

**CITY OF SHEPHERDSVILLE
CITY COUNCIL REGULAR MEETING MINUTES
MONDAY, JUNE 25, 2018**

Rob Campbell gave the invocation

The Pledge of Allegiance was recited

Council members present: Gloria Taft, Lisa Carter, Mike Hibbard Sr., Donna Burke, Stacey Cline and Bonnie Enlow

Mayor Hockenbury called the meeting to order at 6:29 p.m.

Mayor Hockenbury asked for motion to dispense with reading of the 6/11/2018 regular meeting minutes. Donna Burke made motion. Stacey Cline 2nd. Motion carried 6-0.

Mayor Hockenbury asked for motion to approve 6/11/2018 regular meeting minutes as written. Donna Burke made motion. Lisa Carter 2nd. Motion carried 6-0.

Old Business:

Mayor Hockenbury asked for any Public Comment on use of LGEA and Municipal Aid Funds. There was no public comment. Gloria Taft: Listed in the Admin budget is \$12,500 for CSX Crossing and it also shows in the LGEA/Municipal Aid Budget for \$12,000. This is line item 5411. City Clerk Richmond: It will come out of Admin and go on this LGEA/Municipal Aid budget because it is paid out of Municipal Aid funds. I'll ask Stephanie to make that correction tomorrow.

City Attorney Sholar had second reading and public comment on Ordinance 018-260 An Ordinance Adopting the City of Shepherdsville, Bullitt County, Kentucky, Annual Budget for Fiscal Year July 1, 2018 through June 30, 2019, by estimating Revenues and Resources and Appropriating Funds for the Operation of City Government. There was no public comment. Bonnie Enlow made motion to accept. Donna Burke 2nd. Motion carried 4 in favor-2 against (MH, LC).

City Attorney Sholar had second reading and public hearing on Ordinance 018-261 An Ordinance Adopting the City of Shepherdsville, Bullitt County, Kentucky, Sewer Operation and Maintenance Budget for Fiscal Year July 1, 2018 through June 30, 2019, by Estimating Revenues and Resources and Appropriating Funds for the Operation of the Sewer Department. There was no public comment. Bonnie Enlow made motion to accept. Donna Burke 2nd. Motion carried 6-0.

City Attorney Sholar had second reading by Summary of Ordinance 018-262 An Ordinance of the City of Shepherdsville, Bullitt County, Kentucky Establishing a Code Enforcement Board, to abate nuisance, provide remedies, impose fines, and generally enforce Ordinances concerning enforcement of existing and future City Ordinances concerning the condition of property within the Corporate Boundaries of the City. Bonnie Enlow made motion for discussion. Donna Burke 2nd. Bonnie Enlow: Two things, the charts for the fees on page five and six for the vehicles, can we put an asterisk in there and under the charge add per vehicle? It's supposed to be per vehicle; if we don't spell that out. City Attorney Sholar: You can. I'm not so concerned with the Summary but if it's not in the Ordinance itself then it definitely needs to be there. You want to be sure that the Ordinance has in it that every day of a violation be a separate offense if that's what you want you need to specifically have that in the Ordinance. Gloria Taft: Per vehicle per day? Code Enforcement Officer John Bradley: We also discussed increasing the fines to double each fine for each offense. That way it should cover expenses. Donna Burke: The Schedule that is representing if it has to go to appeal

should be for the 1st Offense and that same Schedule double if it has to go to Appeal. John Bradley: What about if they don't contest it you want to leave it as is? Donna Burke: No. The schedule that was contested will be changed to be what is going to be the fines for non-contested. Gloria Taft: You want to make the first page the second page and double the second page. Donna Burke: Correct. Bonnie Enlow: Make sure you add per vehicle per day. We haven't gotten the actual Ordinance yet. Mayor Curtis Hockenbury: What we'll do is make a motion to have another second reading with those changes. Mike Hibbard: So, you're going use Section 13 Paragraph A as first offense; you're going to make section "B" all fees there doubled. Bonnie Enlow: Section B becomes Section A and Section B gets doubled; then we're going to all per vehicle on the junk vehicles. City Attorney Sholar: Let me make sure I have what you're saying. You're not doing away with Section A you're going to replace the verbiage in Section A with the verbiage of Section B and then the fines in B will double. Bonnie Enlow: Then add the words per vehicle on the vehicles and all offenses are charged per day. City Attorney Sholar: John, in the first column violation every block needs to say per day. Where it's junk vehicles per vehicle per day. If I may suggest that's fine to have that you may want to consider an additional violation of violating a City Traffic control device (Stop light, stop sign, no parking sign). Then when the City determines to put a sign up that then becomes a traffic control device. It has to say City because violating a traffic control device is a State Offense and we can't have that under Code Enforcement. Mike Hibbard: We've all seen the same thing with people parking regularly on the streets right under a sign that says no parking. There is also instances where people have gatherings at a residence for a few hours; birthday, holiday, etc., are these offenses going to be at the discretion of someone? Mayor Hockenbury: The officer's discretion. Bonnie Enlow: I think the officer can ask them to move first. Mayor Hockenbury: The way I'll handle it it will be the officer's discretion; if a family has a function and your driveway is full you park on the Street, I don't want my Policemen giving a ticket because there is no other place to park. It's case by case. Stacey Cline: I've gotten several calls by the same houses where they are parking on the street continuously and I've driven by and it's all year long. Bonnie Enlow: This is the reading with changes, so we can make a motion to approve with changes. City Attorney Sholar: You're making a mistake doing that because you don't know what's in that Ordinance. It's probably better to wait that way you have the document in front of you, you know what you're voting on. Bonnie and Donna withdrew their motions. There will be another reason with these changes on July 9th. Gloria Taft: Can we still limit this to one meeting per month? City Attorney Sholar: They are not limited by this Ordinance to one a month. Bonnie Enlow: They are having one meeting and if it's necessary to set up another meeting they have that ability. Donna Burke: We'll add that their appeals will take place at their regularly scheduled meeting. City Attorney Sholar: You're probably tying their time up more than what you need to. Hillview has one, Mt. Washington has one that's been in place for some time. You got people to come on that Board because they want to get \$50 for every time they come to a meeting you've put the wrong people on the Board. The probably won't have a need to but when you say they have to hold their hearings on the same night they have their regular meeting; that's fine if they only have one hearing or two but if they should get an onslaught of them and they wind up having 15 hearings to be done you're going to be hard pressed to keep people on there or you're going to have to redo your Ordinance. Donna Burke: Can we add wording that additional meetings may be scheduled as needed to accommodate appeals. Mayor Hockenbury: I think it says pretty close to that; so, we're already covered. But we'll make sure it's in there. Mayor Hockenbury: It's in the Ordinance. We'll have another second reading on July 9th.

City Attorney Sholar had second reading of Ordinance 018-263 An Ordinance prohibiting signage within the public right of ways in the City of Shepherdsville and restricting the placement of any sign in any place in a public right of way. Bonnie Enlow made motion for discussion. Stacey Cline 2nd. Bonnie: We're going to have to update all the amounts on the fines to match what we just

changed in the other. Donna Burke: Can we make a motion to approve with changes or do we have to have another second reading? City Attorney Sholar: You can make the change tonight if you want; strike through it. Bonnie: Section Four is going to be \$75; \$150; \$300. Page 2 will be \$150; \$300; \$600 fines. Bonnie Enlow made motion to accept with changes. Donna Burke 2nd. Larry Clark: You said signage on public right of way, the election is coming in and if I want to put a sign in my yard it wouldn't be seen but if I put in on the right of way which I maintain is that ... Bonnie Enlow: You can't put them in the right of way. City Attorney Sholar: There is a Supreme Court case that says that you can't regulate political signs. We have a number of cities in the County that say you can't put signs up before so many days, etc. and that's been litigated around the Country. Larry Clark: I maintain the right of way, I mow it and take care of it, it seems like I can put it there. Bonnie Enlow: Political signs only can be placed in right of ways. Gary Board: How about school signs where they are having soccer camps or basketball camps, would they be exempt? Bonnie Enlow: They are not political so no. They will not be exempt. If we make one thing exempt they everybody will want an exemption and then we have complaints on the signs in the right of way. We can't make all parties happy. Jamie Weck: I think you need the ruling on what Mr. Sholar was talking about. City Attorney Sholar: I'll get the Supreme Court case and bring it to you, so we can make a final determination. Carol Lee: What about the signs they put out for hiring? Mayor Hockenbury: It's going to be a test. Steve Larimore: Wait, a political sign does not necessarily mean a campaign sign, if I make a political statement that is probably also covered with it. City Attorney Sholar: I agree. I'll get the case, look at the case, and I'll bring the case to you all as well because the First Amendment is bigger than just political signs but the details of the case I don't recall right now but I'll pull it and get back with you. Donna Burke: I would like to wait. I'd like to rescind my second. Bonnie Enlow I'd like to rescind my motion. Donna Burke: We want to have the KRS in here. City Attorney Sholar: Here's the context that I recall in the discussion I had with some other Attorneys about regulating political signs. It had to do with the various cities that have passed ordinances that say that you can't advertise a political candidate or issue x number of days before the election. It's done all over the Country, most people don't want to challenge it. Exactly whether it's going to control what you put in the right of way or not I don't know. I wouldn't want to express an opinion at this point because for instance, if you put a political sign out of I-65 the State Highway Department is not going to leave it there for long; when they get around to it they will take those sign up. They periodically over the years and I think they do it all over the Country they take up signs out of the right of ways. Generally speaking local government, State government, Federal government has a right to control and regulate its right of ways because it belongs to it.

City Attorney Sholar had second reading of Ordinance 018-264 An Ordinance establishing the requirements to erect a fence around garbage containers located in Commercial, Residential, and Industrial areas within the Municipal Boundaries of the City of Shepherdsville. Gloria Taft: Motion to discuss before the second reading. Stacey Cline 2nd. Gloria Taft: The second page penalties, those fines we are going to change. Donna Burke: The \$50 to \$75; \$75 to \$150; \$100 to \$300 as per that Schedule. The next paragraph \$75 to \$150; \$150 to \$300; \$300 to \$600. Gloria Taft: In Section 6 the height is supposed to go to 6'. Lisa Carter: Do away with wood pickets. Gloria Taft: No privacy fence will be built in the future. Stacey Cline: So those people that have wooden fences are grandfathered in but you're saying anybody from this point on can't have privacy fences. Bonnie Enlow: This needs to be added into it that others are grandfathered in and if it comes to being replaced it has to meet this Ordinance specs. Donna Burke: That should be a whole new section. Gloria Taft: And if anything built from ?? would meet these requirements? Stacey Cline: If somebody's wooden fence gets blown down it has to be put back meeting code. I disagree. Bonnie Enlow: I don't have a problem with the wood fences as long as it's done right. Stacey Cline: As long as it's hiding the area where people can't see it I don't think it matters what it is as long as it

hides it. You all did discuss it but I'm just stating the fact that I disagree with it. Mayor Hockenbury: It say the fence must be an evergreen hedge with a chain link fence not less than 3' in height or a fence of non-deteriorating material or a masonry wall. Bonnie Enlow: I agree with the 6' but I would like to leave in the non-deteriorating material. Donna Burke: And that can be a wooden fence. Stacey Cline: I don't think we should make people change it if that's what they have. Tom Chamberlain: FYI I just had two companies come out and price a chain link fence around my dumpster and the cheapest one I had was \$3200. You might want to reconsider that wooden fence because a lot of the smaller businesses may not be able to afford anything else. Gloria Taft: We can leave it wood I noticed it was on a list of changes I have. Mayor Hockenbury: Why don't we leave it like it is and see how that works. Stacey Cline: I agree with what Tom just said I don't think it's right. Lisa Carter: Can we make it all vinyl versus wood. Stacey Cline: I don't think you should specify what they have to do. Just make sure they do it. Bonnie Enlow: We do need to make a change to 6' not 3' because some of the dumpsters are going to be above that tall. City Attorney Sholar: In this first line #1 as I read it it says with your change an evergreen hedge with a chain link fence not less than 6' in height. How hard is it to find a hedge that you can go buy today that is 6' tall already? Bonnie Enlow: We need to take the hedge out. Donna Burke: Chain link, wooden or vinyl. City Attorney Sholar: If it's a chain link fence do you want it with the plastic things that goes through the chain links. So, you want an opaque fence? Tom Chamberlain: Republic's Commercial dumpsters are 7'2" tall; if you make it 6' you're still going to have a portion of it sticking trough the top. I priced an 8' so it would cover the whole dumpster and that includes a vinyl sliding door into the fence where you can't see it. My dumpster is I think an 8 yard but the opening for the dumpster according to Republic has to be a minimum of 12'. Their drivers don't want to get out and open all these, so they are upset about it. But it has to be 12' because 12' or smaller if they hit it the responsibility is up to you 12' or larger responsibility falls on them. Bonnie Enlow: Walt do we need to have some kind of language in there about grandfathering in the ones that don't meet this requirement but do have something around it. City Attorney Sholar: If you want to grandfather you do. Bonnie Enlow: I don't want to make people have to tear down what they have. Just when it becomes in bad shape... City Attorney Sholar: I'm hearing it sounds loosey goosey. When you grandfather that in what specifically do you want grandfathered? Anybody that has a fence up or anybody that has a fence up of a specific specification and you need to be specific about what you want grandfathered because if you don't and just say anybody that has a wooden fence currently; maybe my wooden fence is only 4' but I've got a 7'+ tall or mine is only 4' or 5' but next week I bring in a 7' dumpster. You need to specifically be thinking about what it is you want regulated and specifically what you want to grandfather in. Gloria Taft: I think we want to grandfather in whatever is currently there. City Attorney Sholar: It doesn't matter if it covers the dumpster or not? Here's the problem you're going to run into with that. When you start getting after me because my dumpster isn't covered but someone else gets by with it from now until eternity because he just did it; but it wasn't covered to begin with; I would argue equal protection of the law and you can't be fussing at me about mine not being covered if you're not making him cover his. Bonnie Enlow: I think we need to think about this for a while. Stacey Cline: I think you need to withdraw your motion. Mayor Hockenbury: If you can email John some of your concerns. Bonnie Enlow: I agree because it does bring out a lot of what do we grandfather and how. Gloria Taft: Can we give it a time limit ...? Donna Burke: This one will have its second reading on the 9th as well. Mayor Hockenbury: Email your concerns to John Bradley and we'll bring them up at the next meeting. City Attorney Sholar: It would probably be a real good idea to have a conversation with Republic, Waste Management, whoever it is over the course of the next 1, 2, 5, 10 years we might be using as a waste hauler because we may or may not want to regulate how wide the opening is so that we're not putting everybody in a spot where the waste haulers are going to start charging double of what they are charging now. If we are going to do that as a City that we do it with our eyes wide open. Gloria Taft: It doesn't matter to me the opening, that should be between the waste hauler and the owner. I think

we only need to be considering the height. City Attorney Sholar: What I'm suggesting is you have a conversation with them to find out what their concerns are about getting into it, getting out of it and what they can and can't do so that you are regulating things with an eye towards what it's going to be costing all your business owners in town. Lisa Carter: Right now, I think all the restaurants that have recently come in I believe they all have gates, don't they? I know Bojangles, Panera McDonalds does. Stacey Cline: They are big businesses we're talking mom and pop shops. Bonnie Enlow: I don't think it's going to be a problem with the big places just the little small ones.

New Business:

City Attorney Sholar read Municipal Order 18-01 adding sales tax to the rental fees of the Community Center. Mayor Hockenbury: That's a State House Bill that was passed effective July 1st where 6% sales tax will be charged on a lot more stuff than it used to be. Gloria Taft made motion to accept. Donna Burke 2nd. Motion carried 6-0.

Discussion on Louisville Paving proposal to pave The Greens @ Heritage Hills and High School Drive. Gloria Taft: Did we get in touch with Mago? Tom LaFollette: We have some preliminary figures that are in excess of \$20,000 so it would have to go to bid. At this point the only thing we really know is that it is in excess of \$20,000 and the drainage ditch on High School Drive would have to be repaired before blacktop to take place; a rough estimate on that is \$16,000-\$18,000. City Attorney Sholar: Are there not some paving companies that have negotiated with the State and have a State paving contract price? Tom LaFollette: The two that we deal with they both have some State contracts that's correct. City Attorney Sholar: There is a State contract price that I thought some paving companies work with the State and negotiate and bid it out and what it costs to pave something. Thereby they have it lined up where cities, just like we can with automobiles with a company that has the State contract for purchases of automobiles I thought there were some paving companies that did the same thing. Tom LaFollette: They sort of do; the only ones I'm aware of right now is the State contract on the price of the product not on labor. That's what I'm aware of that they have with the State is the pre-negotiated figures for blacktop per ton. City Attorney Sholar: That may be something you may want to look at because whoever it may happen to be saves you from having to go through bidding and it's a State accepted price. Tom LaFollette: The two that we've been working with recently both have that State contract agreement on tonnage of blacktop; again, their process is altogether different. Mayor Hockenbury: Are we able to make a decision today if we're going to have this done. Gloria Taft: Not until it's bid out. Mayor Hockenbury: We'll send bids out and when they come in we'll pick one. Tom LaFollette. That's basically what we're looking for from the Council is if we're ready to pull the trigger because once we put it out for bid I'm assuming we would have too if we accept the bid then we're accepted somewhat of an agreement. City Attorney Sholar: What a typical way would be is they would say put it out for bid and then you would get the bids back and you bring them back and the City would make a determination who or if they wanted to accept any of them. Once you accept the bid then you sign a contract. But just by asking people to bid the project no you would not be committed that you had to take it and enter into a contract. Donna Burke made motion to bid out the paving. Stacey Cline 2nd. Steve Larimore: Is that \$20,000 putting the two together? Bonnie Enlow: They are both over. Gloria Taft: There's been question about whether the City owns High School Drive. How has it been determined? Tom LaFollette: We've not. There is no documentation that we have yet found that determines that the City owns High School Drive other than the fact that the City took over an area of the County at that time which Walt alluded to at our last meeting. And we basically inherited that road. If that is indeed the case, there is a possibility that there is a building and ballfield on our road as well. City Attorney Sholar: Here is what I will tell you the law is. I have no question about this being the law because I stood in the Supreme Court chambers and argued

it and won representing the County because the City of Pioneer Village annexed an area that had a County road in it and the City of Pioneer Village refused to maintain the road. The people were kind of hung out to dry for a period of time because the County wouldn't, and the City wouldn't, so we took that up and the Supreme Court ruled and said if there is a County road and any City annexes it it automatically by operation of law becomes a City street. The fact that there may be a baseball field on property that is owned by the Bullitt County Board of Education does not mean that there is a City street running through the middle of that ballfield. The County may or may not have closed that before the City ever annexed that area back there. My recollection of when Bullitt Central for instance was constructed I don't know how much back in toward I-65 off Highway 44 was or wasn't in the City at that point. I'm not here to tell you because I've not checked the records to see that Gap In Knob Road did run through what is now where High School Drive is; I've been told that. What I'm saying though is that the law is that if that used to be Gap In Knob Road and if that Gap In Knob Road was a County Road I'm told that it was when the City annexed it it became within the City of Shepherdsville if that road was open the day the City annexed it it became a City Street and the City would have the responsibility for maintaining it. The City could have taken action to close it I don't know if they did or didn't but that's what the law is. What I don't know are the specific facts of whether that was a County road or not and you just told me that you found documentation that said it was. Mayor Hockenbury: We'll vote to bid it out then we'll make a decision. City Attorney Sholar: I would urge you to check because I'm fairly confident the years that I was County Attorney we would hire Louisville Paving, Mago, different companies to come into the County and paved various roads in the County and I don't recall us putting that out for bid. We took the State Contract price and had them do the work. I'm not telling you you don't have to do it but if they have negotiated a State Contract price for doing that work then you would not have to do it; you could still choose to do that but if you chose not to if they have a State Contract price for doing the work then you may be able to save that delay. Tom LaFollette: Let's say that someone does have a State Contract price for that work and we get that figure again we're not bound to doing that work before Council approval. Motion carried 6-0. Tom LaFollette: I want to understand; the first thing I'm going to do is confirm that State Contract and see where we are; if we find out that it still needs to go to bid and if you guys want to go to bid then we would run an ad in the paper and do all the things to get those bids. Am I correct? Mayor and Council in agreement.

Discussion on MRG possible development of Heritage Hill followed. City Engineer Arthur Jones: The Ordinance read earlier for the Sewer Budget includes in there a large project coming up on the horizon that is industrial pump station elimination. That project is scheduled to be our next big undertaking of the Sewer Department. We are going to be taking the Salt River Interceptor, extending it to the east and then going south to take the industrial pump station off line. What that is going to do is a couple things for the sewer system, one it gives us more capacity where we need it the most right now; as we began the efforts of putting together the model we quickly realized that industrial pump station in somewhat of a bottleneck in our system. We realize that although development capacity is still available today that is an area of a lot of development with the new Interchange coming in and the new development along Alpha Way and the proposed improvements that are now on the table for Heritage Hills. We're looking at that area as the next big area for our sewer system to grow. As part of that we were fortunate enough to be contacted by the developers that are looking to move in Heritage Hills; that's who we're talking about tonight; MRG Development, they approached the Mayor and myself and Scott, we sat down and had numerous conversations talking about how they could be a partner with the City in this effort we needed to make sure that one, they have the capacity they need whenever they move in and start trying to sell lots and build homes. Also, they want to be a partner to make sure that the City has the ability to get this development going and make sure that we've got the sewer capacity available for them. Currently when you come in and build in the City you are required to pay \$2000 tap on fee and in this area, you also pay a \$1000 interceptor fee and a capacity of \$642 fee as well; that

\$3642 per lot per tap that would tap on to your system. If we're looking at 700 homes you're looking at almost \$2.5 million in totality. As far as this project is concerned we're going to be consuming approximately \$2.5 million to build this out and one of the things we've tried to negotiate with MRG is the fact that we as a Sewer Department although we are very healthy right now we do think there is a real possibility in the foreseeable future that we may have to borrow money either for plant expansion or this project itself. Although that's a good problem to have, that we are a growing City right now, we also invite people help us make sure that we're not going out on this by ourselves. So, one of the things we put to MRG was is there a way that you guys can contribute to this effort and go ahead and pump some money into the City as part of this project and in the Agreement you have it lays out some of the information that I just spoke about. We as a City are looking at this as our next big development process. This is a priority project for us. We're looking at getting this done within the next two years and item #3 on page 2 in the Agreement says they City is looking to make sure that the development has 200 sewer connections while this project is ongoing. That was something I wasn't sure about first, so I had our guys go out and do a preliminary test. They went out to the industrial pump station and shut off all the pumps, allowed that wet-well to build up a little bit and then turned both pumps on at the same time to be able to simulate and all action sewer flow. So, if worst case scenario were to hit and everybody in the entire sewer-shed flushes at the exact same time what would I see at the plant. What would we see in that line? The 10-inch line that is down stream of that once those two pumps came on I had them take video of two manholes, the first manhole at the Force main discharge and the second manhole downstream. The 10-inch was able to handle that flow and we had minimal surcharging, but we did have surcharging but just barely above the trough, so it wasn't building up in the manhole but it's more or less at capacity when you have both of those pumps fully running complete on. Then I looked back at all pump stations records and realized that the total run time of that pump station on any given day is only about two hours. So out of 24 hours you're only running about two hours; so as I'm calculating how much flow these homes are going to generate ... even if we look at 200 homes putting out 400 gallons per minute you're really only talking about another 100 minutes a day for one pump to run so as far as capacity is concerned I am not at all alarmed by that. I think that we currently have the capacity for this development and still even more, but I know with the development that is coming our way we need to be ahead of this to make sure that we're thinking about what is to come. As far as I'm concerned with making sure you guys have a warm fuzzy about them coming and developing, we have the capacity for it and we can march forward with that. One of the things they put on the table in front of us is potentially to allow them to pay us \$250,000 at the conclusion of the project in a lump sum contribution as soon as we build the project then take that money out of the interceptor surcharge fees so that instead of paying us \$1000 for each lot toward the interceptor fee after this project is built they would initially give us \$250,000 to go toward the project and we would discount 250 lots thereafter. That is up to you guys whether or not you want to entertain that but as part of what they are looking for tonight they are requesting action on behalf of the City Council to go forward with an Agreement that will allow them to have some assurances to know that we're moving forward with the project and they would have the capacity to be able to finish out Heritage Hills. City Attorney Sholar: So, they want this contract signed tonight? I saw the contract about 300 seconds ago. Lisa Carter: Do we have a bond; we've been talking about getting a bond to where we don't another developer come in and belly up so then the City will have to pay for sewers and roads. Do we have that bond in place yet? Arthur Jones: The Ordinance is already on the books the bond exists; it wasn't enforced back in the day but today it will be enforced. As far as all the new development is concerned the bonds will be enforced. Lisa Carter: I'm not ready to take another developer on until we get that bond set in place. We've had a few go belly up to the development and I don't think it's fair to the taxpaying citizens to have to even the expense. Arthur Jones: I totally agree with you that's why I'm committed to make sure we enforce our Ordinances. I'll let MRG with Qk4, their design engineers

on this project answers questions as far as this is concerned. City Attorney Sholar: Arthur, where in this Ordinance Exhibit A which section imposes the bond? Arthur Jones: It's not in Exhibit A. It's a separate Ordinance. Steve Emly: The bond comes in effect when they submit their plans for the development. You can't determine the bonds cost until you know what they are going to do. City Attorney Sholar: Why did we not have a bond on Heritage Hills to begin with or any of these others if that Ordinance set it out and what is the means by which we're going to be sure we're going to get that executed before anything goes forward this time. Arthur Jones: I wasn't your City Engineer at that time. Steve Emly: I'd like to answer one question that I heard was do we expect this to be signed tonight. Absolutely not. The intent being here is to introduce the terms to the City Council to take under consideration. They have a decision to make in terms of whether they follow thru with closing on the property and before they do that they would like to have some assurances from the City Council that this work will be done expeditiously in time for this to happen. Present the terms of the Agreement is all that MRG wanted to do tonight. Gloria Taft: Does MRG have a time line? Steve Emly: I'm going to let the MRG representatives speak, they are prepared, they flew in to town today, so they could be here. I'll let them introduce themselves: Troy Coats and Jeff Whitfield both representing MRG. City Attorney Sholar: I'm not quite sure how the City gives assurances without contracting because what I don't want is for the City to say they are going to do something and then they change their mind and these guys in a position where they might be able to have some basis to file an action against the City because the City was telling them their doing something relying upon what this Council says of record tonight but it's not a contract but then it seems like it is a contract and it starts getting mushy to me. I just saw this and I wouldn't be prepared to advise the City to sign anything along these lines until I've had an opportunity to check into that and talk with Arthur in more detail about where this bond is because as point out what you guys are coming into is what we don't need is for someone, and I'm sure you wouldn't but we've had some trouble in the past where people got the development going; there was problems with the sewer lines or roads, and the developer is not in a position to take that on and we've got 300 residents that are looking for the City to solve their problems. That's why that bond is so important. Steve Emly: There are issue the developer is trying to confirm prior to purchasing the property. The bond issue which comes up later in the process for the City to approve with roads, sewer, and all the infrastructure that goes along with this development. That is when the bond is actually needed. City Attorney Sholar: What is it exactly that you guys are looking for the City to agree to tonight? Troy Coats: What we would like was in the proposed agreement here was bullet business points that we need to have some assurance on that if we come in here and we develop 700+ lots which is what we've master planned in there which is quite a bit less that what the original development was; the original development was pushing 1200 lots. We're not going to build that dense; we're going to build a little less dense, leave a little bit more nature there. We had this property under contract two years ago, we met with the City at that point and the Council people at that time and had no good assurance. We were working toward the solution toward the sewer what is a different solution than what we have today, but we were not able to get that done within the timeframe we had on the contract. It wasn't anybody's fault it just didn't happen in a timely fashion and we weren't willing to go forward with the project then. We put it away and didn't think about it and six months ago the realtor called us back up and said they've had it under contract a few times and it's fallen through, nobody's closing; would you like to take another look at it. We said yes, we would. We understand the concern with the sewer out there, so we were able to negotiate, and we are under contract today; obviously the first thing that came up was the sewer. If we can't get sewer and get the lots in the terms that we're requesting, then it's not a project we're going to do. It will probably sit there for another five years. The time is now to try to make a decision if we can work with the City to get these 700+ lots agreed to; we've spent a lot of time with our engineers that we've hired, with Arthur, Scott, Qk4; we've spent a lot of productive time and think we've got a really good solution to getting there. Again, I think as Arthur proposed we're willing to put our

prorated share, \$250,000 we are willing to put in up front. We did an analysis that looked like Heritage Hill at a full build out would have somewhere maybe about 10% of the capacity of what is being done. That's kind of how we arrived at that number and we're willing to put that money in up front to try to help you guys approve this so we can have some definitive dates. We can't go buy a piece of property and not know if we're going to have all the sewer taps we need, when they will be available, this just seemed to be a good solution to get us to that point. Bullet business points on here is what we would like to make a motion on to get those passed and it's always been our intent that we would probably have to work with City Council to get some sort of formal agreement done that was acceptable. We're hoping it's a very simple agreement with the 5 or 6 bullet points that we're throwing out today. Jeff Whitfield: To be clear what we'd really like is for the Council to be comfortable enough with this discussion at the end of the night to allow the Mayor and Walt and Arthur to negotiate the fine terms of this agreement. Bonnie Enlow: Is this something that we need to go into Executive Session to discuss? City Attorney Sholar: I don't know that you need to or not it is something that would be eligible to go into Executive Session under the exclusions in the Open Meetings law. What is the project? It's bold type here that the City is going to move expeditiously with the Project, but I don't find a definition of the Project in this document. Steve Emly: The Project is the project that Arthur just described and that is elimination of the industrial pump station. City Attorney Sholar: I see the City has identified certain potential solutions to these constraints which would create adequate future capacity in their system "the Project". Donna Burke: So, the system is the project? Troy Coats: As we get to a formal agreement that would get defined probably with some explanation in detail what Arthur explained earlier. City Attorney Sholar: My concern about that is I can't tell anybody what the Project is going to cost but the City is going to agree that it's going to expeditiously do it and if it's a billion dollars they are going to be telling you all that you can count on them doing it or if it's \$50 they are going to agree to tell you all that they are going to do it and whether they've got enough cash flow to do it I don't know the answer to that question and because I'm not getting out of the third WHEREAS clause that that tells me very much of what the Project is. Arthur Jones: Currently after an estimate was prepared over the last couple months the Project would be a 36" pipe that picks up the Salt River Interceptor runs east over to property boundary by the BDHM property and Amazon then turning south going up to 480 and at that point crossing under 480 with a jack and bore then taking off the industrial pump station from that point. So, it will be gravity drain from industrial pump station location currently near Donna's Quilts and go north across 480 then dogleg over to the property boundary down along Amazon and at that point crossing over going into the Salt River Interceptor as it is today. City Attorney Sholar: And the cost on that is going to be? Arthur Jones: Approximately \$2.5 million. City Attorney Sholar: What's the timeframe; how quick is the City going to be spending that money? Arthur Jones: The next 24 months is what we are looking for. Donna Burke: Is that part of what you specified in the Budget that we just passed? Arthur Jones: Yes, ma'am the original portion of the effort is going to be coming out of the design efforts and all the permitting, environmental studies and what not because we know because based on the Salt River Interceptor that there could be potential problems there environmentally or historically and so we've budgeted for the amounts that we think would be at least able to be predicted even though we know there is always a certain amount of things we'll never account for. With contingencies we've put together enough money there that we think will get through the entire design with the amount of money in the budget this year that was just passed and from that forth beginning construction sometime around this timeframe next year and then going forward to complete the project just how long it takes for the construction contractor to get through it. Mayor Hockenbury: So, are you saying this project you want to go whether they do their development or not? Arthur Jones: Yep. Regardless of whether MRG is here at the table to help fund the project or they help move us forward in this this is our next big project that we're trying to move into and we're trying to move for our system development because we want to take more pump stations offline to increase our gravity supply so that we've got one the capacity we

need and two reduce our O&M cost long term. Gloria Taft: Can we coordinate with the State because they are going to be redoing 480 right there? Arthur Jones: They are going to pick up 480 further on down so we shouldn't be hitting them as we come across. The 480 project that was on the utility meeting last month completely got tabled. It's not even in the six-year plan. They did not give it any funding so the 480 that was supposed to expand further on down not so but the interchange that is going to be happening near Loves, that's still an active project. Gloria Taft: I'm not talking about going 4 lanes all the way up to the second entrance, I'm talking about the double diamond cross over right there at I-65. Is that still funded? Arthur Jones: Yes, that's still funded but we're further to the east of that project. Gloria Taft: Item #5 says they would give their contribution upon the successful completion of the project. Troy mentioned making the contribution previous to the completion. Where are we; is there going to be money prior to the project completion or at the end of the project completion. What we're proposing is we'll either put it in escrow and you guys successfully complete it you're funded at the end of the project or we'll provide you a letter of credit. Whatever means that the City would like to do there. You guys complete it, provide the lots that we submit this is what we do and everything that money is sitting there available for you to utilize as soon as it's completed. Lisa Carter: What is the size of the homes you're going to build over there? Troy: It's a variety of homes; the builders that we're talking with, there are a number of different builders that are in the area and it's probably about five different types of homes potentially ranging from a little smaller to approximately the same size or a little bit bigger than what's out there. We haven't sat down and looked at floor plans; we're not building the houses we're just putting in the streets and developing lots but the lot sizes that we're talking about I'm guessing its 2500 to 5000 square foot homes. Whatever gets built out there will be a comparable product to what's already been build out there. Gloria Taft: What is the time frame for completion of the 700+ homes? ? : The initial discussion the builders that we're talking with is my best guess today is their absorptions would be 50-75 on the low end and 100 maybe a little more on the upper end. So, it's probably 6 or 8-year project, would be my best guess from when sewers are available, and we can physically start building homes. We're not even in design of streets. There is a master plan that originally had been done, we're going to be changing that; we may have six months of engineering once we get to submitting something. Mike Hibbard: Is there any reason why if this has been in discussion for the length of time you said it has and that you had to discuss all this and that the City would have to make commitments for it, Arthur said \$2.5 million for that Project only which a portion is in this next year's budget, \$600,000, I think that many of you remember that I asked if when we had a project we could list what the project was estimated to cost even though you're not funding this entirely in one year. Is there any reason why it got to this point before the Council was notified of anything that needed to be discussed or that we would come to an agreement on or commit to? Steve Emly: I can answer a portion of that question, I think the short answer is that this problem was identified only because MRG had us under contract to do the analysis of the downstream sewer system which just happened several weeks ago. City Attorney Sholar: Steve you represent Qk4 is contracted with these developers not with the City. Steve Emly: That is correct. The work that is being done in terms of analyzing the downstream sewer system we are doing on behalf of MRG. Jeff: When we looked at the project two years ago we were directed that the only solution was the Salt River Interceptor that was supposed to have come up the river to get to Heritage Hill when it was originally conceived 8 or 10 years ago. We spent a lot of time and money trying to figure that out and came to the conclusion that wasn't a very good solution. When we put it back under contract our first thing to do was we know that's not a good solution so is there even another solution out there and that's when we got with Rob, Steve and Qk4 and asked what can we do and these guys came up with the concept let's look at this and we hired them to do that and that is what started the ball rolling here. There is a solution to not have to come up the creek and what Arthur is proposing here seems like a very logical solution that maybe could make Heritage Hill go forward and seems like it also will cure a problem that the

City potentially has. It seems like a win-win situation we truly feel like Heritage Hill is probably at the point where if the market conditions are right things you guys have going on here in Shepherdsville; you have a lot of good momentum. It's probably the time that it needs to happen and if it doesn't happen now then who knows? That's why we're willing to try to help with the solution to get this on the books and get it approved and move forward. Mayor Hockenbury: Arthur are you pretty sure of the \$2.5 million number? Arthur Jones: That was the number that Steve and I have been working on the last week. We've spent six hours on Friday trying to get through that. It's a complicated project, not only are you laying deep sewers 36" in diameter along Salt River you're also talking about once you come south to 480 then experiencing a long bore in effort to get across to the pump station. Yes, it's a large project but we now have the numbers last week and I feel pretty confident in them. Mayor Hockenbury: What I was getting at is if you're pretty confident with that number I didn't want the City Council to make a commitment and figure out it's going to be \$5 million. You're pretty confident in saying it will be \$2.5 million there won't be a hidden number there that we will make a commitment on? Donna Burke made motion to take this discussion into Executive Session based on the KRS that allows us to do so at the end of the meeting. Mike Hibbard: I would like to also discuss labor negotiations and property acquisition. Bonnie Enlow 2nd. Motion carried 6-0. ?: I think everybody understands but I just want to reiterate one key point is that it is our understanding that this project has to go forward regardless; it's not really about our deal with Heritage Hill. It needs to happen at some point. If Heritage Hill goes forward just that small portion that we're involved with can almost pay for the entire project over a period of 6 to 8 years. Lisa Carter: Which road is the intent for those 700 homes to use, Heritage Hill or Valley View Drive? Troy: Valley View Drive will have access to almost every portion of this project as we think it will be laid out. We will develop a road plan that will be similar in many respects to the original land plan that was done in 2004 or 2005 and there is a portion where the existing Heritage Hill entrance terminates and that would be picked up and extended. We have nothing to do with the original Heritage Hill. This is all new ground, undeveloped.

Daryl Lee, Planning & Zoning Appointee: No report.

Duane Price, Board of Adjustments Appointee: We had a variance request for the restaurant coming in across the street.

Sign in Speakers:

Patricia Kesterson, 270 Beechwood Ave, The Pointe: I was told verbally by a Council member and a Kentucky State Transportation representative that there will be five lanes when we come out of the point. One of them is supposed to be a turning lane. It doesn't look like it's going to be like that; it looks like four and how will be get out, we've already had three accidents; it seems like people just want to press on the gas when we're trying to get out of the subdivision. Will someone tell me if there are going to be five lanes? I was told there were going to be five lanes and one lane was going to be a turning lane. Big O Tires said it was going to be five lanes. I just want an answer, is it going to be five lanes? Mayor Hockenbury: That's District 5, Chuck Berger. Arthur Jones: If you don't mind to give me your contact information I can email you.

Department Head Reports:

Community Planning & Development Director Faith Portman: I just want to remind everybody about *Bullitt Blast*. I want to thank you all for putting money in the budget for the splash pad. And I wanted to update you on the Salt River Underpass; the Bullitt County Arts Council is meeting tonight, and they are working with the City on redoing it, giving it a facelift. After I have their meeting I'll know more about who is going to help and the money situation.

City Engineer Arthur Jones: We had a couple emergencies at the Treatment Plant with the Collection System with the rainfall that came through earlier today. We experienced a lot of flow coming to us at the Plant. One of our pumps shut down at the main lift station we were able to get emergency services out there in order to be able to find a way to make sure we have a backup plan so if we need to get another pump online we can, we have that flexibility now at this point. We also are putting parts on order to make sure

we've got redundancy up and going in the next few days. Donna Burke: Since we've not had any meetings you've mentioned stuff but nothing in an email can you get us an update on the Traffic Study and Keystone project. Arthur Jones: Keystone Crossroads, that traffic study and what's been going on with it right now, we've got LD&D is in the process of working with the developer to make sure that they get done what needs to get done. I've reviewed the layout. I went up there and met with them to go through the plans to make sure we are getting the proper curb and guttering, storm water plan. They had to change the layout based on the buildings that were coming in, so I'd like to sit down with the Traffic Committee one day this week and go over all that in more detail, so everybody can see that. Also, we've got three qualifications of engineers that are qualified to do the work for the rest of the effort as far as traffic control, restriping and the adding a lane onto Conestoga. I need to share those with you guys as well. Then we need to make a recommendation to the full Council on who to award that project to. I reviewed those qualifications so far, Tom LaFollette also read through those as well to make sure we're getting a lot of eyes on it. A Special Meeting of the Traffic Study Committee was set for Thursday at 5:00.

Council Comments:

Bonnie Enlow: John, there are two houses on 44 West in the 300 block, one on the north side and one on the south side close together, looks like nobody living in one house, grass overgrown and I'm not sure if anybody is living in the other house but it's got glass broken out of the windows and real high grass. I'll get the house numbers to you.

Stacey Cline: I'd like to thank Layne and I'm not sure if the Police helped with the tubing incident but you all did a fantastic job and I've gotten all kinds of praises. Thank you so much whoever was involved in that!

Donna Burke: I would like to thank the Fire Department on behalf of my Aunt; I found out just recently you all did something in the way of getting her a water heater and have provided food on occasion. I mentioned something about the Community Center as far as the Room in the Inn using the Center and still finding out more information but I want to make a recommendation if nothing else that we do not allow them to have a key to the Center based on what I have found out because the one guy that did have charge of the key has gotten kicked out of the program again and has been kicked out of it five times and that is who was the "inn keeper"; the one who was in charge of our key letting the people in. When he got kicked out the day that we got kicked out another gentleman who had been kicked out because he had been high while at the facility, one or the other of the facilities they are allowed to use, he was kicked out of the program and the day that the other guy got kicked out he got entered back into the program and handed a key. I don't like us having that kind of liability with our key. Bonnie Enlow: I thought the key was supposed to go to Carl and not anybody else. Donna Burke: That's not been the case. The person that was going over and providing them coffee in the morning has had to rely on whether or not the "inn keeper" has been available to be able to unlock the door. She's not been given a key. From what Faith has indicated the people at Public Works are there at 5:30 so there's not any reason they couldn't unlock the door for them when they come over or lock it back when they are leaving at 10:00. It just doesn't make sense to me for us to have that kind of liability.

Mike Hibbard Sr.: I think while I was gone there was mention of you guys checking on uniform service. What did you find out? City Clerk Richmond: I've left it in the hands of the Department Heads to see if that's what they want to do. The cost of the service through Aramark was \$3.30 per man per week for 11 shirts and 11 pants. Mike Hibbard: Just a quick check, it's got to come in at less than half of what we're doing for the allowance right now. It supplies something that is uniform not just a uniform, pants, shirt or if they need jackets, cleaning, repair, replacement of it. So why wouldn't we want to pursue that if it supplies all the needs? Donna Burke: I would say you need to have a discussion if there's any potential of that between whoever is going to need those uniforms and key individuals. There's not any reason not to check into it. Bonnie Enlow: That doesn't include the cost of their coats, work boots, rain suits, sweatshirts. Mike Hibbard: I don't mind meeting with somebody to discuss the issue, whoever is going to be involved. When can we meet? I'll just call Tom and Scott and set up something.

Gloria Taft: Tammy, thank you for the email, we have the deed to the building in hand. It officially belongs to the taxpayers so that's been taken care of. Last year when we passed our budget there was a problem with a Department Head signing for their own raise and that raise was in error, is there a procedure Mr. Mayor so that no Department Head signs for their own raise so that problem doesn't ever happen again? Mayor Hockenbury: Yes, there is. The Mayor will sign off and it will be double checked by the Controller to double check. Gloria Taft: The splash park, Tammy you had sent an email out basically mentioning about the insurance; I didn't see a cost on here. Bonnie Enlow: It's included in the liability. Donna Burke: It doesn't

look like it's going to increase. City Clerk Richmond: No, from what she told me it's included in the liability. It's no different than adding any other property to your policy; the City will be covered for liability exposures for property damages, bodily injury under the liability policy as well as property itself. Gloria Taft: John I'm going to send you a second email on two houses, one on Dogwood Blvd and one on Clear Lake. The backyard on Clear Lake is about 3-1/2' high now. It's a foreclosure. Code Enforcement Officer John Bradley: I took the address compliance ? and they are unable to locate anybody responsible yet. When it becomes available they will pop up. Gloria Taft: There is one on Dogwood Blvd that the fence is falling down and there is debris. 324 Lakes of Dogwood Blvd at Pagoda.

Mayor Hockenbury asked for a motion to adjourn to Executive Session to discuss Labor issues, Collective Bargaining issues, property acquisition and business expansion; the specific Statutes that authorize that is 61.810(1)(e), (1)(b), (1)(g) . He invited Steve Emly, Rob Campbell and Arthur Jones; the representatives from MRG and Fire Chief Layne Troutman to join Executive Session. Donna Burke made motion to adjourn to Executive Session. Bonnie Enlow 2nd. Motion carried 6-0.

Gloria Taft made motion to return to Regular Session. Lisa Carter 2nd. Motion carried 6-0. Mayor Hockenbury stated we need some action on MRG Development of Heritage Hill. Gloria Taft made motion that we move forward with positive action with the changes that were discussed on the Agreement. Donna Burke 2nd. Motion carried 4 in favor; 2 against (BE, SC). City Attorney Sholar: It would be good to put on record the changes, so they know what they are.

Donna Burke:

Item 1. Go ahead and say 750 lots

Item 2. The City agrees that it will move forward with the project that provides assurance that current capacity is sufficient to handle 750 lots. (That wording does not require Item 3 to remain, so it will be stricken, and the new Item numbers will be recorded here.)

Item 3. Stricken

Item 3. No change

Item 4. Toward the construction of the project; payment is due in full to the City at the notice to proceed on the project by the City. The Developer will receive a credit of City Interceptor surcharge fees of \$1000 per lot in the amount equal to the contribution amount.

Item 5. Donna Burke: Leaving it as it is.

NOTE: We need the definitions to be added to define Project as well as development.

Lisa Carter: Is there still a letter of credit as well? Walt Sholar: A letter of credit for what? Donna Burke: A letter of credit to begin with; it would be in Item #4 that a letter of credit will be provided up front. Do we want that at the time the Agreement is being executed? Mike Hibbard: I think they mentioned proof of funds. Walt Sholar: There are two different things we're talking about. If I recall correctly Mr. Neibur was referring to proof of funds for the \$250,000. What I hear you talking about is a letter of credit with regard to the cost of their building the sanitary sewers, that's what Item #4 is talking about. Donna Burke: No, those numbers are changed now. We took out 3 and 4 is now what's at the top and it's #5. Gloria Taft: If they give us \$250,000 at the notice to proceed we don't need a letter of credit. Donna Burke: So that stays as indicated. Adding those descriptions and that was all of the changes. Walt Sholar: In an effort to be very transparent with everything the whole bonding thing is about to change in the City of Shepherdsville and it's going to require that as you get a subdivision plat approved you have to put up a bond or a letter of credit to pay the cost if you don't do the capital construction that you say you will do in terms of the roadway, sewer improvements, and street lights. In the past somebody had to put up a bond or they had to do the work by the time 50% of it was sold out and we've gotten bit by that more than once. So, the City is making a change in that and it's going to require that a performance bond be put up when the ball gets rolling. Steve Emly: Recording of the plat or before approval of the construction drawings? Walt Sholar: Probably at the time you can start selling lots. We do not want residents to buy a lot

and then the City get stuck having to either disappoint those poor people with the crumbling roads or have to come in and spend everybody else's tax money to get that road where it was supposed to have been. Steve Emly: In terms of defining "project" the project is really gone away there is not a project identified right. Donna Burke: Actually, we said we would move forward with the project but provide assurance that the capacity is there. You're paying \$250,000 for the project. Walt Sholar: The project is going to get built in a time of the City's choosing. Steve Emly: So, we can just say that the elimination of the Cedar Park industrial pump station. Walt Sholar: You said Arthur defined it really well so you and Arthur ... Walt Sholar: Here's what I'm going to suggest, having heard what the City put on record; Steve somebody can draw it up and if you vote for it give the Mayor the authority to sign after Arthur has looked at it from whatever he needs, and I've looked at it. Steve Emly: Do you recommend it be drafted by an attorney? Walt Sholar: If you just make the changes we just talked about is fine. I'd like to see it. If I think it needs changes then I won't be bashful. Gloria amended her motion to allow the mayor to sign. Motion passes 4 in favor; 2 opposed (BE, SC). Walt Sholar: Once we do get that signed can we go ahead and agree that we will distribute a copy of that to everybody? Mayor Hockenbury: As soon as I get it I'll put it in your boxes.

Donna Burke made motion to approve the Mayor and Chief Troutman proceed with negotiations to purchase land for the future fire house for an amount up to \$200,000 contingent upon the property appraising for no less than the negotiated sale price. Bonnie Enlow 2nd. Motion carried 6-0.

Donna Burke made motion to adjourn. Stacey Cline 2nd. Motion carried 5-0-1. Meeting adjourned at 9:50 p.m.

Curtis Hockenbury, Mayor

Tammy Richmond, City Clerk