

**CITY OF SHEPHERDSVILLE
REGULAR COUNCIL MEETING MINUTES
MONDAY, March 26, 2012**

Shepherdsville Police Officer and 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. and welcomed everyone.

In attendance were Council members Bernie Brown, Don Cundiff, Robert Flaherty, Corky Miller, and Faith Portman.

Don Cundiff made motion to dispense with reading of the minutes from the 2/23/2012 5:00 Special Meeting. Corky Miller 2nd. 5-0-1 absent. Don Cundiff made motion to approve minutes from the 2/23/2012 5:00 Special Meeting. Corky Miller 2nd. Motion carried 4-1 abstain-1 absent.

Faith Portman made motion to dispense with reading of the minutes from the 2/23/2012 6:30 Special Meeting. Don Cundiff. Motion carried 5-0-1 absent. Faith Portman made motion to approve minutes from the 2/23/2012 6:30 Special Meeting. Bernie Brown 2nd. Motion carried 4-1 absent-1 abstain.

Bernie Brown made motion to dispense with the reading of the minutes from the 3/12/2012 Special Meeting. Don Cundiff 2nd. Motion carried 5-0-1 absent. Faith Portman made motion to approve minutes from the 3/12/2012 Special Meeting. Corky Miller 2nd. Motion carried 4-1 abstain-1 absent.

Faith Portman made motion to dispense with the reading of the minutes from the 3/12/2012 Regular Meeting. Corky Miller 2nd. Motion carried 5-0-1 absent. Corky Miller made motion to approve minutes from the 3/12/2012 Regular Meeting. Don Cundiff 2nd. Motion carried 4-1 abstain-1 absent.

Old Business:

City Attorney Wantland had second reading of Ordinance 012-(number to be assigned) confirming annexation of unincorporated territory of 2.179 acres by written consent of all property owners of record of this property into the City of Shepherdsville. Mayor Ellis opened the floor for any Council discussion before calling for a motion to approve/deny. Corky Miller: I have a problem with 2.179 acres knowing exactly what that includes. That road is not a road going back to those houses that is a driveway. That road only goes to where those two columns are on Valley View which is right by where that work shed is and I can't understand why they didn't want that annexed earlier. Faith Portman asked is anyone was here to speak on it. Bernie Brown: Why wasn't it annexed before? Does anybody know? Faith Portman: They did not want it. Mayor Ellis: They didn't want anything annexed except for the area around it. They didn't want that house. Bernie Brown: I don't think we have enough information here. Don Cundiff: I think we ought to have them here before we decide this. City Attorney Wantland: Would that be a motion to table it until they are here. Bernie Brown made motion to table. Don Cundiff. 5-0-1 absent.

Angi Johnston addressed the Council regarding the award of the bid for the Salt River Interceptor Line B, C, D. Angi Johnston: Qk4 has review the bids that were opened previously prior to the Regular Meeting in the Special Meeting. The apparent low bidder was Flynn. We have taken the chance to evaluate all of the bids and it does conform to the documents. Therefore Qk4 recommends that the Council award Lines B, C, D to Flynn. Mayor Ellis called for a motion to award the bid to Flynn Brothers Construction. Corky Miller made motion. Bernie Brown 2nd. Motion carried 5-0-1 absent.

Angi Johnston addressed the Council on the equipment surplusd at the last meeting (Caterpillar 330CL Excavator; Stanley Hoe Ram; 24x8 trench box; 24x6 trench box; 30 inch Cat Hoe Bucket; Rock Box; 2004

Caterpillar D4G-XL Crawler Tractor). Angi Johnston: I wanted to bring this topic up today just to make sure that we continue to move forward on that. I wasn't here when you surplused. I assume you surplused the list that I gave out at the last Council Meeting. I didn't know what recommendations you had. I believe that considering our current state we need to take action quickly on it. Faith Portman asked Angi if she had any suggestions. Angi Johnston: I believe last year at this time we were looking at Bunch Brothers Auction. I think this is about the time they had their deadline to be able to put things into their auction. We might have missed it, I'm not sure. Then there is govdeals or to have an open ad in the paper; try and get the best circulation we can stating that all these are open for bidding and open it up out in the general public for bid. Those are the only options I can think of. Don Cundiff: How does the govdeals work? Mayor Ellis asked Chief Puckett to answer. Chief Puckett: You put the equipment on govdeals and it goes nationwide; you set a certain date, however long you want it to run; and during that time people bid on it and you either accept it or reject the bid. Angi Johnston: I've seen just about any surplus equipment on it. I've seen construction equipment, fire trucks, police cars. Don Cundiff: What's the cost involved in doing that? Chief Puckett: I think its 6 or 7 percent. Corky Miller asked the Chief if he had done that before. Chief Puckett: Yes. Corky Miller: Do you think you came out alright on it. Chief Puckett: We did well on it. We got a lot more out of the cars that we did when we auctioned them, a whole lot more. Robert Flaherty: The County started using it a few years back and prior to that there were public auctions and it seems to be a lot better with the govdeals. I know there are some agreements that you have to enter into with govdeals. Chief Puckett: I think the City has already got an agreement. . (Larry Hatfield came in at this time.) Mayor Ellis: The City already has an agreement because the Police Department sold the four wheelers that they had and some cruisers, a trailer and stuff on it. That's the direction I think we ought to go versus trying to put it out on a public one spot auction. Angi Johnston: You would probably get a lot more circulation and a lot more people looking into it. Bernie Brown asked if we need a motion to do this. Mayor Ellis answered he would like it in the form of a motion to do govdeals. Bernie Brown made motion to use govdeals to sell surplus equipment. Faith Portman 2nd. Don Cundiff: We don't have to accept a bid from them right? Mayor Ellis: We can reject, correct. Bernie Brown: How long would you think we ought to have it on there--a month? Angi Johnston: At least a month. Faith Portman asked if it could be extended. Chief Puckett stated that he did not know. Chief Layne Troutman stated you could set a reserve on govdeals and if it doesn't hit that reserve you can either extend it or take it off. Larry Hatfield: So you don't have to sell it? Bernie Brown: Why don't we put it on for a month and see what happens and if we don't like we can take it off or we can extend it. Mayor Ellis: We'll put it on for a month and go from there. I have a motion and a second; all in favor of putting it on govdeals for at least a month to see what we can do with it. Motion carried 6-0.

New Business:

City Attorney Wantland had first reading by summary of Ordinance 012-(number to be assigned) regarding Storm Water Quality Management. There will be two voted needed, one for the Summary and one to pass the actual Ordinance. Mayor Ellis stated the second reading will be Monday, April 9th.

City Attorney Wantland read Resolution 012-005 adopting plat and legal description of prior annexed property of unincorporated territory described in Ordinance 005-682 (181.792 acres: Tract, Exhibit Attached) into the City. Larry Hatfield made motion to approve. Faith Portman 2nd. Motion carried 6-0.

City Attorney Wantland read Resolution 012-006 adopting plat and legal description of prior annexed property of unincorporated territory described in Ordinance 003-597 (59.141 Acres) into the City. Robert Flaherty made motion to approve. Bernie Brown 2nd. Motion carried 6-0.

City Attorney Wantland read Resolution 012-007 adopting plat and legal description of prior annexed property of unincorporated territory described in Ordinance 004-623 (120.534 Acres) into the City. Bernie Brown made motion to approve. Faith Portman 2nd. Motion carried 6-0.

Larry Hatfield made motion to pay March City bills. Faith Portman 2nd. Motion carried 6-0.

Larry Hatfield made motion to pay March Sewer bills. Robert Flaherty 2nd. Motion carried 5-1 opposed-0. (Bernie Brown opposed.)

Daryl Lee: Nothing at this time.

Duane Price: Mayor Ellis stated that he spoke with Duane Price and he didn't have anything to report.

Sign in Speakers:

Kristy and Terry McMillon: (Handed out pictures to the Council.) First of all I want to thank the individuals that were able to come out to the house and endure the mud and see our property. My neighbors got very excited when they say the cars near the house. I got bombarded a couple days later asking questions and I told them I didn't have a whole lot to share with them yet but that the ball is rolling so I'm hoping eventually soon we'll have more than just the ball rolling we'll have some answers. I wanted to find out did you all call the Code Enforcement to check about the blockage. I know that we had talked about it; I didn't know if anybody had called. Angi Johnston: The day after I was out at the sight I called Division on Water and managed to get Brad Trivets out to look at the situation. The actual permitting for any of the crossing or any of that was done out of Frankfort so when he and I spoke he was going to go back and talk to the guys in Frankfort because they have a permit for the crossing but he questioned what information they were given and why they were given a permit for only two culverts when typically a crossing this width you would see four. So he was going to go back and speak with the guys in Frankfort. He was also going to talk with dam safety and floodplain groups to find out more about the road as well as the ford crossing and he's going to check and see how long their permit is good for because it's a temporary crossing but he didn't know when the permit expired. Kristy McMillon: On the front (picture) it shows you the main blockage that we're having not on our property but 45 feet from our house. In fact the bottom picture you can see our house, from what I could brave because it's all thorns and thistles through there and its two trees that are down, the one on the bottom right shows if I take the picture from facing away from our property; the second one is facing toward our property and you can see the two trees down. It's completely blocked. If you look on the back it's the same pictures but you can see the lovely stagnant water that's on our side that gives us the lovely smell. On the other side of the tree it's very clear. This is what's causing, if you look at the small pictures, this is a typical, this was a hard rain but this is what we're getting. And in fact because of that blockage it stops and it floods our area. It's causing issues with the under the culvert the water that runs from the top part of the subdivision rushes through and then meets where the creek is. That water now is backing up into other people's yards because once it gets to our spot it floods instead of going because it has two areas that it's blocked. Mr. Hatfield, the pictures at the bottom, showed what he got to see which is the two on the right hand side which is closest to our property it's got all the debris, the other side is completely clear. I'm not sure what we need to do. I think that the blockage if we had a consistent flow, we're going to have more success in not having all the water standing in our yard. But even the other day after that big rain I just watched it wash away; more of my dirt and it's heartbreaking because we look at this and we're going we've got a nice yard, we have this nice house, we want to keep it and we can't do something on somebody else's property. Larry Hatfield: Can Brad tell them to open this up? Angi Johnston: That's what he's working on. He has to first with usual situations where they've already gotten the permit he has to go back and figure out exactly what they got the permit on to make sure if he has any grounds for enforcement to forced them to make improvements to that entrance because it should be four pipes not two. Larry Hatfield: Do you think Brad can help us or help them to get a right to move that creek at their property line? Kristy McMillon: I don't even know if moving it is going to help it. Angi Johnston: I'm not sure if that's going to help it and I explained to the Mayor when you have a blue line stream there's a lot of challenges that you're faced with when it comes to easements. They did require that the subdivision behind them have a 40 foot conservation easement which is actually smaller than the average easement that I've seen on projects that I've dealt with

in Jefferson County. It's a real challenge just trying to get them to agree to move it and it does show up in the USGS maps as being a blue line stream. It been relocated in parts which is part of the problem. Water will choose where it wants to go, we can't really. We'll tell it where to go but eventually it will make its way back to where it was if that's where it's naturally meant to be. Kristy McMillon: Who is responsible for keeping that part of the creek clear? Up and down our subdivision all the houses we all maintain our section and we all do a good job of maintaining our section. You all got to see. That was 45 feet you could see my house from it. Who takes care of the two trees that are down, the mud that's there and all the stick and rock? Who is responsible for that? Angi Johnston: that's for whoever's property that easement is on. Mayor Ellis asked if anyone knew who owned that property. Kristy McMillon: Richard Miles, Dogwood Homes. It used to be the Troutman Farm and from what I gather when it was sold the whole section was sold. And the reason they didn't build back there is because it was holding water so badly. When you all were there water was standing in the back part where the trees were horribly. Angi Johnston: There is a gravel drive that they have taken pretty much due North across Mud Run that looks like it's probably 12 to 18 inches thick in areas and whenever you drive back there after a heavy rain you can see how the water is just spreading out. Supposedly when The Pointe was put in the water was supposed to follow Mud Run and then whenever it spread out of its bank it spread out into the woods. Well now you almost have a dam there and that's one of the reasons why Brad Trivets was going to talk with the dam safety guys and floodplain to see if there was anything that they can do about the situation. I have never seen any plats or anything like that on the section that is supposed to be North of Mud Run. Kristy McMillon: Is there any way that the City Council can strongly encourage Dogwood the clean their section? Mayor Ellis: We can send a letter. We can even send Code Enforcement over to talk to them. Kristy McMillon: its bad blockage if can see it and that's not a small area. You can see how wide that is and how big the tree is that's down. Larry Hatfield: I think we need to send Dogwood a letter and ask them to clean it out and then work with Brad to see what other options that we have. Bernie Brown: Don't they have to get with the Division of Water before they do anything. Don't they have to have permission? Angi Johnston: Yes to do anything. Kristy McMillon: How quickly can we get him to? Every rain it's like is it going to touch the house again. Angi Johnston: That's what he's working on. Don Cundiff: Angi did he give you any idea of how long it would be before he could get back with you? Angi Johnston: The last time I spoke with Brad was last Thursday. The whole reason why we're working through Brad and not somebody out of Frankfort is because they are just covered up. Because typically we would have had somebody from Frankfort come out to look at it as opposed to somebody at the Louisville office. That's the way it usually works. He really didn't give me a time line. Bernie Brown: Should a letter be sent from the City to the Division of Water about this? Larry Hatfield: Or both. Angi Johnston: We probably could. It wouldn't hurt. Larry Hatfield: Why don't we do that and try to help you all as much as we can push it.

Department Reports:

Chief Puckett: I wanted to address the Council on Mr. Matthew Krull who made the complaint on the 12 police officers that arrested him on a bench warrant. I had two cars out that night; both of those cars were tied up on other runs. The Sheriff's Department was the one that actually served the bench warrants on Mr. Krull. Two cars from the Sheriff's Department on a warrant detail so I'm assuming they were two person cars, four deputies. I sent Mr. Krull a letter explaining to him that the Shepherdsville Police Department didn't arrest him and if he had any concerns he needs to talk to Sheriff Greenwell about it. And Officer Miller would also like to give you an update on Code Enforcement.

Officer Mike Miller: Most of you have already got the report but just for the record, since taking over Code Enforcement on March 3, 2011 we've had 112 complaints that have been taken. All 112 complaints were handled without issuing a citation to any of our citizens for non-compliance. I believe this is a great accomplishment that our City and Police Department was able to work with our citizens to resolve these problems before citations were issued. We do have 4 outstanding complaints. A swimming pool problem on 243 Circle Drive, a house on Beech Grove Road, and some drainage problems and 351 River Edge Drive

where there is going to be a house built there. I had got a complaint on that and the house Mr. Hatfield has been getting me on is 188 West Shannon Lane. There's been some question who really owns that and I finally found out who owns that house, it's owned by Claude Morris. So I am working on those issues for you all.

Tammy Richmond: Gayla and I have been looking into the water usage from the quarter machine buildings. Gayla has done a spreadsheet. We went through and figured up the usage, the amount of money we're paying for it and the amount of money that's actually coming in for the water that's being used. We are \$3388.20 in the hole. We are spending a whole lot more money to make that available than we are bringing in. We pay for electric, liability on the building, water, and I was told today that when the rate equalization occurred in January, we were paying \$1.44 wholesale for 1000 gallons of water; at this point we're paying \$3.15 retail for 1000 gallons of water. I talked to Tonya with Louisville Water Company about filling stations and she said the right off of 245 is very easy and accessible to get to and it would alleviate a lot of this situation because the City lost \$634.00 through the time frame of 7/5/11-8/4/11 and we're losing money by having that quarter machine. Claude has spent thousands of dollars trying to keep the hoses repaired because people pull off with them still attached to their trucks; the building flooded several months ago and ruined the water heater, Christmas lights, etc. We've also got the building alarmed right now and we could do away with that because if it doesn't have money there's no reason for the building to be alarmed. I also talked to Tonya about the only thing users would have to do is just a card from Louisville Water Company. This is coming out of sewer money for all intents and purposes. It's scheduled water but it comes out of that account. And also, the water haulers; we have two left, the same situation we are losing money. Gayla and I think it would be something for you to think about to get rid of this because if it's still available right off of 245 and we just thought we'd bring that up because we're losing money. It's not profitable any more. Bernie Brown: Last fiscal year we lost several thousand dollars on it and it's headed that way now. Gayla Bright: We didn't get to list all the expenses with the electric and stuff there but it costs us almost \$4000 for the water, ADT monitoring, and the liability insurance on the building. Robert Flaherty: And with the rate equalization it's only going to get worse. It's only going to increase. And again if it's available at 245, I believe Louisville Water operates that so there is an option out there. Bernie Brown: Can the people that are depending on it now getting water there, can they be notified that after a certain date it will not be available? Tammy: Tonya suggested putting a sign up letting them know where the fills stations are and the day we are going to cease operation. She suggested the end of the fiscal year which would be June but I'm going to leave that up to you all. That would just be to me more loss of money. Bernie Brown: So we could lose more money? That doesn't make good sense I don't think. Tammy: I'd say give it a month, maybe the end of April. Start posting signs now that at the end of April we're no longer going to have this open. Larry Hatfield: What are you going to do about the water haulers? Tammy: They have the same option to go out there and get their water too. I'd just send them a letter. I encouraged them to do this two years ago. But Gayla did this spreadsheet last week and finished it today. Don Cundiff: Are there any residents of Shepherdsville that actually even use this? This is people in the County. We're subsidizing people in the County who don't live in the City. Bernie Brown made motion to put up notice that at the end of April there will be no water available at that facility. Faith Portman 2nd. Motion carried 6-0. Tammy asked Bernie if he was also including the water haulers or just the quarter machines. Bernie Brown: They can get the water out on 245 can't they; all of them.

Council Reports:

Larry Hatfield: I just want to go on record rescinding my vote on the storm grates because I'm not going to be in support of putting storm grates on a street we do not have. Bernie Brown stated he would like to rescind his vote too on that. And he added that Mr. Wantland did respond and give us some information. I just have a real problem/concern myself. I know there's a safety issue but there's also an issue of using tax payers money for something that the City hadn't taken in yet. Larry Hatfield: I still want a meeting with

Louisville Water on the sewer counts and can we be thinking about for the next meeting to move the CDs and put them into the reserve? Mayor Ellis: Yes absolutely.

Corky Miller: I would like for Joe or somebody to investigate this thing of not making contractors and developers putting up bonds. City Attorney Wantland: There's an Ordinance in place Mr. Miller. Corky Miller: I think we ought to enforce that Ordinance and Joe I would like for you to also check what happens to a development if it goes under and there was no bond put up; who is responsible for that? City Attorney Wantland: Mrs. Richmond, do you have that Ordinance in a text form that you can email those? One Ordinance talks about what the road requirements are the other Ordinance talks specific to what you're addressing; corporate surety required of developers to insure the completion of the division. The older subdivisions that were before this Ordinance, I think it was 2005, I think Heritage Hill was started in 2003, what has happened in the past is that the City taxpayer at some point unfortunately has been literally forced to develop and finish off those subdivisions and that's what's happened. Don Cundiff: Who's responsibility is it to see that the bond gets in place. City Attorney Wantland: At this point the City Clerk. Before building permits are issued that bond has to be in place but that Ordinance was not drafted retroactively it would have legal problems if you tried to do that because you already issued the permits, if you will, for them to develop. Don Cundiff: How is the amount of the bond determined? City Attorney Wantland: Cost of the infrastructure. It talks about sewers, roads, lights. Robert Flaherty: It requires developers to submit an estimate of cost and the City to review that and the bond is twice the amount of the estimated cost. Don Cundiff: Have we actually had a development that put up a bond. Do we have one in place that any one is aware of? Tammy: I don't think so. Brenda issues building permits so I'm going to have to put her on top of this. I don't issue building permits. I'm not up there when they come in. Brenda does issue them so we're going to have to make sure that. Larry Hatfield: You wouldn't be doing a bond on a building permit you would be a bond for new developments. City Attorney Wantland: Without a bond there will be no building permits. You post a bond then a building permit. Larry Hatfield: What I'm saying is the bond would be posted when they start construction. Tammy: Right, when the plans are reviewed and when any new subdivisions that come in place. She usually gets the plans; she will get them to Angi to review. Don Cundiff: Is this also in place for commercial construction like industrial mini warehouses, does that cover this? If it doesn't it sounds like to me we probably need something in place for that more so now that we do residential. There's not a whole lot of residential building going on right now. This says strictly residential building permits. Larry Hatfield: Can we look at this and talk about it at the next meeting to make sure. City Attorney Wantland: its residential building permits. Don Cundiff: So we need to get something in place for commercial. City Attorney Wantland: It's the pleasure of the Council. Robert Flaherty: Does the City issue commercial or do those go through the County with the expanded jurisdiction there would be a plan review. City Attorney Wantland: The State does the electrical and building. Robert Flaherty: There has to be an agreement with the State to do some of those so it could be the City was issuing permits for those commercial structures. City Attorney Wantland: It would issue a building permit. Larry Hatfield: It's inspected by our office. The electrical is done through Code Enforcement and the City gets percent for that. So the bond would be put up at the time they present the plans to Code Enforcement? Bernie Brown: That would be done then at the County? Would that be enforced by the County? Robert Flaherty: The County simply performs the inspections; if it's inside the corporate limits they're not going to accept or record a bond. Bernie Brown: Do we need an Ordinance covering that? City Attorney Wantland: It's the pleasure of the Council on commercial buildings. I'll start working on it. Mr. Flaherty I would appreciate your input please.

Bernie Brown: The only thing I have is I'm still concerned and I think we need to sit money aside starting this month, March, April and May into a special account so that come June we can make the debt service payment. And likewise from June through November a similar thing but a lesser amount of money each month so we can be sure that the debt service is taken care of in December. Larry Hatfield: Asked that the date be on the bank account report. Gayla stated she thought it was on there. Larry: I just done some quick

math and if we pay the June bond, \$608,000. Angi: That included three of the KLC payments. Larry: Okay but they are all due roughly the first of June. So after expenses that's only going to leave us \$145,000. That's after March expenses. You're going to have April and May, two more months we're going to be able to make June but we're going to have to start putting some money back for December, bottom line. Tammy: So do you want to do what I suggested we do with the Republic Bank money? Robert, Faith agreed they thought it was a good idea as long as we have the issue resolved with the Rural Water payments. Tammy: Angi suggested for the lines on Blue Lick, and I know that's a concern, we keep \$100,000 for the improvement of those lines on Blue Lick for when Poe gets ready to tie in and we can still by putting a little bit aside and into the account that I want to open at PBI still have enough to make all the June payments and then start putting some up for the December payments. I think that short term we pretty much have the payments for June but I do have a concern over December too like everyone else. Mayor Ellis: As a concern, Larry, Bernie and I all discussed, come up in May through late August when Beam shuts down, for their cleaning. That's another concern that throws a wrench on those plans. Tammy: After I talked to Marty tomorrow night to get his input on this I can do the bank accounts Wednesday and I can start as Angi suggested have one for payments, one for reserve. I can cash the CDs in and put those in the reserve as Larry said and then switch the money out of Republic over into PBI. I can do that all in one day. Bernie Brown: We just cannot afford to be late and not make those debt service payments. In two years or less we're going to have to be refinancing and if we don't take care of it we're going to have a real problem refinancing. It is very very important. And I appreciate what you and Gayla did to work out the short term plan. It looks like that is taken care of but we'll start working on the December too then.

Don Cundiff made motion to adjourn to Executive Session to discuss two litigation matters. Faith Portman 2nd. Motion carried 6-0.

Don Cundiff made motion to return to Regular Session. Robert Flaherty 2nd. Motion carried 6-0. City Attorney Wantland: Mr. Barr, the Bardstown Junction Baptist Church as filed a lawsuit against the City and the Council has told me exactly what they wish for me to do and that is litigation.

Faith Portman made motion to adjourn. Bernie Brown 2nd. Motion carried 6-0. Meeting adjourned 8:25 p.m.

R. Scott Ellis III, Mayor

Attest: _____
Tammy Richmond, City Clerk