

MINUTES } CITY OF PIKEVILLE

PIKEVILLE CITY COMMISSION REGULAR MEETING MINUTES JUNE 25, 2001

The Board of Commissioners of the City of Pikeville met in a regularly scheduled meeting on Monday, June 25, 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 Pro-Tem Steven D. Combs called the meeting to order at 6:00 p.m. Commission Members present at roll call were as follows:

COMMISSIONERS:	STEVEN D. COMBS
	EUGENE W. DAVIS
	DALLAS LAYNE

Commissioner Frank Justice, II was absent. Mayor Frank M. Morris arrived at the meeting at 6:07 p.m.

AGENDA ITEM II. MINUTES

The minutes for the previous special meeting of May 24, 2001 were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Layne made the motion, seconded by Commissioner Davis to approve the minutes as presented. The motion carried 3 - 0 (Mayor Morris not present at the time of the vote).

AGENDA ITEM III. BUSINESS FROM THE FLOOR

A. PRESENTATION: Stephanie Richards, a former resident of Elkhorn City, appeared before the Commission to obtain the City's support in her production of a play, "The Kentucky Cycle", at the Breaks Interstate Park during Summer, 2002. Ms. Richards commented on the positive effects the production would have on the entire county, especially in the areas of tourism and education. Commissioner Layne made the motion, seconded by Commissioner Combs to write letters to Governor Patton and Tourism Secretary Ann Latta, supporting Ms. Richards efforts in obtaining grants for lighting at the Breaks Park Amphitheater, as well as to adopt a resolution supporting Ms. Richards efforts. The motion carried 4 - 0.

B. WRECKER SERVICE: Due to Commissioner Justice's absence, Commissioner Combs requested discussion concerning the addition of Ken Childer's wrecker service to the police department's wrecker rotation list be postponed until the next meeting.

C. BOWLES ADDITION STORM DRAINAGE: Bowles Addition resident, Danny Stratton, reported that he had met with Charles Byers of Summit Engineering to discuss potential remedies to improve the storm drainage in this area. Mr. Byers and Mr. Stratton had discussed two options: (a) reroute the water back toward the river along the highway, or (b) go underneath U.S. 23. Mr. Stratton recommended that Summit Engineering be authorized to continue their research of the problem. Mr. Byers advised the Commission the options presented were to eliminate surface water from rain that was standing on the property. He reported that Mr. Stratton actually is requesting the lowering of the water table, which was not considered when assessing the situation. Mr. Byers told the Commission he would have alternates to present at the next meeting.

AGENDA ITEM IV. PAYMENT OF BILLS

A list of City Bills totaling \$805,263.38 was presented to the Commission for approval of payment. City Manager Blackburn explained the total is higher than usual, due to the end of the fiscal year. He further explained that every effort is made to ensure all debts incurred during the 2000-01 operating budget are paid prior to June 30, 2001. An additional invoice was also presented for approval of payment in the amount of \$10,952.07 from the law firm of Stoll, Keenon & Park for legal services rendered in the Public

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~~Service Commission hearings. Commissioner Combs made the motion to approve payment of the City Bills totaling \$816,215.45. Commissioner Davis seconded the motion. The motion carried 4 - 0.~~

AGENDA ITEM V.

OLD BUSINESS

A. MAIN STREET PROGRAM REPORTS: Board Chair, Sara George, presented pay requests from Baldwin Contracting for approval of payment. Pay Request 5, in the amount of \$60,429.64, brings the river fill parking lot improvements contract to substantial completion. Pay Request 6 is the amount of the retainage from the entire contract amount. Ms. George reported that Pay Request 5 had been approved for payment by the Main Street Board, however the Board did not approve Pay Request 6, leaving the City Commission the decision of whether to assess liquidated damages. Ms. George commented the Main Street Board does not question the quality of the work, only the time in excess of the contract period. Commissioner Combs advised that in his review of the contract, he concluded that Baldwin Contracting had 21 days from the date of occurrence to request a time extension for days not worked due to abnormal weather conditions. Neither the contractor nor engineer requested a time extension. According to his calculations, Commissioner Combs reported that Baldwin Contracting is 61 days past their contract completion time. Charles Byers, representing the City Engineer's office, advised the Commission that it is his opinion that Baldwin Contracting has worked diligently to complete the project and commented that Baldwin Contracting has performed quality work. Mr. Byers also stated that the city was not adversely affected because the contract was not completed on time. Commissioner Combs disagreed with Mr. Byers concerning the diligent completion of the project and recommended that Pay Requests 5 nor 6 be approved for payment until the City Attorney reviews the contract and advises the Commission of his opinion. Mr. Byers advised that Pay Estimate 5 could be paid and the retainage could be continued to be held pending the City Attorney's opinion. He stated that if the Commission decided to assess liquidated damages (\$200 per day for 61 days) there would be sufficient funds left in the retainage to satisfy the assessment. Commissioner Combs stated that by approving payment, the city would be accepting completion of the project. He recommended the matter be postponed pending the City Attorney's opinion. Commissioner Layne made the motion, seconded by Commissioner Combs to delay approval of payment requests 5 and 6 until the City Attorney can be present to render an opinion. The motion carried 4 - 0.

Presented for approval of payment was an invoice from Summit Engineering in the amount of \$5,523.24 for services provided in regard to the underground utilities project. Ms. George reported the Main Street Board has approved the request and recommended approval by the Commission. Commissioner Davis made the motion, seconded by Mayor Morris to approve payment to Summit Engineering as recommended. The motion carried 4 - 0.

Ms. George requested a clarification with regard to the role of the Main Street Board and its executive director in the management of the Renaissance Projects. Ms. George explained that the Main Street Board had been named by the previous City Commission as Pikeville's Renaissance Board, with the projects being coordinated and administered by its executive director. Ms. George reported that Glendia Sawyers, Executive Director of the Main Street Program, had been advised by Summit Engineering to have no contact with the contractors nor elected officials concerning the projects. The Commission stated that Ms. Sawyers has every right to speak with the contractors and is expected to speak with City Officials concerning the various projects' progress or problems encountered. Mr. Byers explained to the Commission that Summit Engineering is providing inspection services on behalf of the city. Mr. Byers told the Commission it was not his intent to place a "gag" order on the Main Street Agency, however he expressed concern to Mr. Sykes that Main Street Board Members may direct the contractor to perform work that may be outside the scope of the contract. Mr. Byers commented that while he understands the Main Street Agency coordinates the Renaissance Projects, Summit Engineering provides inspection services on behalf of the owner (the contracts are between the contractor and the City of Pikeville). Mr. Byers advised he attends all meetings of the Main Street Agency and has invited them to contact him with any questions they may have.

Ms. George reported that Main Street conducted its annual meeting on June 21st. Mickey England and Patricia Smallwood were appointed as Board Members. Jerry Smith will assume the duties of Board

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Chairman on July 1st

Facade grant payments were awarded to two downtown businesses, Jones & Walters (\$3,992.00) and The Station (\$10,005.00).

The Main Street Board met with the various utility companies, the city engineer, and city manager concerning the projected budget for Phase III of the Utility Relocation Project. The meeting was had to allow the necessary funding applications to be prepared.

Ms. George invited the Commission to attend a dutch treat luncheon on June 27th, concerning the use of funds being held by the Preservation Council of Pike County, a Board that has been inactive for five to six years. Proposed uses of the money include perpetual care for the "city" cemetery and facade grants for business properties located outside the Renaissance Area.

Glendia Sawyers reported the plans for the Fourth of July Celebration. Beginning at 7 p.m., WDHR will provide free hotdogs and soft drinks in the City Park and will sponsor the band, Mountain Do, who will be performing live during this time. The fireworks display will begin at 9:30 p.m. City Manager Blackburn reported the city has purchased a better quality and quantity of fireworks. The show is expected to last about 30 minutes. Ms. Sawyers told the Commission that she had contacted the carnival operator who had provided three small activities in the park during the 1999 festivities, and they have agreed to provide the activities this year for \$1,200.00. The amusements will be provided to children free of charge. Commissioner Combs made the motion, seconded by Commissioner Davis to sponsor the carnival on the Fourth of July in the amount of \$1,200.00. The motion carried 4 - 0.

B. CITY ENGINEER'S REPORTS: Charles Byers representing Summit Engineering, City Engineers, presented a verbal status report for the following ongoing projects:

1. Elm Street Road Improvement Project: Contractor, Mountain Enterprises, is on schedule and Mr. Byers expects completion by July 12th. The contract period expires on July 2nd, but a time extension of 10 days was granted through a change order.
2. Utility Relocation Project: Contractor for the first phase of the project, Mountain Enterprises, is expected to begin laying pipe on June 26th. The engineer will conduct regular weekly meetings with the contractor and the Main Street Agency during the construction period.
3. River Bed Sedimentation: Mr. Byers reported that he had prepared cost estimates for cleaning the river bed of sedimentation, however delayed presentation until the next meeting due to Commissioner Justice's absence.
4. Lease: Presented for execution was a lease agreement between the City of Pikeville and Tele-Media which will allow Tele-Media to lease conduit space from Bell South and be reimbursed by the city. Mr. Byers explained the lease is in conjunction with the utility relocation project. He advised that leasing conduit space will be less expensive than having to install separate conduit. The lease period is for a 50 year term. The yearly cost is assessed at \$0.70 per ft. for 1059 feet. Cost for the entire 50 year term is \$30,065.00. Commissioner Combs made the motion, seconded by Commissioner Davis to approve execution of the lease, contingent upon the city attorney's review and approval. The motion carried 4 - 0.
5. Marion's Branch Road: Marion's Branch Road resident, Lavonne Thacker, was present to ask the city's progress in their request for the road to be blacktopped. City Manager Blackburn explained the city had been contacted by a representative of the Kentucky Department of Transportation a couple of years ago to see if the city would be willing to participate with the state, county and coal company in paving the road. The city's contribution to the paving project was \$25,000. Mr. Blackburn advised this money is still in savings. The estimate to pave the road is \$455,000. While the city has budgeted 30% of the Coal Severance Funds in the upcoming budget, the entire blacktopping budget is only \$125,000. Commissioner Combs reported that he had spoken with the coal company's representative and the coal company is not

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going to assist in funding the blacktopping of the road. The City Manager reported that state officials have indicated they will try to assist in funding the blacktopping, but will not know if they can until after July. Mr. Blackburn reported he is continuing efforts to contact the District 4 magistrate to request the county's participation, however his calls have not been returned.

Ms. Thacker has also requested a speed limit be established for Marion's Branch Road. Mr. Byers will make a final inspection of the area, but indicated he would probably recommend a speed limit of 25 to 35 mph. The Commission directed that the City Attorney to prepare an ordinance establishing a speed limit for Marion's Branch Road, based upon the engineer's recommendation. The ordinance will be presented at the next meeting.

C. CITY ATTORNEY'S REPORTS: In the absence of City Attorney Russell Davis, the city clerk gave reading to the following ordinances:

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

AN ORDINANCE ADOPTING THE CITY OF PIKEVILLE, KENTUCKY ANNUAL BUDGET FOR THE FISCAL YEAR JULY 1, 2001 THROUGH JUNE 30, 2002, BY ESTIMATING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE OPERATION OF CITY GOVERNMENT (0-2001-014)

Commissioner Combs pointed out that the budget did not provide a cost-of-living salary increase for the employees. City Manager Blackburn explained the new budget is required to be in place prior to July 1st. If the Commission decides to grant a cost-of-living salary increase, the budget can be amended to reflect the increase.

Commissioner Davis made the motion to adopt the ordinance as presented and read. Commissioner Layne seconded the motion. The motion carried by the following votes:

MAYOR:	FRANK M. MORRIS	NO
COMMISSIONER:	STEVEN COMBS	YES
	EUGENE DAVIS	YES
	FRANK JUSTICE, II	ABSENT
	DALLAS LAYNE	YES

2. Street Name: Second reading was given to an ordinance entitled as follows:

ORDINANCE NAMING A PREVIOUSLY UNNAMED STREET INTERSECTING THE EAST SIDE OF U.S. 23 ACROSS FROM COMMUNITY TRUST BANK "JEFF WARD DRIVE" (O-2001-015)

Commissioner Layne made the motion, seconded by Mayor Morris to adopt the Ordinance as presented and read. The motion carried by the following votes:

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

3. Zoning Map Amendment: Second reading was given to the following ordinance entitled:

ORDINANCE AMENDING THE CITY OF PIKEVILLE'S ZONING MAP FOR AN AREA LOCATED AT 106 SCOTT AVENUE OWNED BY SOUTH EAST TELEPHONE FROM R-1A TO C-3. (O-2001-016)

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~~Commissioner Combs commented the zoning amendment should have been made prior to South East Telephone beginning construction on their building.~~

Mayor Morris made the motion to adopt the Ordinance as presented and read. Commissioner Davis seconded the motion. The motion carried by the following votes:

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

4. Street Name Change: At the request of Mayor Morris, the following ordinance was presented and given first reading:

ORDINANCE CHANGING THE NAME OF CARNATION STREET TO HOLLYHOCK ALLEY

The clerk reported that the 911 coordinator advises there are no individuals' mailing address affected through the proposed change.

The Ordinance was scheduled for second reading at the next meeting.

5. Pikeville College School of Osteopathic Medicine Grant: Approved at the previous regular meeting was a request from Pikeville College President Hal Smith for a \$250,000.00 grant to the Pikeville College School for Osteopathic Medicine, to be payable over a five year period. The clerk reported that City Attorney Davis had prepared an ordinance to establish said grant. The ordinance was given first reading entitled as follows:

ORDINANCE PROVIDING A GRANT TO PIKEVILLE COLLEGE FOR THE CONTINUED SUPPORT OF AN OSTEOPATHIC MEDICAL SCHOOL IN THE CITY OF PIKEVILLE AND SETTING FORTH THE TERMS AND CONDITIONS UPON WHICH THE GRANT

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. Concrete/Stone/Asphalt Supply: City Manager Blackburn reported the city received one bid in answer to the advertisement for bids for the yearly supply of stone and concrete. No bids were received for the asphalt supply. MRC submitted a bid \$64.00/yd; \$62.00/yd; and \$61.00/yd. for 4,000; 3,500; and 3,000 psi concrete, respectively. MRC also submitted a bid for the stone supply of \$13.00/ton plus \$35.00 per truck for delivery up to 12 tons and \$50.00 per truck over 12 tons. The City Manager recommended award of the concrete supply, however recommended the Commission take no action concerning the bid for the stone supply. He advised the city currently pays Mountain Enterprises \$9.50/ton delivered. Mr. Blackburn told the Commission he will confer with the city attorney concerning rejecting the bid for the stone. Commissioner Combs made the motion, seconded by Commissioner Layne to award the bid for the annual concrete supply to MRC as recommended by the City Manager. The motion carried 4 - 0.

2. Park Board: City Manager Blackburn advised the Commission that Park Director Justice had reported the Park Board has not met in over a year. Commissioner Combs made the motion to dissolve the Park Board based upon final confirmation from the city attorney that the action is legal. Mayor Morris asked the decision be delayed to the next meeting to allow for further research into the matter. The motion died from lack of a second.

3. Medical Benefits: City Manager Blackburn reported the premiums for employee health coverage had

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been forwarded to the city from the current insurance carrier. Because the rates had increased from \$265/mo to \$280/mo for single coverage and 695/mo to 784/mo for family coverage, the city manager had investigated alternate plans. With permission from the City Commission, Mr. Blackburn solicited quotes from local carriers and looked at the plan offered by Anthem through the Kentucky League of Cities. For a similar plan, the Kentucky League of Cities is offering insurance at the rate of \$193/mo for single coverage and \$619/mo for family coverage. Mr. Blackburn reported that enrollment applications have been forwarded to the Kentucky League of Cities, but it is not known if the city will be accepted by July 1, 2001. If accepted by Anthem, the City Manager recommended the Commission authorize the change in insurance companies. Commissioner Combs made the motion, seconded by Commissioner Layne to approve the City Manager's recommendation. The motion carried 4 - 0. Commissioner Combs asked if members of the Commission could be insured through the new health carrier if they reimbursed the city for the cost. The City Manager told the Commission he would check with the Kentucky League of Cities.

4. Fire Fighters' Association: Included in the agenda package was a letter from the Pike County Fire Fighter's Association requesting a donation of \$700.00 to assist with offsetting the cost of instructors and teaching materials for the annual fire training school. According to the Fire Chief and City Manager, the state provides instructors and teaching materials. City Manager Blackburn advised the city had paid the cost of printing brochures in the past. It was recommended by the Fire Chief and City Manager the Commission authorize paying for brochures or trophies. Commissioner Combs made the motion, seconded by Commissioner Layne to authorize funding printing or the purchase of needed items up to \$700.00. The motion carried 4 - 0.

5. Executive Session: City Manager Blackburn requested a closed session to discuss a personnel matter.

D. PIKEVILLE REDEVELOPMENT PROJECT: Project Director, Sue Smallwood, requested a closed session to discuss two property acquisition matters.

Ms. Smallwood requested authorization to proceed with the purchase of Cornelius Justice's Kentucky Avenue property (Phase II) in the amount of \$12,500; the Hensley Development High Street property (Phase III) in the amount of \$155,400; and Landmark Development's (Jim Slusher) High Street property in the amount of \$237,000 (Phase III). Commissioner Combs made the motion, seconded by Commissioner Davis to authorize the purchase of the properties as requested. The motion carried 4 - 0.

Presented for approval of payment was a request on behalf of Summit Engineering in the amount of \$5,158.79 for the surveys on High Street and Kentucky Avenue (Phases IV and V), and Frank Nall in the amount of \$150.00 for closing and preparation of deed for the Hensley Development property (Phase III). Commissioner Combs made the motion to approve payment to Summit Engineering and Frank Nall as submitted. The motion carried 4 - 0.

At 8:06 p.m., Commissioner Davis made the motion, seconded by Commissioner Combs to adjourn to a closed session for the purpose of discussing a personnel matter and two property acquisition matters. The motion carried unanimously.

At 8:45 p.m., Commissioner Combs made the motion, seconded by Commissioner Layne to reconvene to regular session. The motion carried 3 - 0 (Commissioner Davis left the meeting prior to reconvening).

Commissioner Combs made the motion to approve the City Manager's recommendation to grant a wage merit increase to Building Inspector, Richard Huffman, from \$11.11/hr. to \$13.25/hr. Commissioner Layne seconded the motion. The motion carried 3 - 0.

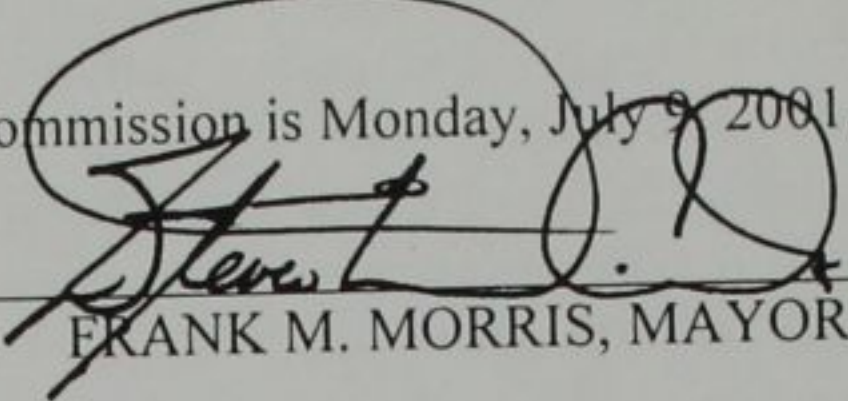
Commissioner Combs advised the City Manager and Police Chief that the PVA office and School Board office are having problems in getting the 911 address changes from the city's coordinator. The Police Chief told the Commission he would check into the matter, but understands there may be regulations against releasing this information. The City Manager reported the city was required to sign a confidentiality statement with Bell South.

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There being no further business to come before the Commission, Commissioner Combs made the motion, seconded by Commissioner Layne to adjourn the meeting. The motion carried 3 - 0. (Adjournment Time: 8:50 p.m.)

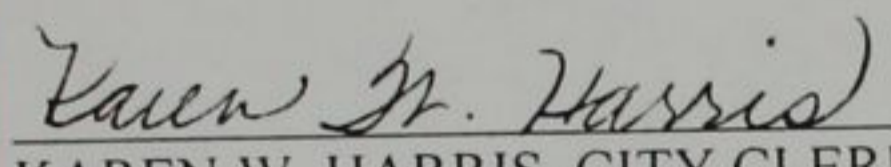
The next scheduled meeting of the Pikeville City Commission is Monday, July 9, 2001, at 6 p.m.

APPROVED:


FRANK M. MORRIS, MAYOR

MAYOR PRO TEM

ATTEST:


KAREN W. HARRIS, CITY CLERK