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CITY OF PIKEVILLE
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
MAY 22, 2000

The Board of Commissioners of the City of Pikeville met in regular meeting on Monday, May 22, 2000 at 1:00 p.m. The meeting was held in the City Hall Public Meeting Room located at 118 College Street.

Mayor Morris opened the floor to public comment concerning the issuance of \$2.5 million in Educational Development Revenue Bonds for the Pikeville College Project, as required by the Internal Revenue Code. There being no one present from the public to address the matter, the Mayor closed the hearing.

There being a quorum present, Mayor Frank M. Morris called the regular meeting to order. 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

AGENDA ITEM II.

MINUTES

The minutes for the previous regular meeting of April 24, 2000 were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Blackburn made the motion, seconded by Commissioner Wilson to approve the minutes as presented. The motion carried unanimously.

AGENDA ITEM III.

BUSINESS FROM THE FLOOR

Harold's Branch resident, Abner Justice, appeared before the Commission to comment on his discussion at a previous meeting concerning the proposed activities for the Hatfield/McCoy festival; the proposed increase in water and sewer rates; and damage to his driveway which he alleges was caused by the sewer extension project. Concerning the Hatfield/McCoy festival, Mr. Justice had expressed opposition to the inclusion of a theatrical production of the play, "The Last Hanging in Pikeville", because it involved one of his Hatfield ancestors. Mr. Justice apologized to the Commission for his comments stating that he was only concerned the play would have an adverse effect upon the reputation of the community. With regard to the proposed increase in water and sewer rates, Mr. Justice told the Commission that his last utility bill reflects an increase in the rates. City Manager Blackburn explained that a computer error resulted in an increase in sewer rates. The added charge will be deducted from the following month's utility bill. Concerning the damage to the driveway, Mr. Justice reported that he had been advised the

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damage had not been caused by the sewage extension. He further commented that he had been told by a city representative that he would not have to pay any more than 80% of his water bill for monthly sewer fees, if he granted an easement to the city to extend the sewer line. Mayor Morris told Mr. Justice that he would look at his driveway.

AGENDA ITEM IV.

PAYMENT OF BILLS

A. CITY BILLS: A list of bills totaling \$420,734.46 was presented to the Commission for approval of payment. Commissioner Davis made the motion, seconded by Commissioner Clark to approve payment of the bills as requested. The motion carried unanimously.

B. PIKEVILLE REDEVELOPMENT PROJECT: Presented for approval were the following invoices incurred in conjunction with the High Street/Kentucky Avenue/Sycamore Street Redevelopment Project:

1. Will Linder & Associates.....\$18,000.00 (Preparation of the Community Development Plan - entire project) to be paid from the Affordable Housing Trust Fund grant.
2. Will Linder & Associates.....\$2,500.00 (Preparation of the Environmental Review Report) to be paid from the Affordable Housing Trust Fund grant.
3. Will Linder & Associates.....\$9,500.00 (Preparation and submission of the Community Development Block Grant application) to be paid from the Community Development Block Grant funds.
4. Walters & Associates.....\$7,900.00 (Appraisals of 28 parcels (Phase I) for Sycamore Street target area) to be paid from the Affordable Housing Trust Fund grant.

Commissioner Clark made the motion, seconded by Commissioner Davis to approve payment of the bills as presented. The motion carried unanimously.

AGENDA ITEM V.

OLD BUSINESS

A. MAIN STREET PROGRAM REPORT: Main Street Board Member, Sara George, reported that the city, through the Main Street Agency, has been awarded \$350,000 in ARC funds and \$675,000 in KY Renaissance Funds for the utility relocation project. In addition, the Main Street Program is slated to receive an allotment of \$325,000 in June or July, 2000. Ms. George advised that she is unsure whether the additional funds will be state (Renaissance KY) or federal (TEA 21) funds. Ms. George explained there is a funding shortfall of approximately \$150,000 for the utility relocation project which is due to not receiving the amount of grant funds that were applied for. The Main Street Agency applied for \$750,000 in Renaissance KY funds and \$500,000 in ARC funds. Ms. George advised that Main Street has proposed to delay the utility relocation in the Crickett Alley

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location until the next phase of the project is began. City Engineer Jack Sykes reported that plans for the relocation will be prepared and forwarded to the appropriate regulatory agencies for approval. Bids will be advertised sometime after the first of the year, with construction not to begin until after Hillbilly Days 2001. Mr. Sykes anticipates the completion of the first phase around Thanksgiving 2001 or shortly thereafter.

B. CITY ENGINEER'S REPORTS: Jack Sykes, representing Summit Engineering, city engineers, presented a verbal status report for the following ongoing projects:

1. Water Improvement Project: This \$2.2 million project involves the installation of water storage tanks, improvements to the raw water intake, additions to the water treatment plant, and telemetry for the entire system. The first phase of the project, (contract #3) telemetry, was awarded in April, 2000, and bids came in just under budget. Bids for contracts 1 (intake & plant rehabilitation), 2a (water storage tanks), and 2b (lines to water storage tanks) were received in May. Low bids exceeded the project's available funding by approximately \$500,000. Mr. Sykes advised there are a couple of reasons why the bids came in over budget, which include inflation and because the majority of the plant work is underwater. Mr. Sykes met with City Manager Blackburn and representatives from PSG to determine reduction alternatives to bring the contracts within budget. The main emphasis of the project was to correct problems at the raw water intake and water treatment plants to ensure the water supply. The water storage tanks were added at a later time. It was the consensus of the City Manager, City Engineer, and staff to recommend award of contract 1 in its entirety and to delete the Lanks Branch tank and service lines from contracts 2a and 2b. The water storage tank contractor, Crom Corporation, has agreed to delete one tank from their bid, however mobilization/demobilization costs totaling \$18,430. were built into both tank bids and this amount will be added to the cost to construct one tank. Alpha Reclamation Contracting, Inc. was the successful bidder for the water tanks service line extensions and they have agreed to delete the Lank Branch service line from their contract. The funding agency, Rural Development, has agreed to allow the elimination of the Lank Branch water tank and service line to said tank, however they have requested that contracts be signed for the entire amount of the bid, then to execute change orders to delete the specific items from the contract. Mr. Sykes requested approval to award the following contracts and change orders: Contract 1 to East Kentucky Water in the amount of \$1,146,096, with the possibility of deleting items 10, 6, and 3, relating to degritting at the intake in the amount of \$131,750. With regard to this matter, Duane Hamilton with PSG, reported that divers had worked at the plant earlier in the year to remove silt and grit. He suggested that it may be advantageous to have the divers return next year to clean out the line. Mr. Sykes advised the Commission that he would discuss the matter fully with the City Manager and the PSG Manager before making this decision. He added that he would report to the Commission if it is the decision to delete the items from the contract. Should they decide to leave the items in the contract, Mr. Sykes reported that he expects a funding shortfall of \$62,990, however feels this can be recouped through reducing the contingency budget to 5% of the total contract and through unused funds dedicated for administration/legal fees.; Contract 2a (installation of water service line to water storage

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tank) to Alpha Reclamation Contracting, Inc. for an amount of \$158,385. with a change order to delete \$68,760 due to elimination of the Lank Branch water line); and Contract 2b to Crom Corporation in the amount of \$748,600 with a change order to delete the Lank Branch Water Storage Tank in the amount of \$380,000 and a change order to add \$18,430 for mobilization/demobilization fees. Mayor Morris made the motion to award the bids and approve the change orders for contracts 1, 2a and 2b as recommended by the City Engineer. Commissioner Davis seconded the motion. The motion carried unanimously.

2. Sandy Valley Sewer Extension: The City Engineer reported that three bids were received, ranging from \$99,836 to \$119,608, for the extension of a sewer line to serve the Kanney property. Mr. Sykes explained the extension was part of the negotiation of an easement with Mr. Kanney for a site location on which to construct the new water storage tank and water service line. Additionally, to save money, the construction of the water line and sewer line are to be done simultaneously. Alpha Reclamation Contracting, Inc. submitted the low bid in the amount of \$99,836. City Manager Blackburn reported the sewer extension is an unbudgeted item and recommended that funds be allotted from the current budget's occupational license fee overrun. Commissioner Clark made the motion, seconded by Commissioner Wilson to award the contract for the sewer line extension to the Kanney property in the amount of \$99,836. The motion carried 3 - 1 - 1 with Commissioner Blackburn abstaining from the vote and Mayor Morris casting a nay vote.

3. Gateway Project: During the previous meeting, a contract was awarded to Commonwealth Building & Construction for the construction of two gateway elements (through the Main Street Program). Mr. Sykes reported that a problem had been encountered with the Department of Transportation concerning an encroachment permit, however this problem has been rectified. Mr. Sykes estimated construction to begin within the next two weeks.

4. Hambley Athletic Complex Addition: City Engineer Sykes reported that City Manager Blackburn, Commissioner Davis and he met with contractor Richard Baldwin to determine if there were alternatives available that would reduce the cost of bricking the new locker room addition and existing structure at Hambley Complex. To install brick veneer on the existing building and new addition and to install synthetic plaster finish on pilasters and retaining wall would add \$109,583.00 to the contract. Commissioner Davis suggested deleting the plaster finish on the retaining wall which would save about \$23,000.00. Commissioner Clark made the motion, seconded by Commissioner Davis to approve a change order to Baldwin Contracting in the amount of \$83,906.12 to install brick veneer on the existing building and on the new addition plus installation of synthetic plaster finish on pilasters. During discussion, City Manager Blackburn advised that the additional work authorized by the change order would be funded in the 2000/01 fiscal year budget. There is approximately \$60,000 in savings for maintenance at the Day Care Center which will be diverted to this project, with the remainder to be funded by the Park budget. Commissioner Blackburn also stressed that safeguards should be taken to

ensure for brick expansion and contraction, as well as making sure the foundation is stable. Mr. Sykes explained that a portion of the brick would have the sidewalk as the foundation. He advised that he would check the depth of the sidewalk to make sure that the sidewalk was below the frostline and report back at the next meeting. The motion carried unanimously.

5. Fourth Street/Scott Avenue: City Engineer Sykes reminded the Commission of their discussion held a few months ago concerning Delta Heating & Cooling's request for the designation of a loading zone in front of their business on Scott Avenue. Adjacent property owners were in objection to the creation of the loading zone due to losing much needed parking spaces. Discussion was also had with regard to creating angled parking spaces in the grassy space between the sidewalk and street. No further action was taken at that time. Mayor Morris commented that Delta Heating & Cooling is in dire need of a loading zone in front of their Fourth Street driveway, or signage to designate that space as no parking so as not to block the driveway. He added that Mr. Mullins had requested that angular parking be created in the grassy area in front of their business. Mr. Sykes reported that he left the previous meeting under the impression that the residents and Mr. Mullins had come to an understanding to not create a loading zone. Additionally he had spoken with residents and the attorney who had appeared at the meeting on their behalf, Robby Wright, who want the grassy area to remain in an effort to maintain the area as a historic district.

6. Thompson Road widening: Mayor Morris questioned the status of the proposed widening of Thompson Road. Mr. Sykes advised that no one is working on the project at this time, however the property owners of the necessary rights-of-way have been identified. The Mayor advised there is a problem with the drainage in the Lykins Creek area. City Manager Blackburn reported that the county road department brought in an excavator and cleared the drain on the city side. He added that if there remains a problem with drainage, it is within the drain maintained by the county. Mr. Blackburn reported that the county road department is aware of the drainage problem and was working on it about three months ago. Mayor Morris pointed out that the drainage problem needs to be corrected prior to widening the roadway. Mr. Sykes told the Commission that he would look at the problem at report back at the next meeting.

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

1. Pikeville College Bonds: Presented and given first reading was a summary of an ordinance providing for the issuance of educational redevelopment revenue bonds on behalf of Pikeville College. The summary ordinance was captioned as follows:

ORDINANCE OF THE CITY COMMISSION OF THE CITY OF PIKEVILLE, KENTUCKY AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF THE CITY OF PIKEVILLE EDUCATIONAL DEVELOPMENT REVENUE BONDS

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(PIKEVILLE COLLEGE PROJECT), SERIES 2000, IN THE PRINCIPAL AMOUNT OF \$2,500,000

The Commission scheduled a special meeting for June 2, 2000, at 11 a.m. to hear second reading of the ordinance.

2. 2000/01 Operating Budget: Second reading was given to an ordinance adopting the 2000-2001 operating budget for the City of Pikeville. The ordinance was read entitled:

AN ORDINANCE ADOPTING THE CITY OF PIKEVILLE, KENTUCKY ANNUAL BUDGET FOR THE FISCAL YEAR JULY 1, 2000 THROUGH JUNE 30, 2001, BY ESTIMATING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE OPERATION OF CITY GOVERNMENT

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

MAYOR:	FRANK MORRIS	YES
COMMISSIONER:	BILL BLACKBURN	YES
	GENE DAVIS	YES
	SHARON CLARK	NOT PRESENT AT TIME OF VOTE
	WANDA WILSON	YES

3. Occupational License Fee Ordinance: City Attorney Davis presented the following two ordinances and one resolution, concerning amendments to the occupational license fee ordinance and regulations, for discussion and second reading. Since the first reading of the ordinances, the Commission directed Tax Administrator, Grace Ratliff, to make a review of the records of the fees collected from the 1/2% contractor's license fee. The City Attorney, in a brief summary, explained that local contractor, Mark White, had requested the City Commission's consideration in allowing a credit be given from the 1/2% contractor's license fee levied on the gross amount of the contract to the next year's net profit fee. Ms. Ratliff reported that \$205,000 had been collected during 1998, however the fee included the hospital construction and the vocational technical school construction. \$87,847 was collected during 1999. Ms. Ratliff commented that most contractors, when calling to determine the amount of various permits for construction, advise her they will be adding the contractor's fee to their bid proposal. Mayor Morris said he had reviewed the proposed ordinance and has come to the conclusion that the city could be flexible in how it interprets the contractor's license fee - ie - the amount left from the initial 1/2% assessment on the gross amount of the contract could be credited against the next job. Commissioner Blackburn suggested a work session to discuss the matter further, due to the complexity of the issue. He added that any change in the ordinance, pertaining to the contractor's license fee, may have to be phased in should the Commission decide on a revision, due to the expenditure budget being based upon

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projected revenues. City Attorney Davis pointed out that the amended ordinance and regulations pertain to other information in addition to the contractor's license fee and added that no change is included in the ordinance concerning the contractor's license fee. The Commission directed the City Attorney to give second reading to the ordinance and scheduled a work session on June 2, 2000 at 11:00 a.m. to discuss Mr. White's concerns. The Commission asked that the tax administrator and accountant be present at the work session. Presented and given second reading was an ordinance entitled as follows:

AN ORDINANCE TO AMEND THE OCCUPATIONAL LICENSE FEE ORDINANCE OF THE CITY OF PIKEVILLE PASSED MAY 14, 1962, JUNE 11, 1962, JUNE 30, 1962, DECEMBER 27, 1971 AND SEPTEMBER 25, 1991. (O-00-007)

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

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

4. Occupational License Fee Regulations Ordinance: Presented and given second reading was a summary of an ordinance amending the occupational license fee regulations ordinance. The summary's caption is as follows:

SUMMARY ORDINANCE ADOPTING REGULATIONS CONCERNING AND RELATING TO THE OCCUPATIONAL LICENSE FEE ORDINANCE, DEFINITIONS, COMPUTATION OF NET PROFITS, MINIMUM LICENSE FEES, INTEREST AND PENALTIES

Commissioner Blackburn made the motion to adopt the ordinance as presented and read. Commissioner Clark seconded the motion. The motion carried with the following votes:

MAYOR:	FRANK MORRIS	YES
COMMISSIONER:	BILL BLACKBURN	YES
	EUGENE DAVIS	YES
	WANDA WILSON	NOT PRESENT AT TIME OF VOTE
	SHARON CLARK	YES

5. Instructions - Completion of Occupational License Fee Return: The City Attorney presented a printed set of instructions, concerning the completion of occupational license fee returns, for approval. Commissioner Clark made the motion to adopt the instructions as presented. Commissioner Davis seconded the motion. The motion carried 4 - 0 (Commissioner Wilson not present at the time of the vote).

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6. Amended Budget Ordinance: First reading was given to an Ordinance to amend the 1999-2000 fiscal year operating budget. The ordinance was read entitled:

ORDINANCE AMENDING THE FISCAL BUDGET FOR THE 1999-2000 FISCAL YEAR

The ordinance was scheduled for second reading at the next regular meeting.

7. Harold's Branch Road Improvement Project: City Attorney Davis explained the Commission had given him the authority, during an executive session, to negotiate with the C & W Contracting attorneys concerning liquidated damages assessed for untimely completion of the Harold's Branch Road Improvement Project. The City Attorney reported that the contractor's bonding company, Acceptable Insurance Company, has completed the project and is responsible for debts to any lienholders, subcontractors, etc. The city has withheld \$82,363.74 from the total contract amount. The city owes the contractor \$37,363.74. This check will be payable to C & W Contracting and Acceptable Insurance Company. The contractor has agreed to pay liquidated damages in the amount of \$45,000.00. Out of the liquidated damages, the city will be responsible for paying Summit Engineering for inspection services incurred due to the contract not being completed within the specified contract period. Engineering services are estimated at \$21,000.00. Commissioner Clark made the motion to accept the settlement offer with C & W Contracting as negotiated by the City Attorney. Commissioner Blackburn seconded the motion. The motion carried unanimously.

8. Street Name Change Request: Sue Smallwood reported that Judy Walters and Eloise Hughes have requested the renaming of a portion of York Alley, extending from Second Street to Third Street, Azalea Way. City Attorney Davis and 911 Supervisor, Paul Maynard, recommended against renaming only a portion of the alley, stating that it would be difficult for emergency personnel to locate the additional street address. City Manager Blackburn reported there is another street with the name of Azalea.

9. Water Rate Increase: Second reading was given to an Ordinance entitled:

ORDINANCE OF THE CITY OF PIKEVILLE, KENTUCKY AMENDING SECTION 53.03B OF THE CODE OF ORDINANCES INCREASING MONTHLY WATER SERVICE RATES

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

MAYOR:	FRANK MORRIS	NO
COMMISSIONER:	BILL BLACKBURN	YES
	EUGENE DAVIS	YES
	WANDA WILSON	YES

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YES

10. Sewer Rate Increase: Second reading was given to the following ordinance entitled:

ORDINANCE OF THE CITY OF PIKEVILLE, KENTUCKY AMENDING SECTION 55.04 OF THE CODE OF ORDINANCES REVISING SEWAGE TREATMENT RATES

Commissioner Blackburn made the motion, seconded by Commissioner Clark to adopt the ordinance as presented. The motion carried with the following votes:

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

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

1. Garbage Truck Bids: Purchase of a 20 cubic yard garbage truck was re-bid, pursuant to the Commission's directive at the previous meeting, due to amended bid specifications that were not received by all prospective bidders. Presented to the Commission for review were two bids. The bids were received from Municipal Equipment in the amount of \$86,448.00 and Mid-State Equipment in the amount of \$83,983.00. PSG Manager, Duane Hamilton, recommended award of the bid to the high bidder, Municipal Equipment, in the amount of \$86,448.00. Reasons cited for not awarding to the low bidder were that the Packmore packer bid by Mid-State Equipment did not meet all specifications - (1) Compaction not as high as a Leach. (2) Steel thickness and (3) maintain Leach parts in inventory. Pursuant to Mr. Hamilton's recommendation, Commissioner Clark made the motion, seconded by Commissioner Wilson to award the bid for the purchase of the garbage truck to Municipal Equipment in the amount of \$86,448.00. The motion carried unanimously.

2. 1999-2000 Audit: Presented to the Commission was a proposal from Wallen & Cornett, CPAs, to conduct the 1999-2000 audit of the city's financial statements for a fee not to exceed \$17,485.00. City Manager Blackburn advised the Commission that a request had been received from Hall, Linton & Castle, PSC for an opportunity to bid for audit services. City Attorney Davis explained that cities are not required to bid for professional services. Both City Manager Blackburn and Finance Director, Sue Varney, reported they were satisfied with Wallen & Cornett's work and thought it would be more difficult for the staff, as well as the auditing firm, to conduct an audit if the company is not familiar with the accounting system. Commissioner Clark made the motion,

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seconded by Commissioner Wilson to award the 1999-2000 audit of the city's financial statements to Wallen & Cornett, CPAs, for an amount not to exceed \$17,485.00. The motion carried 4 - 0, with Commissioner Blackburn abstaining from the vote.

3. Surplus Garbage Truck: City Manager Blackburn reported that no bids were received for sale of the city's 1994 surplus garbage truck. The truck was advertised for sale with a minimum bid of \$9,500.00. City Manager Blackburn requested permission to negotiate the sale of the surplus truck for a minimum price of \$9,500.00. Commissioner Davis made the motion, seconded by Commissioner Clark to allow the City Manager to negotiate the sale of the surplus garbage truck. The motion carried unanimously.

4. Investment Policy: City Manager Blackburn advised that proposals had been solicited from local financial institutions for the investing of the city's various savings accounts for the year (May 2000 to May 2001). Family Bank submitted the highest interest proposal at a rate of 6%. The City has approximately \$3.5 million to invest. The city's investment policy, adopted in January, 1995, stipulates that no more than 10% of the institution's capital or stock can be invested. The City Manager advised that pursuant to the policy, the city could invest about \$900,000.00 with Family Bank. The next highest bid was from Community Trust at 5.94%. Mr. Blackburn advised the Commission they could amend the investment policy to allow all of the funds to be deposited with Family Bank, or they could follow the policy as is and deposit \$900,000.00 with Family Bank and the remainder with Community Trust. The Commission directed the City Manager to follow the investment policy.

5. Hatfield/McCoy Reunion: Presented to the Commission for consideration was a letter from Hatfield & McCoy Reunion organizer, Bo McCoy, requesting assistance from the Police Department during their vendor set-up on June 9th at 1:00 p.m.; closing one side of Huffman Avenue (from College Street to the Bypass traffic signal) on June 9th and 10th; police assistance with traffic control during the June 10th festivities; and restricted access to the river fill parking lot (owned by East Ky Exposition Center). The Commission directed the City Manager and Police Chief Justice to coordinate these efforts with Mr. McCoy.

6. Blacktop Schedule: City Manager Blackburn presented a list of proposed streets for blacktopping in the 2000-2001 fiscal year. The paving budget is \$130,000.00. \$25,000.00 has been set aside in a savings account for the purpose of replacing pavement on Hambley Boulevard. An additional \$20,000.00 has been expended for repaving Bob Amos Drive. With the remaining \$85,000.00, Mr. Blackburn recommended the paving of the following streets: East Cedar Drive, Jefferson Street, Johnson Hollow (Harold's Branch), Wells Alley, Foxcroft, and Willana Court. Commissioner Davis made the motion, seconded by Commissioner Wilson to approve the paving schedule as recommended by the City Manager. The motion carried unanimously.

City Manager Blackburn requested an executive session for the purpose of discussing several personnel matters. At 4:40 p.m., Commissioner Davis made the motion,

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seconded by Commissioner Blackburn to adjourn to executive session for the purpose of discussing a personnel matter. The motion carried unanimously.

At 4:55 p.m., Commissioner Clark made the motion to reconvene to regular session. Commissioner Wilson seconded the motion. The motion carried unanimously.

Seasonal Employees: City Manager Blackburn recommended the seasonal employment of Brooke Collier, Megan Collier, Colleen Murphy, Michael Stevens, Jeremy Wellman, Amanda Collins, Meredith Jarvis, and Jimmy Hall as lifeguards, and Nathan Ratliff as the swimming pool manager, and Brandy Robinson and Anthony Farley in the landscaping department. Mr. Blackburn reported that swimming pool employees work until August. He anticipates the landscaping employees will work until October. Commissioner Clark made the motion, seconded by Commissioner Davis to approve the seasonal employment of the aforementioned individuals for the swimming pool and landscaping departments. The motion carried unanimously.

Building Inspector/Codes Enforcement Officer: City Manager Blackburn reported that 33 applications had been received for the building inspector/codes enforcement officer position. Of the 33 applications, 9 candidates were interviewed by the City Manager and supervisor, Sue Smallwood. Based on those interviews, City Manager Blackburn recommended the employment of Richard Huffman at a wage rate of \$22,000/yr. Commissioner Clark made the motion, seconded by Commissioner Wilson to accept the City Manager's recommendation to employ Richard Huffman for the position of Building Inspector/Codes Enforcement Officer. The motion carried unanimously.

E. PIKEVILLE REDEVELOPMENT PROJECT REPORTS: Project Coordinator, Sue Smallwood, reported that Community Development Block Grant funds (CDBG) have been released for the first phase of the redevelopment project. The appraisals have been completed, and in order to be able to make offers to the property owners, a resolution establishing just compensation must be approved. Ms. Smallwood explained that the appraisals were completed by Walters & Associates and reviewed by Larry Disney, dba, Appraisals of Kentucky. The appraisals were conducted based upon the income approach. Presented for approval was the following resolution:

ORDER OF THE PIKEVILLE CITY COMMISSION APPROVING THE DETERMINATION OF JUST COMPENSATION FOR ACQUISITION OF PROPERTY IN THE PIKEVILLE REDEVELOPMENT PHASE I - SYCAMORE STREET TARGET AREA OF PIKEVILLE, KY (R-00-007)

WHEREAS, the Commonwealth of Kentucky, Department for Local Government, has approved Community Development Block Grant funds for acquisition of properties in the Pikeville Redevelopment Phase I - Sycamore Street Revitalization Target Area; and,

WHEREAS, in accordance with the Uniform Acquisition and Relocation Policies Act of 1974 (the Uniform Act), the City of Pikeville (hereinafter referred to as "IPA") has

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obtained an appraisal and review appraisal of properties to be acquired through the CDBG program; and,

WHEREAS, based upon the appraisals prepared by a competent appraiser it is necessary that the LPA determine the just compensation to be offered to each property owner,

NOW, THEREFORE, BE IT ORDERED, by the LPA that:

1. The Determination of Just Compensation for the properties to be acquired in the CDBG Target Area are hereby approved in the following amounts:

<u>Parcel #</u>	<u>Building</u>	<u>Address</u>	<u>Amount</u>
01	#80	258 Sycamore St.	\$58,300
02	n/a	Sycamore St. lot	\$ 8,000
03	#81	254 Sycamore St.	\$59,300
04	#82	250 Sycamore St.	\$44,700
	#83	250 Sycamore St. (Garage)	\$ 8,000
05	#84	249 Sycamore St.	\$67,800
	#85	249 1/2 Sycamore St.	\$44,400
	#86	248 Sycamore St.	\$64,300
	#87	248 1/2 Sycamore St.	\$44,400
06 & 07	lot	Sycamore St. lot	\$10,000
08	#89	238 Sycamore St.	\$44,000
09	#90	236 Sycamore St.	\$44,000

2. The Grants Coordinator is directed to make Offers for Purchase on properties in the Pikeville Redevelopment Project - Phase I - Sycamore Street Target area in the amount of the "Determination of Just Compensation" listed above, and to accept and sign all related acquisition documents relating to these offers on behalf of the LPA in order to eliminate slum and blight and provide for the assemblage of land.

3. That the drawdown of funds is authorized to be made from the Commonwealth of Kentucky when signed Agreements for Sale are executed with property owners in the amounts approved above.

4. That acquisition procedures will be undertaken in accordance with all rules and regulations promulgated by the Commonwealth of Kentucky and the Uniform Act, as amended.

APPROVED this 22nd day of May, 2000.

/s/ Frank M. Morris
MAYOR

/s/ Karen W. Harris
ATTEST

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Commissioner Davis made the motion, seconded by Commissioner Wilson to adopt the resolution as presented and read. The motion carried unanimously.

Ms. Smallwood reported that she plans to begin making offers to the property owners this week.

2. Contract Amendments: Ms. Smallwood explained that the contract with Wilbur J. Linder & Associates for preparation of the development plan for the entire project area did not include preparation of the environmental review record. Mr. Linder has prepared the environmental review record and has requested his contract be increased by \$2,500.00 for the additional work. Presented was the following resolution:

AMENDMENT #1 TO AGREEMENT FOR CONSULTING SERVICES PIKEVILLE, KENTUCKY (R-00-008)

This amendment is an attachment to the agreement entered into on the 22nd day of November, 1999, by and between the City of Pikeville and Will Linder & Associates, Consultants, Inc. for preparation of the development plan for the Pikeville Redevelopment Project.

WHEREAS, the agreement entered into on the 22nd day of November, 1999, specified a maximum contract amount of \$18,000; and

WHEREAS, the original agreement included preparation of the development plan for the Pikeville Redevelopment Project in the amount of \$18,000; and

WHEREAS, the City of Pikeville requires professional services for the preparation of an Environmental Review Record for the Pikeville Redevelopment Project; and

NOW, THEREFORE, the City of Pikeville and Will Linder & Associates, Consultants, Inc. amend the original agreement as follows:

1. Will Linder and Associates, Consultants, Inc. will prepare an Environmental Review Record in accordance with all federal, state, and local rules and regulations.
2. The City of Pikeville will compensate Will Linder & Associates, Consultants, Inc., in the amount of \$2,500 for the preparation of an Environmental Review Record.
3. Therefore, the lump sum contract amount to be paid from Affordable Housing Trust Fund funds will be increased from \$18,000 to \$20,500, an increase of no more than \$2,500.
4. The time of performance will not change.

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5. The maximum contract shall not exceed \$20,500.

IN WITNESS WHEREOF, the City of Pikeville and Will Linder & Associates, Consultants, Inc. have executed this Amendment to the original November 22nd, 1999 Agreement. This amendment is effective as of the date of the original agreement.

/s/ Frank M. Morris
City of Pikeville

/s/ Karen W. Harris
Attest

Mayor Morris made the motion, seconded by Commissioner Clark to approve the resolution as presented. The motion carried unanimously.

Ms. Smallwood explained that appraisals for the Sycamore Street properties are under budget by approximately \$200,000. Additionally, representatives administering HOME funds have indicated to grant writer, Will Linder, that the city should apply for an increase in HOME funds from \$1.2 million to \$2 million. The increase in HOME funding and \$500,000.00 in CDBG funds (not awarded at this time, however the project is not competitive) will allow for the inclusion of an additional 24 parcels in this phase. The following four resolutions were presented to amend contracts to Summit Engineering (surveying services); Walters & Associates (appraisals); Appraisals of Kentucky (review appraisals); and Frank Nall (title search):

AMENDMENT #1 TO AGREEMENT FOR SURVEYING SERVICES PIKEVILLE,
KENTUCKY (R-00-009)

This amendment is an attachment to the agreement entered into on the 22nd day of November, 1999, by and between the City of Pikeville and Summit Engineering, Inc. for preparation of the exterior boundary survey and subdivision plat for the Pikeville Redevelopment Project, Phases I and II.

WHEREAS, the agreement entered into on the 22nd day of November, 1999, specified a maximum contract amount of \$20,000 for up to 28 parcels or units; and

WHEREAS, the City of Pikeville requires survey and plot plat for up to an additional 24 parcels for the Pikeville Redevelopment Project Phases I, II and III.

NOW, THEREFORE, the City of Pikeville and Summit Engineering, Inc. amend the original agreement as follows:

1. The City of Pikeville will amend the contract for surveying services to include 24 additional parcels - total of 52 parcels.
2. The cost for these additional surveys shall be \$700 per parcel.
3. The maximum contract amount shall increase in the amount of \$16,800.
4. The time of performance will not change.
5. The maximum contract shall not exceed \$36,800

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IN WITNESS WHEREOF, the City of Pikeville and Summit Engineering, Inc. have executed this Amendment to the original November 22nd, 1999 Agreement. This amendment is effective as of the date of the original agreement.

/s/ Frank M. Morris

/s/ Karen W. Harris

AMENDMENT #1 TO AGREEMENT FOR TITLE SEARCH AND GENERAL LEGAL SERVICES PIKEVILLE, KENTUCKY (R-00-010)

This amendment is an attachment to the agreement entered into on the 22nd day of November, 1999, by and between the City of Pikeville and Frank K. Nall, Attorney, for preparation of title search and general legal services for the Pikeville Redevelopment Project, Phases I and II.

WHEREAS, the agreement entered into on the 22nd day of November, 1999, specified a maximum contract amount of \$9,100 for up to 28 parcels or units; and

WHEREAS, the original agreement included \$100 for title opinion; \$150 for general legal services per parcel 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; and

WHEREAS, the City of Pikeville requires title opinions and general legal services for an additional 24 parcels for the Pikeville Redevelopment Project Phase I, II, and III.

NOW, THEREFORE, the City of Pikeville and Frank K. Nall, Attorney amend the original agreement as follows:

1. The City of Pikeville will amend the contract for title search and general legal services to include 24 additional parcels for a total of 52 parcels.
2. The cost for these additional parcels shall be \$100 for title opinion; \$150 for general legal services per parcel 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.
3. The maximum contract amount shall increase in the amount of \$7,800.
4. The time of performance will not change.
5. The maximum contract shall not exceed \$16,900.

IN WITNESS WHEREOF, the City of Pikeville and Frank K. Nall, Attorney have executed this Amendment to the original November 22nd, 1999 Agreement. This amendment is effective as of the date of the original agreement.

/s/ Frank M. Morris
City of Pikeville

/s/ Karen W. Harris
Attest

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AMENDMENT #1 TO AGREEMENT FOR REVIEW APPRAISAL SERVICES
PIKEVILLE, KENTUCKY (R-00-011)

This amendment is an attachment to the agreement entered into on the 22nd day of November, 1999, by and between the City of Pikeville and Appraisal Associates of Kentucky for preparation of the review appraisals for the Pikeville Redevelopment Project, Phases I and II.

WHEREAS, the agreement entered into on the 22nd day of November, 1999, specified a maximum contract amount of \$11,740 for up to 28 parcels or units; and

WHEREAS, the original agreement included desk review appraisals @ \$125/each and field review appraisal @ \$250/each; and

WHEREAS, the City of Pikeville requires review appraisals for an additional 24 parcels for the Pikeville Redevelopment Project Phase I, II and III.

NOW, THEREFORE, the City of Pikeville and Appraisal Associates of Kentucky, amend the original agreement as follows:

1. The City of Pikeville will amend the contract for review appraisal services to include 24 additional review appraisals for a total of 52 parcels.
2. The cost for these additional appraisals shall be \$125 for desk review and \$250 for field review per review appraisal.
3. The maximum contract amount shall increase in the amount of \$1260.
4. The time of performance will not change.
5. The maximum contract shall not exceed \$13,000.

IN WITNESS WHEREOF, the City of Pikeville and Appraisal Associate of Kentucky have executed this Amendment to the original November 22nd, 1999 Agreement. This amendment is effective as of the date of the original agreement.

/s/ Frank M. Morris
City of Pikeville

/s/ Karen W. Harris
Attest

AMENDMENT #1 TO AGREEMENT FOR APPRAISAL SERVICES, PIKEVILLE,
KENTUCKY (R-00-012)

This amendment is an attachment to the agreement entered into on the 22nd day of November, 1999, by and between the City of Pikeville and Walters and Associates for preparation of the appraisals for the Pikeville Redevelopment Project, Phases I and II.

WHEREAS, the agreement entered into on the 22nd day of November, 1999, specified a maximum contract amount of \$15,325 for up to 28 parcels or units; and

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WHEREAS, the original agreement included appraisals for 6 vacant lots @ \$200/each, 5 single family units @ \$275/each and 17 multi-tenant units @ \$750 per structure; and

WHEREAS, the City of Pikeville requires review appraisals for an additional 24 units, 8 single-family units and 15 multi-tenants units and 1 vacant lot for the Pikeville Redevelopment Project Phases I, II, and III.

NOW, THEREFORE, the City of Pikeville and Walters and Associates amend the original agreement as follows:

1. The City of Pikeville will amend the contract for appraisal services to include 24 additional appraisals; 8 single-family units, 15 multi-tenant units, and 1 vacant lot.
2. The cost for these additional appraisals shall be \$275/each for single-family units, \$750/each for multi-tenant units; and \$200/each for vacant lots.
3. The maximum contract amount shall increase by \$13,650.
4. The time of performance will not change.
5. The maximum contract shall not exceed \$28,975.

IN WITNESS WHEREOF, the City of Pikeville and Walters and Associates have executed this Amendment to the original November 22nd, 1999 Agreement. This amendment is effective as of the date of the original agreement.

/s/ Frank M. Morris

/s/ Karen W. Harris

Mayor Morris made the motion, seconded by Commissioner Wilson to adopt resolution R-00-009, R-00-010, R-00-011, and R-00-012. The motion carried unanimously.

No action was taken with regard to a memorandum advising of vacancies on various city boards.

There being no further business to come before the Commission, Commissioner Wilson made the motion, seconded by Commissioner Davis to adjourn the meeting. The motion carried unanimously. (Adjournment Time: 5:12 p.m.)

APPROVED:

Frank M. Morris
FRANK M. MORRIS, MAYOR

ATTEST:

Karen Harris
KAREN HARRIS, CITY CLERK