

CITY OF SHEPHERDSVILLE
REGULAR COUNCIL MEETING MINUTES
MONDAY, January 23, 2012

Councilman Corky Miller gave the invocation
Pledge of Allegiance was recited
Mayor Ellis called the meeting to order at 6:45 p.m.

In attendance were Council members Bernie Brown, Don Cundiff, Larry Hatfield, Corky Miller, Faith Portman and Alan Wetzel.

Don Cundiff made motion to dispense with reading of minutes from 1/9/12 Regular Meeting. Alan Wetzel 2nd. Motion carried 6-0. Faith Portman made motion to approve minutes as written from 1/9/12 Regular meeting. Corky Miller 2nd. Motion carried 6-0.

Old Business:

City Attorney Wantland had second reading and public hearing on Ordinance 012-(number to be assigned) rezoning 2.32 acres, more or less, owned by JBJ Associates LLC located at 1925 S. Preston Highway from Agricultural to I-G Heavy Industrial. Mayor Ellis asked is anyone in the audience would like to speak on this matter. There was no one. Larry Hatfield made motion to accept. Alan Wetzel 2nd. Motion carried 6-0.

Further discussion followed on the proposal from Cindy Leasor. Angi Johnston addressed the Council. She stated she didn't know if anyone had any questions, Cindy's out of town on business but to summarize her proposal. She proposed to complete the application for the Division of Water that was \$2000; the pre-treatment program preparation would be \$7500 and that includes going out and surveying the industries that are out there. It does not include any lab testing or sampling. In order to implement the pre-treatment program that was an annual fee of \$12,000 which would help keep the City in compliance with their pre-treatment program with Division of Water. I had added one item. After speaking with Cindy I found out that she has had a history with Shepherdsville that she didn't completely share with the Council last time. Not only was she at the Division of Water when the pre-treatment program was discontinued before; but she has also worked with the City on creating a grease program. I know Chuck has been working very hard to try to find any documentation on this old grease program that she had done after she left the Division of Water and I recommended that the City, since she has a history, she knows which restaurants to go to and knows best how to set up these programs, that she go ahead and at least give the Council an idea of how much it would cost for her to just help the City set it up. That means that anyone who is going to be enforcing that program needs to be trained and that would be a part of the City. So that would not include implementation. Just preparation and training of someone at the Sewer Department to be able to enforce the grease program. Larry Hatfield asked how much we had to pay her to get started? Angi Johnston: If all you're doing is the application is \$2000; but you need to have the pre-treatment program set up and that's \$7500. Based on the manpower that you all have it's really strongly recommended that you have her help implement. She doesn't have the implementation cost for the grease program. That's something that the City, if they do the proper training should be able to have someone do. It's just getting it all set up. So the total of all these scopes is actually \$26,500. Bernie Brown asked over what period of time? Angi Johnston: That would be for the first year and it would be \$12,000 to continue with the pre-treatment program on an annual basis. Unless the City feels that they have personnel that are prepared to continue with the implementation process and documentation as required that's pretty extensive without a clerk. Bernie Brown: None of this was budgeted for was it? Larry Hatfield: Nope. Bernie Brown asked what are the consequences if we don't do it? Angi Johnston answered we've already received a notice of violation. Larry Hatfield stated we don't have any choice but to do it. It's just a matter of how much we want to do. Don Cundiff asked what's the least we can get by with cost wise to do right now without getting fined? Chuck Keith answered the \$7500 and the \$2000 because we have to do the pre-treatment in order to be able to do the application. Bernie Brown asked would that \$26,500 have to be paid out this fiscal year? Larry Hatfield stated that would be the \$7500. Chuck stated

we did not have to do all of it. Angi Johnston stated for this fiscal year it would be \$9500. Chuck stated the pre-treatment had to be done by May 31st and there are 3 tests you have to run. You can take the one we've already done, wait 30 days to take the next one and then 60 days to do the next one. So we're right there at the deadline. Corky Miller asked Chuck if he had worked with Cindy. Chuck answered no sir. Faith Portman asked if this was the only person we got a bid or anything from. Chuck stated we contacted two people but the other lady it didn't work out for. He stated he didn't know of any other company that does it. Cindy Leasor knows the people at the Division of Water, the people at the State; everything that needs to be done she knows how to do it and get it done. She didn't say this to you but when I talked to her she guaranteed that we would get our license and our pre-treatment program license and there was no issue. Corky Miller stated one of the things he liked in her proposal was she stated not to exceed those amounts. Rob Campbell stated he would just like to point out that if they only did the \$9500 and you don't do the full program you really still haven't done anything. You've created a piece of paper but you're still not done and we're experienced that before in other documents that have been created. \$26,000 gets you full implementation and the program moving. Larry Hatfield asked if he thought we had room to negotiate where we could pay her up front to get started and then 90 days another payment? Angi Johnston stated the implementation doesn't have to be done by May. It can be done after. But what does need to be done is the KPDES application and the pre-treatment preparation. All that has to be done before May. Mayor Ellis asked if there was any kind of a time line on when we have to have it all implemented? Angi Johnston stated this has to be done by May. It's going to be an annual thing. So it depends on when the State issues the permit but you'll have to have implementation underway. Rob Campbell stated we could find out from Cindy too that it may be when they give you the permit they give you a time frame for implementation. Mayor Ellis stated if we could go ahead and do the approximately \$9000 now and the remainder part in the next budget cycle. And you make sure you budget that in to where it will be paid for. Bernie Brown stated his question really is how we going to pay for it? I know it's important. But we need to have some idea of how we're going to pay for it. It's not in the budget. Larry Hatfield stated he have enough money in the bank to get it started. Bernie Brown asked how soon we were going to know where we are with the budget so we can... It's getting more critical every day. Corky Miller stated he called Tim today and asked him that question with this in mind. I said if we have a special meeting on February 6th... He told us the first of February, that he would have that completed? I asked him today if he would have it completed. He said yes he would. So I was going to make a motion tonight that we have a special meeting on February 6th strictly on the budget and the numbers of what's been spent out of each section and what we have left on each section. Mr. Miller stated he would also suggest that until that time that we not pay any bills except those bills that might be made on loans that we have and on bills that would be penalized by extra money if we were late. That would say that February 6th we could have our, if he does what he told me he could do today, we could have that and know where we stand on the budget. I see what you're saying about it's necessary to know where we are. Bernie Brown: We simply have to know where we are. Corky Miller: Then if we have to amend the budget we can amend it. Bernie Brown: I can explain why I will not vote to spend more money very simply. It's against the statute. If we don't know where we are with the budget, it's a violation of the statute in my opinion. Alan Wetzel: My opinion is we're taxing him with too many things right now. His focus should be on this period. End of story. This is vital information we've got to have. We're doing our taxpayers a disservice by not knowing where we are in our budget. It's getting to be very embarrassing. Every week we do the same thing. Corky Miller: That's the reason I called him today and asked him if he would have everything ready that we needed to have an update on where we stand on the budget as of February 6th and he told me he could have that. It will require a special meeting otherwise it would have to wait another week and we're talking about finding out two weeks from now. Alan Wetzel: Is that his sole task from now until then? As long as that's his sole task. He needs to be assigned that task and given the opportunity to complete it on time. Mayor Ellis: Yes that's it. Bernie Brown: I say this too, we've been told the sewer fund is all on QuickBooks now but there are still some problems. Corky Miller: All I can tell you is we hired this gentleman to do this and he said at the last meeting he would have it ready in February. That's the reason I said we need it by February 6th. Can you do it and he said yes. City Attorney Wantland: Mayor, point of order. I think we have two motions, one to have a special meeting on February 6th and the other to appropriate \$9500 to get the program started but I haven't heard a second to either one of them. Larry Hatfield: well back to this, I think we take enough money out of the

bank, Sewer fund at Republic Bank and get that started. I'll make the motion. I think this is mandatory. We know we're going to have to do it. We're under scrutiny already. So I make the motion we take the \$9500 out of Republic Bank and pay that and get that started; hopefully get that done by May 1. Corky Miller 2nd. Motion carried 4-2. City Attorney Wantland the second point of order; the Mayor can call a meeting but I think he's waiting for the Council to call a special meeting to discuss budget numbers from Tim and no paying bills except for any loan to be paid on at the bank or bill that might incur a late fee. Faith Portman 2nd. Motion carried 4-2.

Discussion on accepting the Fiscal Year ending 6/30/2010 audit. Don Cundiff made motion to accept. Alan Wetzel 2nd. Motion carried 6-0.

New Business:

Bart Potts with Louisville Water Company, Project Manager for the new tank going up on the hill at Conestoga Parkway handed out some information to the Council and spoke about an erosion problem along Conestoga Parkway. Bart Potts: A couple weeks ago we were doing a routine tie in to the 16" water main there at the top of the hill at Conestoga Parkway and we had some concern about the 16" water main that was there in relation to the ditch and erosion that's occurring there. I just have a few talking points and some photos on what some of those concerns are. Essentially when we were doing the tie in we uncovered the water main. We found it to only have 12" of soil cover on top of it. Typically there's anywhere from 42 and 48 inches of cover. So we've lost a lot of soil on top of that pipe. We walked about 100 feet north towards Preston Highway and we found the water main actually exposed with zero cover on it. That gave us some concern and I tried to mark those on the handout. I actually spoke with the City Engineer and the Mayor a week ago and they ask that I present my concerns to you guys officially. Just real quickly the water company concerns, it's a primary water main. Obviously it's a big pipe. It's a 16" water main that supplies, it's a back fill and supply to the City of Shepherdsville as well as a lot of Bullitt County and here shortly by this summer it's going to be directly connected to the new tank on top of the hill. So it will be a 1.5 million gallons directly connected to that water main. So it's a very important water main. By losing the cover and not having cover, being exposed, it opens this up for potential water main breaks. You start increasing your potential for that. I listed some of those things. In the winter time possibly freezing that water main. Obviously without any backfill or soil on top of it you increase your chances of shifting or settling that pipe, thereby breaking it as well as you start losing some of your thruster strengths and water main strength within that trench. And kind of a sideline to that, there is some increased effort for the water company, if we can find our valves, if we have a water main break; we've got to find those valves and shut it off to isolate that problem. A lot of these locations, some of the soil or rock have moved covering a valve or filling the valve key with sediment that's running off of the hillside. So that just causes extra work and delay if there were a water main break. Those are the water company concerns. Other concerns that I noted just walking up and down there just visually; this is definitely not an engineering study but the channel seems to be undefined. It meanders towards the water main, it meanders towards the road. Obviously you guys may have a concern about that if you want to prevent losing the pavement. Erosion has issues. We all know that up stream, downstream, you're supposed to keep your soil on your own property. Larry Hatfield: This was inspected at the time it was installed wasn't it? Mr. Potts: Yes. Larry Hatfield: So it's eroding that much over the last six-seven years. Mr. Potts: We think so. I think it was put in service probably 2nd quarter of 2006. Just by visual inspection of that trench, that why I put some photos in the handout too, just to highlight some of these areas. Larry Hatfield: 42" deep is specs for it, isn't it? Mr. Potts: Yes. A lot of times the bigger pipes go in a little bit deeper but 42 would be the minimum. So that's why the 12" really concerned us and when we walked 100 feet north at the outfall of one of those rock ditch checks and actually found the scour and we found our pipe totally exposed in January. It sent up some flags for us. Larry Hatfield: That's probably why we're losing that road too, isn't it? In sections. Mr. Potts: I can speak for the water main, I don't know if I should speak for the road or not but just due to looking at it I think there's that potential. One of the photos actually shows you how close you're getting to the road with that ditch. I guess the area of concern, is essentially Conestoga Parkway from Preston, maybe 2000 feet south of that. That large cliff face. The first photo with the main standing there, that's actually showing you where we uncovered it, we found 12" of cover. The

second one, there's a large water company vault that's exposed in your ditch. The next, it's kind of hard to see what that is but it's actually a round top or what we call a lid for the valve. It's been pushed by the ditch. It's either been eroded around it or pushed away. So obviously if we had to turn that gate we don't exactly know where it's at right now. It wouldn't be readily accessible. The next is a rust rock ditch check at the outfall pipe. You can see some of the erosion that's on that outfall side of that. That's real similar to where we found our water main exposed. Next photos, it's hard to tell but the pipe is actually plugged up with sediment that's been coming down from the hillside. It's clogged the rock ditch check and water is actually over topping that; it's not actually using that PVC pipe. The next one I've got an arrow showing you how close that meandering ditch is getting to your pavement. That jersey wall that's there, that is acting like a retaining wall right now with the sediment and the next one it shows a rock ditch check that was probably pooling at some point the water found its way through there scoured that entire channel line and out of there. And that arrow is actually pointing to the PVC pipe that has floated down stream. So that's just real quick our concerns. Obviously we haven't done any real study on it. It just sent up a flag and really I'm here tonight just to ask if the City can restore that ditch and maintain it or if there's a reason why you can't, to let us know who it is, what we need to do because the water company will want to protect that main as well. That's why I'm here tonight to ask for that restoration. Larry Hatfield asked if Jim Brammel been involved in this? Mr. Potts stated he was aware of it yes. He's my director. Mayor Ellis asked Public Works Foreman Claude Middleton to take a look at the problem. Larry Hatfield asked Mr. Potts to give us a week or ten days to get with Jim. He stated he would call him and talk to him.

Discussion on request by Beechwood Estates LLC to take over the street lights for section 4 of Beechwood Estates. Bernie Brown asked who had inspected it. Mayor Ellis stated the roads aren't being requested to be taken over at this time, just the street lights. He stated we didn't know that we've ever went out and inspected for street lights to be taken over; it's usually just on the streets. Corky Miller asked if we had any kind of paperwork saying we would do this at a certain time when built or partially completed? Faith Portman stated usually it's certain percentage. Mayor Ellis stated usually it's 80% on taking the streets over; but was unaware of anything as far as taking the lights over. Larry Hatfield asked that we pull the Ordinance and read it before we take anything else over because he was not up to date on it at all. Mayor Ellis stated we would do that and put it back on the Agenda for another meeting and go from there.

Mayor Ellis stated that Jim Rice was present to answer any questions about the Recapture Agreement between Billtown Recapture LLC and the City of Shepherdsville. Larry Hatfield stated we are probably not going to ever get another opportunity like this one. The State is paying 82% of this project and we're getting sewers to cover another 733 acres. And it's costing the City absolutely no money. So this Recapture Agreement when people tie on to that, will go back to pay this and the developers are putting the money up front now. Bernie Brown: It will also save the City some money in the future for maintenance, utility costs. Larry Hatfield: And \$6000 a year on sweetener. Jim Rice: What this is, this is the sewers for the Rest Area on I-65. The State was looking at pumping it, right now they pump from there north to the City's manhole at 480 and then, because of the different elevations in there, they are having a lot of problems with the lines and odors and everything else. So they were going to pump it to 245. So instead of pumping it to 245 or continuing to pump to the City this runs a gravity line from the Rest Area west to go over and tie into your line going along 61. So it eliminated the pump station at the Rest Area and you wind up with a gravity sewer that's capable of handling all that area for development and ties into the sewer that goes out to 61. Bernie Brown: I think it's important the people know it is not going to cost the City any money. Jim Rice: No the Recapture Agreement allows multiple property owners to allow the City to be able to extend the sewer service to those people so there's no cost to the City at all. Bernie Brown made motion to approve. Larry Hatfield 2nd. Motion carried 6-0.

Mayor Ellis stated he had two companies come out and bid re-striping the end of Conestoga where it meets with Adam Shepherd; Keystone Crossing and I also had them give us an estimate for Joe B. Hall Avenue from 61 around to the old water treatment plant. One is through Atlantic Construction Company for \$5033.00. That would come out of the MAP fund. The second bid was from Reynolds for \$6734.66. Mayor

Ellis stated what they would do is use paint on the striping but on the stop bars and the arrows they will use thermoplastic which is a heated melted product. We may have to repaint lines in 2 or 3 years but we should not have to do anything with stop bars or arrows for approximately 10 or 12 years. Mayor Ellis stated he would like to see us accept them now so we can get an appointment set up first of March. They can't do anything until the air temperature is 55 and the asphalt temperature is approximately 55 also. So as soon as we warm up enough I'd like to get them out here. Faith Portman made motion to go with the lowest bid (Atlantic Construction Company). Bernie Brown 2nd as long as it comes out of road fund. Motion carried 6-0.

Discussion on Parkview Pump Station bids. Larry Hatfield asked if there were submersible. City Attorney Wantland asked why one bid was for 7.5 HP and the other 14? Chuck stated they should both be 14. He stated he gave the Council the wrong bid. Larry asked his to get them together and we would discuss at the next meeting. Chuck apologized for giving the wrong bid. Larry Hatfield made motion to add this to the Agenda to discuss at the January 30th special meeting. Don Cundiff 2nd. Motion carried 6-0.

Further discussion on payment of CSX invoice for Adam Shepherd Parkway crossing. Larry Hatfield stated he had received a copy of the check but could not read whose name was on it. He asked who signed it. City Clerk stated we copied it before we signed it to go ahead and staple to invoice to be filed. Mayor Ellis stated that it would have had to been you that voted on that. Larry Hatfield: So we're going to have to pay \$10,000 a year from now on. City Clerk stated that Angi suggested Mr. Wantland look at the contract because she's had experience with CSX wanting to charge a City she was involved with \$18,000 for a pipe in the ground and there was no pipe in the ground. Larry Hatfield: I just don't remember seeing that bill come across us last year. Discussion followed. Larry Hatfield: So we're stuck paying it? City Attorney Wantland answered you're stuck if you wanted the crossing. There was no negotiating. If you wanted the crossing you had to pay for it. We had to pay to have another crossing somewhere on the line closed. He stated he thinks that Flynn was one of the few people who were allowed to do some of the work but not much. CSX did most of it because I think they wanted a \$10 million surety bond from anybody working on that. And not many businesses can come up with that type of bond. Larry Hatfield: I think we need to hold off on paying it until after February 6th. All agreed.

Daryl Lee: Nothing to report.

Duane Price: One variance for the City, Goody's that going into the shopping center. It's a clothing store.

Sign in Speakers:

Gaynell Rummage: Mayor, Council. I just wanted to take an opportunity to commend the Council members that voted not to write any more checks until they know how much money is in the bank and that the City has those funds available and where the City stands concerning the budget at the last meeting. That is what most people call good stewardship and that is part of your responsibility. You cannot run a business not having that information. You wouldn't run your personal account not having that information. And you shouldn't run the City without that information. I would also like to say that I think it is an embarrassment to the City and this administration that it has been 13 months and the City doesn't know much more today than it did 13 months ago. I was looking back through some of the old Council meeting minutes and the auditors on March 28, 2011 made a statement concerning the City's finances. They said that it was a lack of control concerning the previous administration and I'm sad to say it looks like it's still a lack of control.

Faith Portman made motion to adjourn to executive session to discuss pending litigation and personnel. Alan Wetzel 2nd. Motion carried 6-0.

Larry Hatfield made motion to return to regular session. Faith Portman 2nd. Motion carried 6-0.

City Attorney Wantland: The Council has deferred initiating litigation. They are asking that it be put on our calendar at our Special Meeting next Monday at which time the Council will have a recommendation and a vote on how to proceed.

Faith Portman made motion to adjourn. Alan Wetzel 2nd. Motion carried 6-0. Meeting adjourned at 8:30 p.m.

R. Scott Ellis III, Mayor

Attest: _____
Tammy Richmond, City Clerk