

**COMMON COUNCIL
JANUARY 5, 2015**

6:30 P.M. MAYOR GRAHAM CALLED THE COUNCIL MEETING TO ORDER IN THE CITY COUNCIL CHAMBERS WITH COUNCIL MEMBERS TERRY AMICK, KAREN GRICIUS, TOM LEWIS, BILL HOAGLAND AND MARK SHAPINSKY PRESENT. CLERK-TREASURER JAN HARDY, ASSISTANT CHIEF RICHEY BARTON AND CITY ATTORNEY KERRY THOMPSON WERE PRESENT. ALSO IN ATTENDANCE WERE MARTY RANDALL, BILL HALL, SUE AMICK, BARBARA HOAGLAND, CASEY SAEGESSER, BILL SAEGESSER, JIM HALL, GUY TOWNSEND, RAY ZOLLMAN, JERRY ASHER AND LL LOWRY.

THE MEMBERS REVIEWED THE DECEMBER 15, 2014 COMMON COUNCIL MINUTES. KAREN GRICIUS MADE A MOTION TO CORRECT THE DATE OF THE MINUTES TO REFLECT DECEMBER 15, 2014. TOM LEWIS SECONDED THE MOTION. MOTION CARRIED 5-0. KAREN GRICIUS MADE A MOTION TO APPROVE THE MINUTES AS CORRECTED. TOM LEWIS SECONDED THE MOTION. MOTION CARRIED 5-0.

6:33 MAYOR GRAHAM CALLED A PUBLIC HEARING TO ORDER REGARDING THE ANNEXATION OF THE CORN FACTORY. NO COMMENTS IN FAVOR OR AGAINST. 6:35 MAYOR GRAHAM CLOSED THE PUBIC HEARING.

ORDINANCE 2014-14 ZONING (RZ-5-14) AN ORDINANCE TO REZONE 809 SOUTH MAIN STREET FROM B-1 TO R-1 RESIDENTIAL WAS READ FOR A SECOND TIME. TOM LEWIS MADE A MOTION TO APPROVE ORDINANCE 2014-14 ON THE SECOND READING. BILL HOAGLAND SECONDED THE MOTION. MOTION CARRIED 5-0. BILL HOAGLAND MADE A MOTION TO SUSPEND THE RULES AND READ ORDINANCE 2014-14 FOR A THIRD TIME BY TITLE ONLY. TOM LEWIS SECONDED THE MOTION. MOTION CARRIED 5-0. ORDINANCE 2014-14 WAS READ FOR A THIRD AND FINAL TIME BY TITLE ONLY. TOM LEWIS MADE A MOTION TO APPROVE ORDINANCE 2014-14 ON THE THIRD AND FINAL READING. KAREN GRICIUS SECONDED THE MOTION. MOTION CARRIED 5-0.

BILL SAEGESSER UPDATED THE COUNCIL ON THE WWTP AND REGIONAL SEWER DISTRICT. PLANT #1 IS RUNNING EXCEPTIONALLY WELL. THE AMMONIA READINGS ARE VERY GOOD. A LOT OF INFLOW HAS BEEN STOPPED. MR. SAEGESSER UNDERSTANDS THE LINES ARE BEING TELEVISED AND CLEANED IN THE HOSEA ADDITION AT THIS CURRENT TIME.

THE REGIONAL SEWER DISTRICT AND THE CITY HAVE NOT ENTERED INTO ANY DISCUSSION OR NEGOTIATIONS. MAYOR GRAHAM SAID THE RATES ARE LISTED IN A CONTRACT THE REGIONAL SEWER DISTRICT HAS.

MAYOR GRAHAM SPOKE ABOUT THE ACCOMPLISHMENTS MAYOR CAMPBELL HAD DURING HIS TERM AS MAYOR OF SCOTTSBURG FROM 1968 THROUGH 1971. INCLUDING:

- A. COMPLETING THE ANIMAL SHELTER IN 1970 AND ENTERING INTO AN AGREEMENT WITH THE TOWN OF AUSTIN TO HELP MAINTAIN THE SHELTER.
- B. PURCHASED FIRE STATION 1 BUILDING ON SOUTH RAILROAD IN 1969.
- C. ORDERED AND PASSED ORDINANCE FOR PARKING METERS AROUND THE SQUARE.
- D. 1969 TOURED LAKE IOLA WITH JACK MORGAN TO DISCUSS THE CITY PURCHASING THE LAKE.
- E. HOSTED AN OPEN HOUSE TOUR FOR THE NEW STORAGE BUILDINGS FOR THE ELECTRIC, WATER AND SANITATION DEPARTMENTS

MAYOR GRAHAM WOULD LIKE THE CITY TO NAME SOMETHING IN MAYOR CAMPBELL'S HONOR.

RESOLUTION 2015-1 A RESOLUTION TO AUTHORIZE EXECUTION OF A MORTGAGE MODIFICATION AGREEMENT BETWEEN THE CITY OF SCOTTSBURG AND THE UNITED STATES DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) IN ORDER TO SECURE A RELEASE OF A LIEN CREATED BY AN AGREEMENT AND MORTGAGE EXECUTED BETWEEN THE CITY OF SCOTTSBURG AND THE EDA ON APPROXIMATELY 8.7 ACRES, WHICH THE CITY OF SCOTTSBURG IS IN THE PROCESS OF SELLING TO THE DEVELOPER OF THE SAMTEC PROJECT. THE MORTGAGE CREATED A FORGIVABLE LIEN ON THE PROPERTY THAT IS INTENDED TO BE RELEASED IN 2030. COUNCILMAN AMICK WAS NOT AWARE THE CITY HAD A LIEN ON THE PROPERTY AND ASKED WHAT OTHER CITY PROPERTY MAY HAVE A LIEN. BILL SAEGESSER SAID THERE MAY BE A LIEN AGAINST ONE OF THE CITY WATER TOWERS. ATTORNEY THOMPSON SHOWED THE COUNCIL THE LAYOUT OF MASP PROPERTY AND WHAT ADJOINING PROPERTY THE CITY WOULD LIKE TO OFFER THE EDA. TERRY AMICK MADE A MOTION TO APPROVE. BILL HOAGLAND SECONDED THE MOTION. MOTION CARRIED 5-0.

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TOM LEWIS NOMINATED TERRY AMICK AS COUNCIL PRESIDENT. KAREN GRICIUS SECONDED THE MOTION. MOTION CARRIED 5-0.

TERRY AMICK NOMINATED BILL HOAGLAND TO THE FINANCE COMMITTEE. MARK SHAPINSKY SECONDED THE MOTION. MOTION CARRIED 5-0.

BILL HOAGLAND NOMINATED MAYOR GRAHAM TO THE RIVER HILLS BOARD. TOM LEWIS SECONDED THE MOTION. MOTION CARRIED 5-0.

BILL HALL ADDRESSED THE COUNCIL REGARDING THE PROPERTIES LOCATED ON PINE, MAPLE AND CEDAR STREETS. MR. HALL WOULD LIKE THE CITY TO FORCE TOM PATTON TO CLEAN UP HIS RENTAL PROPERTIES. ASSISTANT CHIEF RICHEY ASKED MR. HALL TO BRING THE ADDRESSES TO HIM AND HE PERSONALLY WOULD VISIT THE PROPERTIES AND FOLLOW THE PROTOCOL FOR CLEAN UP. KERRY THOMPSON RE-ITERATED AND ASKED THAT MR. HALL GET THE INFO TO ASSISTANT CHIEF BARTON SO HE COULD BEGIN THE PROCESS.

TERRY AMICK ASKED WHERE THEY WERE ON THE WANDA YOCUM PROPERTY. BILL SAEAGESSER SAID HE SPOKE WITH PATRICK HOWSER TODAY AND THE CONTRACT WAS IN HIS HAND. HE SAID IT WOULD BE 30 TO 60 DAYS.

HENRYVILLE DISCUSSION

Terry Amick: secondly, starting in on 2015. Let, let's address the Henryville project. Let's see if we can come to some type of a, some type of an agreement on Henryville. On that issue that's been ongoing. Wh, when, what year was that? Was that?

Kerry Thompson: Two years.

Terry Amick: 2012.

Kerry Thompson: 2012.
[COUGH].

Mayor Graham: Soon it's going to be here in March 2nd, it'll be three years.

Terry Amick: Okay, three years. I know there's even a, a limitation, we don't do something by certain amount of time, then it will blow away. How, how many square feet, how many square feet did they have, did you allow them to have, to occupy the MAS Park?

Mayor Graham: Terry, I'm gonna say that they had. [SOUND]

Mayor Graham: Around 80,000 square feet. Now that's, that's pulling these figures out of the air.

Terry Amick: 80,000, so they basically had, there's only 110,000 out there, so they had.

Mayor Graham: Okay, 112,000 square feet out there.

Terry Amick: There's 112,000.

Mayor Graham: And they had they had the biggest part of that.

Terry Amick: And how many square feet did Gerald Rea have?

Mayor Graham: Hm?

Terry Amick: How many square feet did Gerald Rea have?

Mayor Graham: Um.

Terry Amick: Did Gerald Rea have 18 or 20,000?

Mayor Graham: Sure, sure, you're, you're asking me things I can't tell you offhand. Basically, they had about everything except what Gerald Rea had and probably had an administration office.

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Terry Amick: So they had all the incubators?

Mayor Graham: Yea.

Terry Amick: They had all the incubators?

Mayor Graham: They had every, every one of the incubators.

Terry Amick: The conference halls.

Mayor Graham: ah, yea, as a banquet center you mean?

Terry Amick: Well, the banquet center, then also the conference hall we had.

Mayor Graham: No, they didn't they didn't have, they had use of the conference hall. But they didn't have it, Terry. We was able to use it for other things. Ah, but they had use of it and had ah the biggest part of the parking because of the bus situation. And uh, everything else you know, they they had and ah they used a lot more than what we agreed to. But ah., you know it just worked out differently than what you think it was. We had uh. Well I I guess we ought to take part of that off cause we had about 30,000 square feet that we had as a ah, relief center, disaster relief center that really wasn't to the school Terry. If you understand what I am trying to say. It it served, it served the tornado but it wasn't part of it.

Terry Amick: So basically if you've got 30,000 there and Gerald Rea has got approximately 20,000 and you didn't use the one center. So we ya know probably maybe 60,000square so probably had about half of it.

Mayor Graham: No, they I think that they probably had use of 80,000 square feet.

Terry Amick: Okay, if we've got Relief Center's 30,000 square feet and.

Mayor Graham: I know, I know what you're saying, but you're pulling figures out of the air, Terry.

Terry Amick: Well, I'm trying to figure out how we can justify, I mean, I know you, you wanted, you, you, you told the council before that you had, you had, you and the Superintendent made an agreement. Ah, and, um there is not a signed agreement.

Mayor Graham: So you want me to go back over what was done, Terry?

Terry Amick: No, we know exactly but the question is.

Mayor Graham: But does the council is all the council aware of what

Terry Amick: The council needs to know we can, you know.

Mayor Graham: Well, you're always saying the council needs to know.

Terry Amick: Yeah sure.

Mayor Graham: And I don't know but it.

Terry Amick: I have an understanding that we do need to rehearse it to see where we're at.

Mayor Graham: You know the thing was all done under duress. It was a lot of pressure and a lot of decisions that had to be made without proper time to study it and a proper legal counsel and a lot of other things and the way it happened and I'm going to tell you the way it happened is you know the tornado was on a Friday. We had setup the tornado relief center. Which it had nothing to do with the school. But on a Sunday okay so we got Friday Saturday Sunday I started getting calls from Indiana Department of Homeland Security. The department of Indiana Homeland Security wanted to secure that building for all the state and federal agencies to use to bring them in there for them to use that building. That been like, SBA and FEMA and all them to use that building. And that was going to be their [COUGH] center of operations, for, for all of those centers. Monday, and they had set up [COUGH] myself and the, commissioner. Or, I think it was the commissioner of the Department of Homeland Security. Whatever he was the main guy that set up an appointment that we were going to meet there at 8 o'clock on Monday morning, to discuss what we want. Ah, So we had that set up and they were there at 8 o'clock. But at about 7:30

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Mayor Graham: Before they get there, I get a call, from Superintendent of Public Instruction Tony Bennett, at the time, saying, Mayor don't let Homeland Security and all them people use that building, Henryville needs it. Well that puts me in a very bad spot to start with and I said Tony you better be here and represent yourself for that because I'm not going to bring that up you going to tell the department of homeland security I mean I don't know who all we had here from the governor's office but quite a selection of people. You know with I think we had the State Fire Marshall all kinds of people there at that meeting well we get there and Tony who we had from Henryville was school superintendent. Monty Snyder and we had the principal of Henryville high school and I think we had the general maintenance person for Henryville high school. And maybe the principals of the middle school you know and maybe another person to was there sitting around that table was a lot of other people from different agencies and so forth. Tony finally gets there we're talking and Tony gets there. And the first thing he does he said let me take you and show you a place that you can have this place to set up for all these offices for state and federal offices and he takes them down To a Ivy Tech which had just built a new building in Sellersburg there at Ivy Tech so they just built that new building there and they make some sort of agreement I guess to people believe that. And so that negotiation with the school goes on and so they ask me and I sat there and I think Robert Peacock was there and Joe Pierson and Bob you know Bob, Poggel was there and they asked me said well what would you take to lease this to us for 3 months. My comment to them right off the bat was this will not lease 3 months you got 3 months of school. And you're talking about redoing part of this building and it's going to take a move in period of time and it's going to take a move out period of time you know if you're going to be there 3 months you got a move in time and a move out time you understand what I'm trying to say. At least four months or five months. It ended up being about seven. But anyway, I'm going to tell you the best I can is right here right now is that our budget for one year. And this building is about a million dollars as you know and I think others know that was what was in the budget for building it at the time. So I said you know a million dollars and you take a third of it is. Whatever that was three hundred and thirty three thousand or whatever that would be four months let's just take three months we could do that in three months quarter of a year I said that's \$250,000 dollars. That's the only price that I can give you today is \$250,000 dollars you know we need to keep ourselves whole were going to heat it were going to cool it were going to take care of it were going to do all that stuff that's the price I'll give you. Well, right off the bat, their insurance man says we've only got \$40,000 to pay. I told him, said, you know, that's not my problem. Do I hurt for you? Do we wanna help the school? Yes. With what the insurance company has got to pay was not my problem. Hope you understand what I'm trying to say I don't know if you've said anything different you know somebody's got to pay you know or were going to lose money if we're going to pay this out and tell them said I'm only going to charge for 3 months and I know it's going to be more. Well the insurance man got so feisty and cocky about it that I told Monty Snyder and the Group there I said to continue talking with you about this I'm going to ask you if you ask your insurance man to leave. Because he was really clouding the whole thing and he left for a little. And through that process I said guys I want you to understand we're here to help we want to do everything we can to help but I'm charging you what our overhead is for three months and you're gonna have it longer than that. And that's all I can do.

Mayor Graham: And I said, somebody's gonna have to come up with the money. How could I tell them they could have it for \$40,000 And, I don't know if I could Terry, but I, I think if I had, I'd come back to the council and you guys would've said oh, man you're nuts. You just throwed away let's say \$330,000 worth \$290,000. Follow what I'm saying somewhere right in there. So I told them what they had to have they called the insurance man back in. We set there, no we didn't I take that back. They left there. Monty Snyder and someone left there and went and talked to the insurance man. And they come back, and said Mayor, the insurance man has offered you \$100,000. Well, I don't know but, Terry you're a business man. \$40,000 dollars is all they got to spend and 15 minutes later they come back and offer you 100, somebody's not telling you all the truth or something or other. And, and my comment was, just, just that, I said guys offer 40, said that's all there was. Now you've come back with 100. I'm not in the position to going any lower than this today so we left it that way and the contractor was there I forgot the name of the contractor good contractor but they, they had promised us that they would come in and. Everything they've done to the property would be equivalent to the standards, ah, that we have put into the, you know, was gonna do. So you done anything, it was gonna be equivalent to that. And, and agreed to that, insurance man agreed to that. Well they come in on a Sunday and this was Monday we talked to him. It wasn't a Sunday it was a Saturday so we talked to him Monday on a Saturday I go out there and go in that building. There were people stopping us, said, you can't go in there. I said, what do you mean, I can't go in there? Said, but we've taken over this building and remodel. This is somebody worked for the contractor. I said to him, well, I'm sorry, but I nothing says I can't go in here. And I'm gonna go in here. And I, I don't want to get in your way. And I'll be sure I don't come in here and bother you again. But, there's a lot of things that gotta be figured out. We talked to them. I talked to Monty and said we need a contract. Talked to Kerry. Their attorney, who is oh, Gillenwater. But, the school would not let. It advised the school board not to sign a contract with us. And they're in there, changing up our building. They're in there, they have taken possession of our building.

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Terry Amick: Were students in there at that point?

Mayor Graham: Hm?

Terry Amick: Were students in there at that point?

Mayor Graham: No, no. Well, they, they hadn't remodeled the building, Terry, for students to come in there. No one there wasn't students in there. It was just a contractor coming in, and making this building suitable. They took more room than what they even told us to start with. You know, they told us how to many the square footage. And they took more. Just like the place for the cafeteria, that wasn't all figured in it to start with. And we bent over backwards to try to work with them. But through that whole period they wouldn't let anything happen as far as the contract was concerned. Kerry and I talked about it before you go. You know, what do you do? You kinda get into one of them situations where you're trying to do something extremely good for somebody who's had a disaster. I thought. And they're not working with us in any way, shape, or form. [COUGH] And that's kind of where we were. And their attorney was telling the school superintendent, school board, not to sign any sort of contract with us. So they took a lot more room than what they said. They were in that building for about seven months, not three, not four. About seven months. And we had sent them bills and, and sent them figures of where we thought we were. And what cost with those. We had to bring engineers in, Terry. To re-look at the heating system and different things. Because what they were doing was out of the realm of what we had done. You know, there, the heating and cooling requirements were gonna be different than, what it was for us to be the science park. Are you following me?

Terry Amick: So they did, they did improve your HVAC system?

Mayor Graham: No, they didn't. We did.

Terry Amick: To suit them?

Mayor Graham: Mm-hm.

Terry Amick: To suit them?

Mayor Graham: Yeah. Well, well. No we didn't pay anything. Yet their contractor done different things to the HVAC system. But not, not to our benefit. You know, their benefit. Cuz they were gonna have a lot more students in those incubators than what we were. You know, those incubators weren't designed to be full of people. Those incubators were designed for the heating and cooling probably three of four people, not 30 or 40. Are you following what I'm saying?

Terry Amick: Yeah, but what you're saying at least in my opinion, they've improved your property to accommodate more body heat. So did they improve the property?

Mayor Graham: Well, Terry maybe they improved a property, but did they improved something we needed. I'm gonna say yeah, they may have improved it, but did we need that? The answer is no, we didn't need it, and does it cost us more to heat and cool that building today than what it had before? And who knows? I don't know. You might have a better idea than me, but the improvements they made was not beneficial to us. It was beneficial so they could have that school.

Terry Amick: That was one of my questions. What improvements did they make? The HVAC and what else?

Mayor Graham: Oh, they, all the rooms weren't painted, and they painted all the rooms. Which is not that great big thing if you understand what I'm trying to say. They were mostly, they were all drywall and the drywall was all finished. It just it the painting was something we were going to do with the Henryville group, you know, something we could do to save money. They've done a lot of things to meet the state fire Marshall things that they had to do for kids, that we wouldn't have had to do for schools. You know, the school had a lot of requirements that was above what we had. The doors had changed, the, the whole lot of things. They wanted to come in and tear out that whole glass wall on the North side, and the Fire Marshall said we gotta tear this out, I said guys forget it. You're not tearing this out. If that's an point that's going to kill it, it's dead. You're not gonna coming in here, and they finally changed that. Just a whole lot of things, had to build more restrooms, because there wasn't enough restrooms to accommodate.

Terry Amick: How many restrooms did they improve the property off?

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Mayor Graham: Terry you're asking a lot of stuff. You've seen the restrooms. How many?

Terry Amick: I don't know how many they put in.

Mayor Graham: We'd have to go back over it I'm not going to tell you, I don't know. The restrooms are in that banquet hall. None of those were in there. They come in, their contractor starts cutting out the concrete floor to put that in there. They got in there and busted up our whole sewer system. They got into our sewer system. They've got concrete chunks in there, in our sewer system that blocked up the whole place. And we had prove that they'd done it. And that we ended up fixing but had to prove they done it. [COUGH] [INAUDIBLE] They cut in there to, cut concrete out of the floor to add the sewer for the restroom like they created another problem. And, and I don't know it was just a lot of that stuff that happened.

Terry Amick: Have they paid for those improvements? But as far as where it, but still that you had to repair, you had, the city of Scottsburg had to repair the sewer system and did they, have they reimbursed us for that?

Mayor Graham: No. We, we had, we had the, above the \$250,000, I wanna say we had another \$80,000. Worth of claims we turned in. Not, not Terry that's.

Terry Amick: You turned the claims into their insurance company, or to the into the Henryville school system?

Mayor Graham: We turned it into the. We weren't billing the insurance company. We turned it in to Henryville. [COUGH].

Terry Amick: And how much you how much you've been paid so far? Nothing.

Mayor Graham: Zero.

Terry Amick: So you've turned \$80,000.

Mayor Graham: I'm not positive of that, but there's, I think that's pretty close but. Don't, don't put those figures down either. I'm going by memory. At one time I could have told you exactly, but now it's been almost three years ago, or two years ago and. I'm not going to tell you that's exactly what it is. I keep looking at Bill but I, I think I'm within a range of, being a, right.

Terry Amick: I mean, you know, I mean, I, I think that, I think that you're time of movement in it, and again. You were the one that was hassling, handling this. I mean, council really wasn't knowledgeable of, of these actions. You know, so-

Mayor Graham: Well, I brought it to council right at the very first.

Terry Amick: About using this facility?

Mayor Graham: And, what the deal was, and none of us knew exactly what it was gonna be cuz we never got to that contract. You know, hopefully that meant a contract it would all come to an agreement to do, the council and all of us. But their attorney wouldn't let them do it. You know?

Terry Amick: At the time they didn't let you do it was the time to shut it down. You didn't want to do it. That was the time to shut it down.

Mayor Graham: I probably, you're probably right. But, how are we gonna shut it down after they spend all that money, you gonna just say all right get the hell out of here kids. 350 kids and you're gonna get out of here, I know you spent all this money. You know, you get into a, what should have been a very good will project. To me it was a reverse on us. And, and put a squeeze on us. And they knew. They even brought it up. How you gonna, how you gonna do this? People gonna, people gonna scream bloody murder.

Terry Amick: What is your plan to try and collect this?

Mayor Graham: I had plans or developing plans to try, try to collect it. And you brought up in herein a council meeting, that you did not want us to pursue that in any way shape or form. Do you remember that?

Terry Amick: As far as, as far as litigation against the school system, where we've already gotten such good will, for helping them. I felt it would be a black eye for the city of Scottsburg, should you file litigation with the city of Scottsburg.

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Mayor Graham: Well, then we told you we had gone as far as we thought we could go without litigation.

Terry Amick: So what-

Mayor Graham: We, we had tried everything, Terry and-

Terry Amick: What have they offered you so far?

Mayor Graham: Hm?

Terry Amick: What, how much money did they offer you so far?
[BLANK_AUDIO]

Mayor Graham: Well they offered us at one time verbally, I think, as much as a \$120,000.

Kerry Thompson: They backed off of that.

Mayor Graham: I know, but they offered at one time. Now this, not this is all the offers has come from the insurance company.

Terry Amick: So you have a \$120,000 offer. You had it at one point.

Mayor Graham: I won't say we had it. They talked a hundred and 20,000.

Terry Amick: Okay.

Mayor Graham: All right.

Terry Amick: How much did they send you a check for?

Mayor Graham: That, then they did send us a check for \$75,000.

Terry Amick: They sent a check for \$75,000?

Mayor Graham: First, they sent it to, I think Jan.

Jan Hardy: But, did we ever get [INAUDIBLE] ,did we ever receive it?

Kerry Thompson: I don't think they did.

Jan Hardy: Or did we get it and bring it to you? I can't remember-

Mayor Graham: They did, and they sent it first off, they sent it to Robert Peacock, with the Scott County Economic Development Corporation.. And they refused it, and I think they sent it to you. Ah, and then they started questioning who owned it, and could we do this, and could we do that, and, I mean they just you know, people that come in and negotiate with you then later asked. Started questioning whether you could do this, and their attorney started talking to you. And you was talking to their attorney. So will they say, and then you said you had to. And it just got very deliberate and convoluted and. You know, ever since you said. You're not for suing them. We had not done anything.

Terry Amick: The problem is that that, you know, Henryville, because they had not paid anything at all, does owe the city some type of reimbursement, and, and so, you know, if we, if they sent us a check for \$75,000, did we cash the check?

Mayor Graham: No, sir.

Terry Amick: What did we do with it? Do we still have it in our possession?

Mayor Graham: No sir.

Terry Amick: You sent it back?

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Mayor Graham: Yes sir.

Terry Amick: I mean I would inform council as to what my thought is on this. Since then, the City of Scottsburg has set a precedent by, by leasing to Ivy Tech, 10,000 square feet a month, am I somewhat accurate in that?

Kerry Thompson: I thought it was more like 70.

Mayor Graham: No, I think, I think it is 70 or 75. Terry, I don't know. You, you're asked a lot of things. In essence to go by memory, evidently but, but

Terry Amick: I mean, you can count up to some type of estimate because you've already leased it. You take the square footage now, and you take that times the amount of square footage they had. And take that and then times the amount of time they ran. That should give you an actual cash value what they owe you.

Mayor Graham: Now do what?

Terry Amick: If you take the amount, you set a precedent already by leasing, by leasing to Ivy Tech. This is what you're saying.

Mayor Graham: No, no, no, we didn't. No, we didn't.

Terry Amick: You, you rented. I'm telling you you leased-

Mayor Graham: No, no, we didn't, Terry. You can say that, but square footage. The value of the square footage is a lot different. You know, you take 32 incubators, and the cost of that 32 incubators is much, much higher than the cost of anything, than anything they're leasing to Ivy Tech. You take 32 incubators. It's climate controlled, and you got four gases and all the stuff. And water and sewer running to every room. And, and it all that is a- [COUGH] A whole lot more valuable, & costly than. Property value tip. A whole lot

Terry Amick: I'm gonna tell, I'm gonna tell you the defense attorney's gonna say that any space, any space- [CROSSTALK].

Mayor Graham: Terry, I'm not gonna get into what a defense attorney's gonna say, but you can if you want to. I'm gonna say what the deal was, and what we agreed to.

Terry Amick: But, you don't have a signed agreement. And as a signed of agreement we're just letting it sit here on the back-burner. We're not getting anything for our money. We've paid we've paid the utilities out. We've sounds like we've paid a lot of, of the improvements out. Which like to me we would be due the square footage at least we're, we've rented to Ivy Tech. It looks we you have. If you have substantiation to the claims that he does owns, they should own that as well.

So, we need to come to some type of an agreement with Henryville school system as to-

Mayor Graham: We have, we have tried, we figured it up, we've given them different things. And as I said, I think that we've come to the point of litigation- And after you had talked to their attorney you come at this meeting, right here at this council, sitting right there where you're sitting and said I'm against any litigation.

Terry Amick: I am. If council wants to vote and we want to give you the blessing to go forward with this, you have the. If you have this majority of this council to go forward with, with litigation. But I think each council member needs to be, needs to vote, whether they want you to go forward with litigation.

Bill Hoagland: Well, just a while back you were against it.

Terry Amick: I am against it. I'm against it now. But I'm, that's just me. But there are five council members. So if, if we have council that says Mr. Mayor go forward and follow litigation against the Henryville school system, but I'm telling you I'm against filing litigation it very much. I think they do owe a certain amount of money and I think that amount of money can be based upon what we've rented. Square footage now Ivy Tech for. It, it should be no different for them than what we rented Ivy Tech.

Mayor Graham: Terry I just told you.

Bill Hoagland: You've already submitted bills, haven't you?

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Mayor Graham: Yeah but I just told you. The value of those incubators

Terry Amick: That won't hold up in court.

Mayor Graham: Huh?

Terry Amick: That won't hold up in court.

Mayor Graham: Terry, whether it holds up in court or not is you're not the guy that makes that decision. You're not an attorney.

Terry Amick: I'm not.

Mayor Graham: You're, you're evidently you're a lot smarter than I am, but you're not an attorney. But the value of what Ivy Tech rented is nothing like the value of those incubators as far as I know. And there's no way you can take the value of that and say-

Terry Amick: Does Ivy Tech need of all of those gases in all those rooms?

Mayor Graham: Absolutely not.

Terry Amick: All you needed was space, so you can't put an added value on things they didn't need. You know these things Mayor would be brought to court and you know that. I mean you, you [CROSSTALK].

Mayor Graham: No, no, I don't know that Terry. You're the attorney. I'm not the attorney.

Terry Amick: You rented, you rented it, and it.

Mayor Graham: I'm, I'm, I'm an not engineer. I'm not an attorney.

Terry Amick: Well, I'm not an engineer and I'm not an attorney. I'm a business guy.

Mayor Graham: Well, and, and I'm a business guy.

Terry Amick: So, I'm telling you, you've already, you've rented now to Ivy Tech. It should be the same per square footage. For Ivy Tech is it is for Henryville.

Mayor Graham: Well.

Terry Amick: And they should owe you that amount of money.

Mayor Graham: I have no idea where you come up with that. And one thing the fact that they come in and took possession and didn't even tell us they were going to be in there on a Saturday.

Terry Amick: They can't take possession of anything you don't give them.

Mayor Graham: We didn't give them anything.

Terry Amick: Then how did they get a key?

Mayor Graham: I think that they had a key, because they were given a key so they could come in and see what they needed to do. They did have a key we had given the contractor a key, so they could come in and make determinations of what they had to do to that building to make it meet the needs.

Terry Amick: So they proceeded without you approval?

Mayor Graham: Yes.

Terry Amick: Then why didn't you stop them?

Mayor Graham: [COUGH] I, I asked the school you know the Superintendent, what's going on here? And they said well we're gonna get this worked out and then their attorney wouldn't let them do it.

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Terry Amick: Then why didn't you stop everything. It was up to you to stop everything.

Kerry Thompson: This is getting ridiculous. This whole discussion is pointless. I'll add a couple of facts and that might clarify some of that. Monty Schneider said they would file a claim with FEMA for \$250,000. That's why they were allowed to proceed, because they were going to file a claim with FEMA for \$250,000 and we had some comfort level that FEMA would grant that claim. Then they, we said then they sent us a lease for \$40,000. The 40 was just a number, out of the air by the insurance company. They did tender a lease for \$40,000. We wouldn't sign it. We said we'll sign one for 250. They said, no, we won't sign one for 250. That's where, the not signing happened. They tendered one for 40 we said no. Well here's one for 250 and they said no. They were going to tender the claim for 250 to FEMA. That's why they were allowed to proceed. And then for some reason, they never did that. That's upon them that I can't explain to you why they never did that. But they never gave FEMA the chance to pay that. They said, well, we wrote a letter. Well, that's not filing a claim with FEMA I don't think they ever even got a response-

Mayor Graham: They never, they never filed claims to FEMA, cuz I called FEMA.

Kerry Thompson: So that's.

Mayor Graham: FEMA said there's never been a claim filed.

Kerry Thompson: And then when it came down to where here's our bill, it was actually 262 or something like that. It was like 12,000 cost plus 250, because total would incur that 12,000 cost. They said well you need to negotiate with the insurance company and that's been the problem.

From day one Henryville will not take any responsibility on their own. They say you have our blessing to get the insurance company whatever you can get out of them good for you. But we're not paying anything that the insurance company won't pay. And the insurance company just pulled this 75 out of the air just like you pulled 40. And that's where we got stalemated. And I, I suggested we arbitrate it that's been a six month ago thing. It wasn't a formal proposal, at least we had formal discussion and that was turned down. So, and what you told them, we're not going to do anything. Well, hell we don't have any leverage.

Terry Amick: I didn't tell them we aren't going to do anything [CROSSTALK] I'm not in favor of litigation.

Kerry Thompson: The insurance company [CROSSTALK].

Mayor Graham: Public meeting in [CROSSTALK] I don't know but they do know.

Terry Amick: But they owe the city some money.

Mayor Graham: [LAUGH]. In my opinion they owe the city at least \$262,000.

Terry Amick: So are you and favor of going forward with litigation?

Mayor Graham: Terry, I don't know. But you just took everything out of our hands and and just crippled us completely. And I don't know. I think we need to sit down and look at it but yes, I think they owe us for \$262,000.

Terry Amick: Why don't you-

Mayor Graham: Or more, I think that they us more.

Terry Amick: Why don't you come up with a figure that you feel that is justifiable?

Mayor Graham: We come up with it Terry. How many times you want? We've got it. We've got the figures and it's in black and white.

Terry Amick: I, I would appreciate you giving it to the attorney.

Mayor Graham: You, you had it Terry.

Terry Amick: Give it to the attorney and let the attorney give it to council to see if gets. Let us know if you can win it, Kerry.

Mayor Graham: Well.

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Terry Amick: I want to see if you can win it.

Mayor Graham: Let me tell you, your actions are that you're the only councilman here.

Terry Amick: Mayor, you, you're the one who's taking this action and not informed council of what you have done. We didn't know you did any of these things.

Mayor Graham: [LAUGH] Terry-

Terry Amick: Cuz what happened to that?

Mayor Graham: I cut-

Terry Amick: We weren't part of these negotiations.

Mayor Graham: I come and told you all everything that I-

Terry Amick: You told us that, you told us before hand that you were gonna rent this for a quarter of a million dollars. You did not, you've told us since then that you were renting for a quarter million and in you're in negotiations trying to get the money. And you've not gotten it. And they refused it and said it's too high.

Mayor Graham: Well.

Terry Amick: So I would like to know your plan of action in how you're gonna resolve this.

Mayor Graham: I don't think it can be resolved as long as you're president of the council.

Terry Amick: Well it's not mine to solve Mayor, it's yours. You're the one who done it.

Mayor Graham: No, no And I'm not gonna have any more discussions with you, Terry I've tried to explain to everybody what it is. It was all done with good intent. We've bent over backwards to serve the Henryville high school. The principal has made comment after comment of how good we was to them and we, we done everything we could do to help those kids get through school. The teachers and all of them, them had even come back. Let me tell you this, to come back to people brought in donations and stuff. And give it to us and the Relief Center for Henryville High School. They \$500,000 in cash donations. \$500,000. It come up before their school board meeting. Should we pay the \$250,000 out of this or should we take this \$500,000 and give it to some other community where a disaster has come through. They didn't do either, but the school board took an action. No, we're not going to give none, this is donation to them, it did not come out of their budget. We're not gonna give Scottsburg anything. I don't, I don't know I'll just say one more thing. And huh, a lot of things I do in life is by what my dad told me. He said, when you get in to problems you can't understand, you go look in the mirror and look at the guy's eyes in that mirror. And ask yourself, are you doing right? I don't know how many times I've done that. And I think I'm doing right. I think I'm standing up and taking care of these people of Scottsburg.

Crowd: Amen. [APPLAUSE].

Mayor Graham: That's, that's, that's where I'm at. I have no intention of going and you and I have some sort of public battle in here, making an issue of something that, that you can create perception that I had done something wrong or was way out of bounds of my authority or whatever perception you're trying to create but you're very good at creating perception.

Terry Amick: I'm not trying the perception.

Mayor Graham: Well, but I'm not talking about.

Terry Amick: All I'm trying to do is.

Mayor Graham: I'm done. I wanted to explain it to the council. The council now knows exactly what we went through. You knew I come back and told the council what we was doing.

Terry Amick: And I've asked every year, tell me the progress.

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Mayor Graham: I'm talking about, you say you didn't know about any of it. You did.

Terry Amick: Not at the time, mayor. At the time-

Mayor Graham: You knew it within two or three days. I brought it to the first council meeting we had.

Terry Amick: That's fine. You, you did inform, you did inform council after the fact. You're exactly right. Then we've been asking, or at least I've been asking what, what has been going on to collect the money or to collect what's due.

Mayor Graham: After the fact of what? They moved in, took over, didn't sign a contract. All right, if it happened, what should have happened, they shouldn't offer us contract to bring to council to see if they accepted .. right?

Terry Amick: You know, it's too.

Mayor Graham: But, but they didn't-

Terry Amick: We're, we're in charge of the assets.

Mayor Graham: But they didn't do that. And the council was aware that hadn't been done. . You know, I, I did not want to leave anybody in the dark. And, and I can guarantee he was setting there with all these state dignitaries and all this. And, and the disaster is there. I really don't think that. the offer was way out of line or anything, because the pressure there was tremendous. The pressure was tremendous to get those kids back into school. That was the number one priority of everybody because of the, the stress and the, and the trauma those kids are going through, they wanted to get them in school as quickly as possible.

Terry Amick: I understand that. I guess what I wanted to hear from you is what your, you want to proceed as not charging them anything? You want to proceed to charge them anything? What is it, what are you wanting to do?

Mayor Graham: ah,

Terry Amick: What's your plan?

Mayor Graham: I would like to have a plan, where I didn't have a president of the council interfering with

Terry Amick: Well, here's the thing. You have the president of the council, who is trying to have some completion on this. Some closure that we have and I'm waiting on your timeline

Mayor Graham: Well. Now you're saying that tonight, but sure didn't say that when you said that this councilman was against any kind of litigation when we told you it was down to litigation to settle this.

Terry Amick: Because I didn't feel it was-

Mayor Graham: I'm not talking about it Terry. There, there's no need of us just sitting here and arguing this, fruitlessly on this any further, I think I've explained how we got there.

Terry Amick: That's fine. But I want to know your plan go, going forward, not tonight. But if you'll come up with a plan.

Mayor Graham: I know, you're not, I'm not gonna give you a plan. When, when you say, clearly, we can't do any litigation, why should I have a plan?

Terry Amick: Because you're the one who did all the negotiation.

Mayor Graham: All right Terry.

Terry Amick: You're the one that did the negotiations.

Mayor Graham: I'm telling you, it's down, it has to be litigation. And if we don't do litigation, you say we can't do litigation, game's over.

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Terry Amick: No it's not. Like Kerry said, you know, you can do an arbitration on it.

Mayor Graham: Well, that, that is, I think, a form of litigation.

Terry Amick: Be that so, we, you know, we can go, we can solve it through arbitration.

Mayor Graham: Now, well, you're, you're against litigation. You told me I couldn't do it. I'm, I'm done. Let's quit talking about it.

Terry Amick: I want some type of closure on here. I want to hear some type of closure of what you have in the future.

Okay.

Mayor Graham: You're not going to get it. You come in claiming that we can't do a form of litigation. I'm going to tell you, you're not going to get any type of closure.

[BLANK_AUDIO]

Terry Amick: Well this, if your, if your opinion is you're going forward, and that's part of what I've asked you to do, you say the way I need to go forward is to file litigation. I think you need to bring that to council and let council hear what you want them to do.

Mayor Graham: Terry you already told us we couldn't do it.

Terry Amick: Mayor, I am, I am president of the council, but I am not all the council. You have four other members here, council to vote.

Mayor Graham: You polled the council?

Terry Amick: I didn't poll the council.

Bill Hoagland: You said you were in favor of not to pursue litigation.

Terry Amick: I, I said I was in favor of not pursuing litigation against the Henryville School System.

Bill Hoagland: And that's where it stopped on that.

Terry Amick: Because of all the goodwill we've, we've gained. Now, if your, if your opinion is, is either A, not to go forward at all, it's okay. We can-

Mayor Graham: Terry, I'm not, I'm not gonna talk about it.

Bill Hoagland: That was your suggestion. That was your suggestion.

Terry Amick: I just want to know what his, what his, the goal is to, to bring this to closure, it's been, like he said three years, and we're still sitting here talking about it.

Bill Hoagland: Terry, you said you were in favor of not pursuing litigation and that's where it stopped for right there, for right now. So now you're saying go ahead.

Terry Amick: No, I was asking for the Mayor's plan to bring this to closure.

Bill Hoagland: Yeah, you are. Yeah. Yeah, you're saying, go ahead. You one time said, stop, no, do not pursue litigation. I agree with Kerry. It's, it's kind of enough right, for right now.

[BLANK_AUDIO]

Mayor Graham: If there is not anything else to come before the council, I would like a motion to adjourn.

Terry Amick: I'll make the motion.

[SOUND]

[BLANK_AUDIO]

8:15 P.M. TERRY AMICK MADE A MOTION TO ADJOURN THE MEETING.

**COMMON COUNCIL
JANUARY 5, 2015**

MAYOR

COUNCIL MEMBER

ATTEST: CLERK-TREASURER

COUNCIL MEMBER

COUNCIL MEMBER

COUNCIL MEMBER

COUNCIL MEMBER