

# MINUTES } CITY OF PIKEVILLE

## PIKEVILLE CITY COMMISSION REGULAR MEETING MINUTES APRIL 27, 1998

The Board of Commissioners of the City of Pikeville conducted their regular monthly meeting on Monday, April 27, 1998. 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 at roll call were as follows:

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

### AGENDA ITEM II. MINUTES

The minutes for the previous regular meeting held on March 23, 1998 were mailed to each Commission Member for review and comment. There being no additions or corrections, Commissioner Davis 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. EASEMENT FOR MAIN STREET CHURCH OF CHRIST: The City Manager presented a request from the Main Street Church of Christ that they be given an easement in the river fill to allow the construction of a 10 ft. circular roadway to serve their new facility. Mr. Blackburn told the Commission that five river fill parking spaces would be lost through the granting of this easement. The City Manager reported that he had spoken with Paul Spencer of River Fill 10 Cinemas with regard to the church's request. Mr. Spencer had no objections. Commissioner Clark made the motion to authorize the City Attorney to prepare the easement agreement and to authorize the Mayor to execute said agreement. Commissioner Davis seconded the motion. The motion carried unanimously.

B. ECONOMIC DEVELOPMENT COUNCIL: Leslie Combs appeared before the Commission to have further discussion concerning the establishment of an Economic Development Council. During the previous meeting, Ms. Combs advised the Commission that the Economic Development Council would consist of the Mayor and County Judge, along with the presidents or chairmen of the Chamber of Commerce, Tourism Commission, Main Street Board and IDEA Board. The duties of the director of the Economic Development Council would include serving as director of the IDEA Board and as liaison between each of the participating agencies. The goal of the proposed council would be to provide new employment opportunities for the community and coordinating the efforts of the participating agencies to ensure their activities are accomplished more efficiently and economically. In the proposed funding budget, the City was asked to contribute \$35,000.00 per year for a two year period to the Economic Development Council. The Commission reduced the contribution to \$25,000.00 per year, stating they had included \$10,000.00 in the 1998-99 City Budget for Main Street Program activities. Commissioner Mounts questioned how the new board's accomplishments would be monitored. Ms. Combs explained that the City and County would both have two appointments on the Board and it would be through those appointments that reports would be issued regarding the effectiveness of the board. Commissioner Davis made the motion to approve the establishment of the Economic Development Council and to approve a \$25,000.00/yr. allotment as the City's contribution to the operation of the Council. Commissioner Mounts seconded the motion. The motion carried unanimously.

C. MAIN STREET PROGRAM: Main Street Board Chair person, Sara George, and newly appointed director, Glendia Little, were present to discuss the Downtown Revitalization Plan and to request permission to proceed with the plan's implementation. Ms. George reminded the Commission that the plan had been prepared by Summit Engineering and encompasses the historic district of the downtown area - Huffman Avenue to Pike Street and Main Street to Hambley Boulevard. The plan addresses streetscape and landscape designs, traffic flow and parking patterns, and a utility relocation plan to provide for underground service. Ms. George told the Commission that the plans have been completed and have been paid for. In conversations with Big Sandy Area Development District's infrastructure grant specialist, it was learned that the City and Main Street could qualify for a number of funding sources to begin the utility relocation. The Main Street Board suggests breaking the plan down into financially manageable phases, and proceeding with the underground utility relocation. Should the City wish to proceed with a more visible change, Ms. George suggested the construction of gateway entrances, which could be completed inexpensively and would not interfere with the underground utility relocation.

With regard to the proposed consolidation with the Economic Development Council, Ms. George told the Commission that Main Street has achieved the 501 C-3 tax exempt status. Many of the agencies who plan to join the council do not have this status. Ms. George explained that it is advantageous for the Main Street Program to retain this tax exempt status because it can qualify for private foundation funds and private grant support without having to depend solely upon government grant support.

Commissioner Mounts made the motion to endorse the Downtown Revitalization Plan and to authorize the Main Street Board to proceed in breaking down the costs for the improvements. Commissioner Clark



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seconded the motion. The motion carried unanimously. Ms. George advised the Commission that reports on the progress would be given to them monthly.

City Manager Blackburn advised that \$10,000.00 had been included in the 1998-99 budget for the Main Street Program.

D. PARKING REQUEST FROM STUART ADAMS: Building Inspector, Levy Green, advised the Commission that Mr. Adams has proposed to construct a 4 unit apartment building on property at the lower end of Hambley Boulevard. The code requires that six parking spaces be provided. Mr. Adams does not have sufficient property to designate the parking spaces on site. The code allows for a variance if permission is granted to use off-site parking. Mr. Adams is requesting the Commission to grant permission for him to use the parking spaces along the boulevard. City Attorney Davis advised that the City can't grant someone a parking franchise without advertising and bidding. He further commented that the practice of reserving parking spaces for any individual has never been observed within the city limits of Pikeville. Mr. Adams was referred to the Board of Zoning Adjustments.

E. PARKING REQUEST FROM BEVERLY COLEMAN: In an effort to recruit businesses to locate in her building at the upper end of Hibbard Street (Goff Furniture Building) Beverly Coleman asked the Commission to look at the possibility of graveling a portion of the grassy area adjacent to her building to provide an additional 6 to 8 parking spaces. City Manager Blackburn and City Commissioner Davis agreed to meet Ms. Coleman on the site to determine the feasibility of the request.

## AGENDA ITEM IV.

## PAYMENT OF BILLS

A. CITY BILLS: Presented for approval of payment was a list of City Bills totaling \$570,848.17. Commissioner Clark made the motion, seconded by Commissioner Davis to approve the payment of the bills as requested. City Manager Blackburn advised that the bills are a little high this month due to the inclusion of the request from C & W Equipment (\$61,000.00) for the Harolds Branch Road Improvement Project. Mr. Blackburn told the Commission that the City has not been reimbursed by the State for the prior two payment requests, however City Engineer Sykes checked on the status and was told that the City would have a check by the end of this week. The motion carried 4 - 0 - 1 with Commissioner Mounts abstaining from the vote.

B. ACADEMY BUILDING: A bill was submitted to the Commission for approval of payment from Richardson & Associates in the amount of \$1,250.00. Historic Preservation Board Chairman, Jack Sykes, advised the Commission that the request covers the bidding process for the second phase of work at the Academy Building. Mayor Combs made the motion, seconded by Commissioner Davis to approve payment of the bill as submitted. The motion carried unanimously.

## AGENDA ITEM V.

## OLD BUSINESS

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

1. Peach Orchard Water Line Replacement: The contractor will begin work the first of the month.

2. Wal-Mart Overbank Improvement Project: Mr. Sykes is in receipt of a letter from Wal-Mart requesting the balance of \$51,250 due them for the Overbank Improvement Project. City Engineer Sykes advised that the asbuilts and certifications that all bills have been paid has been received and he recommended release of the funds. Commissioner Davis pointed out that the funds used for reimbursement of the project is not City money, but money released from the State for this project. Commissioner Davis made the motion, seconded by Commissioner Clark to release the final payment of \$51,250.00 to Wal-Mart for the Overbank Improvement Project. The motion carried unanimously.

3. Flood Study: The City is in receipt of a letter advising that FEMA will be issuing the final flood plain map for Pikeville. The 100 year flood elevation remains the same for much of the area. The elevation to Baird Avenue is 672 then jumps to 686 for the McDonalds/KFC properties. The reason cited for the increase in elevation is that the Corp feels that the culvert at Baird Avenue is too small. Mr. Sykes advised that he thinks with an engineering study he can convince the Corp that the culvert is large enough to handle the flow and recommended the Commission contest the change. The maps will become effective on September 1, 1998. Mr. Sykes advised that the map provisions will go into effect at that time and will remain in effect until the city's request for a revision is re-evaluated. Mayor Combs made the motion to authorize the City Engineer to pursue a complaint against the flood elevation change. Commissioner Davis seconded the motion. The motion carried unanimously.

4. Harold's Branch Road Improvement Project: Mr. Sykes told the Commission that the contractor is approximately 30 days behind schedule, primarily due to the rainy weather. Presented for consideration was two change orders. The first change order is a net deduct of \$69,650.00 to C & W Equipment's contract. The contract provided for C & W Equipment to design and install the traffic signal. At the suggestion of Linda Justice at the Highway Department, the \$70,000.00 cost was removed from the contract to allow the Department of Transportation to design the traffic light and award the installation directly to the firm that has the state price contract. Mr. Sykes thinks this will be less expensive. The differential between the cost and the amount of the change order is the business license fee that has already been paid to the City on the contract amount. The second change order is an increase of \$5,000.00 which provides for the contractor to remove the material from the slide. The cost is to be paid



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from contingency funds which have not yet been approved by the State. The Hospital has agreed to pick up the cost if the State does not agree to pay. Additionally, there is a trade between the City and the contractor with regard to the fill in Poor Farm. The contractor had approximately 20,000 cubic yards less material to waste as originally estimated. For no increased fee, the contractor has agreed to an amended fill plan configuration for Poor Farm. Mr. Sykes told the Commission that he prepared the best possible solution which would provide the City with the most developable property. Commissioner Davis made the motion, seconded by Mayor Combs to approve the change orders as recommended by the City Engineer. The motion carried unanimously.

5. Keyser Heights Water Tank: Presented for the Commission's consideration were bids for the construction of a 200,000 gallon water storage tank in Keyser Heights. The project was split into three contracts. Contract #1, water tank acquisition, received 1 bid from Kentucky Glass Lined Tank in the amount of \$224,000.00. The bid exceeded the engineer's estimate by \$75,000. Mr. Sykes said that he had based the estimate upon the price paid for the tank recently installed at Cedar Creek. Mr. Sykes told the Commission that he had contacted Kentucky Glass Lined Tank and they advised they would deduct \$55,000.00 from the bid if the earthwork was deleted from the contract. Mr. Sykes said that he had contacted a couple of firms to get a quote for the earthwork. He received one proposal in the amount of \$33,000.00. Contract #2, water line construction, received three bids with the lowest bid from Alpha Reclamation in the amount of \$109,876.00. This compares with the engineer's estimate of \$111,670.00. Contract #3 is to install telemetry. There were no bids. Mr. Sykes called C. I. Thornburg and received a quote in the amount of \$20,195.00. The engineer's estimate was \$20,000.00. The total of the contracts as negotiated is \$332,000.00. Mr. Adams has agreed to reimburse the City in the amount of \$140,000.00. Commissioner Mounts stated that he thought Mr. Adams would participate in the project on a 50:50 basis. After considerable discussion, Mr. Adams agreed to pay half the cost (less the cost of the telemetry) contingent upon Mr. Sykes making a diligent effort to negotiate a decrease in the cost of the water tank. Commissioner Clark made the motion to fund up to \$156,000.00 plus the cost of telemetry for the Keyser water tank project. Commissioner Mounts seconded the motion. The motion carried unanimously. Commissioner Davis made the motion to award the bids to the low bidders on Contracts 1, 2 & 3, contingent upon the City Engineer trying to negotiate the price of the water tank. Commissioner Clark seconded the motion. The motion carried 4 - 0 - 1 with Mayor Combs voting yes on Contracts 1 & 3 and abstaining from the vote with regard to Contract #2.

6. Thompson Road: Mr. Sykes reported that he had completed the layout for the proposed through street extending from Cassady Boulevard to Thompson Road. Concept Lodging, Inc.'s, Jim Harris, has looked at the plan and is comfortable with the design as prepared. Mayor Combs reported that City Manager Blackburn, Commissioner Mounts, and himself had conversation with Lowe's representative, Mary Walser. Lowe's has requested that the three parties employ a traffic engineer to conduct a study of the area. It is estimated the cost of the study will not exceed \$10,000.00. The Mayor explained that Lowe's thinks there is a potential need for an additional street to be located between their facility and Winn Dixie. By conducting the traffic study, it is hoped that the City will not find it necessary to proceed with condemnation of the necessary right-of-way for the street's construction. Mr. Sykes encouraged the Commission to retain the services of a traffic engineer who has not worked for either party. Mayor Combs made the motion to authorize the City Manager to coordinate a joint traffic study effort between Lowe's, Concept Lodging, Inc., the City of Pikeville, and possibly, S.E.I. & Development Corporation (if they choose to participate). Commissioner Mounts seconded the motion. Each entity will share equally in the cost of the study. The motion carried unanimously. Briefly discussed was the Developmental Agreement prepared by City Attorney Davis between the City and Concept Lodging, Inc. for construction of the proposed connector street. The City Attorney summarized that he had placed a provision in the agreement that Concept Lodging, Inc. would contribute \$200,000.00 toward the construction of the street. In exchange, the City would reimburse Concept Lodging, Inc. the sum of \$800.00 for each qualified job provided as a result of the new development. Attorney Davis advised that some of the Commission Members were dissatisfied with the provision. No action was taken.

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

1. Retirement Benefits/James Tucker Estate: Prior to the adoption of the Retirement Ordinance, Attorney Mike Lucas told Commission Members that he had filed an action in Pike Circuit Court on behalf of the James Tucker estate, asking that benefits be paid from the date of retirement until the date of Mr. Tucker's death. Referring to the provision in the newly adopted ordinance, the requirement that an employee have 25 years of service with the City of Pikeville was addressed. Mr. Lucas reported that he had reviewed the Social Security records and found that based solely on those records, Mr. Tucker did not meet the requirements. However, through the process of discovery, it was learned there are City documents that have Mr. Tucker employed as early as 1957. He added that he has an affidavit from Mr. Tucker's widow stating that it is her belief that her husband began employment with the City in 1957. City Attorney Davis advised the Commission that the funds being requested (\$25,737.00) are totally for back-pay. He reminded them that they had made a decision to not compensate anyone for back-pay. Mayor Combs asked if Mr. Tucker would have qualified for benefits pursuant to the City's current ordinance. City Attorney Davis told the Commission that Mr. Tucker may have qualified for benefits and suggested that City Manager Blackburn review Mr. Tucker's personnel file and other records. Mr. Blackburn will give a report at the next City Commission Meeting.

2. Zoning Amendment: City Attorney Davis advised that the request for a zoning change for a portion of property owned by Concept Lodging, Inc. had been before the Joint Planning Commission, and had gone through the public hearing process. He reported that he had attended the public hearing and said there was nobody directly opposed to the zoning change, however there were concerns about the roadway



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connecting with Bryan Street. Because of those concerns, the developers agreed to not connect the street. Commissioner Mounts said that the Catholic Church has indicated they would like for the City to close the portion of Bryan Street that extends across their property. Attorney Davis reported there is a dedicated easement to connect Bryan Street. The City Attorney reported that Mr. Harris has agreed to sign a consent agreeing to close the portion of Bryan Street which extends across the Catholic Church's property. First reading of an Ordinance to close the street will be heard at the next regular meeting.

First reading was given to an Ordinance entitled:

ORDINANCE AMENDING ZONING MAP FOR A CERTAIN TRACT OF PROPERTY LOCATED ADJACENT TO THOMPSON ROAD AND THE KEEL SUBDIVISION CONSISTING OF 11.23 ACRES FROM R1 TO C2.

The Ordinance will be on file in the office of the City Clerk for public inspection. Second reading was scheduled for the next meeting.

3. Off-premise signs: Presented and given first reading was a summary of an ordinance entitled as follows:

SUMMARY ORDINANCE AMENDING SECTION 156.147(C) ESTABLISHING SIGN REGULATION FOR COMMERCIAL AND INDUSTRIAL DISTRICTS, PROHIBITING CERTAIN ADVERTISING DEVICES

City Attorney Davis advised the Commission that the regulations pertain to off-premise signs in the area of town known as the "horseshoe" area.

The Ordinance was placed on file in the office of the City Clerk for public inspection. Second reading was scheduled for the next meeting.

4. Property Tax: The Commission established the property tax rate for the City of Pikeville for the 1997-98 Fiscal Year at \$0.175 per \$100.00 of assessed valuation. It was pointed out that the tax rate had not increased from the previous year. An ordinance was presented and read entitled:

AN ORDINANCE FIXING A TAX LEVY ON REAL AND TANGIBLE PERSONAL PROPERTY, FRANCHISES, ALL FOR THE GENERAL OPERATING EXPENSE PURPOSES AND PROVIDING FOR A DISCOUNT ON ALL TAXES, IF PAID ON OR BEFORE JUNE 5, 1998, AND A PENALTY IF NOT PAID BY JULY 3, 1998.

Commissioner Mounts made the motion to declare an emergency and adopt the Ordinance. Commissioner Davis seconded the motion. Said emergency is declared to exist which requires the immediate passage of the ordinance because property tax bills are due to be mailed out to taxpayers as soon as the ordinance goes into effect.

The motion carried by the following votes:

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

5. CDBG/Economic Development Project (telemarketing): Mayor Combs explained that it had become necessary to amend the resolution adopted by the Commission on April 23, 1998, due to the requirement to conduct a public hearing for the project prior to submission of the grant application. The resolution was presented and read as follows:

A RESOLUTION AUTHORIZING PIKEVILLE MAYOR STEVEN D. COMBS TO SIGN AND SUBMIT AN APPLICATION FOR UP TO \$450,000 IN COMMUNITY DEVELOPMENT BLOCK GRANT-ECONOMIC DEVELOPMENT FUNDS THROUGH THE KENTUCKY DEPARTMENT OF LOCAL GOVERNMENT FOR THE PIKEVILLE ECONOMIC DEVELOPMENT PROJECT.

WHEREAS, the Pikeville City Commission wishes to promote economic diversification and increase the number of jobs available to residents, and

WHEREAS, the Pikeville City Commission is eligible to apply for Community Development Block Grant funds for economic development purposes,

BE IT RESOLVED BY THE PIKEVILLE CITY COMMISSION:

SECTION ONE: That, contingent upon comments received at the City's Friday, May 8, 1998 public hearing, the Mayor of Pikeville be hereby authorized to sign and submit an application for up to \$450,000 in Community Development Block Grant funds.

SECTION TWO: This resolution shall be signed by the Mayor of Pikeville, attested by the City Clerk, recorded and shall be in effect at the earliest time provided by law.



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PASSED by the Pikeville City Commission, Pikeville, Kentucky, this 27th day of April, 1998.

PIKEVILLE CITY COMMISSION, PIKEVILLE, KENTUCKY

/s/ Steven D. Combs  
Steven D. Combs, Mayor of Pikeville

ATTEST:

/s/ Karen W. Harris  
Karen W. Harris, Pikeville City Clerk

6. IDEA Interlocal Agreement: In conjunction with the CDBG application, Mayor Combs reported that Ann Chaney with the Big Sandy Area Development District, had advised that the City can't deal directly with the telemarketing firm. The CDBG funds will be awarded to the IDEA Board for administration. The Mayor explained that the Interlocal Agreement between the City and Pike County for joint operation of the IDEA Board has expired. Presented for approval was an agreement to continue the City and County's joint efforts in the operation of IDEA. Mayor Combs pointed out that the agreement stipulates that City funding of the IDEA agency is strictly optional. He commented that the City would probably not contribute any funds to IDEA since the Commission had approved the establishment of the Economic Development Council and had agreed to fund this entity at \$25,000 per year.

Commissioner Mounts made the motion to adopt the IDEA Interlocal Agreement contingent upon satisfactory review by the City Attorney. Commissioner Clark seconded the motion. The motion carried unanimously.

C. CITY MANAGER'S REPORTS: Kenny Blackburn, City Manager, presented the following items for the Commission's consideration:

1. Pond Dredging: City Manager Blackburn advised that he had met with a contractor who specializes in pond dredging. Depending upon the amount of material, the cost to dredge the south end of the pond is estimated at \$15,000 to \$25,000. The City Engineer will look at the area and determine the amount of material to be removed and look to see if he can locate an area to waste the material. He will report his findings to the Commission at the next meeting.

2. Bond Refinancing: An agreement with Hilliard Lyons was signed at a previous meeting to allow the company to proceed with the refinancing of the 1985 Bond Issue (Water Treatment Plant Construction). Hilliard Lyons has indicated they are nearing completion of the process to offer the bonds for sale. The City is expected to save about \$650,000 on the issue with the initial term of the bonds being reduced by two years (the bonds will be retired in the year 2023). The monthly payment will be near the same dollar amount that is now being paid.

3. Meeting Date Change: Due to the next scheduled meeting of the Commission falling on the Memorial Day Holiday, Mayor Combs made the motion, seconded by Commissioner Mounts to reschedule the meeting for Thursday, May 28, 1998 at 6:00 p.m. The motion carried unanimously.

At 8:15 p.m., Mayor Combs made the motion to adjourn to an executive session to discuss a surplus property matter. Commissioner Mounts seconded the motion. The motion carried unanimously.

At 8:40 p.m., Mayor Combs made the motion to reconvene to regular session. Commissioner Mounts seconded the motion. The motion carried unanimously.

Mayor Combs made the motion to authorize the City Manager to negotiate with the City of Elkhorn City for the sale of a surplus police cruiser. Commissioner Mounts seconded the motion. The motion carried unanimously.

Mayor Combs made the motion to grant a 2% cost-of-living increase to all City Employees beginning July 1, 1998. Commissioner Davis seconded the motion. The motion carried unanimously.

First reading was given to an Ordinance entitled:

## AN ORDINANCE ADOPTING THE CITY OF PIKEVILLE, KENTUCKY ANNUAL BUDGET FOR THE FISCAL YEAR JULY 1, 1998 THROUGH JUNE 30, 1999, BY ESTIMATING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE OPERATION OF CITY GOVERNMENT

The ordinance will remain on file in the office of the City Clerk for public inspection. Second reading was scheduled for the next meeting of the City Commission.

There being no further business to come before the Commission, Mayor Combs made the motion, seconded by Commissioner Clark to adjourn the meeting. The motion carried unanimously.  
(Adjournment Time: 8:43 p.m.)



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APPROVED \_\_\_\_\_  
STEVEN D. COMBS, MAYOR

ATTEST:

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KAREN W. HARRIS, CITY CLERK