH MAYO SEWER EXTENSION: A pay request in the amount of \$15,996.31 was presented to the Commission from Alpha Reclamation for the sewer extension on North Mayo Trail. City Engineer Sykes reported that the project is 63% complete. Commissioner Blackburn made the motion, seconded by Commissioner Clark to approve payment of the invoice as submitted. The motion carried 4 - 0 - 1 with Mayor Combs abstaining from the vote.

AGENDA ITEM IV.

OLD BUSINESS

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

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1. Fill: Mr. Sykes told the Commission that he had given the Wal-Mart site preparation contractors permission to waste 74,000 yards of fill material on City property with the provision that drainage be maintained through the site. The contractor has proposed to cut a channel at the side of the lot and rip-rap to the river. Mr. Sykes said it was his opinion this option would be beneficial to the city because the drainage would be down the property line instead of crossing the center of the property. He estimated the fill would raise the property about 8 feet, if the contractor brings all the material to the site. The contractor has proposed to spread the fill material over the entire tract and ditch to the river if the City will remove the improvements from the ballfield, specifically the fencing and lighting. If the material is spread over the whole site, it is expected the property will be raised 5 feet, not above the flood plain, but in the vicinity of the flood plain. Mr. Sykes pointed out that the material is too wet to compact and due to that fact, the site will not be compacted to building standards. He recommended having a local contractor to remove the ballfield improvements, because of the site contractor's time constraints. Mr. Sykes estimated the value of the lot between \$200,000 - \$400,000 if the fill is allowed. The Commission was reminded of the Use Agreement for the ballfield with the YMCA. Commissioner Blackburn made the motion to authorize the City Manager to obtain the cost for removal of the ballfield improvements and to use his best judgment on whether to pay for the relocation of the improvements or to reimburse the YMCA for the improvements, and further moved to proceed with the project. Commissioner Davis seconded the motion. The motion carried unanimously. The City Attorney was directed to review the YMCA lease.

2. Raw Water Intake: Mr. Sykes reported that the design and specifications for the improvements to the Raw Water Intake, the addition of a fifth filter gallery and telemetry system are complete and are ready to be sent to the Division of Water for approval, once PSG comments have been received. He estimated a 60 day period to receive Division of Water approval. Mr. Sykes called attention to the cost estimate which is \$100,000 higher than the original estimate due to revisions. With regard to funding, Mr. Sykes reported that a new funding source has been determined through a Kentucky Infrastructure Authority Water Improvement Loan. The interest rate will probably be 1 to 1.5%. The City Manager reported that since the program is new, applications will not be accepted until September 1st. Mr. Johnson said that he had talked with grants man Will Linder who indicated that the city could begin the project and apply to be reimbursed. Mr. Johnson reported that he had not confirmed this with KIA. He added that funds could also be available through the Kentucky League of Cities' bond pool, however interest rates are between 4 and 5%. Commissioner Blackburn stated he would like to see funding in place prior to beginning the project. It was decided to advertise for bids in July with the stipulation that a 90 day hold be placed on the bid.

3. Harold's Branch Road Improvement: Scheduled to be bid in June, 1997. Commissioner Mounts asked if the Harold's Branch residents would be inconvenienced with the project. Mr. Sykes stated he expected a severe inconvenience as the plan calls for the widening of the entrance to provide for two exit lanes and two entrance lanes which will be accomplished by cutting into the hillside.

Mr. Sykes advised the Commission that an earth slide has occurred just beyond the initial limits of the Hospital's expansion project. While the break existed prior to construction on the culvert, Mr. Sykes thinks that the construction encouraged the slip to occur. He does not think there is an immediate threat of losing the pavement. Mr. Sykes reported that he had investigated solutions to stabilize which include the placement of a retaining structure or gabian baskets. The third option would be the least expensive per foot, but most expensive overall and involves lowering the entire roadway about five or six feet. Mr. Sykes plans to present the remedial work as part of the Harold's Branch project and to seek funding through the Department of Transportation.

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

1. Library: Presented for approval was a deed of correction between the City of Pikeville and the Pike County Library District for the library project currently under construction. Mr. Davis advised that the deed of correction provides for the property to be used for a library and a telecommunications center. The original deed limited use to a library only. Commissioner Clark made the motion, seconded by Commissioner Mounts to authorize the Mayor to execute the deed of correction. During discussion, the Commission heard comments from Martha Ridenour and Commissioner Davis concerning the harassment of city library personnel from County Library Board District management. Commissioner Davis told the Commission that his wife, Billie Sue Davis, had resigned as Librarian, effective at 4:15 p.m. on this date. Assistant librarians, Joann Harris and Brenda Kinder resigned last week. Commissioner Davis explained that while his wife was employed by the library, he felt it a conflict of interest to speak with regard to his thoughts on the merge agreement and the unfair treatment of the personnel. He told the Commission that he was bothered over the lack of concern for the employees. Ms. Ridenour told the Commission that she felt the County Library Board District was in violation of the merge agreement. City Attorney Davis advised that the former City Library Board and William Elliott filed suit last week against the County Library Board and the City of Pikeville, alleging that the agreement had been breached, primarily because of the change orders to the contract. Mr. Davis told those present that he did not feel the agreement had been breached in this regard because the change orders to the contract had been authorized by the City Commission. He told the Commission that the City had been added to the lawsuit so it could decide its position of whether the agreement had been breached.

The motion carried unanimously.

City Attorney Davis requested an executive session to discuss the lawsuit to determine the City's position in the matter.

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2. Gas Well: Mayor Combs reported that it had been requested that the City sell its interest in the A.F. Childers Gas well located on Ferguson Creek. The Mayor stated that he advised the interested parties that the city was required to sell its interest by public auction. Due to this fact, he was advised that the party is no longer interested in acquiring the gas well. City Manager Johnson pointed out that the gas lease comprises between 150 to 200 acres. The city does not own the acreage. The City Manager recommended that proposals be solicited from gas drillers to construct additional wells. It was pointed out that royalties will have to be paid to the property owner if gas is extracted from the wells. It was reported the existing well is unusable due to the amount of water in the gas. Discussed was the need to seal the existing well.

3. Civic Center: Presented was an agreement between the City of Pikeville, Pike County Fiscal Court and Bullock/Smith for the preparation of a feasibility study for a proposed Civic Center project. During a previous meeting, the City Commission agreed to share equally in the cost with the County for the study. According to the agreement, the cost for the study has been negotiated at \$45,000.00 including expenses. With the signing of the agreement, the City will be required to pay \$7,500.00. Commissioner Davis made the motion, seconded by Commissioner Mounts to authorize the Mayor to execute the agreement and to approve payment of \$7,500.00. Upon call of the roll, the motion carried 4 - 0 (Commissioner Blackburn was not present at the time of the vote).

D. CITY MANAGER'S REPORTS: City Manager, John B. Johnson, requested an executive session with the Commission to discuss property negotiation matters.

AGENDA ITEM VII.

NEW BUSINESS

A. CITY HALL: Commissioner Clark and Mounts stated their view that a new City Hall facility is needed, due to space shortage. Commissioner Mounts pointed out that a new facility could probably be constructed with the funds received during recent property sales and the potential sale of the existing facility. The City Manager reported that he had checked with the Kentucky League of Cities and confirmed that 20 year bonds could be obtained for the construction. The Commission discussed the possibility of locating the proposed facility beside the police station. It was directed that Chris Chrisman with Summit Engineering prepare a space needs study.

B. SIGNAGE: Commissioner Mounts brought to attention the need to acquire signs for the Fire Stations and City Hall. The City Manager was directed to contact sign companies and present designs at the next City Commission Meeting. Commissioner Blackburn pointed out that the Welcome sign, located adjacent to Pikeville National Bank on North Mayo Trail, needs to be replaced.

AGENDA ITEM VIII.

CONSENT ITEMS.

A. PSG REPORT: Monthly activity reports for the Public Works Departments were presented to the Commission in the agenda package. Commissioner Mounts questioned the amount of unmetered water. PSG Manager, Greg May, advised the water is used to backwash the filters.

Mr. May told the Commission that he had been directed at the previous meeting to monitor Stuart Adams' work in Coal Hollow. Mr. May reported that he had written a letter to Mr. Adams instructing remedial work to be done. Mr. May advised that Mr. Adams had corrected all problems that he had been asked to address. The manholes will be raised once the subdivision request has been approved.

At 8:36 p.m., Mayor Combs made the motion to adjourn to executive session for the purpose of discussing a property negotiation matter and a legal matter dealing with a lawsuit, as requested by the City Manager and City Attorney. Commissioner Mounts seconded the motion. The motion carried unanimously.

At 9:28 p.m., Commissioner Mounts made the motion, seconded by Commissioner Clark to reconvene to regular session. The motion carried unanimously.

Mayor Combs made the motion to authorize the City Attorney to file a response to the lawsuit, filed by the former City Library Board and William Elliott, concerning the agreement of merger between the City of Pikeville Public Library Board and Pike County Library Board District, and to further authorize him to investigate various assertions that were made during this meeting on breaches concerning personnel and budgetary matters. Commissioner Blackburn seconded the motion. During discussion, the City Attorney advised that he did not think there a breach of the contract as it relates to the change orders. The motion carried 4 - 0 - 1 with Commissioner Davis abstaining from the vote.

City Attorney Davis advised that the city was unable to include one of the tracts in the deed of conveyance to the hospital, due to legal problems involving the lawsuit, Coleman vs. the City of Pikeville. The hospital has requested that an option be extended for the property in dispute under the same terms and conditions as originally negotiated. The hospital has agreed to purchase the tract for \$91,000.00. The hospital will be unable to exercise the option until a final decision is rendered on the lawsuit. After a final decision has been made, the hospital will have 60 days to exercise its option. The hospital has agreed to defend the lawsuit at their own expense. Commissioner Blackburn made the motion, seconded by Commissioner Clark to authorize the Mayor to enter into the option agreement as proposed and to authorize the Mayor to execute the agreement. Upon call of the roll, the motion carried unanimously.

There being no further business to come before the Commission, Commissioner Clark made the motion, seconded by Commissioner Mounts to adjourn the meeting. The motion carried unanimously. (Adjournment Time: 9:35 p.m.)

APPROVED _____

ATTEST:

KAREN HARRIS, CITY CLERK