

## MINUTES } CITY OF PIKEVILLE

**CITY OF PIKEVILLE  
BOARD OF COMMISSIONERS  
REGULAR MEETING MINUTES  
NOVEMBER 22, 1999**

The Board of Commissioners of the City of Pikeville met in regular session on Monday, November 22, 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 5:18 p.m. Commission Members present at roll call were as follows:

MAYOR:	FRANK M. MORRIS
COMMISSIONER:	BILL R. BLACKBURN
	EUGENE W. DAVIS
	SHARON C. CLARK

Commissioner Wanda V. Wilson arrived at 5:26 p.m.

AGENDA ITEM II.

MINUTES

The minutes for the previous regular meeting of October 25, 1999 were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Clark made the motion, seconded by Commissioner Blackburn to approve the minutes as submitted. The motion carried 4 - 0 (Commissioner Wilson not present at the time of the vote).

AGENDA ITEM III.

BUSINESS FROM THE FLOOR

A. CHAMBER OF COMMERCE: Pike County Chamber of Commerce Executive Director, Kitty Blackburn, addressed the Commission relative to the terms of a lease agreement between the Chamber of Commerce and the City for the building and property located at 261 Hambley Boulevard. During the City Commission's special meeting, conducted on November 11, 1999, the Commission approved to enter into a 5 year lease agreement with the Chamber of Commerce for the former utility office building. The lease provides that either party can cancel the lease with 90 days notice. Ms. Blackburn advised that she was under the impression that the 90 day cancellation period became effective, within the 5 year period, only if the City Commission decided to sell the building. Ms. Blackburn told the Commission that the Chamber of Commerce's executive board is requesting the addition of this clause to cover costs incurred with the relocation of their office. Commissioner Davis pointed out that the City Commission agreed to lease the building to the Chamber of Commerce for \$200.00 per month, which is well below market value. Ms. Blackburn contended that the Chamber of Commerce provides services on behalf of the City free of charge and lower lease fees are justified. Commissioners voiced that they had thought that an agreement had been successfully



## MINUTES } CITY OF PIKEVILLE

negotiated. Ms. Blackburn pointed out that the Commission had agreed to re-enter lease fee negotiations with the Chamber after nine months, however the lease agreement provides only for an increase in fees over a five year period. She added that the Chamber is willing to concede this issue, but are requesting a secured lease term. Ms. Blackburn reminded the Commission that should the Chamber of Commerce violate any other terms of the lease, the City can cancel this lease with a 30 day notice. Chamber of Commerce Board Member Dan Stratton explained that the Chamber will be experiencing a number of relocation expenses. Their board is requesting an added assurance that they will not be displaced for any other reason than for sale of the building. Mr. Stratton apologized to the Commission for the misunderstanding concerning the lease term. Commissioner Blackburn made the motion to add a clause to the lease agreement to guarantee the lease for a three year period, cancelable with 90 days notice within that three year period, only in the event that the City sells the building. Commissioner Davis seconded the motion. The motion carried 3 - 2 with Commissioner Clark and Mayor Morris casting nay votes. Commissioner Clark commented that she had voted no because she feels that the citizens of Pikeville are subsidizing the Chamber of Commerce to a certain extent. Mayor Morris stated that he had understood that the lease could be canceled with 90 days notice, only if the City sold the building. All other terms of the agreement will remain as stated in the written agreement.

B. PROPERTY TAX: Steven Huffman appeared before the Commission to request the penalties and interest, totaling \$34.55, on his property tax be waived due to him not receiving the tax bill. Tax Administrator, Grace Ratliff, reported that Mr. Huffman's tax bill had been returned by the Post Office because of an incorrect address. Mr. Huffman's address, according to the City's records, were compared with the address filed with the Pike County Tax Assessor's office, and found to be identical, except for the zip code. Mr. Huffman affirmed that the address shown on the tax bill is his correct mailing address and reported that he had been receiving his utility bill. Mr. Huffman contended that he should not be penalized for the Post Office's error. While the Commission sympathized with Mr. Huffman's position, they advised they could not waive penalties and interest for any reason except City error. City Manager Blackburn reported that the tax office had placed an advertisement in the newspaper, about a week after the tax bills were mailed advising taxpayers that bills had been mailed, and if not received, to contact the Tax Office.

## AGENDA ITEM IV.

## PAYMENT OF BILLS

A list of City Bills totaling \$583,164.26 was presented to the Commission for approval of payment. Upon City Manager Blackburn's confirmation that sufficient funds were available to make payment, Commissioner Clark made the motion, seconded by Commissioner Davis to approve payment of the bills as requested. The motion carried unanimously.

## AGENDA ITEM V.

## OLD BUSINESS



## MINUTES } CITY OF PIKEVILLE

A. MAIN STREET PROGRAM: Pikeville Main Street Board Member, Sarah George, reported that the Christmas Parade is scheduled for December 4th at 3:00 p.m. There are currently 64 entrants registered to participate in the parade.

Ms. George advised the Commission that the Main Street Agency will have no office space after January 1, 2000. City Manager Blackburn advised that he will make arrangements to have the office space at City Hall, designated for the Main Street Agency's use, ready for their occupation by January 1, 2000.

City Engineer Sykes explained the Downtown Utility Relocation Project. The entire scope of the project includes installation of manholes, conduits, gas, water, sewer and paving of streets for the entire Downtown Renaissance Pikeville area. Due to the size and complexity of the project, the project is organized into two phases. Phase I encompasses the installation of manholes, conduits, and replacement of gas, water and sewer lines and re-paving of Main Street, Huffman Avenue and Cricket Alley. This project is slated to commence in the year 2000 at a cost of \$1.7 million, which includes 20% in local matching funds. Funding for the project is expected in the form of ISTEA and KY Renaissance Funds totaling \$1 million; \$500,000 from an ARC grant; and approximately \$140,000 from re-allocation of 1998 TEA-21 funds. It was explained that these funds are available because of proposed improvements to the river fill area that are no longer necessary due to the proposed construction of the civic center and parking structure. Permission has been granted to use the re-allocated funds toward the 20% match needed for the ISTEA and KY Renaissance funds. Additional city funds of approximately \$62,000.00 is necessary.

Phase II of the project encompasses Second Street and its connector streets to Main Street, which include Grace Avenue, Division Street and Pike Street. The project provides for the replacement of gas, water and sewer lines; installation of manholes and conduits for relocation of other utilities; and repaving and replacing or repairing curbs, crosswalks and sidewalks along all streets.

Ms. George advised that Phase III of the project involves removal of the overhead utilities and pulling the new utilities through the conduit.

Mr. Sykes pointed out that the City is applying for funding for the first phase of the project only. Acceptance of the funds would require a commitment from the City to the entire project.

Commissioner Davis made the motion to authorize the Mayor to execute the necessary applications for funding. Mayor Morris seconded the motion. The motion carried unanimously.

B. CITY ENGINEER'S REPORTS: Jack Sykes, representing Summit Engineering, City Engineers, gave a verbal status report for the following ongoing projects:



## MINUTES } CITY OF PIKEVILLE

1. ~~Water Tank Painting: Painting of the Peach Orchard and Smith Hill Water Tank and the Overlook is completed.~~

2. City Park Storage Facility: The contractor, Patriot Construction, has reached substantial completion on this project. An invoice in the amount of \$8,062 was included in the City Bills request for payment. A \$10,000 retainage is being withheld.

3. Bowles Addition Storm Sewer: City Engineer Sykes reported that J & H Enterprises has reached substantial completion of this project. Change order #2 totaling \$13,958.35 was presented for approval. The change order is primarily made up of the cost of additional 18" ADS pipe installed earlier in the project and overruns on asphalt and concrete. The city engineer reported there are some areas where the paving is not acceptable. He recommended allowing the contractor to wait until spring to correct the problem. A \$5,000.00 retainage will be withheld until the project is fully completed. Additionally, two pay requests were presented for approval in the amounts of \$16,920.77 and \$13,316.14 (the latter amount is the total retainage - it was recommended to withhold \$5,000 from this amount). Commissioner Davis made the motion, seconded by Commissioner Clark to approve change order #2, payment of the two invoices, and withholding a \$5,000 retainage until paving is replaced. The motion carried unanimously.

4. 911 Re-addressing: Summit Engineering is proceeding with the 911 Re-addressing project. Letters, advising residents of their new addresses, are scheduled to be mailed around the first week of December.

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

1. High Street Project: Presented for the Commission's approval were five contracts for various services associated with the High Street Housing Project. This phase of the project involves the acquisition of 28 parcels.

a. Consulting Services: Two proposals for this segment were received. Kriss Lowry & Associates proposed to perform the consulting services for \$15,280.00, however it was recommended that a contract be executed with Will Linder & Associates for an amount not to exceed \$18,000.00, due to Mr. Linder's experience with these type of projects and the availability of office personnel to complete said work. The following resolution was presented:

RESOLUTION OF THE CITY OF PIKEVILLE APPROVING ENTERING INTO CONTRACT WITH WILL LINDER & ASSOCIATIONS, CONSULTANTS, TO PERFORM CONSULTANT SERVICES RELATIVE TO THE HIGH STREET REDEVELOPMENT PROJECT (Resolution R-99-012)



## MINUTES } CITY OF PIKEVILLE

WHEREAS, the CITY OF PIKEVILLE, KENTUCKY (hereafter referred to as "grantee") has been awarded an Affordable Housing Trust Fund Grant; and,

WHEREAS, this program requires a Consultant to render certain technical assistance services in connection with the Affordable Housing Trust Fund Project:

NOW, THEREFORE, BE IT RESOLVED, by the City of Pikeville that:

1. The contract between the City of Pikeville and Will Linder & Associates, Consultants, to render certain technical assistance services in connection with the Affordable Housing Trust Fund for the High Street Redevelopment Project in the amount of \$18,000 has been approved.
2. The obligations of the parties are totally contingent upon the obtaining of a Release of Funds from the Kentucky Housing Corporation and no project activities other than environmental exempt activities may occur until the release is achieved.
3. The Mayor of the City of Pikeville is instructed to execute said contract at the earliest possible date.

b. Surveying Services: One proposal was received for this segment of the project.

RESOLUTION OF THE CITY OF PIKEVILLE APPROVING ENTERING INTO CONTRACT WITH SUMMIT ENGINEERING, INC. TO PERFORM SURVEYING SERVICES IN CONNECTION WITH THE HIGH STREET REDEVELOPMENT PROJECT (Resolution R-99-013)

WHEREAS, the CITY OF PIKEVILLE, KENTUCKY (hereafter referred to as "Grantee") has been awarded an Affordable Housing Trust Fund Grant; and,

WHEREAS, this program requires a Surveyor to render certain technical assistance services in connection with the Affordable Housing Trust Fund Project:

NOW, THEREFORE, BE IT RESOLVED, by the City of Pikeville that:

1. The contract between the City of Pikeville and Summit Engineering, Inc. for an exterior boundary survey and subdivision plat necessary to replat the target area under the Affordable Housing Trust Fund Project has been approved in the amount of Surveyor's hourly rate schedule for survey services, not to exceed a maximum of \$20,000 is hereby approved.
2. The obligations of the parties are totally contingent upon the obtaining of a Release of Funds from the Kentucky Housing Corporation and no project



## MINUTES } CITY OF PIKEVILLE

activities other than environmentally exempt activities may occur until the release is achieved.

3. The Mayor of the City of Pikeville is instructed to execute said contract at the earliest possible date.

c. Title Opinions: Proposals were received from Richard Elswick and Frank Nall for this segment of the project. It was recommended to accept the lower priced proposal as submitted by Frank Nall. The following resolution was presented:

RESOLUTION OF THE CITY OF PIKEVILLE APPROVING ENTERING INTO CONTRACT WITH FRANK K. NALL, ATTORNEY-AT-LAW, TO PERFORM TITLE SEARCH & GENERAL LEGAL SERVICES RELATIVE TO THE HIGH STREET REDEVELOPMENT PROJECT (Resolution R-99-014)

WHEREAS, the CITY OF PIKEVILLE, KENTUCKY (hereafter referred to as "Grantee") has been awarded an Affordable Housing Trust Fund Grant; and,

WHEREAS, this program requires the acquisition of certain properties and possible general legal services relative to title opinions, deed preparation, etc; and,

WHEREAS, the Uniform Act governing said acquisition required title opinions be performed prior to acquisition activities; and,

WHEREAS, Request for Proposals for general legal services were solicited through newspaper advertisements; and,

WHEREAS, FRANK K. NALL, Attorney-at-Law, provided the most responsive proposal; and,

WHEREAS, the proposal price of \$100 per title opinion; \$150 per parcel for general legal services, including preparation of and recording deeds, closing on property with closing statements provided; and \$50 per hour with a maximum cost of \$75 each for preparation of affidavits of decent for up to 28 parcels is considered reasonable;

WHEREAS, the obligations of the parties are totally contingent upon the obtaining of a Release of Funds from the Kentucky Housing Corporation and no project activities other than environmentally exempt activities may occur until the release is achieved; and,

NOW, THEREFORE, BE IT RESOLVED, by the CITY OF PIKEVILLE that:

1. The City of Pikeville will enter into a contract with Frank K. Nall, Attorney, for general legal services.



## MINUTES } CITY OF PIKEVILLE

2. ~~The maximum amount of the contract shall not exceed \$100.00 per titled opinion;~~  
\$150 per parcel for general legal services, including preparation of and recording deeds, and closing on property with closing statements provided; and \$50 per hour with a maximum cost of \$75 each, for preparation of affidavits of decent or other related documents for up to 28 parcels.
3. Total maximum compensation to be paid to attorney shall not exceed \$9,100.
4. The Mayor of the City of Pikeville is instructed to execute said contract at the earliest possible date.

d. Appraisals: Proposals for appraisal services were presented from Walters & Associates and Big Sandy Realty. It was recommended to enter into a contract for appraisal services with Walters & Associates. The following resolution was presented:

RESOLUTION OF THE CITY OF PIKEVILLE APPROVING ENTERING INTO CONTRACT WITH WALTERS AND ASSOCIATES, INC., APPRAISER, TO PERFORM APPRAISAL SERVICES RELATIVE TO THE HIGH STREET REDEVELOPMENT PROJECT (R-99-015)

WHEREAS, the CITY OF PIKEVILLE, KENTUCKY (hereafter referred to as "Grantee") has been awarded an Affordable Housing Trust Fund Grant; and,

WHEREAS, this program requires the acquisition of certain properties the establishment of just compensation, etc; and,

WHEREAS, the Uniform Act governing said acquisition required appraisals and review appraisals to be performed for each parcel prior to acquisition; and,

WHEREAS, Request for Proposals for appraisal and review appraisal services were solicited through newspaper advertisements; and,

WHEREAS, WALTERS AND ASSOCIATES, INC., Appraiser, provided the most responsive proposal; and,

WHEREAS, the proposal price of 6 vacant lots @ \$200 /each, 5 single units @ 275/each and 17 multi-tenant units @ \$750/each is considered reasonable;

WHEREAS, the obligations of the parties are totally contingent upon the obtaining of a Release of Funds from the Kentucky Housing Corporation and no project activities other than environmentally exempt activities may occur until the release is achieved; and,

NOW, THEREFORE, BE IT RESOLVED, by the City of Pikeville that:



# MINUTES } CITY OF PIKEVILLE

1. ~~The City of Pikeville will enter into a contract with Walters and Associates, Inc., Appraiser, for Appraisal Services.~~

2. The cost for appraisals shall be 6 vacant lots @ \$200/each, 5 single units @ 275 each and 17 multi-tenant units @ \$750/each per parcel not to exceed \$15,325 for appraisals of up to 28 parcels or units.

3. The Mayor of the City of Pikeville is instructed to execute said contract at the earliest possible date.

e. Review Appraisal Services: One proposal was received for this portion of the project. It was recommended to enter into a contract with Appraisal Associates of Kentucky (Larry Disney) for review appraisal services. The following resolution was presented:

RESOLUTION OF THE CITY OF PIKEVILLE APPROVING ENTERING INTO CONTRACT WITH APPRAISAL ASSOCIATES OF KENTUCKY, INC., APPRAISER, TO PERFORM REVIEW APPRAISAL SERVICES RELATIVE TO THE HIGH STREET REDEVELOPMENT PROJECT (R-99-016)

WHEREAS, the CITY OF PIKEVILLE, KENTUCKY (hereafter referred to as "Grantee") has been awarded an Affordable Housing Trust Fund Grant; and,

WHEREAS, this program requires the acquisition of certain properties the establishment of just compensation, etc; and,

WHEREAS, the Uniform Act governing said acquisition required appraisals and review appraisals to be performed for each parcel prior to acquisition; and,

WHEREAS, Request for Proposals for appraisal and review appraisal services were solicited through newspaper advertisements; and,

WHEREAS, APPRAISAL ASSOCIATES OF KENTUCKY, INC., Appraiser, provided the most responsive proposal; and,

WHEREAS, the proposal price of \$125.00 desk review and \$250.00 field review per parcel is considered reasonable;

WHEREAS, the obligations of the parties are totally contingent upon the obtaining of a Release of Funds from the Kentucky Housing Corporation and no project activities other than environmentally exempt activities may occur until the release is achieved; and,

NOW, THEREFORE, BE IT RESOLVED, by the City of Pikeville that:

1. The City of Pikeville will enter into a contract with Appraisal Associates of



## MINUTES } CITY OF PIKEVILLE

Kentucky, Inc., Appraiser, for Review Appraisal Services.

2. The cost for appraisals shall be \$125.00 desk review and \$250.00 field review per parcel not to exceed \$11,740.00 for Review Appraisals of up to 28 parcels.
3. The Mayor of the City of Pikeville is instructed to execute said contract at the earliest possible date.

Project Director, Sue Smallwood, reported that the majority of the funding for the aforementioned contracts is provided for through an Affordable Housing Grant. However, the bids were more than anticipated and there is currently a \$12,000.00 to \$15,000.00 funding shortfall. The City has made application for grant funds totaling \$25,750.00 and a loan in the amount of \$42,000.00 from the Affordable Housing Program. A portion of these funds will be used to prepare a housing market study. Ms. Smallwood reported that officials are confident the funds will be approved. However, in the event the funding application is denied, the City will be responsible for the overrun. Ms. Smallwood reminded the Commission that they had committed funds to this project in the next five operating budgets. Should the City have to fund the shortfall, the money can be taken from this appropriation.

Commissioner Clark made the motion, seconded by Commissioner Wilson to adopt the resolutions and to authorize the Mayor to execute the five contracts as explained by the City Attorney. The motion carried unanimously.

2. Loading Zone: Presented for second reading was an ordinance to create a loading zone on 4th Street adjacent to the Delta Heating and Cooling building. Attorney Robert Wright appeared before the Commission at the request of the residents of 4th Street to object to the creation of the loading zone, stating the lack of residential parking, as the main reason for the objection. Mr. Wright explained that the residents and employees of Delta Supply have been able to work amiably together when the street needs to be blocked. Randy Mullins with Delta Supply was present and withdrew his request for designation of a loading zone. He advised the Commission that he and the residents had been able to work together, and had thought it would be more convenient for the residents if a loading zone was created. Mayor Morris mentioned that it may be feasible to pave the grassy area, between the curb and sidewalk adjacent to Delta Supply's building, to use for additional parking. Fourth Street resident, Dr. Leslie Hill, voiced her objections to further development of commercial areas in the Scott Avenue Area and connector streets, stating that the area should be designated and maintained as a historic district. Commissioner Blackburn explained that the Commission was not considering allowing further commercial development, but to assist the residents by creating additional parking. The city engineer was directed to meet with representatives from Delta Supply, Mr. Wright, and Dr. Hill, to determine the feasibility of creating angled parking spaces in the grassy area.



## MINUTES } CITY OF PIKEVILLE

3. Cross-Country Trail Board: Presented and given second reading was an Ordinance creating a Cross-Country Trail Board to oversee the construction, operation and maintenance of a cross country trail located in Bob Amos Park. The Ordinance was read entitled:

**ORDINANCE RELATING TO THE ESTABLISHMENT, CREATION, ORGANIZATION AND REGULATION OF THE CITY OF PIKEVILLE CROSS COUNTRY TRAIL BOARD, AN AGENCY OF THE CITY OF PIKEVILLE**

Commissioner Davis made the motion to adopt the Ordinance as presented. Commissioner Clark 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

4. WATER RATES: Presented and given second reading was an ordinance entitled:

**AMENDED ORDINANCE OF THE CITY OF PIKEVILLE, KENTUCKY REVISING THE METHOD OF CALCULATING WATER RATES**

It was pointed out that the fee for water is not changing, only the method in which the rates are calculated. Currently, the rates are calculated per 1,000 gallons of water used. The new method will provide for rates to be calculated per 100 gallons of water used, which will provide a more accurate record for the customer.

Commissioner Clark made the motion, seconded by Mayor Morris 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

5. DEPARTMENT OF TRANSPORTATION AGREEMENT: Presented to the Commission for approval was an agreement between the Commonwealth of Kentucky Transportation Cabinet Department of Highways and the City of Pikeville. City Manager Blackburn explained that the agreement provides for the resurfacing of KY 1384 from the US 23 underpass to KY 1460 in North Pikeville, a distance of 0.676 miles. The City Manager advised that the City will actually contract with Mountain Enterprises to



## MINUTES } CITY OF PIKEVILLE

perform the work. The Department of Transportation will reimburse the City an amount not to exceed \$103,050.00 upon completion of the work.

Commissioner Clark made the motion, seconded by Commissioner Wilson to approve the agreement with the Department of Transportation for the resurfacing of KY 1384, and to authorize the Mayor to execute said agreement. The motion carried unanimously.

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

1. Hambley Athletic Field Addition: Three bids were received for construction of an addition to the recreation center at Hambley Athletic Complex. The original estimate for the project was \$75,000.00. The bids ranged from \$115,950.00 to 147,595.00. The low bidder, Baldwin Contracting, has agreed to extend his bid beyond the 45 day period, (until March 1, 2000) to allow the city and school district to seek additional funding. Commissioner Davis requested Mr. Sykes ask Baldwin Construction to extend their bid until April 1, 2000.

2. December City Commission Meeting: Commissioner Davis made the motion to cancel the December 27, 1999 City Commission and reschedule the meeting on December 20, 1999 at 5:15 p.m. Commissioner Wilson seconded the motion. The motion carried unanimously.

3. Postage Machine: City Manager Blackburn presented a proposal from Pitney Bowes for the upgrading of the postage machine equipment at City Hall. Commissioner Clark made the motion, seconded by Commissioner Wilson to approve entering into a lease agreement with Pitney Bowes for postage machine equipment. The motion carried unanimously.

At 7:30 p.m., Commissioner Davis made the motion to adjourn to executive session for the purpose of discussing a property and personnel matter. Commissioner Clark seconded the motion. The motion carried unanimously.

At 9:11 p.m., Mayor Morris made the motion, seconded by Commissioner Davis to reconvene to regular session. The motion carried unanimously.

Mayor Morris made the motion to appoint Johnny Rasnick to serve as a member of the Cross-Country Trail Board. Commissioner Wilson seconded the motion. The motion carried unanimously.

City Manager Blackburn reported there is a vacancy in the Finance Department and recommended the employment of Sabra Wood as Account Clerk. Commissioner Clark made the motion, seconded by Commissioner Davis to approve the employment of Sabra Wood as Account Clerk. The motion carried unanimously.



## MINUTES } CITY OF PIKEVILLE

There being no further business to come before the Commission, Commissioner Davis made the motion to adjourn the meeting. Commissioner Clark seconded the motion. The motion carried unanimously. (Adjournment Time 9:15 p.m.)

APPROVED: Frank M. Morris  
FRANK M. MORRIS, MAYOR

ATTEST:

Karen W. Harris  
KAREN W. HARRIS, CITY CLERK