

MINUTES } CITY OF PIKEVILLE

CITY OF PIKEVILLE BOARD OF COMMISSIONERS SPECIAL MEETING MINUTES APRIL 12, 2000

The Board of Commissioners of the City of Pikeville met in Special Meeting on April 12, 2000. The meeting was held in the City Hall Public Meeting Room located at 118 College Street, Pikeville, Kentucky.

There being a quorum present, Mayor Frank M. Morris called the meeting to order at 12:06 p.m. Commission Members present at roll call were as follows:

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

The special meeting was called for the following purposes:

1. TO CONSIDER DISCUSSION WITH THOMAS JONES OF THE EAST KENTUCKY CORPORATION CONCERNING A PROPOSED ECONOMIC DEVELOPMENT PROJECT AND TAKE ANY NECESSARY ACTION.
2. TO CONSIDER DISCUSSION CONCERNING THE BIDS RECEIVED FOR THE PROPOSED GATEWAY PROJECT; REQUEST TO REVISE THE MAIN STREET PROGRAM'S TEA 21 FUND BUDGET; AND TAKE ANY NECESSARY ACTION.
3. TO CONSIDER SECOND READING AND ADOPTION OF AN ORDINANCE AMENDING THE 1999-2000 BUDGET
4. TO CONSIDER THE CITY MANAGER'S RECOMMENDATION TO DISMISS THE BUILDING INSPECTOR.

1. Thomas Jones with East Kentucky Corporation was present to discuss a proposed economic development opportunity for Pikeville. Civic Development Group, a company which operates call center groups in about 13 states, has proposed to locate a call center in the former South Mayo Trail Post Office location. The 10,000 sq. ft. facility will seat about 100 persons. Civic Development Group plans to operate two shifts or employ about 220 individuals. In the start-up phase, about 150 individuals will be employed, working 32 hrs. per week. Estimated pay scale is an average of \$7.00/hr. plus benefits. Civic Development Group has applied through the Kentucky Economic Development Finance Authority for tax incentives under the KJDA (Kentucky Jobs Development Authority). Mr. Jones explained that KJDA credits allow a company to recoup up to 50% of facility rental costs plus start up costs in the first 10 years, through the waiving or foregoing of up to 50% of its wage tax assessment. Civic Development Group has negotiated a 5 year lease agreement with an option to renew, however the company can't enter into the lease agreement until the City and State agree to support the tax incentives. Discussion was had concerning whether the city should place conditions upon granting a waiver of 1% of its 2% wage assessment. City Attorney Davis suggested mandating that at least 150 jobs be created during the initial lease period before granting the waiver. Mr. Jones advised the Commission that only state statutory restrictions could be considered. He further commented that no other city has placed restrictions on the rebate. Commissioner Blackburn made the motion to authorize the Mayor to execute a letter supporting the waiving of 1% of its 2% wage assessment for a period up to ten years on all new jobs created by the Civic Development Group. Commissioner Clark seconded the motion. The motion carried unanimously.

2. Main Street Board Members, Eddie Jackson and John Coffey, along with City Engineer Jack Sykes

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reported that bids had been received for the construction of the two gateways. The low bid was submitted from Commonwealth Building and Construction in the amount of \$119,500. City Engineer Sykes explained that sufficient funds are not available in the Main Street Budget to fund the entire project. Board Members have suggested that since the city has a full-time landscaper, to delete the cost for plant purchase and installation from the contract. City Engineer Sykes advised that he has reviewed the plans and is recommending the deletion of \$5,900 from the contract which provides a reduction in the footer from 4 feet down to 2 feet. Commissioner Clark commented that she thought the cost of construction too high. Commissioner Davis made the motion, seconded by Commissioner Wilson to award a contract for the construction of two gateways for a total cost of \$102,300, which deletes \$11,300 for landscaping and \$5,900 for footer reductions. The motion carried 4 - 1 with Commissioner Clark casting a nay vote.

3. Second reading was given to an ordinance entitled:

ORDINANCE AMENDING THE FISCAL BUDGET FOR THE 1999-2000 FISCAL YEAR (O-2000-005)

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

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

4. City Manager Blackburn recommended the dismissal of Building Inspector Levy Green. Mr. Green was present and requested a closed personnel hearing with the Commission. Commissioner Clark made the motion, seconded by Commissioner Wilson to adjourn to a closed session for the purpose of conducting a personnel hearing with Levy Green. The motion carried 4 - 0 (Commissioner Davis not present at the time of the vote).

At 2:50 p.m., Commissioner Davis made the motion, seconded by Commissioner Wilson to reconvene to regular session. The motion carried unanimously.

Mayor Morris made the motion to follow the recommendation of the City Manager to dismiss Building Inspector, Levy Green. Commissioner Blackburn seconded the motion. The motion carried unanimously.

Commissioner Davis made the motion, seconded by Commissioner Clark to adjourn the meeting. The motion carried unanimously. (Adjournment Time: 2:51 p.m.)

APPROVED:

Frank Morris
FRANK M. MORRIS, MAYOR

ATTEST:

Karen W. Harris
KAREN W. HARRIS, CITY CLERK