

## MINUTES } CITY OF PIKEVILLE

PIKEVILLE CITY COMMISSION  
REGULAR MEETING MINUTES  
FEBRUARY 25, 2002

The Board of Commissioners of the City of Pikeville met in regular session on Monday, February 25, 2002, at 6:00 p.m. 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 6:10 p.m. Commission Members present at roll call were as follows:

COMMISSIONER: STEVEN D. COMBS  
FRANK JUSTICE, II  
DALLAS LAYNE

Mayor Frank M. Morris was absent. Commissioner Davis arrived at 6:14 p.m. and departed at 6:50 p.m.

## AGENDA ITEM II. MINUTES

The minutes for the previous regular meeting of February 11, 2002, were included in each Commission Member's agenda package. There being no additions or corrections, Commissioner Layne made the motion, seconded by Commissioner Justice to approve the minutes as presented. The motion carried 3 - 0 (Commissioner Davis not present at the time of the vote).

## AGENDA ITEM III. BUSINESS FROM THE FLOOR

A. KENTUCKY AVENUE TOWNHOUSE CONSTRUCTION FINANCING: Sara Morgan appeared before the Commission, representing Will Linder & Associates, grant writers and consultants, to request approval to authorize the Mayor to co-sign a construction loan in the amount of \$2.4 million and to execute all documents related to the construction loan for the Kentucky Avenue Townhouse project. The property owned by Kentucky Avenue Phase II, LTD (the partnership developing the townhouse units owned by Pikeville Affordable Housing Corporation, Inc.) will serve as collateral for the loan. Ms. Morgan reported that Community Trust Bank has agreed to provide the construction loan if the City of Pikeville will co-sign the loan.

Ms. Morgan explained that Community Trust Bank requires that the low-income housing tax credits be pre-sold prior to executing the construction loan or that the city co-sign the note. National Development Council has issued a letter of intent to purchase the credits. It is hoped the sale can close around the middle of May. The construction loan is needed in order to begin construction so that the low-income housing tax credits can be sold during this calendar year. Waiting to sell the credits would result in holding off construction until May or June. Housing units could not be placed in service this calendar year resulting in the loss of the tax credits.

Additionally, the National Development Council will require a guarantee that the townhouse units will be constructed prior to closing the low-income housing tax credits. Ms. Morgan explained this is one of two forms of guarantees required by tax credit investors. She added that the City of Pikeville has previously guaranteed Kentucky Housing Corporation that the townhouse units will be constructed and the city will cover cost overruns. Ms. Morgan requested approval from the City Commission to issue a construction guarantee to National Development Council assuring that financing will be available to construct the 40 unit affordable townhouse development on Kentucky Avenue and to authorize the Mayor to execute the necessary documentation required by National Development Council assuring the guarantee is in place.

The Commission scheduled a special meeting on March 1, 2002, at Noon to discuss the matter



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further.

**B. COLLECTIBLES MUSEUM:** Third Street resident, Carolyn Childers, appeared before the Commission to ask their consideration in designating city property for use as a collectibles museum. Ms. Childers explained that a number of area residents have large collections of items which may be of interest, but not appropriate for display in the proposed history museum. The request was taken under advisement.

## AGENDA ITEM IV.

## PAYMENT OF BILLS

**A. CITY BILLS:** A list of City Bills totaling \$380,691.96 was presented to the Commission for approval of payment. Commissioner Justice made the motion, seconded by Commissioner Davis to approve payment of the bills as requested. The motion carried 4 - 0.

## AGENDA ITEM V.

## OLD BUSINESS

**A. PIKEVILLE REDEVELOPMENT PROJECT:** It was reported that four property owners in the Kentucky Avenue Phase IV area have agreed to the city's offer to purchase their properties. The offers tendered were for the appraised value of each property. It was recommended the Commission authorize the acquisition of property from the following owners: Allen & Pamela Keathley - \$47,200; Hensley Development Company - \$186,800; Gary & Marie Cavendish - \$60,000; and Four Star Properties, Inc. - \$51,200. The properties will be purchased utilizing proceeds from the \$1.5 million HDF loan through Kentucky Housing Corporation. Commissioner Justice made the motion, seconded by Commissioner Davis to approve acquisition of the properties as stated. The motion carried 4 - 0.

**B. CITY ENGINEER'S REPORTS:** Jack Sykes of Summit Engineering, city engineers, presented a verbal report for the following projects:

1. **KY Avenue Townhouses:** Mr. Sykes reported that Patriot Construction is proceeding with the excavation and repair for the fifth townhouse foundation. The townhouse contractor, Goggins Construction, is on site.

2. **Sandy Valley Water Tank:** Commissioner Combs questioned the design and construction of the water storage tank near the Kanney property, as well as the roadway access around the tank. City Engineer Sykes reported that Summit Engineering and Mr. Kanney have reached a mutual agreement concerning the roadway construction. A work session was scheduled for 11 a.m. on Friday, March 1st, to discuss the tank design and construction.

Mr. Sykes advised the Commission of a work session scheduled for March 11, 2002 at 5:00 p.m. at City Hall to discuss the parking structure project.

Commissioner Davis left the meeting at 6:50 p.m.

**C. MAIN STREET PROGRAM REPORTS:** Vice-Chair of the Pikeville Main Street Board, Sara George, presented the following items for the Commission's consideration:

1. **Pay requests:** Presented for approval of payment were invoices from Mountain Enterprises (Pay Request #6 - \$5,791.58) and Summit Engineering (\$156.75) for Phase I of the Utility Relocation Project; Summit Engineering in the amount of \$24,500.00 for Phase II of the Utility Relocation Project; and a request to transfer \$10,000.00 from Phase I funds to the Main Street Program for administrative services. Commissioner Combs made the motion, seconded by Commissioner Justice to approve payment of the invoices as presented. The motion carried 3 - 0. During discussion, Ms. George advised the Commission that Renaissance Kentucky funds are not paid on a reimbursement basis. She explained the process provides for the Main Street Board to



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~~approve payment of the invoices; the director then submits a request to Renaissance Kentucky to draw-down funds to pay the bill; then the city finance office prepares a check upon receipt of the funds.~~

2. Change Order #4: Charles Byers, with Summit Engineering, presented change order #4 in the amount of \$6,096.40 for Phase I of the Utility Relocation Project, on behalf of Mountain Enterprises, Inc. Mr. Byers explained that the majority of the change order is reconciliation of quantities of materials used. Commissioner Combs made the motion, seconded by Commissioner Justice to approve the change order as requested. The motion carried 3 - 0.

D. CITY ATTORNEY'S REPORTS: Russell H. Davis, Jr., City Attorney, appeared before the Commission to discuss the following matters:

1. Budget Amendments: Presented and given first reading was an ordinance amending the 2001/2002 operating budget. The city attorney explained the amendments are to provide for increases and/or decreases in expenditures and revenue as well as to provide for the receipt and expenditure of grant funds for Phase II of the Utility Relocation Project. The ordinance was read entitled:

**ORDINANCE AMENDING THE FISCAL BUDGET FOR THE 2001-2002 FISCAL YEAR**

Second reading of the ordinance was scheduled for March 11, 2002.

2. Demolition Contract: City Attorney Davis advised that the condemnation process has been completed for property located at 129 Poplar Street. Owner of the property, Brian Charles, has waived his right to appeal the condemnation. Quotes were solicited to demolish the structure. It was recommended the demolition contract be awarded to Edmonds Construction in the amount of \$3,000. The City Attorney explained that a lien will be filed upon the property to ensure the city is repaid the cost of demolition, upon sale of the property. Commissioner Justice made the motion, seconded by Commissioner Layne to award the bid for demolition to Edmonds Construction in the amount of \$3,000. The motion carried 3 - 0.

3. Pikeville High School Cheerleaders: Presented to the Commission was the following resolution in recognition of the Pikeville High School Cheerleaders and their coaches:

**RESOLUTION RECOGNIZING AND HONORING THE PIKEVILLE HIGH SCHOOL VARSITY CHEERLEADERS AND THEIR COACHING STAFF FOR WINNING THE UCA NATIONAL CHEERLEADING COMPETITION IN ORLANDO, FLORIDA**

WHEREAS, the Pikeville High School Varsity Cheerleading Squad did not compete in the 2002 UCA National Cheerleading Competition in Orlando, Florida;

WHEREAS, the Pikeville High School Varsity Cheerleading Squad was selected from regional competitions throughout the country to compete for the 2002 UCA National Cheerleading title;

WHEREAS, the Pikeville High School Cheerleading Squad did again win the 2002 UCA National Cheerleading competition;

WHEREAS, the Pikeville High School Cheerleaders "Tational Title" not only brings honor and recognition to the squad and its coaches, but also brings national honor and recognition to the City of Pikeville;

WHEREAS, a tradition of excellence among all cheerleaders at Pikeville High School is well known both statewide and nationally and such a tradition of excellence is worthy of being honored



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and recognized by this Commission for the City of Pikeville;

NOW, THEREFORE, BE IT RESOLVED by the City of Pikeville as follows:

1. That the Pikeville High School cheerleaders, *Cindy Adams, Lauren Castle, Stephanie Cline, Christina Davis, Kate Davis, Laura Davis, Brittany Hall, Kandice Hamilton, Samantha Joyce, Katie Lynch, Nicole Newsom, Lyndel Potter, Katana Ratliff, Candice Smith, Alana Thompson, Katie Trimble, Ginny Wachs* and their coaches *Jeannie Stone and Kendra Hamilton* are by these presents duly honored and recognized by the City of Pikeville for their achievement in capturing the 2002 National UCA Cheerleading Competition title for the second year in a row.

2. That because of each squad member's and Coach's representation of excellence in cheerleading and as outstanding citizens of the City of Pikeville, they are each hereby appointed and designated as "Special Ambassador" of goodwill for the City of Pikeville.

3. That these outstanding accomplishments on behalf of the Cheerleaders and Coaches set forth hereinabove shall be caused by the clerk of the City to be recorded among the records of the City of Pikeville so that others that come hereafter will know of their excellence in cheerleading.

Passed this 25th day of February, 2002.

Commissioner Layne made the motion to adopt the resolution. Commissioner Justice seconded the motion. The motion carried 3 - 0.

A similar resolution in recognition of the Pikeville Junior High Cheerleading squads' efforts was requested.

4. Municipal Road Aid: Presented to the Commission was a resolution authorizing a contract with the Kentucky Department of Transportation, Division of Rural/Municipal Aid. City Attorney Davis explained the contract is submitted on an annual basis. The Department of Transportation designates a certain amount of money each year to assist the city in fulfilling its road maintenance, repairs, and improvements. Fiscal year 2002-2003 apportionment is \$76,832.00. Commissioner Combs made the motion, seconded by Commissioner Layne to adopt the resolution and authorize the Mayor to execute the contract. The motion carried 3 - 0.

5. Subdivision Regulations: During a previous meeting, the Commission requested the City Attorney prepare an ordinance to permit the building inspector to waive subdivision provisions prohibiting a developer from selling lots prior to completion of utilities and streets, pending submission of an irrevocable letter of credit. The City Attorney advised that the subdivision regulations permit this activity.

6. Museum/History Center: A proposed lease agreement, prepared by Ed Maddox on behalf of the Big Sandy Mountain Heritage/History Center Incorporated, was presented to the Commission for consideration. The Commission deferred any action until the proposed lease agreement is reviewed.

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

1. Compactor/Transfer Station: Bids were presented for the purchase of compactor equipment for the garbage transfer station. The bids were as follows:

Mid-State Equipment Co., Inc.	\$71,650.00
Municipal Equipment, Inc.	\$78,471.00



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The bids were reviewed by U.S. Filter Manager Duane Hamilton. He recommended award of the bid to the low bidder, Mid-State Equipment Co., Inc. in the amount of \$71,650.00. Commissioner Combs made the motion, seconded by Commissioner Justice to award the bid for the purchase of compactor equipment as recommended by Mr. Hamilton. The motion carried 3 - 0.

The City Manager advised that he will be advertising for bids for the disposal of solid waste within the next three weeks.

2. Fireworks: Fire Chief Hall reported that he had attended a Hillbilly Days Committee meeting. The Chamber of Commerce has raised enough money to purchase fireworks for a patriotic display during the Hillbilly Days festivities. The Chamber of Commerce has requested that the fire department launch the fireworks display and that the city pay a portion of the \$800 liability insurance. Commissioner Combs made the motion, seconded by Commissioner Layne to permit the fire department to launch the fireworks during Hillbilly Days and to match the amount, for liability insurance, that the Pike County Fiscal Court approves. The motion carried 3 - 0.

The Fourth of July fireworks display was discussed. The Fire Chief estimated the cost for the fireworks and the liability insurance to be at \$7,000. The Fire Chief was directed to ask the Pike County Fiscal Court to contribute half toward the cost of the Fourth of July fireworks display.

3. Surplus garbage truck: City Manager Blackburn requested permission to advertise for bids for the sale of the garbage truck whose engine needs to be replaced. Commissioner Combs made the motion to declare the garbage truck as surplus property and advertise for bids for sale. Commissioner Layne seconded the motion. The motion carried 3 - 0.

At 7:20 p.m., Commissioner Justice made the motion, seconded by Commissioner Layne to adjourn to closed session for the purpose of discussing a legal matter concerning the York property acquisition and a personnel matter. The motion carried 3 - 0.

At 8:00 p.m., Commissioner Combs made the motion, seconded by Commissioner Justice to reconvene to regular session. The motion carried 3 - 0.

Commissioner Combs made the motion, seconded by Commissioner Layne to approve an employee merit increase as recommended by the City Manager. The motion carried 3 - 0.

Commissioner Combs made the motion to reject all proposals received in answer to the advertisement for sale/development of the city's Thompson Road property. Commissioner Justice seconded the motion. The motion carried 3 - 0.

There being no further business to come before the Commission, Commissioner Combs made the motion, seconded by Commissioner Justice to adjourn the meeting. The motion carried 3 - 0.

APPROVED Frank M. Morris  
FRANK M. MORRIS, MAYOR

ATTEST:

Karen Harris  
KAREN HARRIS, CITY CLERK