

MINUTES } CITY OF PIKEVILLE

PIKEVILLE CITY COMMISSION
REGULAR MEETING MINUTES
MAY 14, 2001

The Board of Commissioners of the City of Pikeville met in regular meeting on Monday, May 14, 2001, at 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 6:00 p.m. Commission Members present at roll call were as follows:

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

AGENDA ITEM II.

MINUTES

The minutes for the previous meeting of April 19, 2001 were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Combs made the motion, seconded by Commissioner Justice to approve the minutes as submitted. The motion carried unanimously.

Commissioner Justice made the motion to adjourn to a closed session for the purpose of discussing a personnel matter and a legal matter dealing with property condemnation. Commissioner Layne seconded the motion. The motion carried unanimously.

Commissioner Justice made the motion, seconded by Commissioner Layne to reconvene to regular session. The motion carried unanimously.

AGENDA ITEM III.

BUSINESS FROM THE FLOOR

A. PROPOSAL TO FILL: Local businessman, Greg Hall, explained that he is in the process of removing several thousand yards of fill material from a 17 acre tract which is located adjacent to U.S. 23 North and near the Northmonte Subdivision. Mr. Hall is contracting with T & J Resources and has agreed to have them haul the fill to the city's Thompson Road property or to the Poor Farm property, if the city wants to fill in these properties. There will be no cost to the city. The contractor will haul and fill to the city's specifications. City Attorney Davis told the Commission that he has repeatedly asked for a development plan. Mr. Hall told the Commission he is unsure what he will be developing on the site. Speaking as a citizen and resident of the adjacent Northmonte Subdivision, City Attorney Davis advised that Mr. Hall's construction activities are a nuisance to the homeowners in the neighborhood in that the earthmoving is causing a great deal of dust and the contractor is also burning timber on the site. According to Attorney Davis, there was too much timber to burn and it should have been hauled away. Mr. Hall agreed with Attorney Davis concerning the timber, but advised he had a two day permit to burn, which was issued by the Fire Department. Mr. Hall also had permission from the Department of Forestry to burn on-site. Fire Chief Hall concurred with Attorney Davis' argument there was too much timber to burn and reported that he had sent a letter to Mr. Hall on this date advising that he would have to truck the timber from the site. Commissioner Justice and Attorney Davis expressed their concerns about damage to adjacent properties and the city's water tank from potential blasting. It was reported that neither the state nor the city issues permits for blasting unless there are coal mining activities. The Commission told Mr. Hall that if he intends to blast he should employ a reputable company with appropriate blasting insurance. City Engineer Sykes advised the Commission that fill material could be beneficial in both Poor Farm and on the Thompson Road property if properly placed and compacted. The Commission authorized the City Engineer to work with Mr. Hall to prepare a suitable fill plan configuration.

B. PIKE COUNTY HUMANE SOCIETY: Robert Pinson, along with a host of members of the Pike

MINUTES } CITY OF PIKEVILLE

~~County Humane Society appeared before the Commission to request the city designate a police officer to~~ perform the additional duties of a trained animal control officer. Reading from a letter sent to City Manager Blackburn, Mr. Pinson said "that in many communities, the role of the Animal Control Officer (ACO) is performed in conjunction with law enforcement. We propose that a police officer be trained to provide this service to our city. We feel that an ACO would improve citizen compliance with existing animal control laws. A trained ACO would embody the laws regarding animal control and represent the authority to enforce those laws." The existing laws referred to are found in the Code of Ordinances, section 90.02: (A) No person who is the owner of any animal shall permit it to run at large in any public road, highway, street, lane, or alley, or upon unenclosed land, or permit it to go on any private yard, lot or enclosure without the consent of the owner of the yard, lot, or enclosure. (B) The owner of an animal who permits it to run at large in violation of this section is liable for all damages caused by such animal upon the premises of another. City Manager Blackburn commented that at least two officers would be needed to perform these added duties due to the manner in which the shifts are scheduled, as well as vacation time and school time. The National Animal Care and Control Association, Kentucky Animal Care and Control Association and the Missouri State Police are teaming up to provide Level I Animal Control training during the week of August 6 - 10 in Lexington, KY. The Pike County Humane Society will pay all costs to send two police officers to the training as long as the officers agree to remain in the city's employ for at least two to three years. Upon receipt of the letter, the Chief of Police placed a memo asking for police officers to see him if they were interested in assuming the extra duties of animal control officer. Chief Justice reported that no officer had expressed interest in assuming the added duties. City Manager Blackburn reported that two employees from the Parks Department are currently performing the duties of animal control officer. The employees have had training and the required immunizations. Mr. Pinson countered that while the Park employees can pick up an animal they have no law enforcement authority to deal with belligerent pet owners or dangerous animals. The City Manager advised that a police officer accompanies the park employees when there are anticipated problems. Mr. Pinson advised that a police officer is needed on all calls. Commissioner Combs made the motion, seconded by Commissioner Justice to authorize the City Manager to write a memo to police officers offering monetary incentives for those willing to assume the added duties of Animal Control Officer. The motion carried unanimously. Members from the Pike County Humane Society were invited to attend the next City Commission Meeting.

C. MUSEUM/HISTORY CENTER: Ed Maddox presented each Commission Member with the Articles of Incorporation for the Big Sandy Mountain Heritage Center. In addition, he presented qualifications and proposed salary for a full-time curator/director and an annual budget. On behalf of the Board of Directors, Bill Blackburn, David Deskins, Karen Gibson, Reagan Grimsley, Hugh B. Hall, Phyllis Hunt, Paul Kelly, Connie Maddox, Marilyn May, and Randall Osborne, Mr. Maddox requested a lease for the former City Hall Building to house the museum/history center. They propose a 5 year lease at \$1.00/yr., renewable for two terms. The Pike County Historical Society will also relocate their offices to this facility. The City has \$104,000 in savings and has placed \$100,000 in the current budget for the museum/history center. Mr. Maddox requested to draw \$25,000 out now to pay to have a security system installed. Mr. Maddox also reported that the Board of Directors has requested to open the museum for the Hatfield/McCoy Reunion during June 7 - 9, 2001. Commissioners asked if the Pike County Fiscal Court had dedicated any money for the project. Mr. Maddox advised the Fiscal Court has not yet made a monetary commitment. Connie Maddox reported that Congressman Rogers' office has indicated the project is eligible for about \$155,000 in federal funds, however a curator must be employed before applications are submitted. City Manager Blackburn reported that \$50,000 had been placed in the 2001/02 budget for the history center/museum. Commissioner Combs made the motion to authorize the draw down of \$25,000 upon execution of the lease for the purchase and installation of a security system comparable to the city's existing security systems; to allow the museum to open during the Hatfield/McCoy Reunion, and to commit to lease the building to the Big Sandy Mountain Heritage Center, Inc., with City Attorney Davis and Mr. Maddox negotiating the terms of the lease for the building which would be agreeable to both parties. Commissioner Layne seconded the motion. The motion carried unanimously.

D. MARION'S BRANCH ROAD: Marion's Branch resident, Lavonne Thacker, along with her neighbors, appeared before the Commission to request the paving a 1.3 mile section of roadway that had been previously approved for paving by the Department of Transportation, Lodestar Energy, Pike County Fiscal

MINUTES } CITY OF PIKEVILLE

Court, and the City of Pikeville. Ms. Thacker commented that the dust along this coal haul road is unbearable. City Manager Blackburn reported the proposal to pave the road had originated with the Department of Transportation. The majority of the \$400,000 cost was to be paid by Lodestar Energy and the Department of Transportation, with the City and County funding \$25,000 each. Mr. Blackburn reported that the city still has the \$25,000, set aside for this project, in a savings account. Ms. Thacker reported that since March she had been trying to get a commitment to pave from the funding agencies, but had been unsuccessful in her attempts. The Commission directed the City Manager to contact Leonard Fleming at the Department of Transportation in an effort to get the project back on track. The City Manager was directed to contact Ms. Thacker to let her know the outcome of the conversations.

AGENDA ITEM IV.

PAYMENT OF BILLS

A. WATER IMPROVEMENT PROJECT: Presented for approval of payment was the final payment request from the Crom Corporation in the amount of \$29,611.50 for the water storage tank construction. Mayor Morris made the motion, seconded by Commissioner Justice to approve payment of the invoice as presented. The motion carried unanimously.

B. PIKEVILLE REDEVELOPMENT PROJECT: Will Linder, grants writer and consultant for the Pikeville Redevelopment Project, gave a brief status report of the overall project. According to the schedule, all the buildings in Phase I - Sycamore Street, should be completely acquired and demolished by the end of July. Mr. Linder is expecting a notice of release of funds within the next week for Phase III - High Street. Phase IV encompasses the remaining properties on Kentucky Avenue that were not included in Phase II. It may be six months before the city can begin purchasing properties located in Phase IV. The funding application for Phase V should be completed and submitted within the next two to three weeks. Because of Ms. Smallwood's absence, Mr. Linder presented the following invoices for payment:

1. Will Linder & Associates: Presented for approval was invoice #13 for counseling services for Phase I Sycamore Street in the amount of \$5,000. Commissioner Combs made the motion, seconded by Mayor Morris to approve payment of invoice #13 as requested. The motion carried unanimously. The invoice is payable from Community Development Block Grant Funds (CDBG).

2. Will Linder & Associates: The Commission reviewed Invoice #1 for Phase II Kentucky Avenue for administrative and preliminary closing in the amount of \$22,352.00. The invoice will be payable from HOME Funds issued through the Kentucky Housing Corporation. Commissioner Justice made the motion, seconded by Commissioner Davis to approve payment of Invoice #1 as presented. The motion carried unanimously.

3. Frank Nall: Mr. Linder advised the Commission that \$841,000 had been paid into an escrow account administered by Frank Nall for the property purchases on Kentucky Avenue - Phase II. Presented for approval was a bill in the amount of \$1,650.00 on behalf of Frank Nall for the closings and deed preparations for property acquired in Phase II - Kentucky Avenue. Commissioner Layne made the motion, seconded by Mayor Morris to approve payment of \$1,650.00 to Frank Nall as presented. The motion carried unanimously.

4. Relocation Expenses: Presented to the Commission was a list of relocation payments due tenants located in Phase I, in the amount of \$57,440., and Phase II, in the amount of \$1,100. Commissioner Justice made the motion, seconded by Commissioner Davis to approve the relocation payments as listed. The motion carried unanimously.

5. Review Appraisals: Presented for approval on behalf of Larry Disney, d/b/a Appraisal Associates of Kentucky was an invoice totaling \$750.00 for review appraisals of one property on Kentucky Avenue and two vacant lots on Sycamore Street. Commissioner Combs made the motion to approve payment to Larry Disney as requested. Commissioner Justice seconded the motion. The motion carried unanimously.

MINUTES } CITY OF PIKEVILLE

6. ~~Condemnation: Mr. Linder explained there are six property owners that have not accepted the~~ offers to purchase their Kentucky Avenue - Phase II properties. Because of the various phases of work to be completed in this area prior to construction of the townhouses, Mr. Linder advised the Commission of the urgency in filing condemnation proceedings as quickly as possible. The Commission delayed any action concerning the condemnation proceedings and upon motion by Commissioner Justice, seconded by Commissioner Combs, and a unanimous vote, scheduled a special meeting at 5:00 p.m. on May 22, 2001, to discuss this matter further.

7. Contract Amendments: Presented to the Commission were the following resolutions amending the contracts for surveying services, legal services, appraisal services, and review appraisal services to include 32 additional parcels in Phases IV and V:

AMENDMENT #2 TO AGREEMENT FOR SURVEYING SERVICES PIKEVILLE, KENTUCKY RESOLUTION # R-2001-016

This amendment is an attachment to the agreement entered into on the 22nd day of November, 1999, and amended on the 22nd day of May, 2000, 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.

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 amendment entered into on the 22nd day of May, 2000, specified a maximum contract amount of \$36,800 for up to 52 parcels; and

WHEREAS, the City of Pikeville requires survey and plot plat for up to an additional 32 parcels for the Pikeville Redevelopment Project Phases IV and V.

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 32 additional parcels for up to 84 parcels.
2. The cost for these additional surveys shall be \$700 per parcel.
3. The maximum contract amount shall increase in the amount of \$22,400.
4. The time of performance will extend to December 31, 2001.
5. The maximum contract shall not exceed \$59,200.

IN WITNESS WHEREOF, the City of Pikeville and Summit Engineering, Inc. have executed this Amendment to the original November 22nd, 1999 Agreement and amendment dated May 22, 2000. This amendment is effective as of the date of the original agreement.

and,

AMENDMENT #2 TO AGREEMENT FOR TITLE SEARCH AND GENERAL LEGAL SERVICES PIKEVILLE, KENTUCKY

RESOLUTION #R-2001-017

MINUTES } CITY OF PIKEVILLE

~~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.~~

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 amended agreement entered into on the 22nd day of May, 2000, specified a maximum contract amount of \$16,900 for up to 52 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 descent for up to 28 parcel; and

WHEREAS, the City of Pikeville requires title opinions and general legal services for an additional 32 parcels for the Pikeville Redevelopment Project Phase V and VI.

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 32 additional parcels for a total of 84 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 affidavits of descent.
3. The maximum contract amount shall increase in the amount of \$10,400.
4. The time of performance will extend until December 31, 2001.
5. The maximum contract shall not exceed \$27,300.

IN WITNESS WHEREOF, the City of Pikeville and Frank K. Nall, Attorney have executed this Amendment to the original November 22nd, 1999 Agreement and amendment dated May 22, 2000. This amendment is effective as of the date of the original Agreement.

and,

AMENDMENT #2 TO AGREEMENT FOR APPRAISAL SERVICES, PIKEVILLE, KENTUCKY RESOLUTION # R-2001-018

This amendment is an attachment to the agreement entered into on the 22nd day of November, 1999, and amended on the 22nd day of May, 2000, by and between the City of Pikeville and Walters and Associates for preparation of the appraisals for the Pikeville Redevelopment Project.

WHEREAS, the agreement entered into on the 22nd day of November, 1999 and amended on the 22nd day of May, 2000, specified a maximum contract amount of \$28,975 for up to 52 parcels or units; and

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, amendment number one included an additional 24 parcels, 8 single-family units, 15 multi-

MINUTES } CITY OF PIKEVILLE

family units, and 1 lot;

WHEREAS, the City of Pikeville requires appraisals for up to an additional 24 units, 8 single-family units and 15 multi-tenants units and 1 vacant lot for the Pikeville Redevelopment Project Phases IV and V.

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 32 additional appraisals; 29 multi-tenant units, and 3 vacant lots.
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 \$21,750.
4. The time of performance will extend until December 31, 2001.
5. The maximum contract shall not exceed \$50,725.

IN WITNESS WHEREOF, the City of Pikeville and Walters and Associates have executed this Amendment to the original November 22nd, 1999 Agreement dated May 22, 2000. This amendment is effective as of the date of the original agreement

and,

AMENDMENT #2 TO AGREEMENT FOR REVIEW APPRAISAL SERVICES PIKEVILLE, KENTUCKY RESOLUTION #R-2001-019

This amendment is an attachment to the agreement entered into on the 22nd day of November, 1999, and amended on the 22nd day of May, 2000, by and between the City of Pikeville and Appraisal Associates of Kentucky for preparation of the review appraisals for the Pikeville Redevelopment Project.

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 amended agreement on the 22nd day of May, 2000 specified a maximum contract amount up to \$13,000 for up to 52 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 32 parcels for the Pikeville Redevelopment Project Phase IV and V.

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 32 additional review appraisals for a total of 84 parcels.
2. The cost for these additional appraisals shall be \$125 for desk review and \$250 for field review per review appraisal.

MINUTES } CITY OF PIKEVILLE

3. ~~The maximum contract amount shall increase in the amount of \$8,000.~~

4. The time of performance will extend to December 31, 2001.

5. The maximum contract shall not exceed \$21,000.

IN WITNESS WHEREOF, the City of Pikeville and Appraisal Associates of Kentucky have executed this Amendment to the original November 22nd, 1999 Agreement and amendment dated May 22, 2000. This amendment is effective as of the date of the original agreement.

Commissioner Combs made the motion, seconded by Mayor Morris to adopt resolutions R-2001-016, 017, 018, and 019 as presented and read. The motion carried unanimously.

8. Phase III Grant Writing Services , Project Implementation, and Program Management: Presented to the Commission for approval were two resolutions authorizing the execution of contracts with Will Linder & Associates for grant writing services and for project implementation and program management for Phase III (High Street) of the Pikeville Redevelopment Project. The resolutions were presented and read as follows:

ORDER OF PIKEVILLE CITY COMMISSION APPROVING THE GRANT WRITING APPLICATION PREPARATION CONTRACT WITH WILL LINDER & ASSOCIATES FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR THE PIKEVILLE REDEVELOPMENT PHASE III - HIGH STREET PROJECT, PIKEVILLE, KENTUCKY

RESOLUTION NO. R-2001-020

WHEREAS, the Commonwealth of Kentucky, Department for Local Government, is accepting applications for the 2000 Community Development Block Grant Program; and,

WHEREAS, Pikeville, Kentucky would like to apply for a Community Development Block Grant; and,

WHEREAS, it was determined that the services of a professional consultant were required for grant writing and application preparation relative to the CDBG program;

NOW, THEREFORE, BE IT ORDERED by the Pikeville City Commission (hereafter referred to as "LPA") that:

1. The contract between the LPA and Will Linder & Associates, Consultants, Inc. for grant writing, application preparation services relative to the CDBG Program has been approved in the amount of \$9,500, not to exceed a maximum of \$9,500 is hereby approved.
2. All fees paid will come from grants obtained on behalf of the Grantee and would be adjusted to that approved in an application by the Department for Local Government as part of the application.
3. The obligations of the parties are totally contingent upon obtaining of a Release of Funds from the Department for Local Government and no project activities other than environmentally exempt activities may occur until the release is achieved.

and

RESOLUTION OF CITY OF PIKEVILLE APPROVING THE PROJECT IMPLEMENTATION AND PROGRAM MANAGEMENT CONTRACT WITH WILL LINDER & ASSOCIATES, CONSULTANTS, INC. FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR THE PIKEVILLE REDEVELOPMENT PHASE III-HIGH STREET PROJECT, CITY OF PIKEVILLE, KENTUCKY

MINUTES } CITY OF PIKEVILLE

RESOLUTION # R-2001-021

WHEREAS, the Commonwealth of Kentucky, Department for Local Government, approved an application for Pikeville, Kentucky; and,

WHEREAS, it has been determined that the services of a professional consultant are required for implementation of the CDBG program;

NOW, THEREFORE, BE IT ORDERED by the City of Pikeville (hereafter referred to as "LPA") that:

- 1. The contract between the LPA and Will Linder & Associates, Consultants, Inc for project implementation and program management services relative to the CDBG Program has been approved in the amount of:
 - a. Development Plan Amendment \$ 5,000
 - b. Administration \$40,000
- 2. All fees paid will come from grants obtained on behalf of the Grantee and would be adjusted to that approved in an application by the Department for Local Government as part of the application.
- 3. The obligations of the parties are totally contingent upon obtaining of a Release of Funds from the Department for Local Government and no project activities other than environmentally exempt activities may occur until the release is achieved.

Commissioner Davis made the motion, seconded by Commissioner Layne to adopt Resolutions R-2001-020 and 021 as presented and read. The motion carried unanimously.

9. Pikeville Affordable Housing: Presented on behalf of the Pikeville Affordable Housing Corporation, Inc. was a draw down request in the amount of \$14,244 to pay the Kentucky Housing Corporation's reservation fee for allocation of Housing Credit for the Kentucky Avenue Phase II Affordable Townhouse Project (amount of credit \$284,873). Payment of the draw down will be made from the city established \$200,000 line-of-credit. Commissioner Layne made the motion, seconded by Commissioner Combs to approve Pikeville Affordable Housing Corporation's draw down request totaling \$14,244. The motion carried unanimously.

10. Just Compensation: Presented and given reading was a resolution establishing just compensation for the acquisition of properties in the Phase III-High Street target area. The resolution was presented as follows:

ORDER OF THE PIKEVILLE CITY COMMISSION APPROVING THE DETERMINATION OF JUST COMPENSATION FOR ACQUISITION OF PROPERTY IN THE PIKEVILLE REDEVELOPMENT PHASE III-HIGH STREET TARGET AREA OF PIKEVILLE, KY
RESOLUTION # R-2001-022

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 III - High 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

MINUTES } CITY OF PIKEVILLE

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	01	141 High St.	\$44,000.
02	02	143 High St.	\$70,000.
03	03	147 High St.	\$80,400.
04	04	151 High St.	\$62,500.
05	05	155 High St.	\$74,000.
06	06	169 High St.	\$57,000.
n/a	07	173 High St.	\$50,100.
n/a		Vacant lot between 155 & 169 High St.	\$6,000.

2. The Grants Coordinator is directed to make Offers for Purchase on properties in the Pikeville Redevelopment Project - Phase III - High 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.

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

AGENDA ITEM V.

OLD BUSINESS

A. MAIN STREET REPORTS: City Engineer Jack Sykes advised the Commission that the Kentucky Transportation Cabinet has agreed to reimburse the City up to \$448,000 for project costs associated with the underground utility relocation project. Mr. Sykes reminded the Commission there was a funding shortfall of \$448,000, and he had been instructed at a previous meeting to petition the Governor for the additional funds needed to complete phase I of the project. A resolution authorizing acceptance of the agreement and authorizing the Mayor to execute the agreement was presented as follows:

RESOLUTION AUTHORIZING APPROVAL AND EXECUTION OF AN AGREEMENT BETWEEN THE CITY OF PIKEVILLE AND THE KENTUCKY TRANSPORTATION CABINET FOR FUNDS TOTALING \$448,000 FOR THE PIKEVILLE UTILITY RELOCATION PROJECT

R-2001-023

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

MINUTES } CITY OF PIKEVILLE

~~WHEREAS, said Agreement concerns the reimbursement of funds by the Kentucky~~
Transportation Cabinet in the amount of \$448,000 for the improvement of the sidewalks and other streetscape improvements in conjunction with the Utility Relocation Project.

NOW, THEREFORE, BE IT RESOLVED that said Agreement is approved and the Mayor is authorized to execute the same and to bind the City to the terms thereof.

At Pikeville, Kentucky this 14th day of May, 2001.

Commissioner Combs moved the adoption of the foregoing Resolution. Commissioner Layne seconded the motion.

Upon roll call the votes were as follows:

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

The Mayor declared the within Resolution adopted.

River Fill Sediment: Commissioner Justice asked if any studies had been performed to remove the garbage and silt from the river fill. City Manager Blackburn reported the cost to be about \$160,000 for the pond area alone. Mr. Sykes reported that he had prepared a preliminary plan to remove the silt which involved building a ramp and placing an excavator in the middle of the river bed and removing the silt from either side. Commissioner Combs stated that he thought the cost for the entire river bed to be in the neighborhood of \$5 million dollars. The Commission asked if any grant assistance was available for this type of project. City Manager Blackburn reported he had spoken with Congressman Rogers on a couple of occasions concerning this matter, however the Congressman had no sources. The Commission agreed for the City Engineer and Commissioner Justice to look at the site and discuss the feasibility of constructing catch ponds to hold the silt and garbage.

City Engineer Sykes requested a closed session for the purpose of discussing a property matter.

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

1. Amended Budget: Presented and given second reading was an Ordinance entitled as follows:

ORDINANCE AMENDING THE FISCAL BUDGET FOR THE 2000-01 FISCAL YEAR

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

MINUTES } CITY OF PIKEVILLE

MAYOR:	FRANK M. MORRIS	YES
COMMISSIONER:	STEVE COMBS	YES
	EUGENE DAVIS	YES
	FRANK JUSTICE, II	YES
	DALLAS LAYNE	YES

2. Pikeville College: Finance Officer for Pikeville College, Leslie Combs, reported that college officials have decided it to be in their best interest to apply for a one-time \$5.6 million educational development revenue bond instead of the college applying for \$2.6 million and the foundation applying for \$2.9 million for completion of Phase II (begun last May) and dormitory construction. The following resolution was presented as follows:

MUNICIPAL ORDER OF THE CITY COMMISSION OF THE CITY OF PIKEVILLE, KENTUCKY, RELATING TO AND APPROVING A MEMORANDUM OF AGREEMENT BETWEEN THE CITY AND PIKEVILLE COLLEGE OR ITS ASSIGNEES OR DESIGNEES, IN WHICH THE CITY AGREES TO ASSIST THE COLLEGE IN FINANCING THE CONSTRUCTION OF A BUILDING PROJECT THROUGH THE ISSUANCE BY THE CITY OF \$5,600,000 OF EDUCATIONAL DEVELOPMENT REVENUE BONDS

WHEREAS, it is in the public interest and desirable for the general health, welfare and economy of the City and its surrounding area that the City provide additional permanent educational opportunities in the City and in such area, and

WHEREAS, the Pikeville College, a Kentucky non-profit educational institution, of Pikeville, Kentucky, or its assignees or designees (the "College"), has submitted to the City a proposed Memorandum of Agreement, in which the College proposes to construct a new residence hall and complete Phase II of its long term renovation plan, which residence hall shall become part of the College's educational facilities in Pikeville, Kentucky (the "Project), and

WHEREAS, the College has proposed in said Memorandum of Agreement that if the City will agree to authorize, issue and sell its educational development revenue bonds in the maximum principal amount of \$5,600,000 (the "Bonds"), pursuant to Sections 103.200 through 103.286 of the Kentucky Revised Statutes, as amended (the "Act"), for the purpose of financing the Project, the College will agree to operate the Project and to make payments to the City sufficient to pay all principal and interest requirements of the Bonds as same become due, and

WHEREAS, said plan of financing and the Act contemplate that the Bonds would not be a debt of the City, but would be secured only by a pledge of the revenues derived by the City from payments from the College sufficient to pay all principal and interest requirements of the Bonds and other security as furnished by the College, and

WHEREAS, it is deemed advisable and in the best interests of the City that said Memorandum of Agreement be approved and executed.

NOW, THEREFORE, BE IT ORDERED BY THE CITY COMMISSION OF THE CITY OF PIKEVILLE:

1. That the Memorandum of Agreement referred to in the preamble hereto is hereby accepted and approved, said Agreement contemplating that the City shall assist in financing the Project through the issuance of a maximum principal amount of \$5,600,000 of Bonds, subject to the conditions set out in said Agreement.

2. That the City intends to cooperate fully with the College and with Bond Counsel designated in said Memorandum of Agreement, in the issuance of the proposed Bonds.

MINUTES } CITY OF PIKEVILLE

3. That the City intends to enter into an appropriate Loan Agreement between the City and the College and agrees that this Order commits the City insofar as the laws of the Commonwealth of Kentucky allow, (a) to issue the Bonds and to use the proceeds thereof for the benefit of the College, (b) to adopt the appropriate Ordinance authorizing the Bonds and (c) to approve the appropriate documentation to secure the Bonds; provided all of the proceedings for the issuance of the Bonds must be approved by said Bond Counsel and the City. Since Kentucky law (KRS 103.230) permits the sale of the Bonds to be made at a negotiated interest rate and price without public advertising, if such rate and price are agreeable to the College, and since the College desires that the Bonds be sold in that manner by negotiation, the City agrees to cooperate fully with the College in effecting such negotiated sale.

4. That the Mayor is hereby authorized and directed to execute said Memorandum of Agreement on behalf of the City and to execute all necessary documents, instruments, and obligations of the City, in order effectively to carry out the intent and purpose of this Order and of said Agreement, all without expense to the City. A copy of said Agreement is hereby ordered to be made a part of this Order the same as if copied in full herein, and such copy shall be filed in the records of the City with this Order.

5. That the City hereby specifically approves and authorizes the beginning of the construction and renovation of the Project before all of the details of the issuance of the Bonds have been completed, with the understanding by the City in the Memorandum of Agreement that the College may be reimbursed out of the proceeds of the Bonds when and if issued for any and all costs of the Project hereafter advanced by the College.

6. That this approval is made subject to the condition that such Bonds shall not constitute a debt or general obligation of the City and that the City shall have no expense in connection with the Project or in connection with the issuance of the Bonds, all as provided in said Memorandum of Agreement.

7. That the approval of the Memorandum of Agreement by the City shall be evidenced by the adoption of this Order by the governing body of the City, by the furnishing of a certified copy of the same to the College and to Bond Counsel, and the execution of the Memorandum of Agreement by the Mayor

8. That this Order shall be in force immediately upon its adoption.

Mayor Morris made the motion, seconded by Commissioner Layne to adopt the resolution and presented and read. The motion carried unanimously. It was announced that first reading of an ordinance to issue the bonds would be presented at the next meeting.

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

1. Audit: Presented to the Commission was a proposal from Wallen & Cornett, CPAs to conduct the audit of the city's financial statements for the period of July 1, 2000 - June 30, 2001. The cost is not to exceed \$18,485.00. City Manager Blackburn commented that he and Finance Director Varney are satisfied with the work product of Wallen & Cornett, CPAs, and recommend award of the audit to their firm. Commissioner Combs made the motion to award the contract for the 2000-2001 auditing services to Wallen & Cornett, CPAs, for an amount not to exceed \$18,485.00. Commissioner Justice seconded the motion. The motion carried unanimously.

2. Meeting Date Change: Due to the Memorial Day Holiday falling on the next regular meeting date, City Manager Blackburn recommended changing the meeting to May 24, 2001 at 6:00 p.m. Commissioner Justice seconded the motion. The motion carried unanimously.

3. Patrolman Employment: Police Chief Justice explained that due to the retirement of one officer and two other officers resigning their positions, it is necessary to hire three police officers to complete the squad. After the completion of a written test, appearance before an oral review board, and an extensive

MINUTES } CITY OF PIKEVILLE

background check, Chief Justice recommended the Commission approve the employment of Christopher Phillips, Phillip Reed and Brian McGuire as police officers, pending satisfactory completion of physical and psychological exams and drug testing. Commissioner Combs made the motion, seconded by Commissioner Layne to accept the recommendation of the Police Chief. The motion carried unanimously.

4. Lifeguard Hirings: At the recommendation of the Park Director, City Manager Blackburn proposed the seasonal employment of the following individuals as lifeguards at the city pool: Michael Stephens, Jeremy Wellman, Amanda Collins, and James Hall. Commissioner Justice made the motion to accept the seasonal employment of the above named individuals as recommended by Park Director Justice and City Manager Blackburn. Commissioner Combs seconded the motion. The motion carried unanimously.

5. Camera for Police Station: The Commission reviewed a request from the Police Chief and Communications Supervisor to purchase a CCTV system to monitor the outside parking areas at the police station, as well as the lobby area and dispatch area in the police station. There is \$20,000 budgeted for the purchase, however the cameras only cost about \$10,000. Commissioner Layne made the motion to purchase the camera system as recommended. Commissioner Combs seconded the motion. The motion carried unanimously.

AGENDA ITEM VI.

NEW BUSINESS

A. BOARD APPOINTMENTS: The City Clerk advised the Commission of a vacancy on the Pikeville/Pike County/Elkhorn City Joint Planning Commission, occurring through the death of Richard Elswick. Commissioner Justice suggested appointing Bobby Combs to the Planning Commission. Commissioner Combs said he would ask his brother if he would be interested in the appointment and report back to the Commission. Mayor Morris mentioned that appointments are needed on the Day Care Center Board and the Parks Board, as well. The Commission delayed any action until they had the opportunity to review the vacancies more closely.

Mayor Morris explained there was an article that appeared in the *News-Express*, reporting that he had appointed T. J. Litifik as special assistant to the Mayor. The Mayor stated that he did not have the authority to create an appointment nor to announce an appointment. He further stated that he had made no appointments, for either paid or unpaid positions.

At 9:35 p.m., Commissioner Justice made the motion to adjourn to closed session for the purpose of discussing a property matter. Commissioner Davis seconded the motion. The motion carried unanimously.

At 10:00 p.m. Commissioner Layne made the motion, seconded by Commissioner Combs to reconvene to regular session. The motion carried unanimously.

Commissioner Davis made the motion to authorize drawing down funds from the Federal Transportation Parking Grant for the parking structure to cover the abatement and phase II environmental impact assessment for the site and to authorize approval of a contract with J & M Monitoring in the amount of \$13,805.00 for phase II when the money becomes available. Commissioner Justice seconded the motion. The motion carried 4 - 0 - 1 with Commissioner Combs abstaining from the vote.

There being no further business to come before the Commission, Commissioner Davis made the motion, seconded by Commissioner Justice to adjourn. The motion carried unanimously.

MINUTES } CITY OF PIKEVILLE

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

ATTEST:

Karen W. Harris
KAREN W. HARRIS, CITY CLERK