

MINUTES } CITY OF PIKEVILLE

CITY OF PIKEVILLE BOARD OF COMMISSIONERS REGULAR MEETING MINUTES AUGUST 23, 1999

The Board of Commissioners of the City of Pikeville met in regular meeting on Monday, August 23, 1999. The meeting was held in the City Hall Public Meeting Room located at 117 College Street, Pikeville, Kentucky.

There being a quorum present, Mayor Frank M. Morris called the meeting to order at 5:15 p.m. Commission Members present at roll call were as follows:

MAYOR: FRANK M. MORRIS
COMMISSIONER: BILL BLACKBURN
EUGENE DAVIS
WANDA WILSON
SHARON CLARK

AGENDA ITEM II. MINUTES

The minutes for the previous regular meeting of July 26, 1999 and special meetings of June 8 and August 2, 1999, were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Davis made the motion, seconded by Commissioner Wilson to adopt the minutes as presented. The motion carried unanimously.

AGENDA ITEM III. BUSINESS FROM THE FLOOR

PIKEVILLE ELEMENTARY ACCESS ROAD: Pikeville Independent School Superintendent Howard Wallen was present on behalf of the school board officials to thank the City Commission for their decision to assist the school board in constructing an alternate access street to serve Pikeville Elementary. City Engineer Sykes reported that bids had been solicited for the street's construction. Two bids were received, with the low bid being from J & H Enterprises in the amount of \$78,540.50. The other bid was submitted by McPeck General Contracting in the amount of \$86,768.50. During the August 2, 1999 special meeting, the City Commission agreed to fund \$45,000.00 of the project and the school board agreed to contribute up to \$35,000.00. To reduce the project cost, used guardrail was bid. City Engineer Sykes recommended the award of the bid to the low bidder, J & H Enterprises in the amount of \$78,540.50. Commissioner Davis made the motion, seconded by Commissioner Clark to award the bid as recommended. The motion carried 4 - 0 - 1 with Commissioner Wilson abstaining from the vote.

HIGH STREET/KENTUCKY AVENUE/SYCAMORE STREET PROJECT: Grant writer, Will Linder, was present and distributed copies of the map depicting Phases I and II of the project. Phase I (Sycamore Street) of the acquisition/demolition/relocation project will be funded with Community Development Block Grant (CDBG) funds. An application for CDBG funding was submitted approximately 1 month ago. Mr. Linder proposes to fund Phase II of the project (construction of 40 units of townhouses along Kentucky Avenue) with HOME Investment Partnership Program grant monies. The application amount is \$1,164,750, however this phase is expected to cost \$4,471,957. Other funds for this phase include \$400,000 ARC funds; \$1.9 million in low income housing tax credits, and a KY Housing Corporation loan in the amount of \$770,000. The HOME funds require a match from the city in the form of free water/sewer/gas tap-on fees. The overall project provides for a \$500,000 cash match from the City - \$20,000 from the FY 1999 budget; \$80,000 from the FY 2000 budget; and \$100,000 from the following 4 operating budgets. The project coordinator's salary will also be used as an in-kind match for both Phases I and II. A \$100,000 grant has been awarded to the City from the Kentucky Housing Corporation under their Affordable Housing Trust Fund to do a study to ascertain what the high rise should look like, whether it should be family oriented or dedicated mainly to elderly populations, the number of units - either 60 or 80. The grant will also provide funds for appraisals, title searches and various surveys. It is expected that award of the grants should be announced by the end of December. If funding is approved, the City can begin acquisition in February. It was pointed out that funds needed for the necessary infrastructure improvements - storm drains, utility line replacements, etc., are not a part of this funding package. Mr. Linder indicated there may be grant or loan funds available for this particular facet of the project. A resolution was presented and read entitled:

ORDER OF THE CITY OF PIKEVILLE, KENTUCKY AUTHORIZING THE FILING OF A 1999 HOME INVESTMENT PARTNERSHIP APPLICATION

WHEREAS, it is necessary and in the public interest that the city of Pikeville avail itself of the financial assistance provided by the Kentucky Housing Corporation, Division of Community Programs, to commence a 1999 HOME Investment Partnership Program within the community; and,

WHEREAS, it is recognized that the contract for such financial assistance pursuant to said 1999 HOME Investment Partnership Program will impose certain obligations and responsibilities upon the City of Pikeville and will require among other things:

- (1) Approval of a satisfactory application transmitted to the Kentucky Housing Corporation, Division of Community Programs;
- (2) Certification by the City of Pikeville relating to activities such as civil rights,

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citizen participation, relocation payments, acquisition of properties, national environmental policies, and accounting practices; and,

- (3) Other local obligations and responsibilities in connection with the undertaking and carrying out of the 1999 Home Investment Partnership Program; and,

WHEREAS, in those areas where acquisition and clearance is proposed, the objectives of the program cannot be achieved through more extensive rehabilitation, and a displacement strategy has been formulated;

NOW, THEREFORE, BE IT ORDERED by the City of Pikeville:

- (1) That the United States of America and the Commonwealth of Kentucky be, and hereby are, assured of full compliance by the City of Pikeville with certification relating to all regulations and administration of Civil Rights Act, citizen participation, relocation payments, acquisition processes, accounting procedures, the Hatch Act, minimum wage and minimum hour provisions of the Fair Labor Standards Act, and all requirements of the National Environmental Policy Act of 1968.
- (2) That the Mayor is authorized and directed to prepare such certification and to assure full compliance with all certifications as outlined in (1) above, and all other pertinent regulations.
- (3) That an application on behalf of the City of Pikeville for a grant of up to \$1,164,750 of said 1999 HOME Investment Partnership funds is hereby approved and that the Mayor, Frank Morris, is hereby authorized to execute and file such application with the Kentucky Housing Corporation, to provide such additional information and to furnish such documentation as may be required, and to act as the authorized correspondent of the City of Pikeville relating to the 1999 HOME Investment Partnership Program.

Commissioner Davis made the motion to adopt the resolution. Commissioner Wilson seconded the motion. The motion carried unanimously.

FORMER CITY HALL BUILDING: Representing the Pike County Craft Co-op, Carol Bailey addressed the Commission relative to the agency's desire to acquire space in the city owned building located at 260 Hambley Boulevard, which formerly housed City Hall. Ms. Bailey advised that only two offices in the larger building are needed. The Co-op proposes to use the offices as a sell shop for local crafters, while teaching marketing skills and improved crafting quality. Because the Co-op is funded with dues and 10% from craft sales, they propose to pay the electric bill, but no rental fee. The Commission advised they have had several requests to use the former city hall location, but want to delay a decision for at least six months. The Commission explained there are future projects being considered which will require sizeable contributions of city funds. It may be necessary to sell or lease the former city hall buildings to fund the projects. Ms. Bailey requested that the Pike County Craft Co-op be added to the list of prospective tenants. It was noted that other interested parties include the Main Street Agency, IDEA, and Big Sandy Telecommunications Center.

NEW CITY HALL FACILITY: Tourism Director, Bruce Brown, asked the Commission if the City planned an open house to give the public the opportunity to tour the new city hall facility. City Manager Blackburn advised that open house is planned once the landscaping and furniture contracts are completed. Commissioner Davis commented that Tourism should be involved in the planning of "Open House".

AGENDA ITEM IV. PAYMENT OF BILLS

CITY BILLS: A list of City Bills totaling \$425,173.73 was presented for approval of payment. Also included on the bill listing was a request for payment of \$110.56 to Gall's for holsters for the police department. This bill is to be paid with funds received from a law grant. City Manager Blackburn presented two additional bills for approval of payment from Smith Tree Care in the amount of \$1,175.00 and Ambiance in the amount of \$1,025.00. Commissioner Blackburn made the motion, seconded by Commissioner Wilson to approve payment of the bills as requested. The motion carried unanimously.

AGENDA ITEM V. OLD BUSINESS

A. MAIN STREET PROGRAM: Main Street Executive Director, Glendia Sawyers, reported that she had submitted the City's application to Renaissance Kentucky for an upgrade in ranking from a silver status to a gold status. Announcements regarding any change of status will be made at the Kentucky League of Cities Convention in Paduch in October. Ms. Sawyers, along with city employees, Sue Varney and Sue Smallwood, and City Manager Blackburn, met to discuss the manner in which the Renaissance KY funds would be disbursed. It was initially reported that the Renaissance Alliance would be making payment directly to all vendors, however it has since been learned that the Renaissance funds will be forwarded to the City and the City will make payment to the vendors. The bills will be reviewed for payment by the Main Street Board and upon their recommendation will be forwarded to the City Commission for approval. Once the City Commission grants approval, payment will be made to the vendors. Presented for approval was the following resolution:

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A RESOLUTION AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY BETWEEN RENAISSANCE KENTUCKY ALLIANCE AND THE CITY OF PIKEVILLE FOR STREETScape IMPROVEMENTS (RESOLUTION NO. R-99-008)

BE IT RESOLVED BY THE CITY OF PIKEVILLE, KENTUCKY:

SECTION 1. The Mayor is hereby authorized and directed to execute all documents necessary with Renaissance Kentucky Alliance for Renaissance Kentucky streetscape funding in the amount of \$332,182.00, with City matching funds in the amount of \$83,045.00.

SECTION 2. This expenditure shall be charged to Account No. 120-14-930.28.

SECTION 3. This resolution shall become effective upon adoption by the Pikeville City Commission.

Commissioner Clark made the motion, seconded by Commissioner Davis to adopt the Resolution. The motion carried unanimously.

Main Street Director, Glendia Sawyers, was designated as the Facade Grant and Planning Grant contact. Project Coordinator, Sue Smallwood was designated as the Streetscape Grant contact.

Ms. Sawyers advised the Commission that the Board of Directors for the Main Street Program have requested to relocate the Main Street office to the former City Hall location.

City Engineer Sykes reported that the major aspect of the renaissance project is underground relocation of all utilities in the downtown block. The downtown block was defined as the area between Pike Street to Huffman Avenue and Hambley Boulevard and Main Street. Mr. Sykes has been working with the utility companies over the past several months to prepare a cost estimate for relocation, as well as addressing the long term needs of the city's existing gas, water, and sewer lines within the project area. American Electric Power's estimate for relocation of their utility is \$1,577,228.75; BellSouth's estimate totals \$639,761, but only provides for installation of manholes and the conduit bank in the ground. Mr. Sykes estimated an additional \$1 million to pull the lines through the conduit and to extend the service to the existing buildings. Tele-Media's estimate totals \$1,421,000. Mr. Sykes added that he thinks that both BellSouth and Telemedia's estimates are too high. It is proposed to replace all the metal gas lines; replace all the 10" and about 1/3rd of the 4", 6", and 8" water lines, and all of the clay tile sewer mains. The estimate does not include replacing any sewer manholes. All the streets in the project area will be repaved, 5% of the sidewalks will be replaced, and 10% of the curbs will be replaced. Total estimated cost for utility relocation is \$6.5 million. Mr. Sykes recommended the project be completed in two phases - excavation, conduit and manole installation and street paving in the first phase and pulling the cable and connecting the service to the buildings in the second phase. Because this is a massive project, Mr. Sykes told the Commission they may want to consider only doing one street at a time. While a portion of this project can be funded with Renaissance funds, Mr. Sykes told the Commission they may want to meet in work session to establish project priorities since there are a number of large projects the city will be involved in over the next couple of years.

B. CITY ENGINEER'S REPORTS: Jack Sykes, City Engineer, gave a verbal status report for the following projects:

1. Bowles Storm Drainage: Presented was an invoice from the contractor, J & H Enterprises, in the amount of \$23,274.00 (installation of pipe and drop boxes) for the Bowles Addition Storm Drainage Project. Also presented was payment request #2 from Patriot Construction Company in the amount of \$20,520.00 for the Bob Amos Park storage building project. A 10% retainage is being withheld on both projects. City Engineer Sykes recommended both bills be approved. Commissioner Clark made the motion, seconded by Commissioner Davis to approve payment to J & H Enterprises and Patriot Construction Company as recommended. The motion carried unanimously.

2. Vanover Lane: City Engineer Sykes reported that a Vanover Lane property owner, Zeb Hampton, had contacted a couple of Commissioners concerning some disturbance to his property during the construction of the sewer line. Mr. Sykes explained that part of the problem stems from Mr. Hampton's attempt to construct an access in an area where it is almost impossible to construct without installing a retaining wall. The earth is stacked up at a grade greater than a 2:1 ratio because that was all the space available for placing the excavated material. Fill material can't be compacted at this steep of grade. Mr. Sykes provided pictures of the area that were taken prior to any construction activity. He gave his opinion that the property conditions were much better now than before construction. Mr. Sykes further commented that a gentler slope was constructed to protect Mr. Hampton's house. Commissioner Davis reported that Mr. Hampton had told him that he had a curb in place prior to construction that prevented water from getting around his house. The curb that was put back is too low to keep the water away from the house. There is also a sink hole that needs to be filled in the back of the driveway. Commissioner Blackburn made the motion to authorize the City Manager to look at the site, to install curbing, or other work deemed necessary. Commissioner Clark seconded the motion. The motion carried 5 - 0.

3. Transportation/Parking Garage Study: Summit has scheduled a meeting on Wednesday morning, August 24, 1999, at 10:00 a.m., in the Chamber of Commerce conference room to review the draft of Wilbur Smith's recommendations for the parking garage and transportation study.

4. Work Session: Mr. Sykes requested a work session for September 9th at 3:00 p.m. to discuss the water improvement project. The clerk was directed to schedule the meeting.

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

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1. Budget Amendments: Presented and given second reading was an Ordinance entitled as follows:

ORDINANCE AMENDING THE FISCAL BUDGET FOR THE 1998-99 FISCAL YEAR (ORDINANCE NO. O-99-011)

Budget Amendments attached.

Commissioner Davis made the motion, seconded by Commissioner Wilson to adopt the Ordinance as presented and read. The motion carried by the following votes:

MAYOR:	FRANK M. MORRIS	YES
COMMISSIONER:	BILL BLACKBURN	YES
	EUGENE DAVIS	YES
	WANDA WILSON	YES
	SHARON CLARK	YES

2. Water Improvement Project: City Attorney Davis presented several documents for approval regarding the Rural Development grant and loan funds for the water improvement project. The documents submitted were: Loan Resolution (\$668,00000); Equal Opportunity Agreement; Assurance Agreement; and Local Counsel Agreement signed by the City's Attorney relating to certain legal work and legal fees associated with the project (approximately \$5,400). Commissioner Davis made the motion to approve the agreements and to authorize the Mayor to execute the agreements as presented. Commissioner Clark seconded the motion. The motion carried unanimously.

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

1. Bids: Presented to the Commission were bid results for the purchase of a pickup truck for the gas department; roof replacement at the Water Treatment Plant; Bob Amos Park Walking Track maintenance; and financing for the new fire truck. The bids were as follows:

4-Wheel Drive Pick-up: Bruce Walters Ford - \$21,653.45; Fletcher & Halls - \$23,136.28

Water Treatment Plant Roof Replacement: Baldwin Contracting - \$19,850.00

Walking Track Maintenance: Athletic Surface Technology - \$19,725.00

Commissioner Clark made the motion, seconded by Commissioner Wilson to award the bids to the low bidders. The motion carried unanimously.

City Manager Blackburn advised the Commission that the track will be closed for 7 to 10 days in October while the maintenance contract is being performed.

Fire Truck Financing: City Manager Blackburn advised the Commission that delivery of the new aerial ladder fire truck is expected in September. Placed in this year's operating budget was a down payment of \$192,000.00. The remainder will be financed. Bids were solicited from local financial institutions and the Kentucky League of Cities. The low bidder was Firststar at a fixed rate of 5.19%. The loan amount is \$340,000.00 and will be repaid over a four year period. The fire truck, itself, will be the collateral for the loan.

Resolution R-99-009 was presented and read entitled:

A RESOLUTION APPROVING A LEASE FOR THE FINANCING OF THE ACQUISITION OF A FIRE TRUCK FOR THE CITY OF PIKEVILLE, KENTUCKY; AUTHORIZING THE EXECUTION OF VARIOUS DOCUMENTS RELATED TO SUCH LEASE; AND MAKING CERTAIN DESIGNATIONS REGARDING SUCH LEASE

RESOLUTION NO. R-99-009

WHEREAS, the City of Pikeville, Kentucky (the "City"), has heretofore determined to acquire a fire truck for the City of Pikeville (the "Project");

WHEREAS, the City has followed the procedures prescribed by law for the acquisition of the Project; and

WHEREAS, the City desires to finance on the costs of the Project through a Lease Agreement (the "Lease") with Firststar Bank, N.A. (the "Lessor") pursuant to Section 65.940 et. seq. of the Kentucky Revised Statutes (the "Act");

NOW, THEREFORE, BE IT ORDERED AND RESOLVED BY THE BOARD OF COMMISSIONERS, CITY OF PIKEVILLE, KENTUCKY:

Section 1. Recitals and Authorization: The City, as lessee, hereby approves the Lease Agreement (the "Lease"), in substantially the form presented to this Board of Commissioners (the "Governing Body"). It is hereby found and determined that the Project identified in the Lease is public property to be used for public purposes. It is further determined that it is necessary and desirable and in the best interests of the City to enter into the Lease for the purposes therein specified, and the execution and delivery of the Lease and all representations, certifications and other matters contained in the closing Memorandum with respect to the Lease, or as may be required by Peck, Shaffer & Williams

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LLP, as Bond Counsel for the City, prior to delivery of the Lease, are hereby approved, ratified and confirmed. The Mayor and City Clerk of the City are hereby authorized to execute the Lease, together with such other agreements or certifications which may be necessary to accomplish the transaction contemplated by the Lease.

Section 2. Designation as Qualified Tax-Exempt Obligation. Pursuant to Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986 (the "Code"), the City hereby specifically designates the Lease as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code. In Compliance with Section 265(b)(3)(D) of the Code, the City hereby represents that the City (including all "subordinate entities" of the City within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates that it will not issue in calendar year 1999, "qualified tax-exempt obligations" in an amount greater than \$10,000,000.

Section 3. Expectation Regarding the Lease. The City, by the adoption of this Resolution, certifies that it does not reasonably anticipate that less than 95% of the proceeds of the Lease will be used for "local government activities" of the City or that the aggregate face amount of all tax-exempt bonds issued by the City during calendar year 1999 will exceed \$5,000,000.

Section 4. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 5. Open Meetings Laws. This Board of Commissioners hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board of Commissioners and that all deliberations of this Board of Commissioners and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

Section 6. Effective Date. This Resolution shall take effect from and after its passage, as provided by law.

Dated: August 23, 1999

Commissioner Clark made the motion to award the bid for financing of the fire truck to Firststar and to adopt the Resolution as presented and read. Commissioner Wilson seconded the motion. The motion carried by the following votes:

MAYOR:	FRANK M. MORRIS	YES
COMMISSIONER:	BILL BLACKBURN	YES
	EUGENE DAVIS	YES
	WANDA WILSON	YES
	SHARON CLARK	YES

2. Job Descriptions: City Manager Blackburn presented for approval 2 amended job descriptions for the 911 Dispatch and the 911 Coordinator. The changes reflected a clarification into the designation of a department for dispatchers - ie - changed from dispatch to Police/Fire/Public Works Dispatch Center; and designated the Police Chief as the supervisor, or the on-duty police supervisor, in the Police Chief's absence. Police Chief Justice explained the change in supervision is necessary due to the requirements set forth in the NCIC equipment agreements that provide for a law enforcement officer to supervise operations. 911 Coordinator Wally Justice and Fire Chief Tommy Hall voiced their objections to approval of the amended job descriptions because they had not had the opportunity to review the amendments. Mr. Justice also voiced his objections to the captains and sergeants of the police department being named as the dispatch center's supervisors. Mr. Justice said that he had been told that he had the same supervisory authority as a sergeant. The Commission tabled a decision on the matter and directed the City Manager to meet with the Fire Chief, 911 Coordinator, and Police Chief concerning the amended job descriptions.

3. McCoy Reunion: Presented to the Commission was a request from the McCoy 2000 Reunion Committee for use of the City Park, both sides of Main Street, and Bob Amos Park during their family reunion on Saturday, June 10, 2000. The committee has planned a variety of entertainment in the park and would like to have vendor booths on both sides of Main Street, down to the Garden Cafe. A Hatfield/McCoy softball game is planned for Saturday evening at Bob Amos Park. The Commission reviewed a memorandum from the Fire Chief relating to the placement of vending spaces on the street. Fire Chief Hall recommended that no booth space be permitted at the corner of Huffman and Main Street and permitted only on one side of the street from Pike Street down to the Garden Cafe. It is estimated that between 1200 to 1500 McCoys will participate in the event. The events will also be open to the public. Commissioner Davis made the motion to approve use of the parks and the vending space pursuant to the Fire Chief's recommendations. Commissioner Blackburn seconded the motion. The motion carried unanimously.

There being no further business to come before the Commission, Mayor Morris made the motion, seconded by Commissioner Davis to adjourn the meeting. The motion carried unanimously. (Adjournment Time: 7:00 p.m.)

APPROVED _____
FRANK M. MORRIS, MAYOR

ATTEST:

KAREN HARRIS, CITY CLERK