

MINUTES } CITY OF PIKEVILLE

PIKEVILLE CITY COMMISSION SPECIAL MEETING MINUTES DECEMBER 21, 2000

The Board of Commissioners of the City of Pikeville met in Special Meeting on Thursday, December 21, 2000. The meeting was conducted in the City Hall Public Meeting Room at City Hall, 118 College Street, Pikeville, Kentucky.

The Special Meeting replaced the regularly scheduled meeting of December 25, 2000, which was cancelled due to the Christmas Holidays. The Special Meeting agenda was prepared as follows:

I. CALL TO ORDER

Presentation of awards

II. MINUTES: Consider approval of the minutes from the November 27, 2000 Regular Meeting

III. PAYMENT OF BILLS

A. CITY BILLS

B. PIKEVILLE REDEVELOPMENT PROJECT

1. Will Linder & Associates: (Invoice #9) \$5,000 (Administration - Phase I)
2. Consider adoption of a resolution approving the determination of just compensation for acquisition of property located in Phase I of the Sycamore Street Project Area.

C. WATER IMPROVEMENT PROJECT

1. Summit Engineering: \$13,000.00
2. Alpha Reclamation: \$4,502.24
3. Crom Corporation: \$43,664.38
4. East KY Water: \$29,851.56

IV. OLD BUSINESS

A. MAIN STREET PROGRAM

1. Payment of Bills- Commonwealth Building-\$46,980; Summit Egr.- \$5,276.26
2. Consider approval of an agreement with the D.O.T. and to authorize the Mayor to execute said agreement - River Fill Improvement Project.
3. Consider award of contract for River Fill Improvements to Baldwin Contracting in the amount of \$207,692.50.
4. Consider approval of a legal services agreement with Rusty Davis(utility relocation project)
5. Consider approval of an engineering services agreement with Summit Engineering(utility relocation project).

B. CITY ENGINEER'S REPORT

1. Status Report of ongoing projects (including pay requests)
2. Consider approval of Change Order #3 for the Water Improvement Project.
3. Consider approval of a closeout change order for the South Mayo water/gas

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line project

C CITY ATTORNEY'S REPORTS

1. Consider second reading of an ordinance to amend the 2000/2001 operating budget
2. Consider a request from Adams' Real Estate to change the street name of Coal Hollow to Adams Drive, and further consider first reading of an Ordinance naming and/or re-naming certain streets.

D. CITY MANAGER'S REPORTS

1. Consider bids received for purchase of a backhoe.
2. Consider approval to change the employment status of dispatcher, Mike Charles, from part-time to full-time.
3. Consider authorizing the Mayor to execute an application of local jurisdiction in conjunction with the Building Inspection Program, and approve hiring James Forsyth as a consultant..
4. Consider discussion concerning the natural gas fund and take any necessary action.
5. Consider a request from the Fire Chief to purchase fire rescue equipment.

V. NEW BUSINESS

- A. Boards: Consider appointment to fill vacancy on the Pikeville/Pike County Elkhorn City Joint Planning Commission.

VI. ADJOURNMENT

There being a quorum present, Mayor Frank M. Morris called the meeting to order at 1:10 p.m. Commission Members present at roll call were as follows:

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

Commissioner Wanda Wilson was absent.

Presentation of Awards: Mayor Morris, on behalf of the Pikeville City Commission, presented an award of appreciation to Betsy K. Venters for her efforts in obtaining \$1 million in grant funds for the stabilization and renovation of the Pikeville Collegiate Training Academy Building that now houses City Hall. Accepting the award on behalf of Mrs. Venters was her daughter, Betsy Jo Mounts. Former Pikeville City Commissioner and son-in-law of Mrs. Venters, Johnny Mounts, voiced his appreciation to the Pikeville City Commission for the award to Mrs. Venters and thanked the Commission for their service and sacrifice of time for the betterment of the community and the citizens of Pikeville.

AGENDA ITEM II.

MINUTES

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The minutes for the previous regular meeting of November 27, 2000 were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Davis made the motion, seconded by Commissioner Clark to approve the minutes as submitted. The motion carried 4 - 0.

AGENDA ITEM III.

PAYMENT OF BILLS

A. CITY BILLS: A list of City Bills totaling \$530,236.32 was presented to the Commission for approval of payment. Commissioner Clark made the motion to approve payment of the city bills as requested. Commissioner Davis seconded the motion. The motion carried 4 - 0.

B. PIKEVILLE REDEVELOPMENT PROJECT

1. Invoice #9: Presented for approval of payment was invoice #9 from Will Linder & Associates in the amount of \$5,000. Project Director, Sue Smallwood, explained that the invoice is for Administration of Phase I (Sycamore Street) and the amount is based upon the amount of CDBG funds used to date. Commissioner Davis made the motion, seconded by Commissioner Clark to approve payment of invoice #9 in the amount of \$5,000 to Will Linder as requested. The motion carried 4 - 0.

2. Just Compensation: Presented for adoption was a resolution establishing just compensation for the purchase of additional properties in the Sycamore Street Target area. The resolution was read as follows:

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-2000-027

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 "LPA") has obtained an appraisal and a 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:

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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>
10	#92	86 Sycamore St.	\$21,800.
11	#94	235 Sycamore St.	\$50,100.
	#96	234 Sycamore St.	\$50,100.
	#97	232 Sycamore St.	\$40,900.
	#98	230 Sycamore St.	\$58,600.
	#99	228 Sycamore St.	\$62,000.
	#100	226 Sycamore St.	\$26,300.
12	#78	260 Sycamore St.	\$48,200.

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 21st day of December, 2000.

/s/ Frank M. Morris
MAYOR

/s/ Karen W. Harris
ATTEST

December 21, 2000
DATE

Commissioner Clark made the motion, seconded by Commissioner Blackburn to adopt the resolution as presented and read. The motion carried 4 - 0.

C. WATER IMPROVEMENT PROJECT: Presented for approval of payment were invoices from Summit Engineering, in the amount of \$13,000; Alpha Reclamation in the amount of \$4,502.24; Crom Corporation in the amount of \$43,664.38; and East Kentucky

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Water in the amount of \$29,851.56. City Engineer Sykes reported that the invoices had been reviewed and approved by Summit Engineering and Rural Development. Mr. Sykes recommended approval of payment of the bills as requested by the contractors. Commissioner Davis made the motion to approve payment of the invoices as recommended by the City Engineer. Commissioner Clark seconded the motion. The motion carried 4 - 0.

AGENDA ITEM IV.

OLD BUSINESS

A. MAIN STREET PROGRAM:

1. Glendia Sawyers, Executive Director of the Pikeville Main Street Program, submitted two bills for approval of payment. Presented was an invoice from Commonwealth Building totaling \$46,980 for construction of the gateways and from Summit Engineering in the amount of \$5,276.26 for engineering services associated with the underground utility relocation project. Ms. Sawyers advised that both bills had been approved for payment by the Main Street Board. Commissioner Blackburn made the motion, seconded by Commissioner Davis to approve payment of the two invoices as presented. The motion carried 4 - 0. Ms. Sawyers reported that the gateway projects should be completed prior to the Commission's next scheduled meeting.
2. River Fill Improvement Project: Presented to the Commission for approval was a resolution authorizing an agreement between the City and the Kentucky Transportation Cabinet for TE-21 Funds totaling \$149,875 to be used for improvements to the river fill parking lot. The resolution was presented and read as follows:

**RESOLUTION AUTHORIZING APPROVAL AND EXECUTION
OF AN AGREEMENT BETWEEN THE CITY OF PIKEVILLE AND
THE KENTUCKY TRANSPORTATION CABINET FOR
USE OF TEA-21 FUNDS FOR IMPROVEMENTS TO THE
RIVER FILL PARKING LOT AND ACCESS (PIKEVILLE PEDESTRIAN FACILITIES &
LANDSCAPING).**

RESOLUTION R-2000-028

WHEREAS, an agreement has been presented to the Pikeville City Commission between the City of Pikeville and the Kentucky Transportation Cabinet, and;

WHEREAS, the said Agreement concerns the allotment of TEA-21 funds for improvement of the river fill parking lot and access (Pikeville Pedestrian Facilities & Landscaping).

NOW, THEREFORE, BE IT RESOLVED that the said Agreement is approved and the Mayor is authorized to execute the same and to bind the City to the terms thereof. Said Agreement is in full force and effect on December 15, 2000.

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At Pikeville, Kentucky this 21st day of December, 2000.

Commissioner Davis moved the adoption of the foregoing Resolution. Commissioner Clark seconded the Motion.

Upon roll call the votes were as follows:

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

The Mayor declared the within Resolution adopted.

/s/ Frank M. Morris
FRANK M. MORRIS, MAYOR

ATTEST:

/s/ Karen W. Harris
KAREN W. HARRIS, CITY CLERK

3. Baldwin Contracting: City Engineer Sykes explained to the Commission that a contract had been awarded to Baldwin Contracting during the previous meeting for the river fill improvements/landscaping project. The contract was awarded in the amount of \$202,160.90 which, in error, excluded construction of the sidewalk along the Hall of Justice and Church of Christ properties adjacent to Pike Street. Mr. Sykes stated that only the sidewalk along the Church of Christ property should have been excluded. Additionally, the Commission directed that it provide its matching funds in the form of the landscaping if economically feasible. It was reported that the landscaping staff has checked the cost of providing the plants for the project and has determined the city's cost would be greater than leaving the landscaping in the project's contract. Mr. Sykes recommended the Commission re-approve the award of the contract for the river fill improvements and landscaping to Baldwin Contracting in the amount of \$207,692.50. The city will be responsible for matching funds totaling \$38,023.20. Commissioner Davis made the motion, seconded by Commissioner Blackburn to award the contract for the river fill improvement project to Baldwin Contracting in the amount of \$207,692.50. The motion carried 4 - 0.

4. Utility Relocation - Legal Services Agreement: Presented to the Commission for approval was an agreement between the City of Pikeville and Russell H. Davis, Jr. for legal services in conjunction with the utility relocation project. Ms. Sawyers explained that the contract is necessary pursuant to ARC regulations. Money is allocated in the grant to fund the cost of legal services. Commissioner Blackburn made the motion, seconded by Commissioner Clark to approve the legal services contract as presented. The motion carried 4 - 0.

5. Utility Relocation - Engineering Services Agreement: Presented to the Commission for approval was an agreement between the City of Pikeville and Summit Engineering, Inc. for engineering services in conjunction with the utility relocation project - Phase I. Mr. Sykes advised the fees are in accordance with standard fees allowable through the Department for Rural Development (\$165,900). Commissioner Clark

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made the motion to approve the contract with Summit Engineering for utility relocation - Phase I engineering services. Commissioner Davis seconded the motion. The motion carried 4 - 0.

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 - Change Order #3: Presented to the Commission for approval was Change Order #3, Contract #1, from East Kentucky Water, Inc., in the amount of \$2,534.83. Mr. Sykes explained the change order provided for the addition of "H" Pile Protection for the screens and recommended approval. Commissioner Blackburn made the motion, seconded by Commissioner Davis to approve Change Order #3 as recommended by the City Engineer. The motion carried 4 - 0.

2. South Mayo Water/Gas Extension: City Engineer Sykes explained the water and gas extension project on South Mayo Trail has been completed by the contractor, South Creek Construction, Inc. Presented for approval was a closeout change order for a net deduct of \$6,016.71, reducing the total contract from \$129,775.00 to \$123,758.29. Items deleted included replacement cost for concrete sidewalk and landscaping, while adding excessive lengths of 3/4" and 1" copper water service lines. Commissioner Blackburn made the motion, seconded by Commissioner Clark to approve the closeout change order as presented. The motion carried 4 - 0.

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

1. Budget Amendments: Second reading was given to an Ordinance entitled as follows:

ORDINANCE AMENDING THE FISCAL BUDGET FOR THE 2000-2001 FISCAL YEAR
(ORDINANCE NO. O-2000-021)

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

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

2. Street Names: Presented and given first reading was an Ordinance entitled:

ORDINANCE NAMING AND RENAMING CERTAIN STREETS OR ROADWAYS WITHIN THE
CITY OF PIKEVILLE

A representative of Adams Real Estate was present to request the street name of Coal Hollow be changed to Adams Drive. During discussion, Communications Supervisor, Paul Maynard, pointed out that a similar street name currently exists in another area and recommended that another name be selected. The Commission suggested Stuart Drive or Stuart Lane. The representative of Adams Real Estate advised that he had no authority to accept the name change, however advised that he would take the suggestion to his employer and would return to the next City Commission Meeting.

Second reading of the ordinance was scheduled for January 22, 2001.

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

1. Backhoe: Bids were received and opened for the purchase of a 4 X 4 backhoe. The bids were submitted by Wayne Supply in the amount of \$63,023 and from Gress Equipment Company in the amount of

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~~\$57,631.29. Purchase of the backhoe was budgeted in the 2000/01 operating budget. U.S. Filter Manager.~~
Duane Hamilton reviewed the bids and recommended award of the bid to the low bidder, Gress Equipment Company, in the amount of \$57,631.29. Commissioner Davis made the motion, seconded by Commissioner Clark to award the bid for purchase of 4 X 4 backhoe to Gress Equipment Company in the amount of \$57,631.29. The motion carried 4 - 0.

2. Dispatcher: Communications Supervisor, Paul Maynard, requested a change of employment status for dispatcher, Michael Charles, from part-time to full-time. Commissioner Blackburn made the motion, seconded by Commissioner Davis to approve the change of employment status of Michael Charles as requested. The motion carried 4 - 0.

3. Building Inspection: City Manager Blackburn reported that officials from the Department of Housing and Building Construction have advised that the city's building inspector must apprentice under a licensed inspector until he obtains his inspector's license. The City Manager recommended that James A. Forsyth be retained as consultant at a rate of \$400.00 per month, until the Building Inspector obtains his certification. Mr. Blackburn advised the Commission that the building inspector has applied to take the certification examination, however, the examinations are given only twice per year. Commissioner Davis made the motion, seconded by Mayor Morris to retain James Forsyth as Building Inspector Consultant at a wage rate of \$400.00 per month., until such time as the building inspector obtains his certification. The motion carried 4 - 0.

4. Natural Gas Fund: As discussed at the previous meeting, City Manager Blackburn advised the Commission that the natural gas fund experienced a \$94,000 deficit during the past month, bringing the total loss to \$480,000 since the beginning of the fiscal year. The City Manager presented a rate analysis as prepared by the gas broker, Alliance Energy. Alliance Energy has projected a loss of \$668,000 (from January - December, 2001) if the service rates are not increased. Alliance Energy looked at four alternatives. Alternate I leaves the rates unchanged and estimates a 58% loss. Alternate II proposes an increase in rates for a minimum bill (2 MCF) for Inside City Rates from \$15.75/month to \$19.41/month, and an increase of \$2.25 per MCF, thereafter; Outside City Rates from \$16.50 for a minimum bill to \$20.16 and an increase of \$2.80 per MCF, thereafter. Alternate II will provide for the natural gas fund to break even. Alternate III suggests a 2% profit with the rates increasing about \$.09 a MCF over Alternate II. Alternate IV projects a 4% profit with the rates increasing \$.19 a MCF over Alternate II. Commission Members stated they did not like the idea of having to pass the increase to the natural gas customers, however the city could not continue to subsidize the service. The Commission agreed that Alternate II should be accepted. Commissioner Blackburn stated his concern for the monetary hardship the increase may place on the elderly. The Commission directed the City Manager to contact Governor Patton and Congressman Rogers to determine if there is any state or federal assistance available to cities which would enable cities to provide natural gas service to its residents at a less expensive rate. Presented and read was the following Ordinance:

ORDINANCE AMENDING SECTION 51:15 OF THE CODE OF ORDINANCES OF THE CITY OF PIKEVILLE INCREASING THE RATES AND FEES FOR NATURAL GAS SERVICE

Commissioner Blackburn made the motion to declare an emergency and adopt the Ordinance as presented, and further moved the increase would go into effect with the January usage should there be no governmental assistance available. Commissioner Clark seconded the motion. Said emergency exists because the City of Pikeville is currently losing over \$90,000 per month because of inadequate natural gas service rates, which losses are projected to continue in the future if rates are not increased.

The motion carried by the following votes:

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

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SHARON CLARK

YES

5. Fire Rescue Equipment: Danny Hamilton, Ambulance Service Coordinator, advised the Commission of the need to acquire additional rescue equipment. Mr. Hamilton explained that the city has two jaws-of-life tools, one 8 years old and one 2 years old. The equipment company, High Tech Rescue, Inc. has agreed to take the 2 year old tool as trade-in and replace it with their brand at no cost, providing the city purchase an additional tool at \$17,875.93. City Manager Blackburn explained the total cost also includes the purchase of two air bags and other necessary rescue equipment. Mr. Hamilton explained that the 8 year old tool is in good repair and will be used as a back-up. The City Manager advised that purchase of the equipment was included in the capital expenditures budget, however, due to the Fire Department's expenditure budget being less than anticipated, recommended purchasing the equipment from the Fire Department's equipment budget. Commissioner Clark made the motion to approve the expenditure if the funds are available. Commissioner Blackburn seconded the motion. The motion carried 4 - 0.

AGENDA ITEM V.

NEW BUSINESS

A. Board Appointments: Mayor Morris made the motion to appoint Bill R. Blackburn to serve as a member of the Pikeville/Pike County/Elkhorn City Joint Planning Commission, effective January 1, 2001. Commissioner Clark seconded the motion. The motion carried 3 - 0 - 1 with Commissioner Blackburn abstaining from the vote.

Commissioners Blackburn and Clark complimented and thanked fellow Commission Members and staff for their teamwork and efficiency in the accomplishments made by the Commission during their elected tenures.

There being no further business to come before the Commission, Commissioner Davis made the motion, seconded by Commissioner Clark to adjourn the meeting. The motion carried 4 - 0.

APPROVED: _____

FRANK M. MORRIS, MAYOR

ATTEST: _____

Frank M. Morris

KAREN W. HARRIS, CITY CLERK

Karen W. Harris