

**CITY OF SHEPHERDSVILLE
REGULAR COUNCIL MEETING MINUTES
MONDAY, May 12, 2014**

Pastor Mike Miller, Family Day Ministries gave the invocation
Pledge of Allegiance was recited
Mayor Ellis called the meeting to order at 6:31 p.m.

Council members present: Bernie Brown, Jose' Cubero, Dana Bischoff James, Faith Portman Clinton Kline and Gloria Taft.

Mayor Ellis asked for a motion to dispense with the reading of the minutes from the 4/28/2014 regular meeting. Jose' Cubero made motion to dispense with reading. Clinton Kline 2nd. Motion carried 6-0.

Mayor Ellis asked for a motion to approve minutes as written from the 4/28/2014 regular meeting. Gloria Taft made motion to approve 4/28/2014 minutes as written. Faith Portman 2nd. Motion carried 6-0.

Mayor Ellis announced City Hall will be closed on Monday, May 26th in observance of Memorial Day and there will be no Council meeting.

Old Business:

City Attorney Joe Wantland had second reading of Ordinance 014-(number to be assigned) authorizing the issuance of City of Shepherdsville general obligation bond anticipation note Series 2014 in a principal amount not to exceed \$3 million to refund the general obligation bond anticipation note, Series 2011C. Mayor Ellis opened the floor for discussion from the Council. Jose' Cubero: Like I made the statement at the last meeting, the opportunity to be able to pay that off early is my biggest concern to make sure we have the opportunity to do that. Faith Portman: Where it says if we can't pay it off in five years is this going to be a balloon payment after that. What's the interest rate? Is it going to be 3.8; what's it going to be? Becky Mayton, Bond Counsel with Frost Brown Todd: We're going to make this a tax exempt deal so the interest rate is actually going to be 2.57%. The 3.81% that's in there was the taxable rate so that's what we used for the Ordinance but we are going to make this tax exempt at 2.57%. There will be a balloon at the end; it's a ten year am. There will be monthly payments of principle and interest. Faith Portman: Do you know what the monthly payments will be? Becky Mayton: Off the top of my head, it's approximately \$26,000. Faith Portman: At the end of five years approximately how much would we pay? You don't have to be right on the penny. Becky Mayton: We have an amortization schedule; I don't have it off the top of my head what it would be. Clinton Kline: Dan would you have that? Dan Cline, Republic Bank: I don't know what the balloon would be. Bob Ryan: I think about 1.2. Faith Portman: I also seen in here too that if for some reason we can't make the payment taxes will be raised? Scott Ellis: It says that it goes after the property taxes. Becky Mayton: Under Kentucky law when you're doing a general obligation bond anticipation note like this; under law you have to put in the Ordinance that if the City cannot make payments that you're authorized to levy a tax; that doesn't mean we're making you levy a tax. It's just that if the revenues aren't there to pay it that you are authorized to levy a tax if you need to to make those payments. Faith Portman: I received phone calls about this; it was in the paper so people are asking me about it. Clinton Kline: So authorized to levy a tax and the Commonwealth can come in and take over the books. Becky Mayton: Again that's just to authorize you to levy and tax and if there is other taxing districts maybe that would fall in; but that's only in the event you don't have the revenues to make the loan payments. Gloria Taft: It's guaranteeing that they get their money if the City tries to default. Becky Mayton: That's correct. Bernie Brown: Doesn't this basically put the taxpayers on the hook if the revenue from the Sewer doesn't meet the payments then the taxpayers have to make that up. Becky Mayton: If the payments are not being made at that point the bank will meet with the City and decide where the revenues are or if there is other money that can be paid; it's not necessarily an automatic tax that needs to be levied; if that's something the City Council feels should be done to make the payments. Bernie Brown: You say it's not automatic? Becky Mayton: You are authorized to do it but it would be a decision of the City Council to levy that tax. Bernie Brown: Couldn't this actually give an advantage to some entities who do not even pay a City tax? I'm thinking of one in particular that's

not in the City limits. Becky Mayton: I don't think so. This deal is being made, and I know we've looked at the Sewer revenue coming in, that's where the loan payments are expected to be made. Bernie Brown: Mr. Wantland, is this legal? City Attorney Wantland: That question has been asked before and generally the response is the same as it was four years ago; the idea of pledging tax revenues to support the Sewer is not; but we have got ourselves as a Community and as a City to the point that we have to meet the demands of the creditors for purposes of being liquid. This problem occurred four years ago where \$3.5 million was spent from the Sewer grant fund through the General Fund with no accounting and nothing to show for it. And in fairness to everyone, it's nice to have a local bank come in and to work with us as opposed to have to go to West Virginia and I think the West Virginia bank was the only one willing to do business with us. We've got ourselves in a pickle still financially with debt structure. The Council is going to have to exceed where they are going to get the money; how they are going to get the money; and the discussion I had four years ago was that bankruptcy was in the picture for the City and this mirrors what we did four years ago. Bernie Brown: I know but the situation of the City today is different than it was 3 – 4 years ago. City Attorney Wantland: Not the Sewer system. Bernie Brown: I think it is vastly different. Mayor Ellis: You still have \$28 million in debt on the Sewer side. City Attorney Wantland: Almost \$31 million. Mayor Ellis: We've still got to do it; any loan you've ever had through this City for the Sewer Department you've always pledged property taxes; even with your bond for the South Bullitt Regional. Bernie Brown: Do you know what the debt service added on to the Sewer is going to be? City Attorney Wantland: It's actually been reduced from \$3.5 million to less than \$3 million and the interest rate is improving. Clinton Kline: You talking about the annual debt service Bernie? Bernie Brown: Yes. Clinton Kline: The email I got from Bob was about \$2.4 million was the total debt service; not added on, we're adding about \$230,000 with this. Bernie Brown: So you're figuring that this add \$230,000 annual debt service. Clinton Kline: Yes. Bernie Brown: I would have thought it would be more than that. Bob Ryan: That's with the interest rate and structuring it out over a ten year period on a five year note. It makes the monthly payments very palatable and also allows for any additional principal on bond without penalty during the term. Gloria Taft: That's something we don't have with the other two bonds. Is that correct? Bob Ryan: Correct. Gloria Taft: The way the other two bonds were structured we get penalized if we pay them off early. Bernie Brown: It can be paid off any time? Becky Mayton: With internal funds, yes. Faith Portman: You're saying though that this is legal? City Attorney Wantland: I think that we are forced to do it; we don't have \$3 million. This Council does not wish to file some form of petition of bankruptcy. That's where we were four years ago; we do not have \$3 million in the bank to pay off this West Virginia bank. That's where you are. Faith Portman: How many financial institutes did we check with? Bob Ryan: Three. Clinton Kline: How many are local? Bob Ryan: One. One was in Lexington, one out of Frankfort. They were financial institutions not like banks they were the institution that arrange bonds and financing for municipalities and other non-profits. They were looking at a ten year amortization and a ten to fifteen year note. Their fee structure was one \$70,000 up to \$140,000; this one is \$25,000. There was no flexibility; there was no creativity in what they offered. Becky Mayton: This is also a direct purchase so Republic Bank is the one purchasing it and that's who you are going to be working with. In some other deals there may be a trustee or another underwriter and many layers and other fees that get involved but here there is just one. Dana Bischoff James: I'd like to make a motion that we accept this as is with the interest rate; and there is no penalty for early pay off. Let's not drag our feet and keep going over things. Jose' Cubero 2nd. Faith Portman: I feel like we should have checked with other local banks. 3 in favor; 3 opposed. Mayor Ellis: I get the honor of breaking the tie with a yes vote; we've got to get this project done. Motion carried 4-0.

Mayor Ellis called Chief Troutman to the podium for further discussion on proceeding with repairs to the wrecked fire truck. Chief Troutman: At the last meeting I approached you all about the fire truck that is in Wisconsin right now; the Seagrave that was hit by the trucking company. I was told to come back up tonight to see if you all are willing to go ahead and get the ball rolling so we can get the truck fixed or where we stand on it. Clinton Kline: So it's your opinion that if we go ahead and have this repaired that it will strengthen our suit if we have a hard dollar figure. City Attorney Wantland: I'm looking at the Fire Chief. The Fire Chief says without removing what they refer to as the box (the back compartment part of the fire truck) and trying to determine the damages done to our vehicle, its speculation. And we really do not know the amount of damage to our vehicle. The Chief believes that the truck can be repaired; and it's a valuable asset to the City. With that understanding we need the truck repaired so it can serve the Community and

we'll go after the insurance company for whatever we can get from them. Clinton Kline: Do you have a ball park price we're talking again? What's the worse we're going to come out of it? Chief Troutman: \$200,000. So far what I've been dealing with is they sent an adjuster out here and looked at it and said \$27,000 in damage; the second adjuster has been up there and said \$42,000 in damage; the company that built the truck; I've talked to them on the phone, and they are willing to back us up on it; the adjusters the are sending out aren't adjusters on fire apparatus. VFIS is an insurance company that deals with fire apparatus; their adjusters came out and look at the truck, he was just comparing some things and where I said we need to go ahead and make sure they replace the box on the truck; he affirmed everything that I'm saying here is if you don't replace the box on the truck now, down the road if they just piece it to go like the insurance company wants to do, you're going to be tack welding it and doing all kinds of stuff from here on out with the apparatus. The problem now is they haven't ever been able to take the box off because no one has given them written authorization to start on it. Once they take the box off you have the water tank that was behind the box and you have the pump; you're talking a pump anywhere from \$35,000-\$50,000 for the pump; water tank-you're looking at \$10,000-\$15,000 to replace it if they have too. All that stuff has to be recertified if it's not damaged (retested). Then you're getting into the cab. The doors on the driver's side as you open or shut are rubbing. They don't know if it just knocked the hinge back on it (something that they can adjust) or if there is actual damage to the cab. They may get into it and say you're hitting a price that is not going to be worth it. But until they can tear the truck apart and physically give us exactly what it is going to cost, you're looking at \$200,000 at least. Dana Bischoff James: Are we familiar with any case law situations? This cannot be absolute first time that this has happened. And then, if they do get in to it and say this is going to cost way more, how are we looking at paying or do we have a payment there? City Attorney Wantland: The rule of law is that it's the value of the vehicle immediately before the collision and the value of the vehicle immediately after the collision. Dana Bischoff James: So if there's not a chance that they are going to try to go back and put it on us? City Attorney Wantland: Most insurance companies are going to do everything they can to try to stop making a payment. That's the nature of the beast. We all pay to protect ourselves from the occurrence and when the occurrence happens the first thing an insurance company wants to figure out is a way not to pay. The difficulty with this is that we have a fire truck. We don't know the damages to the vehicle. I've talked to the Chief about what's the value of that vehicle. We have a policy of insurance through the League of Cities that if it is a total loss, we have replacement cost. We put that in place and the League of Cities is aware of that. It's a 2006 and the nicest truck we had in our fleet; one you don't want the public in jeopardy if the equipment fails; you don't want the men and women who are working on the apparatus to be in danger if it fails; I just don't want to be in a position where you're talking about \$100,000 as being the high end of a vehicle without looking at it and then when you pull the cab off it's worth more and you've had to issue a release. I think we're better off having an intelligent feel of exactly what we're working with. Jose' Cubero: One of the conversations we had was the scenarios of waiting though litigation; how long that would take versus getting this thing started and by the time we would get it back maybe by the end of the year? Chief Troutman: If we said right now you're probably looking anywhere from 8 to 12 months before we can get the truck back. Jose' Cubero: And if we waited through litigation, we don't know. Clinton Kline: If we give authorization to proceed with the repair, how long do you think before we'll recover our money; if they get in to it and they say we can fix it for \$200,000. City Attorney Wantland: I think once Seagrave says this is the number that will repair the vehicle; I think the case will move very quickly to that number. There won't be any speculation about this part or that part or this part. Clinton Kline: What is the longest you think it will drag out? City Attorney Wantland: Twelve months. Clinton Kline: If worse came to worse Bob could you cash \$200,000 in 12 months while we fight this legal battle? Bob Ryan: I believe so. Clinton Kline: I make a motion that we authorize Seagrave to take the truck apart and get a cost to repair. Dana Bischoff James 2nd. Motion carried 6-0.

Mayor Ellis called Bob Ryan to the podium to discuss Ordinance 014-(number to be assigned) amending Ordinance 005-664, 011-083 and 011-084 establishing all fees for usage of the City of Shepherdsville's Wastewater Treatment facilities. Faith Portman: I sponsored this Ordinance and I think that everybody is a little bit confused. I pulled up my email what I was asking for was not to take the increase out I was asking to remove the automatic increase and have the Council vote on that. The public has a right to know when anything has been raised and when it's raised automatically the public doesn't know about it. I know that you all are thinking I want to decrease them because I've brought it up many times this year. Bob Ryan: In

my opinion if the automatic CPI increase is removed from the Ordinance then Sewer rates are reduced. Faith Portman: Why would they be reduced? Bob Ryan: Because you have it in there to raise them from year to year, it's an automatic increase. Faith Portman: That's because we created an Ordinance to where it would be raised every year and then the previous administrator decided he wasn't going to follow through with it and that's why the Sewer become such a mess that it was in in the beginning, well part of it; but we have a right to vote on that. We don't have to have it automatic. I mean I know it's in the budget but how many people in the budget would know that? Gloria Taft: But you don't have a right when you've put it in legal documentation that this is going to happen. Faith Portman: We can change any Ordinance. Gloria Taft: It's not an Ordinance; it's in the Agreement with Rural Water. Faith Portman: Is it actually in the Agreement? Mayor Ellis: Yes, it's in the Agreement. Faith Portman: Then why didn't you tell me that instead of going through all of this. I mean I'm wondering why you didn't email that back instead of reading the whole thing last week and then having a City employee research it. That's why I'm wondering. Why? Clinton Kline: If the Agreement stipulates that revenues can't be below 120% of the debt service and you're saying we're at 105%. Where do you get that because when I'm looking at what I've asked for and what I have in front of me it's not at 105%? Bob Ryan: Even if I went through the numbers and came up with 125%; that's not acceptable because the 1982 Ordinance states that a certification of an independent consulting engineer has to review the records and determine the ratio between. I can't do it, your CPA Auditor cannot do it; it has to be a certified consulting engineer has to review these numbers to come back and say yes revenues are 120% or more of your debt retirement. Faith Portman: So nobody has actually done that correct? Bob Ryan: I just did it in-house and came up with numbers that were 105%. Clinton Kline: What numbers did you use because when I look at the \$2.4 million debt service and total revenue of \$4.5, that's close to 200%. So what am I figuring wrong here? Bob Ryan: One thing I did I looked at the audit numbers for 2013; then compared those to the numbers that were in the financial statements and footnotes for the debt retirement and came up with 105. Another one I did I annualized the numbers in the April Sewer financial statements are for ten months; I annualized those out to 12 months then looked at the 12 month debt retirement for 2014 that's in the audited financial statement and it still came back less than 120%. Clinton Kline: This doesn't say debt retirement; it says debt service. Bob Ryan: Debt retirement, debt service, is all one in the same thing. Clinton Kline: So there are different ways to go about this; like amortizing over 10 years with a five year balloon I assume we're just paying interest on. The cold hard end of it is you're saying \$2.4 million is our expected debt service and you have budgeted \$4.5 million; that seems like a whole lot more than 105%. Bob Ryan: It's the net. You don't look at the gross revenues because out of those gross revenues you have your operating expenses to pay for then you have your net and your net revenues have to be 120% of your debt retirement. After you have paid all your bills to operate the Sewer Plant then you have to have money to pay principle and interest. So we're not looking at gross revenues we're looking at net revenues. This all started out with a \$1 million bond back in 1982 and it's in this 2008 \$18,000,000 lease agreement with Kentucky League of Cities and this requirement of 120% of net revenues to debt retirement is in every debt instrument of the Sewer that the City has signed. Clinton Kline: The certification from an engineer, any idea how much that would cost? Bob Ryan: I have no idea. Clinton Kline: You think a \$200 expense or higher? Bob Ryan: No. A couple thousand at least. But in my opinion if there is any reduction in any way that the bond holders can construe that they are at jeopardy then \$28 million in bonds becomes default. Clinton Kline: If we did that without the certification? Bob Ryan: Yes. Clinton Kline: I'd like to make a motion to table this until we can get some quotes on that certification. Bernie Brown 2nd. Motion carried 6-0.

City Attorney Wantland had second reading of Ordinance 014-(number to be assigned) concerning the Agenda for the conduct of meetings of the City Council. Mayor Ellis opened the floor for any discussion from the Council. Faith Portman made motion to accept. Jose' Cubero: We had our discussion, you were late to that meeting Clinton, same thing we said about the \$20,000 and micromanaging things. Again, I have the same attitude toward this as we said at the last meeting. I don't see anything that we're doing here except micromanaging what we do. We are within the limits; we also make sure if something needs to be spent; I don't want to be restricted on what we discuss. We talked about this before, I think again it goes back to why do we need to do this when the way we run our processes that we do there's no need for any extra measures in what we do. That's why I turned it down the last time and again I'm going to say the same thing. I see no reason to keep doing more of the same. Dana Bischoff James: I'll piggy back on that, this

was voted down on March 10th; one of the main things is the Christmas Parade, we could not have voted on that that night had this Ordinance been set in place. On April 28th we voted down Section 2 which means because in this Ordinance it tells us we must bring up anything in excess sum of \$7000. We just voted that down at our last meeting so I'm with Mr. Jose' on this. Mayor Ellis stated he had a motion to accept and asked for any other discussion. Clinton Kline 2nd. 3 voted in favor; 3 opposed. Mayor Ellis broke the tie with a no vote. Motion failed.

New Business:

Mayor Ellis called Steve Scott with Mindel Scott & Associates to the podium to discuss street lights on Park Loop Court and Park Loop Road. Steve Scott: We are requesting on behalf of Settlers Point Business Park that you all take the lights in Cedar Grove Business Park Phase 3 which consists of the street lights on Park Loop Road and Park Loop Court. I took some pictures today to show the lights that you can look at. I didn't work directly on the original Cedar Grove Business Park it is my understanding that you all did take the lights in for the original Business Park and I did work on Settlers Point Business Park and I know you've taken those in and also The Pointe Subdivision. Faith Portman made motion to accept. Clinton Kline 2nd. Motion carried 6-0.

City Attorney Wantland read Resolution 2014-01 authorizing the Mayor to open a Restricted Bond & Interest Sinking Fund Account for the Shepherdsville Sewer Department's GO Bond Application Note, Series 2014 at Republic Bank & Trust Co. Mayor Ellis asked for a motion to accept or deny. Jose' Cubero made motion to accept. Gloria Taft 2nd. Motion carried 3 approve; 1 oppose; 2 abstentions.

Daryl Lee: No report.

Duane Price: No report.

Sign in Speakers: None

Department Reports:

Bob Ryan: You only have the Financial Statements for Sewer because of everything that was going on the first part of the month; the Financial Statements for the General Fund various Departments were not prepared they are in process and will be in your box hopefully by Thursday this week. And I invite anybody in the room that has been reading ads in the newspaper to come in my office and we'll go over numbers. Mrs. Rummage this evening said she was going to provide the breakdown in her \$800,000 raise figure. So I'll be happy to discuss anything with any City resident about the finances of the City at your pleasure.

Council Reports:

Jose' Cubero: In talking with Claude before our meeting started, we've approved the tractor and my only question about the boom; that's the concern in all this, and my concern is first of all it is not a State bid, it has to be bid out. Obviously we're behind the eight ball on this because we're in the time of the season now where we need that piece of equipment and I think we're all in agreement up here unless I'm wrong on our conversation about this we were all in agreement on the Council in supporting Claude in getting the equipment to keep our City looking clean in the areas it could. There was some discussion about the County helping us with a boom maybe; we talked about that. So I think at least at this point we need to get the bids; whatever we've got to do to expedite. Let's get the bids done as quickly as possible so that we can see where we're at Claude because we do need to get that as quickly as we can do it but we need to get the bids. The only other thing I have, I'm on the Board of CASA and we have a golf scramble at Heritage Hill on May 23rd for any of you that would like to swing a golf club; we do want to encourage you, CASA is a big thing for our Community. It's a good cause.

Dana Bischoff James: I have a question on which route we need to go. The new building that is on the other side of Lowes, since that building has been constructed now what is happening to residents on the opposite side of the Interstate, the traffic is much much louder because it's echoing off of that building. Is there a way that we can look into some type of decorative sound barrier and/or would they be willing to fill

in. Mayor Ellis: Troy Beam, myself and June Daugherty have been working with the State to try to get one from the northbound ramp off of 44 onto 65 all the way down past the condos there where Bernie lives. Bernie Brown: I can tell you that our State Senator Seum has got money in the budget for that very project. I've been working with him for quite a while and the money is in the budget; it's been approved. The recently approved bi-annual budget includes money for the sound barrier. It may be two or three years before it happens. Dana Bischoff James: The next one is, hopefully it will not involve our Police Department and/or Fire Department; this is actually just outside our Shepherdsville City limits. It is Blue Lick Road just before you get to Pryor Valley. The road has completely eroded out from under that section and I did contact the State; we're working on it just to bring awareness because if a school bus goes through there because there's not anything under it and the school bus hits the edge, the road may break off and our children of Shepherdsville. So I just want to be extra aware of that situation and that place. Another issue and it kind of goes back to the State as well, Beech Grove Road and Preston. Any foresight of a traffic light or anything that could be essentially put there for safety? Gloria Taft: That project has been pushed by the State until March of 2015 before they will even accept bids on the project. So the State has pushed it off. Mayor Ellis: I've talked to them about trying to put up some temporary lights like they did when they did the bridge painting. Dana Bischoff James: Just something; that area is a danger, it's not safe almost at any hour from 4:00 in the morning to people leaving for work. Faith Portman: We had a study done on that in '08, maybe '07 and they said there wasn't enough traffic back there. They haven't done another one since then. Mayor Ellis: They did a stop light study about 7 or 8 months ago; because when they do the bypass the original bypass plan did not have a stop light at the end of Beech Grove. We contacted Brian Meade before he retired from District 5 about coming out and they did a study and warranted that it does need a stop light at the end of the bypass whenever that is done. Dana Bischoff James: A temporary light, is that something feasible? Mayor Ellis: Like I said, we've talked to them but they didn't seem very receptive to it. Dana Bischoff James: Who would we go to on this? Mayor Ellis: You need to contact District 5. Gloria Taft: Dana, I can send you the guy's email address and that way you'll have the same contact there I do and maybe two of us can shove it through maybe! Dana Bischoff James: One other issue, the neighborhood across from Old Ford back in those neighborhoods particularly where I met a constituent on Seminole Court, the drainage there is awful, standing water beyond belief. There's the drainage issue just to bring that aware but then also mosquitos. When you all spray for mosquitos do you go back in to the neighborhoods? That area is just infiltrated with standing water. Claude Middleton: Yes. Dana Bischoff James: Final thing, I think that as a whole the Council has worked very diligently and we have brought a lot of good things to several Departments as far as Police and Fire, we're bringing everybody up to where we are not a marketable place to live, work and play. One of the next areas that I really want to focus on and I ask each of you to start researching now, do your homework, start looking at MSD and the pay rates within those guys. Start looking at the State average because our employees are, I want to say \$4 below State average, so start doing your own homework/research because as we start moving forward within the City we have things that we do need to correct but I want to take care of our people, retain good people, keep the people here who have knowledge of the City and who have been working well and keep moving in a positive direction. So with that start looking at MSD's pay rates, and the State's pay rates because I want to move forward in protecting and taking care of our guys.

Faith Portman: Have we decided when we're going to start working on sidewalks or even looking at them. Scott you had talked about it. Scott Fleming: What particular area are you talking about? Faith Portman: There's an area right across from Bullitt Central that's terrible. Scott Fleming: Those would not be in the City. That's what you need to focus on; what City streets and what places we can actually put them. Faith Portman: There are a couple damaged ones in a couple subdivisions and I'll get you the names of those. Claude when are we going to start working on the flower beds over in the park? Claude Middleton: We worked on the City markers; we need to get some mulch and take care of those.

Gloria Taft: Shepherdsville was voted the 11th best suburb to live in so that alone speaks to the good work that's happening all over the City not just us. Not just the government but our employers so let's be proud of our City. I want to remind everybody that on the 31st at the American Legion Post there is going to be an auction and little party for Prevention of Domestic Abuse if you can, please attend. And in the paper today

there was a lot of negative ads and we've got to get beyond negativity it's ridiculous. Please don't believe the lies do the research for yourself, pray and vote.

City Attorney Wantland: Two things. The Council is aware that we have contacted a number of individuals who own property in a corridor west of 65 and east of 61 basically from the south boundaries of the City to 245. We have a number of people who do wish to be annexed. Hopefully by our meetings in June I'll have documentation for you. I'm not saying everybody wants to be annexed in the area but that's what triggered it. There are some property owners that will willingly take our City limits to 245 who wish to be annexed. So that's out. I think you all have seen the letter and I can't begin to tell you enough the letter does say if you want to be in the City you have to agree and you have to sign. If you don't want to be in the City you don't have to do anything. That's about as clear as it can be. The other item we had a meeting with Gordon Food Service. We're going to have some materials for you to approve at a later date. There will be a final action taken in an open meeting but the meeting was extremely fruitful. Gordon Food Service has come into our community at one time we were expecting 180 jobs and these are good paying jobs, their employment is over 250 now. They made a \$90 million investment in our community and it's growing. I think they are going to invest more money in the community but that was a very productive meeting and a very fruitful meeting for us as a community; for our City; Gloria and Bernie was there and you just get a good feeling about working with these kinds of people that is very productive for our community. Bernie Brown: Mr. Wantland, on the annexation letter that you sent out. Do you know if the State or anybody going around right now trying to see about getting right of ways? City Attorney Wantland: I don't know about right of ways but I can tell you that there were interest in the property owners who own large tracts and some other people in that area who said we want to be in the City. Part of the reason is very directly there is a benefit right off the bat just in the cost of fire protection. Bernie Brown: I was asked about a situation here recently where somebody stopped and talked to a property owner and wanted them to sign a document. I don't know what it was exactly. But they didn't want to discuss anything much about it and didn't even want to give them his name. That happened out there by 65 and Chapeze. It seems awfully strange to me. City Attorney Wantland: I know no public agency that is trying to put any kind of right of way through there. Bernie Brown: Have you had any responses from the letter? City Attorney Wantland: I haven't had any. Bernie Brown: How many letters were sent out? City Attorney Wantland: Approximately 70-75. The way this started is we were approached by a developer with a legal description of the property to be annexed; he advised the Mayor and myself that he had consent from all the property owners to begin this annexation process knowing the litigation that we've had in this area it's what I refer to is we're going to get everybody's signature up front and nobody is authorized to sign on anybody else. Every owner is going to get it. Everybody is going to sign off on it. It's going to be I's dotted T's crossed and then it's going to be presented to the Council. But there is an interest. I will tell you that and I do anticipate the City limits to be taken all the way to 245 by the time we're finished. It's really not that far when you think about some of the prior annexations that we've done. We've moved the City further south.

Clinton Kline made motion to adjourn. Gloria Taft 2nd. Motion carried 6-0. Meeting adjourned at 7:37 p.m.

R. Scott Ellis III, Mayor

Attest: _____
Tammy Richmond, City Clerk