

MINUTES } CITY OF PIKEVILLE

**CITY OF PIKEVILLE
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
NOVEMBER 26, 2001**

The Board of Commissioners of the City of Pikeville met in regular session on Monday, November 26, 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 6:21 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 regular meeting of November 12, 2001 were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Combs made the motion, seconded by Commissioner Layne to approve the minutes as presented. The motion carried unanimously.

AGENDA ITEM III.

BUSINESS FROM THE FLOOR

A. PARKING STRUCTURE: Architect Chris Chrisman presented the Commission with renderings of the parking structure as proposed. The parking structure is a four story facility, and depending upon the space needed for the mechanical equipment, there will be between 677 to 670 parking spaces provided. The ground floor of the facility will be accessed from Huffman Avenue and the remaining three floors can be accessed from Hambley Boulevard. Two pedways are proposed. One will lead from the structure to Record Memorial and the other will extend across College Street to a point somewhere in the City Park. Commissioner Justice emphasized the need to ensure the pedway at College Street is aesthetically pleasing. Mr. Chrisman advised the Commission the project is designed within budget and includes a 10% contingency. As the project enters the development phase, decisions concerning security systems and other safety equipment will have to be made in the very near future. Mr. Chrisman recommended the appointment of a committee to review these proposals and report to the Commission. Mr. Chrisman suggested that two Commissioners, the City Manager, the director of East Kentucky Exposition Center, and a representative of Pikeville College serve on the committee. Mayor Morris, Commissioner Layne, and City Manager Blackburn will serve as the city's representatives on the committee. The schedule for bidding and construction of the parking structure was discussed. According to Mr. Chrisman, the construction documents will be completed by Christmas. The project will be advertised for bid in March. Bids will be opened in April, with construction to begin after the Hillbilly Days Festival. The project should be completed within 12 months from the initiation of construction. Jack Sykes explained the funding scheme. The project is expected to cost just over \$8 million. Funding sources are Federal Transportation Funds in the amount of \$7.2 million and Community Development Block Grant Funds totaling \$860,000. The city has recently been informed there is a 20% match required for the Federal Transportation Funds. According to Will Linder's office, the CDBG funds can be used toward the match, as well as the property purchases and city property on which the structure will be located. The property value and CDBG is estimated at \$1,580,000. Mr. Sykes informed the Commission that the city has received notice of award of the CDBG funds and \$2 million of the Federal Transportation funds was committed in the previous year's federal budget. Congressman Rogers' office has indicated the remaining funds should be committed in this year's federal budget.

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B. AUDIT REPORT: J. Donald Wallen, of Wallen & Cornett, CPAs, presented the Commission with copies of the audit for year ending June 30, 2001. The auditing firm issued a "clean" report. Highlighting line items in the report, Mr. Wallen advised there was an overall decrease of \$347,000 for the year. However, the fixed assets increased by \$3 million, which speaks to the infrastructure improvements and accounts for the decrease in fund balance from the previous fiscal year. The city has an operating surplus of \$1.7 million or 3 months. Mr. Wallen commended the City Manager, financial staff, and department heads for staying within the expenditure budget. The Tax Department was also commended for collection of occupational license fees and penalty and interest above the budgeted figures.

AGENDA ITEM IV.

PAYMENT OF BILLS

A. CITY BILLS: A list of city bills totaling \$531,234.93 were presented for approval of payment. Discussed was the invoice from the Fords Branch Landfill for tipping fees in the amount of \$18,050.25. During the October 22, 2001 City Commission Meeting, the Commission suspended payment for the tipping fees pending a response from county officials addressing the Commission concerns regarding fees paid by county residents toward operation of the landfill and other operating budget questions. Commissioner Combs made the motion to approve payment of the city bills, deleting the invoice from the Fords Branch Landfill. Commissioner Justice seconded the motion. The motion carried 4 - 0 - 1 with Commissioner Davis abstaining from the vote. Commissioner Davis explained that while he is against paying a tipping fee, he wants to be briefed by the City Attorney with regard to any legal ramifications involving the county's invoice.

B. PIKEVILLE REDEVELOPMENT PROJECT: Presented for approval were two requests from Will Linder & Associates for approval of payment. Invoice #2 totaling \$3,200.00 and payable from HOME funds for Phase II- Kentucky Avenue counseling services and Invoice #1 in the amount of \$7,000.00 for Phase III-High Street administrative services were submitted for review and approval. Commissioner Combs made the motion, seconded by Commissioner Davis to approve payment of Invoice #2 in the amount of \$3,200.00. The motion carried unanimously. Commissioner Combs made the motion to approve payment of the invoice in the amount of \$7,000 for Phase III administrative services. Commissioner Justice seconded the motion. The motion carried unanimously.

An invoice totaling \$3,515.00 was presented for payment on behalf of Micro-Analytics, Inc. The payment request is for asbestos testing for the first 6 houses on High Street. The bid price was based on a per unit basis. Commissioner Combs made the motion, seconded by Commissioner Davis to approve payment as requested. The motion carried unanimously.

AGENDA ITEM V.

OLD BUSINESS

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

1. Elementary School Access: Mr. Sykes reported he is in receipt of a quote from Mountain Enterprises to improve/reconstruct a portion of the access road at Pikeville Elementary School. The school board has given their approval to participate in the project, however Mountain Enterprises can't fit the job in their schedule prior to the end of the paving season. The estimate using asphalt is \$19,200, however the project can't begin until Spring, 2002. To use concrete in place of asphalt would increase the cost by \$10,550, but the project could begin immediately. No action was taken.

2. Coal Hollow Intersection: At the direction of the Commission, Summit Engineering prepared plans to improve the intersection at Hambley Boulevard/Lorraine Street/Coal Hollow. The plans were submitted to the Department of Highways for their review and approval. The Commission had requested that the two traffic islands be raised for additional traffic safety. Department of Highway officials verbally agreed to raised islands if a curb and gutter was placed around the paved interior of the island. After revisions were made, the plans were re-submitted to the Department of Highways for review and approval. Officials have refused approval of the raised islands. During a meeting with highway department officials,

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the city engineer and city manager were advised the plans would not be approved with raised traffic islands. The Department of Highways' philosophy is that operators are more likely to lose control of their vehicles if they hit a raised island and raised islands are more difficult to remove snow and ice from. One alternative to the raised islands is to install the islands to grade and put flexible deflectors around the islands. The other alternative is to proceed with a striped island and determine the need for deflectors once the project is completed. The Commission authorized the engineer to proceed as directed by the Department of Highways. Mr. Sykes advised the Commission that the project will not proceed until the asphalt plant re-opens in Spring, 2002.

Mayor Morris questioned whether an entrance will be made to Kentucky Avenue from Hambley Boulevard. Mr. Sykes advised there are no funds available for this entrance. Construction activities will end at Dr. Shockey's office building. Mr. Sykes added that a tie-in was planned during the Boulevard construction, however was removed by the Department of Highways, because of the sizeable grade differential. When asked the cost to widen the entrance, Mr. Sykes advised the Commission he would prepare a cost estimate to submit at the next meeting.

3. Kentucky Avenue Roadway Project: Presented on behalf of Patriot Construction was an invoice in the amount of \$33,522.75 for roadway improvement activities on Kentucky Avenue. The invoice has been approved by Summit Engineering and the funding agency. The contractor did meet the November 15th deadline requirements. Commissioner Combs made the motion to approve payment to Patriot Construction as requested. Commissioner Justice seconded the motion. The motion carried 5 - 0.

The contract with Patriot Construction has a completion date of December 14, 2001. Due to funding restrictions and requirements, the project was not started as early as was originally hoped and the engineers had concerns the contractor would not be able to complete the project as scheduled. Mr. Sykes reported the contractor has been working diligently, however will not meet the December 14th deadline. Contributing factors include the closing of the asphalt plant and delays in locating the sewer lines. Mr. Sykes estimated the contractor is 15% behind schedule.

The engineers met with the contractor for the construction of the housing units, Goggins Construction Company. The contractor indicated that if Patriot could have 5 of the building pads available, he could begin construction of the housing units around the first of January, 2002. Mainly for aesthetic purposes, the engineer has recommended the utilities be placed underground. This improvement could be accomplished for an added \$39,082.48, which would leave about \$40,000 in the contingency budget.

Change Order #1 provides for a total time extension to Patriot Construction's contract of 30 days and increases their contract amount by \$39,082.48 (total contract amount now at \$728,796.48). Mr. Sykes explained that by December 29th, Patriot Construction is to complete work to prepare 5 building pads for the housing project, which includes all utilities, all retaining walls, having the street to grade, stone on the street, and the curb and gutter poured. Patriot Construction has been given notice that should the work not be completed by December 29th, the Commission may assess liquidated damages. The asphalt and sidewalks are to be installed after the asphalt plant re-opens and the building contractor clears the right-of-way. The contractor will have 15 days from that point to complete the entire project, or liquidated damages can be assessed at the Commission's discretion. Mr. Sykes explained that Patriot Construction will have the time during the winter to complete any additional curb and gutter work.

Mr. Sykes recommended approval of the change order. Commissioner Justice made the motion, seconded by Commissioner Combs to approve the change order to Patriot Construction in the amount of \$39,082.48. The motion carried unanimously.

B. MAIN STREET PROGRAM: Sara George, Vice-Chair of the Pikeville Main Street Board, appeared before the Commission to discuss the following matters:

1. Phase I Utility Relocation: In an effort to resolve the Commission's paving concerns and to negotiate a settlement with Mountain Enterprises for correction of various intersections' paving problems,

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the city engineer's office and members of the Main Street Board met with representatives of Mountain Enterprises. Ms. George advised that Mountain Enterprises had performed additional work they thought necessary to enhance the project and added a night crew to facilitate traffic flow during the day, without an additional fee. According to Ms. George Mountain Enterprises was the low bidder for the project and actually came in \$260,000 under the engineer's estimate. Pursuant to the meeting of the Main Street Board, Ms. George recommended the Commission approve payment of Mountain Enterprises' pay request in the amount of \$398,842.38, and Change Order #3 which will allow the intersections to be taken out, replaced with concrete, and include a time extension of 30 days. City Engineer Sykes reported the cost for the work is about \$160,000, however with the reconciliation of the contract quantities with the quantities actually placed in the field, the change order is actually a net deduct of \$84,216.64 (total contract for Phase I is now at \$1,963,041.69). Ms. George reported that Mountain Enterprises has agreed to replace the intersection at College/Huffman with asphalt at no cost to the Main Street Program. No additional work will be done until Spring, 2002. Remaining contingency funds of \$93,000 will be rolled over to Phase II. Commissioner Combs made the motion, seconded by Commissioner Justice to approve payment to Mountain Enterprises in the amount of \$398,842.38 as recommended by the Main Street Board and the City Engineer. The motion carried 4 - 0 (Commissioner Davis not present at the time of the vote).

U.S. Filter has agreed to adjust the Bell South manhole.

Commissioner Justice made the motion, seconded by Commissioner Combs to approve Change Order #3 for a net deduct of \$84,216.64 and a time extension of 30 days. The motion carried unanimously.

Mr. Sykes reported that work on Crickett Alley will be done during Phase II activities, as the unit price from Mountain Enterprises was increased significantly.

2. Payment of Bills: The following invoices were presented for approval:

a. Summit Engineering Inspection Fees: Presented for approval on behalf of Summit Engineering was an invoice totaling \$11,681.33 for inspection services for Phase I of the utility relocation project. Commissioner Justice made the motion, seconded by Commissioner Combs to approve payment as requested. The motion carried unanimously.

b. Summit Engineering Fees: An invoice totaling \$2,385.21 was presented for approval for engineering services on behalf of Summit Engineering for Phase I of the utility relocation project. Commissioner Justice made the motion to approve payment of the invoice to Summit Engineering in the amount of \$2,385.21. Commissioner Combs seconded the motion. The motion carried unanimously.

c. U.S. Filter: Presented for approval was an invoice from U.S. Filter in the amount of \$3,375.00. Ms. George explained that U.S. Filter provided an emergency stand-by crew during the time that Mountain Enterprises worked at night. Commissioner Layne made the motion, seconded by Commissioner Davis to approve payment as requested. The motion carried unanimously.

C. CITY ATTORNEY'S REPORTS: Russell H. Davis, Jr., city attorney, presented and gave first reading to an Ordinance entitled as follows:

ORDINANCE TO AMEND THE OCCUPATIONAL LICENSE FEE OF THE CITY OF PIKEVILLE PASSED MAY 14, 1962, JUNE 11, 1962, JUNE 30, 1962, DECEMBER 27, 1971, SEPTEMBER 25, 1991, MAY 22, 2000 AND FEBRUARY 26, 2001 SO TO EXTEND THE CREDIT FOR MINIMUM OCCUPATIONAL LICENSE FEE PAID BY CONTRACTORS AND ESTABLISHING AN EFFECTIVE DATE OF JANUARY 1, 2001.

It was explained the credit will be applicable on a contract to contract basis. Once the ordinance receives second reading and is adopted, the ordinance will be retroactive to January 1, 2001.

Second reading was scheduled for the special meeting on December 20, 2001.

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D. CITY MANAGER'S REPORTS: Kenny Blackburn, City Manager, presented a memorandum from the Fire Chief concerning an environmental notice written to his brother-in-law and Peach Orchard property owner, Alex Blankenship. The Fire Chief explained the citation was written in answer to complaints made to Commission Members. According to the Building Inspector and Fire Chief, Mr. Blankenship has cleared the debris and placed the building materials neatly out of sight. Mr. Blankenship submitted pictures to the Commission for review, showing several properties that have debris, but have not been issued environmental notices. Mr. Blankenship alluded to the idea of selective enforcement. The Fire Chief was instructed to enforce the environmental ordinance city-wide.

E. PIKEVILLE REDEVELOPMENT PROJECT: Project Director, Sue Smallwood, presented the following items for the Commission's consideration:

1. Kentucky Housing Corporation: Ms. Smallwood reported the city closed the loan with Kentucky Housing Corporation for Phase II of the Pikeville Redevelopment Project. Pursuant to the city attorney's recommendation, Ms. Smallwood asked for the Commission's confirmation of authority for the Mayor to execute the legal documents with Kentucky Housing Corporation. Commissioner Combs made the motion, seconded by Commissioner Justice to confirm the Mayor's authority to execute legal documents with Kentucky Housing Corporation. The motion carried unanimously.

2. Community Development Plan Amendment: Presented for approval was amendment #2 to the Community Development Plan for the Pikeville Redevelopment Project. Ms. Smallwood explained the amendment includes properties in Phase III (High Street) and Phase IV (Kentucky Avenue) to be acquired. The amendment has been approved by the Pikeville/Pike County/Elkhorn City Joint Planning Commission. Commissioner Combs made the motion, seconded by Commissioner Justice to approve the amendment to the Community Development Plan for the Pikeville Redevelopment Project. The motion carried unanimously.

At 8:14 p.m., Commissioner Justice made the motion, seconded by Commissioner Combs to adjourn to executive session for the purpose of discussing a proposed property acquisition matter and a personnel matter. The motion carried unanimously.

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

Commissioner Justice made the motion to approve a one-time wage increase of \$250.00 for each employee. Commissioner Combs seconded the motion. The motion carried unanimously.

Commissioner Justice made the motion to promote patrol officer, Gordon Carter, to the rank of sergeant. Commissioner Layne seconded the motion. During discussion, Police Chief Justice explained that Officer Carter's promotion subjects him to a six month probationary period. The motion carried unanimously. Commissioner Combs made the motion to cancel the regular meetings of December 10 and 24, 2001, and to schedule a special meeting on December 20, 2001 at Noon. Commissioner Justice seconded the motion. The motion carried unanimously.

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

APPROVED:

Frank M. Morris
FRANK M. MORRIS, MAYOR

ATTESTED:

Karen W. Harris
KAREN W. HARRIS, CITY CLERK