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environment. The product, discovered at the University of Kentucky, will be used mainly by coal burning power plants. The company will provide about 50 new jobs for the area with an annual salary of between \$20,000 and \$50,000, each. Mr. Patton advised that the product will benefit the coal industry as well as the local economy. Mr. Patton advised the Commission there will be emissions from the plant, however there will be no burning nor any waste products brought to the site. The Thompson Road property consists of approximately 17 acres. City Engineer Sykes reported the site had been filled out of the flood plain. According to Mr. Sykes there is about 10 to 12 acres of useable property. Mr. Patton told the Commission he would be willing to locate on the back side of the lot and make any improvements at his expense. He estimated he would need from 5 to 7 acres of property to construct the plant and provide parking. Future expansions would require another 5 to 7 acres. Mr. Patton advised the Commission that he would like to begin construction in May with production to begin in January, 2002. The Commission decided to meet in closed session to discuss negotiations for sale of the property. The Commission advised they will appoint someone to negotiate on the city's behalf.

C. Pauley Addition Street Name: Pauley Addition resident, Doug Hinkle, brought to the Commission's attention that one of the street's name had been changed from Walnut Street to Walnut Lane. Mr. Hinkle objected to the name being changed and presented a plat map of the subdivision to prove the street had been named Walnut Street. It appeared the street name had been changed when the new 911 maps were prepared and the street sign was changed to match the name on the 911 map. The Commission agreed to change the name of the street back to Walnut Street. First reading of an Ordinance was given, entitled as follows:

ORDINANCE NAMING OR RENAMING WALNUT LANE/STREET LOCATED IN THE PAULEY ADDITION "WALNUT STREET"

The ordinance was placed on file in the office of the City Clerk for public inspection. Second reading was scheduled for the next meeting.

Discussion was had concerning the proposed construction of a sidewalk along Thompson Road. Commissioner Combs reported he had been contacted by several residents of the Pauley and Keel Additions complaining of the lack of a walkway along old Thompson Road. While previous City Commissions have discussed the possibility of widening Thompson Road and constructing a walkway, no action has been taken other than the identifying the property owners along the needed right-of-way. Commissioner Combs explained that a number of residents use the road for jogging, walking, and bicycling and thinks a walkway necessary for safety, especially since the traffic has greatly increased due to the relocation of the Post Office and other retail businesses. The Mayor suggested developing a walking trail on the old county road which is located on the other side of the railroad tracks. The City Engineer advised he could prepare alternatives for walkway construction and cost estimates for a fee between \$1,500 to \$2,000. Commissioner Combs made the motion to authorize the City Engineer to prepare proposals and cost estimates for constructing a walkway to serve the residents for the Pauley and Keel Additions. Commissioner Layne seconded the motion. The motion carried unanimously.

AGENDA ITEM IV.

PAYMENT OF BILLS

A. CITY BILLS: A list of City Bills totaling \$408,679.76 was presented to the Commission for approval of payment. There being sufficient funds with which to make payment, Commissioner Davis made the motion, seconded by Commissioner Combs to approve payment of the City Bills as requested. The motion carried unanimously.

B. WATER IMPROVEMENT PROJECT: Presented for approval of payment were invoices from Summit Engineering totaling \$13,000 (engineering services for Contracts 1, 2A, 2B, and 3); Alpha Contracting totaling \$4,502.24 (Contract 2B-water line to storage tank); Crom Corporation in the amount of \$43,664.38 (Contract 2A-water storage tank); and East Kentucky Water in the amount of \$57,539.01 (Contract 1 - Intake and Plant improvements). City Engineer Sykes reported that telemetry had been installed on all water storage tanks within the city's water system, as a part of this overall project. To date, the water line is 100% complete, the water storage tank installation is 92% complete and the intake and plant improvements

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CITY OF PIKEVILLE BOARD OF COMMISSIONERS REGULAR MEETING MINUTES JANUARY 22, 2001

The Board of Commissioners of the City of Pikeville met in regular session on Monday, January 22, 2001. 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 1:00 p.m. Commission Members present at roll call were as follows:

MAYOR:	FRANK M. MORRIS
COMMISSIONER:	STEVEN D. COMBS
	EUGENE DAVIS
	FRANK JUSTICE, II
	DALLAS LAYNE

In keeping with the tradition that the Commissioner receiving the greatest number of votes in the general election serve as Mayor Pro-Tem, Commissioner Davis made the motion, seconded by Commissioner Justice, to appoint Steven D. Combs to serve as Mayor Pro-Tem. The motion carried 4 - 0 - 1 with Commissioner Combs abstaining from the vote.

AGENDA ITEM II.

MINUTES

The minutes of the December 21, 2000 special meeting were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Davis made the motion, seconded by Commissioner Layne to approve the minutes as prepared. The motion carried unanimously.

AGENDA ITEM III.

BUSINESS FROM THE FLOOR

A. Hillbilly Days 2001: Pike County Chamber of Commerce Executive Director, Kitty White, appeared before the Commission to request permission to use the city streets, sidewalks, and downtown park during Hillbilly Days - April 19-21, 2001. Ms. White explained there would be no changes from the previous years, with the exception of having a few less booth spaces due to an increase in size of the vendor spaces. City Attorney Davis pointed out the need to arrange the booth spaces as to keep the park entrances open. Ms. White assured the Commission the booth spaces would be arranged to provide for the park entrances to remain open and to allow the traffic to flow more freely. Additionally, Ms. White requested use of the river fill parking area, between the courthouse and theater, to locate the carnival. Mayor Morris voiced his objection to booking a carnival during the festival, stating there had been problems with the individuals hired to operate the games and rides. Ms. White advised the Chamber of Commerce will be conducting a meeting with the carnival operators and the police department to discuss any pending issues. Ms. White further advised she will be recommending the carnival operators employ college students to operate the games and rides. City Engineer Jack Sykes reported the river fill improvement project is scheduled to be completed by Hillbilly Days, however if project is not completed, the contractor has been directed to take the necessary safety precautions. Commissioner Combs made the motion to grant the Chamber of Commerce request to use the city streets, sidewalks, park, and to allow the carnival to locate in the river fill area during the Hillbilly Days Festival. Commissioner Davis seconded the motion. The motion carried 4 - 0 - 1 with Mayor Morris abstaining from the vote.

B. Eagle Environmental Products, Inc.: Jim Patton, representing Eagle Environmental Products, Inc., approached the Commission relative to Eagle Environmental Products, Inc.'s proposal to purchase the city's Thompson Road property. The company plans to construct a 20,000 sq. ft., 2-story building, that will house a factory, laboratory and research center. The company will be teaming with Koch, Industries of Wichita, Kansas, and will be producing an environmental remediation product which removes mercury out of the

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are 67% complete. Commissioner Combs made the motion, seconded by Commissioner Justice to approve payment of the water improvement project bills as presented. The motion carried unanimously.

C. PIKEVILLE REDEVELOPMENT PROJECT:

1. Asbestos Abatement: Submitted to the Commission for approval of payment, was an invoice from Alpha Contracting Services of Berea in the amount of \$985.00. The invoice represents the total amount of the contract for abatement of asbestos in the newly acquired Sycamore Street structures. The bill will be paid from Appalachian Regional Commission (ARC) grant funds. Commissioner Davis made the motion, seconded by Commissioner Layne to approve payment of the invoice as requested. The motion carried unanimously.

2. Appraisals: Appraisal Associates of Kentucky submitted a payment request in the amount of \$750.00 for the review of the appraisals for three Kentucky Avenue parcels. The payment will be funded with Affordable Housing Trust Funds. Commissioner Davis made the motion, seconded by Commissioner Layne to approve payment of the invoice from Appraisal Associates of Kentucky in the amount of \$750.00. The motion carried unanimously.

3. Demolition: The Commission was advised that ten bids had been received for the demolition of the units on Sycamore Street. The low bid was submitted by Alpha Contracting Services of Berea in the amount of \$43,910. It was reported the expected cost for demolition of these units would be at least \$75,000. Mayor Morris requested to discuss the matter in closed session due to a complaint from a potential bidder regarding the bidding process.

4. Just Compensation: City Manager Blackburn advised the Commission that the appraisals had been completed for the Kentucky Avenue, Phase II target area. As a requirement of the funding agency, it is necessary for the city to adopt a resolution establishing just compensation for the acquisition of the properties in the target area. Mr. Blackburn explained that the acquisition value placed on the properties is the amount of the appraisal, however, when the appraisals were reviewed, some of the values were amended. A resolution amending the previous amounts established for just compensation was presented and read as follows:

ORDER OF THE PIKEVILLE CITY COMMISSION APPROVING THE DETERMINATION OF JUST COMPENSATION FOR ACQUISITION OF PROPERTY IN THE PIKEVILLE REDEVELOPMENT PHASE II- KENTUCKY AVENUE TARGET AREA OF PIKEVILLE, KENTUCKY

WHEREAS, the Kentucky Housing Corporation, has approved HOME Investment Partnership Program funds for acquisition of properties in the Pikeville Redevelopment Phase II - Kentucky Avenue 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 "City") has obtained an appraisal of properties to be acquired through the HOME program; and,

WHEREAS, based upon the appraisals prepared by a competent appraiser the City determines the just compensation to be offered to each property owner; and,

WHEREAS, the review appraiser's determination of fair market value differed from the initial appraisal; and,

WHEREAS, the just compensation value approved as of September 25, 2000 needs to be amended to reflect the value reached by the appraiser and review appraiser jointly:

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 Target Area are hereby revised and approved in the following amounts:

<u>Parcel #</u>	<u>Building</u>	<u>Address</u>	<u>Amount</u>
02	37	273 KY Ave.	\$53,000.
08	lot #2	KY Ave.	\$5,000.
14	38	274 KY Ave.	\$91,400.
19	47	258/137 KY Ave.	\$32,900.
21	51	254/143 KY Ave.	\$57,000.

2. The Grants Coordinator is directed to make Offers for Purchase on properties in the Pikeville Redevelopment Project - Phase II - Kentucky Avenue 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 City 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 Kentucky Housing Corporation 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 January, 2001.

/s/ Frank M. Morris
MAYOR

/s/ Karen W. Harris
ATTEST

Commissioner Davis made the motion to adopt the resolution amending the just compensation for the above stated properties on Kentucky Avenue. Commissioner Combs seconded the motion. The motion carried 4 - 0 - 1 with Mayor Morris abstaining from the vote.

5. The Commission was notified that former Model City/Community Development Agency Director, Mary Lou Draughn, had passed away. Commissioner Combs made the motion to authorize the City Attorney to prepare a resolution commemorating Ms. Draughn's service to the City of Pikeville and the Model Cities Program and further directed that copies of the resolution be published in the *News-Express* and sent to her family. Commissioner Justice seconded the motion. The motion carried unanimously.

AGENDA ITEM IV.

OLD BUSINESS

A. MAIN STREET PROGRAM REPORT: Sara George, Chair of the Pikeville Main Street Program, along with the program's executive director, Glendia Sawyers, appeared before the Commission to deliver a verbal status report and to request payment of their invoices. Ms. George gave a historical summary of the forming of the Main Street Agency in 1989, the agency's projects and procedures. Members of the Main Street Board are: Sara George, Chair; Roger Copley, Vice Chair; Mickey England, Secretary; Eddie Jackson, Treasurer; Frank Morris, Jeff Hatfield, Marty Backus, Everett Phillips, Jerry Smith, Mary Jo Blackburn, and Freddie Lewis. The Agency operates on member dues and direct appropriation from the City. The Board of Directors meet the third Thursday of each month at 4 p.m. in the News-Express Conference Room. Currently, the Main Street Agency is working through the Kentucky Renaissance Program on the river fill parking improvements, utility relocation project, and downtown facade improvements. Ms. George reported the city, through the Main Street Program, has received \$3,982,000, since its designation as a Renaissance Kentucky City in 1998. The usual match is 20%, however, the city has been able to receive these funds with only a 5.67% match.

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Ms. George advised the Commission that funds are available through the Kentucky Renaissance Alliance in the form of TE-21 funds. The Main Street Board is requesting permission to apply for funding for Phase II of the utility relocation project. Phase II is estimated to cost \$2,032,000. While the city's match for the project is 20%, or \$400,000, Ms. George proposes to apply for \$350,000 in ARC funds with the city providing a cash match in their 2001/02 operating budget of \$56,487.48. Ms. George explained there is no guarantee the city will receive the entire amount of TE-21 or ARC funds applied. In the event the funding package is not approved as reported, Ms. George will advise the Commission. Commissioner Davis made the motion to authorize the submission of the TE-21 funding application and to set aside \$56,487.48 in the 2001/2002 budget for matching funds. Commissioner Combs seconded the motion. The motion carried unanimously.

Presented to the Commission were three invoices from the Main Street Agency for approval of payment. The invoices were as follows: Commonwealth Building & Construction - \$11,440 (final payment for gateway construction); Summit Engineering - \$9,297.99 (utility relocation project) and Baird & Baird - \$47.50 (legal fees, utility relocation project). Ms. George advised the bills have been approved for payment by the Main Street Board and by Summit Engineering. Commissioner Davis made the motion, seconded by Commissioner Layne to approve payment of the invoices as requested. The motion carried unanimously.

The Commission congratulated Sara George on her appointment to the Kentucky Heritage Council.

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

1. Jefferson Street: Contractor, Hayes Construction, has completed the stabilization of Jefferson Street. Mr. Sykes recommended approval of their invoice in the amount of \$10,212.00. Commissioner Davis made the motion, seconded by Mayor Morris to approve payment as recommended. The motion carried 3 - 0 - 2 with Commissioner Combs abstaining from the vote and Commissioner Justice not present at the time of the vote.

2. Utility Relocation Project: The design is complete. Mr. Sykes expects to bid the first phase of the project in early March, with construction to begin the Monday following the Hillbilly Days festival.

3. Pauley Bridge Repairs: The Commission discussed the needed repairs to the Pauley Bridge. The City Manager reported an earlier inspection of the bridge revealed that it would cost about \$97,500 to repair the bridge for pedestrian access. Additionally discussed was the possibility of constructing another bridge or expanding the grant application to convert the bridge back to a vehicular bridge. Mr. Sykes estimates the cost for constructing a new two lane bridge at between \$4 to \$5 million. Commissioner Combs made the motion, seconded by Commissioner Justice to expand the grant application to make the necessary repairs to the Pauley Bridge to open it to vehicular traffic and to explore the funding to construct a new, 2 lane bridge. The motion carried 4 - 1 with Mayor Morris casting a nay vote.

4. Elm Street Widening Project: The City Engineer reported the City has received \$500,000 in Department of Transportation Funds to widen Elm Street from the Boulevard to the College. The design is complete. Bids will be opened on February 20th, and presented to the Commission at the next meeting.

5. Kentucky Avenue Road Improvements: Widening of Kentucky Avenue is proposed in conjunction with the redevelopment project. The road improvements will be completed in two phases beginning in July, 2001 and the first of 2002.

6. Water Improvement Project: Presented for approval was a change order to complete the Raw Water Intake, in the amount of \$13,582.12. Mr. Sykes reported there is about \$40,000 left in contingencies in the project's account. Commissioner Combs made the motion, seconded by Commissioner Layne to approve the change order as requested. The motion carried unanimously.

7. Parking Structure: Mr. Sykes advised the Commission of the proposed parking structure

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project to be located adjacent to College St. and Huffman Avenue. \$3.9 million has been committed to the project. The structure is proposed to house 595 parking spaces and 21,000 sq. feet of retail space. Suggestions have been made to delete the retail space and to increase the number of parking spaces. The engineer will determine the viability of beginning the design and will give an update at the next meeting. Commissioner Combs made the motion to send a written inquiry to owners of the former Hatcher Court property to determine if they are interested in selling the property and make an offer. The motion carried 4 - 1 with Mayor Morris casting a nay vote.

8. Annexation: Mr. Sykes advised the Commission of a request from Bob Billips to annex the Pine Ridge Subdivision, Keyser Branch and the property owned by the Hatcher/Trimble Heirs. . The City Attorney advised that zoning will have to be established before the annexation process begins, and the city can initiate that action. However, a land use plan can be approved now. Mayor Morris made the motion to approve the land use plan as prepared by Summit Engineering. Commissioner Justice seconded the motion. The motion carried unanimously.

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

1. Street Names: Second reading was given to an Ordinance entitled:

ORDINANCE NAMING AND RENAMING CERTAIN STREETS OR ROADWAYS WITHIN THE CITY OF PIKEVILLE (O-2001-001)

Attorney Davis explained the naming and/or renaming of Locust Hill Drive, Star Lane, Riverbend Drive, Sandstone Hill Drive, and Maple Hill Drive, was necessary to correspond with the new 911 mapping system.

Commissioner Combs made the motion to adopt the Ordinance as presented and read. Commissioner Justice seconded the motion. The motion carried by the following votes:

MAYOR:	FRANK MORRIS	YES
COMMISSIONER:	STEVE COMBS	YES
	EUGENE DAVIS	NOT PRESENT AT TIME OF VOTE
	FRANK JUSTICE, II	YES
	DALLAS LAYNE	YES

2. Parking Zones: First reading was given to an Ordinance entitled as follows:

ORDINANCE ESTABLISHING FIFTEEN (15) MINUTE PARKING ZONE ON HUFFMAN AVENUE FOR THE USE OF THE TOURISM OFFICE AND POST OFFICE

City Attorney Davis advised that representatives from the Post Office had requested the additional parking space designation due to the increase in customers since the relocation of the main Post Office facility to Thompson Road. Additionally, Tourism Director Phyllis Hunt, had asked for the designation of visitor parking spaces during a previous meeting.

Second reading of the Ordinance was scheduled for the next meeting.

3. Trash Receptacle Rental: Presented and given first reading was the following ordinance entitled:

ORDINANCE AMENDING THE CITY OF PIKEVILLE'S SOLID WASTE MANAGEMENT ORDINANCE SECTION 50.18 CHARGES FOR SERVICES SO TO INCLUDE A \$3.00 MONTHLY RENTAL FOR 95 GALLON REFUSE CANS

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City Manager Blackburn advised the Commission that rental of the refuse receptacles is voluntary. He explained the city is offering the refuse receptacles for rental rather than for sale so as not to compete with area businesses that offer the same product for sale.

Second reading of the ordinance was scheduled for the next meeting.

4. Meeting Date and Time Change: The Commission discussed the need to meet twice monthly and to change the meeting times to 6:00 p.m. to allow more citizen participation. Presented and given first reading was the following Ordinance:

ORDINANCE AMENDING SECTION 38.21(A) OF THE CODE OF ORDINANCES CHANGING THE TIME OF THE MEETING OF THE CITY OF PIKEVILLE BOARD OF COMMISSIONERS TO 6:00 P.M. AND ADDING A SECOND MEETING A MONTH ON THE SECOND MONDAY OF EACH MONTH

Second reading was scheduled for the next meeting.

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

1. Sandy Valley Water District: City Manager Blackburn presented an amended water purchase agreement for approval between the city and Southern Water District, ~~and~~ Sandy Valley Water District, for approval. The City Manager explained negotiations with two public water districts have produced agreements setting the fee per 1,000 gallons at \$1.69/gallon. The City Manager recommended approval of the negotiated fee instead of taking the matter before the Public Service Commission. Commissioner Davis made the motion, seconded by Commissioner Combs to authorize the Mayor to execute the purchase agreements with Southern Water District and Sandy Valley Water District. The motion carried unanimously.

The City Manager requested a closed session for the purpose of discussing a property matter.

AGENDA ITEM VI.

NEW BUSINESS

A. HOUSING AUTHORITY: Presented to the Commission was an annual agreement for the providing of police services to Housing Authority properties. The Housing Authority reimburses the city for wages. The City Attorney reviewed the agreement and recommended the deletion of the provision that the police enforce all housing authority rules and regulations and to not require completion of housing authority forms when arrests are made. Commissioner Justice made the motion, seconded by Commissioner Davis to approve the agreement for police services with the housing authority with the deletions recommended by the City Attorney. The motion carried unanimously.

B. SIDEWALKS: Commissioner Combs made the motion to construct a sidewalk at Hambley Complex to tie into the existing sidewalk. Commissioner Justice seconded the motion. The motion carried unanimously.

At 4:35 p.m., Commissioner Combs made the motion to adjourn to closed session for the purpose of discussing a property matter and a legal matter. Commissioner Davis seconded the motion. The motion carried unanimously.

At 6:10 p.m., Commissioner Combs made the motion, seconded by Commissioner Davis to reconvene to regular session. The motion carried unanimously.

Discussion was had with regard to the award of the bid for demolition of the newly acquired Sycamore Street structures to Alpha Contracting of Berea, KY. The Mayor voiced his concern that contractors were not given sufficient opportunity to submit bids for the work. He stated that a company had verbally

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complained to him that they had requested a bid package, but had not received the information until the day before the bid was due. Commissioners pointed out that ten bids had been received and it would not be fair to the contractors who had submitted their bids in the specified time period. Commissioner Combs made the motion, seconded by Commissioner Justice to award the bid for demolition of the Sycamore Street structures to the low bidder, Alpha Contracting of Berea in the amount of \$43,910.00. The motion carried 4 - 1, with Mayor Morris casting a nay vote. The Mayor advised he had requested the disgruntled contractor to make a written complaint. The City Manager was directed to investigate the matter.

There being no further business to come before the Commission, Mayor Morris made the motion, seconded by Commissioner Davis to adjourn the meeting. The motion carried unanimously. (Adjournment Time: 6:25 p.m.)

APPROVED: _____
FRANK M. MORRIS, MAYOR

ATTEST:

Karen W. Harris
KAREN W. HARRIS, CITY CLERK