

TOWN OF ADVANCE

REGULAR MEETING – MEETING

LOCATION: ADVANCE FIRE DEPARTMENT

July 11, 2016 7:00 PM

112 N. Main – P. O. Box 67 Advance, IN 46102

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Council Members: Matt Johnson (President), Melody Fry, Dale Thompson,
and Jim Caldwell

Clerk Treasurer – Shari Johnson

Superintendent: Nathan Reed

Marshall: Ray Hieston

Attendees:

Council Members: Matt Johnson, President, Melody Fry, Dale Thompson,
and Jim Caldwell

Clerk-Treasurer: Shari Johnson

Town Marshall: Ray Hieston

Town Employees: Chris Shelton

Others Present:

David Gregory, Randy Hill, Curtis Clanton, Tammy Clanton, Amanda Slavens,
Sarah Bayne, June Nickels, Mike Nickels, Michelle Reed, Jacqueline
Covington, Warren Baker, Robert Hill and Michael Prage

President Johnson thanked Marshall Hieston and his deputies for their work and dedication in Advance, and asked for a moment of silence for the police officers who lost their lives in Dallas.

Pledge of Allegiance

President Johnson read Rules of Order/conduct for meetings, and the rules will be read before every meeting until the Council is out of office. No one shall speak unless recognized by the Council President. The speaker shall stand and state their name and address before stating their purpose. The speaker shall stay on the topic of discussion and shall not introduce a new matter of discussion. No profanity or vulgarity will be allowed while the Council is in session. Those allowed to speak, will be permitted to speak 3 minutes the first time, 2 minutes the second time and 1 minute the last on the current subject. The Council by statute has formal authority on all matters for the session and shall conduct the meetings to maintain order.

Meeting Minutes from July 11, 2016

Councilman Caldwell made a motion to accept the Meeting Minutes from June 13, 2016. Councilman Thompson seconded. All in favor, motion passed.

Councilman Caldwell requested the floor to make a statement. The Council is there to answer questions and to make decisions not to debate. Councilman Caldwell stated he has lived in Advance for 60+ years and has upset people by things he has said or done. No one had questioned his honesty or integrity until the last meeting and he was upset and would not change a word said (with 3 broken ribs and no medicine, it could have been worse). Served on board for 8 years 35 years ago and on AFD for 45 and always has done things for the best interest of Advance. The Council is going to have to make tough decisions and they don't like what they will have to do. Many people have invested time and money to better town. The town is in a critical state financially. In 2005, the

Clerk was arrested. 2008 Water rates were not correctly applied and the Town lost \$150,000. In 2012 many changes occurred in the Clerk's office, mismanagement and misappropriations of funds, put the Park at -\$18,000 which funds the library. The Police Department comes out of General Fund. The Water Department is -\$56,000 and Water Tower comes from that so Rates will need to be raised. Sewer rates are -\$11,300. Electric is in the positive. The Town has no money to cover major losses. Bonds in the amount of \$250,000 were cashed in over the last 4 years. The Council has been changing the way money is being spent and is selling assets to recover funds and this will take years and will upset many people. Water, Electric and Sewer rates will have to change, Police will have to change, the Road project will begin next year and needs funds. The present Clerk-Treasurer is doing all she can to fix the books and recover the funds. The Council is setting the future of Advance and needs everyone's help.

President Johnson gave an update of the Rate Study. The rate hike that was proposed, President Johnson would not begin to propose. The electric utility budget of 2013, 2014 and 2015 brought in \$480-\$515,000 but expenditures in 2013 \$433,000 and numbers are false because salaries, wages and benefits were, not allocated. In 2014 the Town made \$488,761 with expenses being \$525,622. In 2015 \$518,284 was received and spent was \$460,904 resulting in a positive.

Next President Johnson covered the Water Utility. In 2013 brought in \$139,200, with wages and salaries not taken into account. In 2014, \$140,210 was made and \$174,000 was spent. In 2015, \$152,693 was spent.

Lastly Sewer rates were covered. In 2013, town received \$119,526 and spent \$80,000 so figures look as though the Town made \$40,000, but wages and salaries were not put in. In 2014, \$140,210 was brought in and \$143,948 was spent for a \$31,000 loss. And in 2015, \$120,263 was made and \$167,473 spent for a loss of \$47,000.

This is where the Town is on finances. Hard decisions will be made in every department, and the Council must do what needs to be done to make the Town survive.

Police

For the month of June, the Police issued 8 verbal warnings for speeding, assisted 3 persons, 2 local services, attended 4 meetings, and issued one golf cart permit. There was one report of theft. One warrant arrest was made. There was one juvenile contact. Under local ordinance 4 tickets were issued and 2 violations of local ordinance.

Community Day was the previous Saturday and it was a nice day and Marshall Hieston was very proud of all who helped out and there was a good turnout. The day is called Community Day for a reason, The Fire Department, Sid with the antique store, the library and all the citizens that helped out. Clerk-Treasurer Johnson stated \$2646 was raised that day which is enough to buy two defibrillators. Amanda Slavens donated on behalf of the Library, \$225.75 from ice cream sales and a \$100 donation. Clerk-Treasurer Johnson stated she had worked other events and is looking forward to helping the Fire department with future events. Marshall Hieston stated the community out and supported and no money was spent, everything was donated and the police department really appreciated it.

Clerk-Treasurer

Clerk-Treasurer Johnson reported she did speak with the auditor on where the reconciliation stood. She was advised that nothing had been resolved because the auditors were given the responsibility of election recounts for the state. It is crucial that this is completed because meetings need to be held with DLGF.

Next, the Clerk-Treasurer stated she had contacted INDOR on tax status. INDOR advised to call back in two weeks as no paperwork was showing in their system. Everything is still stagnant.

The tax levies were received on June 29th.

Mike Beard completed a fire inspection. The Town Hall was cited for not having an EXIT sign above the door and stated she had 30 days to get a sign installed. Clerk-Johnson had Adam's Electric out and it was installed the day of the meeting. Adam's original verbal quote was \$600 but the actual quote came in at \$280.84, which she requested approval to pay. In addition, while the electrician was in and working, safety issues were found with boxes and those were fixed adding labor costs. Clerk-Treasurer Johnson requested approval for the original quote of \$280.84 plus labor. She also stated she did try to receive two other quotes from Smiths and an electrician in Crawfordsville and only heard back from Adams.

Councilman Thompson made a motion to accept the charge of \$280.84 plus labor from Adam's Electric to install an EXIT sign and correct safety issues in the Town Hall. Councilwoman Fry seconded. All in favor, motion passed.

Clerk-Treasurer Johnson requested approval for Keystone classes for the Clerk's office. She especially wanted Deputy, Carla Kellogg to attend a class on liens and collections, as the deputy is new, and the office has 6 years of uncollected utility bills. The class cost of each is \$125.

Councilman Caldwell made a motion for the Clerk and Deputy to attend classes at a cost of \$125/person at Keystone. Councilwoman Fry seconded. All in favor, motion passed.

Next, the Clerk-Treasurer requested approval for training classes offered by IACT in French Lick from October 4-6.

Councilman Caldwell made a motion to approve the two night stay from October 4-6 for the Fall Conference for \$300.00. Councilwoman Fry seconded. All in favor, motion passed.

Clerk-Treasurer requested approval from the Council to receipt back in warrants over two years old that have not cleared the bank in the amount of \$17353.83.

Councilman Caldwell made a motion for the Clerk-Treasurer to receipt back in warrants totaling \$17353.83. Councilman Thompson seconded. All in favor, motion passed.

Clerk-Treasurer Johnson discussed liens and collections. Inadvertently, final bills were printed off by Carla. Several bills are for residents who still live in

the Town but at a different location. Atlas, a collections agency, was contacted and the town still has an active account with them. No activity had been done with them since November 3, 2005. The agency does not charge the town fees. They are extended in the bill to the customer. There are outstanding bills dating back to 2010. In addition there were bills totaling \$8584.02, outstanding bills left by renters. Councilman Thompson questioned why the property owners weren't billed and Clerk-Treasurer said to her knowledge nothing had been done. Councilman Thompson questioned how things were going to be handled. Clerk-Treasurer requested some guidance from the Council and wanted to do things the right way. Outstanding bills for residents that still live here, a letter will be sent out. She also explained that the only liens that can be placed are for sewer. The rest of the bills would be forwarded to collections. David Gregory, 105 N. Main, questioned if the landlord didn't pay the bill what would be done. Clerk-Treasurer Johnson stated she would need to seek legal counsel for that.

Clerk-Treasurer Johnson stated after attending training, there are several ordinances not in place: Credit Card, Authorized Purchasers and a Petty Cash Ordinance. She is still looking to make sure everything is in place.

Lastly, Clerk-Treasurer Johnson stated, that the office does not just do paperwork and clean up, they are HR, Secretaries, Gardeners and Janitors. She did gardening in front of building because she cares of building's appearance.

Councilman Caldwell questioned if anyone had a glass display case because the Clerk wanted to display historical items in the front office. Darrell McKinney stated he had one he would donate.

Randy Hill reiterated a comment Clerk-Treasurer Johnson had made that she heard in at a conference, that there is a direct correlation to Clerks who take classes and those who done and to take all the training possible, and she was doing a great job and it was noticeable. President Johnson stated sometimes money needs to be invested to take care of employee training and the Clerk has attended as much as she can.

Fire

Michelle Reed from the AVFD noted that they attended 13 medical runs, 1 fire, and 1 MVA.

Utilities

Mr. Reed was absent from meeting and Mr. Shelton reported. He stated meters are still on backorder and fixing transformers. They are performing maintenance and the SR 75 project is coming along well. Mr. Reed is on vacation that week, so not as much would be done. The bucket truck needs to be fixed. Councilman Caldwell stated we needed reserves and Clerk-Treasurer Johnson stated a budget needed to be worked up for utilities.

President Johnson questioned where the installation of the new meters stood? Mr. Shelton stated the southwest corner of town and part of Cherry Street that needs to be done. President Johnson questioned line loss and see comparison. Mr. Shelton advised it is still pretty high and the Clerk receives reports on this. Councilman Caldwell stated water loss should drop dramatically. Clerk-Treasurer Johnson also advised she spoke with Hopper Excavating about obtaining a report on septic cycle/rotation.

President Johnson covered the Utility Report of monthly activities i.e. replacing transformers from lightening strikes, removing, setting and placing lines for Electric Utility. Water samples, service repair and hydrant flushing was done for the Water Utility. The Sewer Utility is running well. Meters were read with rechecks and shut offs done. Mowing and spraying was done.

Mr. Shelton advised an issue from an inspection done several months ago on the capacitor and the sewer plant generator switch that didn't work properly. This is something that needs to be looked at in the future. There is a way around to transfer over power, Mr. Shelton explained, until it can be looked at.

Councilman Caldwell discussed that within the next week, he, Mr. Reed, Mr. Shelton and possibly President Johnson to meet with IMPA for the placement of solar panels behind the water tower next year, to provide the minimal power for Advance, if the sun shines. Income will be made and IMPA will maintain the property.

Library

President Johnson stated that the determination of the Library would be made, with Amanda Slavens speaking for the library first and then allowing the Council to speak before voting.

Ms. Slaven stated the Library participated in Community Day raising \$225.00 for the Police Department. Ms. Slavens stated there were 10 children participating in the summer reading program and said some of the names of children impacted: Tia, Ariel, Cole and Noah and she is hopeful to keep the library open to keep some of these activities going because some have zero take home privileges.

President Johnson addressed the Board and if they had anything to say.

Councilman Thompson stated that the fund is in the hole and financially in dire straits and he did not see how it could be funded.

Councilman Caldwell stated his daughter-in-law, Ms. Robbie Caldwell, a librarian in Brownsburg who has a Masters degree in Library Science, stated that a building is not needed to run library programs per Ms. Caldwell. Councilman Caldwell stated the library might want to speak with her about ideas, and the library doesn't necessarily need bricks and mortar. Ms. Slaven stated she, Ms. Caldwell, is very well respected.

David Gregory, 105 N. Main, questioned programs being run in other places and Councilman Caldwell stated Ms. Caldwell would need to be contacted to explain that.

President Johnson stated over the last three months much thought and consideration has been taken over the library. Chatter was put up and feedback was given and sought legal counsel input. Clerk-Treasurer Johnson ran reports since 2012. Since that time, \$46271 has been put into building and keeping the library going and he wanted all information so everyone was completely informed.

President Johnson reiterated that the library wanted a two year commitment and if that is where the library still stood. Ms. Slaven said they would like a two year commitment and she was agreeable to that. The

library would pay all the utilities and the Town would cover the cost of maintenance, taxes and insurance for the first year. The last option would be to cease funding and take measures to get rid of the building. President Johnson asked if there were any more discussions or motions. Councilwoman Fry stated it should be voted on.

Randy Hill asked what the cost would be. Councilman Caldwell requested Mr. Hill address the Council. Mr. Hill asked if there was an estimated cost or annual cost would be. President Johnson stated the annual cost of insurance is \$1800-\$2000 annually. Taxes on the building are not paid. The unknown is what is in question. The HVAC is about \$500-\$600. The bathroom was requested to be fixed. If anything happened to the building, it would fall on the Town and there is not a dollar to spend.

Clerk-Johnson stated she could not hear to record because people were interjecting.

June Nickels of 102 Nicely stated, stated in her opinion of where the town is right now, it is not feasible and doesn't make sense.

David Gregory of 105 N. Main questioned what the cost would be of the building if it were vacated. President Johnson stated it would be the cost of property insurance and electricity to keep the sump pump running.

Councilman Thompson stated the average annual cost per year was around \$12,000.

President Johnson stated the cost of utilities in 2012, was \$5081 in 2014 was \$6056, and in 2015 it was \$5439, on utilities alone. In 2013, \$18509 was spent on bathroom remodels and replacing the roof. Ms. Slaven questioned that the \$18,000 was not covered by insurance because the building was not maintained and she wanted the 2015 utility cost repeated. President Johnson stated he did not know the history, but had the appropriations listed. He also restated that in 2015, the utility cost in 2015 was \$5439. Ms. Slaven reiterated the library is willing to take over the utilities, and the hard number was in insurance and the maintenance is unknown as it has always been that way, and in no way could the library have paid for a new roof. President Johnson stated that if an issue came up that cost \$4000-\$5000, the Town did not have the funds to fix the situation.

He stated that was the numbers part of it, he hated the situation but that was how things are.

Bob Hill of 202 Walnut, he said he was listening to people talk and the issues go back further than 2012, why did the Town always use 2012? Did the Town research as to why all the money? The Town would have been saved a lot of penalties, and it wasn't just the board that cost money and isn't the library Town property? President Johnson stated yes. Are taxes paid? Councilman Caldwell said no. President Johnson stated he had been corrected on the taxes earlier in the meeting.

Mr. Hill stated why not fund the library? People here want the library.

Clerk-Treasurer Johnson spoke, stating that records that are at her fingertips in the office on the software go to back to 2012, and further than that is hard to archive because the office is in disarray. It is difficult to research and find anything and that is part of the problem. Jim had stated and she had notified the auditor, that \$250,000 worth of bonds were cashed in within the last 4 years. And as she stated before, the Town is living paycheck to paycheck and if there is one major catastrophe, the Town will be in trouble. She is running the books and is in her office 60+ hours per week trying to clean up the mess.

Councilman Caldwell stated if they had listened to what he said, and Mr. Hill interjected stating "he didn't state his name to talk."

Councilwoman Fry stood up and said excuse me, this is enough. She stated she is tired of coming to the meeting with all the bickering and it needed to stop. She volunteered to be on the Council. She stated she had made a motion to vote on the library and it could be talked to death. She made a motion to take a vote and get it over with.

Mr. Hill began talking without stating his name. He stated the Town still has to pay maintenance and the library will pay expenses.

President Johnson stated he was correct that the Town would have to pay insurance and maintenance; however, the difference is if the Council agrees for one or two years. If the Council votes to sell it, it will immediately go on the market and all the expenses stop. It's not a decision lightly made and been discussed for the last three months.

Randy Hill of 301 S. Main, if the board was willing to give the library 6 months, he was willing to help solicit funds to help cover next year's operational cost for insurance, for \$5000. He stated he did not know whether the Town would or would not sell the building within 6 months, but the Council could settle into an agreement with the library should the property sell, give them 30 days to vacate or the new purchaser could take them on as a tenant. That way the library could keep on moving forward and still have the opportunity to sell should the Council choose to do so.

President Johnson thanked Mr. Hill for his input.

Ms. Slaven stated that there was a community member who agreed to match funds up to \$10,000 if needed to pay insurance.

Councilman Thompson made a motion to close the library down and sell the building. Councilwoman seconded. Councilman Caldwell voted yes. President Johnson voted nay. Motion passed.

David Gregory of 105 N. Main questioned how long would the library have to vacate the building?

President Johnson stated the library wouldn't have to vacate immediately. Once the building is sold, a time limit would be set such as 30 days.

Councilman Caldwell made a motion, that as long as the Library pays the utilities they can stay in the library until the building sells. Councilwoman Fry seconded. All in favor, motion passed.

Park

Michael Prage from the Park Board stated that the main goal was to maintain the grass and keep it mowed. A flag was donated from his mom's law firm. Councilman Caldwell and Mr. Prage had discussed running a cable across at nighttime and signs to show when the Park is closed. Kids were out vandalizing the previous night, flipping things around. Their names were unknown.

Councilman Caldwell stated that a roof was needed on the restroom, to keep the building from being destroyed and the church is willing to do the labor. Mr. Prage said the block wall had a hole in it, and the doors needed

to be fixed and suggested a surveillance system. Councilwoman Fry said she asked her husband if there were cameras and Mr. Prage said there were, and even suggested setting up as a dummy camera system and they needed a bucket truck to set up. Mr. Prage said he had spoken to Mr. Fry.

Councilman Caldwell suggested using funds from Rainy Day to repair the restroom.

Discussion was made about closing the park to repair and running a cable.

Clerk-Johnson also stated that the Rainy Day Fund was also needed to fund the INDOT project.

Robert Hill volunteered to help mow the park. President Johnson stated that Mr. Hill should meet with Mr. Prage after the meeting to discuss. Councilman Caldwell made the suggestion to Mr. Prage to make a recommendation to who he would want on the Board. President Johnson thanked Mr. Hill for volunteering.

Councilman Caldwell made a motion to pay for materials to rough in the restroom at the park. Robert Hill said there were shingles available. Councilman Caldwell stated that the church would do the labor if the Town provided the materials. President Johnson questioned how much that project would be. Councilman Caldwell suggested \$5000 and hope that the cost would be less. There were materials that were unused (studs), but the shape of the material may not be suitable to use. Mr. Prage questioned if materials could be traded in for what is needed. President Johnson stated the materials were old and may not be usable.

David Gregory of 105 N. Main stated he used to work at a lumber company if we could find where we got the material the Town might be able to trade in. President Johnson stated the Town has had the studs for years. Councilman Thompson questions Mr. Robert Hill how long they had been there. Mr. Hill stated they were there since they first got them but he didn't know when. President Johnson stated they might use the materials for another project.

Councilman Caldwell made a motion to appropriate enough money to purchase materials to enclose the restroom roof, appropriate will be only

estimates and the final dollar amount will be tallied at that point. Councilman Thompson seconded. All in favor, motion passed.

Mr. Robert Hill stated that the previous board was working on that and there was a gentleman in Indianapolis who might have the blueprints.

Mr. Prage asked about signs to put out in the park that it closes at a certain time. President Johnson stated he would like to meet with Mr. Prage the following week to give names of individuals he knew who might be able to help.

CLAIMS

Councilman Caldwell made a motion to accept the claims through July 11, 2016. Councilman Thompson seconded. All in favor, motion passed.

President Johnson reiterated that the Council reviews all claims prior to the meeting and sign each claim and that is why that process moves quickly at meetings.

OLD BUSINESS

Rate study is still in progress.

The Employee Handbook is still under review.

Councilman Caldwell stated there is no money to purchase a new mower, and Town will have to borrow a mower if it breaks down from Riner's or they can fix it.

Clerk-Treasurer Johnson stated that the reconnect fees had been discussed prior, and that currently the Town only collects \$25 for reconnect and is applied to one or the other utility. She requested that the Ordinance be written to reflect a reconnect on both at a rate that would cover salaries and time because the current fee doesn't. Discussion occurred with Councilman Thompson about weekend reconnect fees and Clerk-Treasurer Johnson stated that the Superintendents would have to be bonded, and she would always have to be available to accept payment. Legal Counsel will

need to amend the current AMC. Councilman Caldwell questioned the current rates. Councilman Caldwell stated the rates need to be raised to \$50 per utility water and electric.

NEW BUSINESS

President Johnson read Resolution 2016-A-2, A RESOLUTION DESIGNATING THE TOWN COUNCIL AND THE TOWN COUNCIL PRESIDENT WITH ALL CORPORATE AUTHORITY TO EXECUTE THE SALE OF REAL ESTATE ON BEHALF OF THE TOWN stating the undersigned are hereby designated with all corporate authority to execute any and all documents in connection with the sale of real estate by or on behalf of the Town of Advance and are further authorized or execute and deliver deeds, affidavits or any other instruments necessary for the effective transfer of real estate which may be necessary or proper from time to time.

Councilman Caldwell made a motion to suspend the second reading of Resolution 2016-A-2. Councilman Thompson seconded. All in favor, motion passed.

Councilman Caldwell made a motion to approve the Resolution 2016-A-2. Councilman Thompson seconded. All in favor, motion passed.

President Johnson read Resolution 2016-A-3 pursuant to IC 8-23-18-3 and IC 36-5-2-9, to accept INDOT's offer of \$500 for 0.039 acres of fee simple and 0.006 acre of temporary easement, for the real estate located at 411 South Main Street, Advance, IN, in the name of the Municipal Light and Power Plant of Advance.

Councilman Thompson made a motion to suspend the second reading of Resolution 2016-A-3. Councilwoman Fry seconded. All in favor, motion passed.

Councilman Thompson made a motion to approve Resolution 2016-A-3. Councilwoman Fry seconded. All in favor, motion passed.

President Johnson read Resolution 2016-A-4, A RESOLUTION RE-ESTABLISHING CUMULATIVE CAPITOL DEVELOPMENT FUND UNDER INDIANA CODE 36-9-15.5 and that the need now exists for the re-establishment of the Cumulative Capitol Development Fund for all uses set out in Indiana Code 36-9-15.5. The proposed fund will not exceed \$0.05 on

each \$100 of assessed valuations. Said tax rate will be levied beginning with the taxes for 2017, payable 2018. Said Cumulative Fund is subject to approval of the DLGF.

Clerk-Johnson explained that the CCD rate, will affect everyone. The Town is in need of funds, and it will affect everyone's tax levies. The max that can be received is 5% and our current rate is .118. The rate declines over time and the rate is not permanent.

Councilman Caldwell made a motion to suspend the second reading of 2016-A-4, A RESOLUTION RE-ESTABLISHING CUMULATIVE CAPITOL DEVELOPMENT FUND UNDER INDIANA CODE 36-9-15.5. Councilwoman Fry seconded. All in favor, motion passed.

Councilman Caldwell made a motion to approve Resolution 2016-A-4. Councilwoman Fry seconded. All in favor, motion passed.

President Johnson discussed from last month the gravel lots being for sale. Councilman Caldwell stated he had spoken with Jeff Wolfe and he had not gotten back with him to discuss. The Town needs to know what the lots are worth before they can be sold. Item tabled until next month.

President Johnson stated a motion needed to be made to fix the dump truck and bucket truck. The boom on the bucket truck needed to be repaired. The Resolution in January passed authorized President Johnson to approve the repairs before meeting and now it's being approved. The cost originally came in at \$1557.20, and the actual invoice was \$1259.80

Councilman Caldwell made a motion to accept the invoice from Dirtwise LLC. for the repairs of the bucket truck for \$1259.80. Councilman Thompson seconded. All in favor, motion passed.

Councilman Caldwell made a motion for the front end and new tires on the dump truck. Councilman Thompson seconded. All in favor, motion passed.

President Johnson requested approval of Smith's Contract of Town trash removal from June 1 of 2016 to May 31, 2016, and there was no increase in rates. Councilman Thompson made a motion to accept Smith's Trash Contract. Councilwoman Fry seconded. All in favor, motion passed.

Clerk-Treasurer Johnson stated she was behind the eight ball with getting the contract, she personally went to Smith's home to get the contract signed.

President Johnson addressed a resident concern from the prior month regarding the fire department filling up swimming pools with water. President Johnson stated it was claimed there was a potential violation of the water tower loan with the USDA, so President Johnson contacted Laura Hammond with USDA, and her reply was there was a clause in the water agreement that no free water would be given out. President Johnson explained the Town's situation and she said we are not the only town that has this issue. The agreement pertains to giving water away to residents as a favor and that issue was resolved.

President Johnson spoke to legal counsel, and she indicated in the Fire Contract there was a clause stating that the fire department would not use water for training, and then fill pools or livestock troughs. Therefore, President Johnson obtained a copy of the contract and in item 5, the Company will purchase water used for livestock or filling up swimming pools or whatever they choose and they may decide to pass cost to the end user. President Johnson asked for corrections if needed, but the fire department, and Councilman Caldwell stated the citizens of Advance pay a fee for every fire hydrant. President Johnson questioned how many gallons would use per hydrant, and Councilman Caldwell stated it was 1.3 million gallons and they were nowhere near using half that much.

President Johnson stated with his understanding the Company has purchased that water and used it for training purposes. He felt that the water should not just be disposed of, and if the water could be used for the good and receiving donations, he did not have a problem with it and the contract didn't state that.

Councilman Caldwell stated when Bill Snodgrass was on the board, and it was stated that the USDA didn't want to do as they had done in the past, going around and offering free water; i.e. Demarees had a free well and Boohers had a free well. A state law was passed that the Town of Advance could not go on properties looking for water without permission.

David Gregory 105 N. Main questioned what the hydrant was. Councilman Caldwell stated the cost was \$176 per fire hydrant and the town has 27.

President Johnson wanted it to be public record of how the board feels over this situation and there were no contractual breaches and this situation is resolved.

Councilman Caldwell stated that the Fire Department realized that the town is financially in dire straits and the AFD is willing to renegotiate.

Councilman Caldwell stated that all tax levies are going to be in one fund, and there would be certain allotments to fire and police. He requested support for this and the town would receive what's left of the fund.

Councilman Thompson made a motion to adjourn the meeting. Councilman Caldwell seconded. All in favor, motion passed. Meeting adjourned at 20:48.46.

X

Clerk Treasurer

X

President