

**MINUTES of SPECIAL MEETING
CITY COUNCIL MEETING
CITY OF DRAKESBORO
Held October 9, 2019**

The City Council of the City of Drakesboro, Kentucky met in a special session in the City Community Center, Drakesboro, Kentucky, at 5:00 p.m. on October 9, 2019. Mayor Mike Jones called the meeting to order. Mayor called roll and the following members were present: Larry Shrode, Tex Allen, Joe Studer, Scott Newman, Chad Davis, Frank Schmautz, and Mayor Mike Jones. No members absent.

Citizens present were: Carolyn Orange, Roger Frazier, George Humphries, and Dwain Wester.

Mayor opened meeting and explained that he had talked to Bill McGhee who was the owner 5 properties on 431 that the City wanted to be cleaned up. The owner told the Mayor he wanted to see if he could sell it first, so the City agreed to allow the owner 6 months to either sell it or clean it up. Bill McGhee listed the property with Baker for \$12,000. McGhee told the Mayor they had had offers but had not accepted any of them. McGhee told City he would sell it to them for \$10,000. Mayor wanted the buildings torn down and the Job Corps is coming in October or November to tear down any blighted properties owned by the city to get program credit hours. Larry Shrodes put \$10,000 in the city's account to buy the properties with the agreement that the city would pay him back at \$344/month for 30 months. Mayor stated he intended to bring up the acquisition of properties at the next city council meeting scheduled for October 21, 2019.

Joe Studer expressed concerns over legality of Mayor entering into property purchase agreement without prior consent from the city council. Stated if a vote was held at this meeting, he would vote against paying Larry Shrodes back.

Larry Shrodes stated that if the city council voted to not pay the purchase amount back that the city could put the properties back into his name.

Joe Studer stated that he felt the city council should have voted first before the paperwork was signed. Studer also stated that McGhee had told him that he would donate the properties to the city. The Mayor said that the owner had changed their mind. Studer also stated he did not feel the property was worth \$10,000.

A citizen of Drakesboro, Rose Johnson asked the Mayor to clarify what the city intended to do with the properties. The Mayor stated that it was the city's intention to tear the buildings down. The properties would then be used as incentives for economic development in the future.

Terry Schmautz said he did not want the properties but had offered McGhee \$3,000 which was turned down. Terry Schmautz stated that he had intended to acquire the properties and donate them to the city. He stated that he had spoken with Ryan Rice and Curtis McGhee to discuss the validity of the purchase agreement since the Mayor signed them before prior consent from the city council. Another attorney he spoke with, told him he could sue the city for a deal reversal, but Terry Schmautz stated it was not his intention to sue the city.

Mayor asked for a vote from the city council and received no motions for a vote.

Frank Schmautz asked the mayor to clarify his focus and questioned the ability of the city to pay for any properties right now due to financial limitations. Frank Schmautz expressed concerns over the city's financial position at the moment.

Mayor stated that it was his intention to have the properties as an incentive for businesses to move into the downtown area and that the rush to purchase was due to Job Corps already being scheduled to come in the next few weeks.

Frank Schmautz stated that while the purchase may not be illegal it was out of order for the Mayor to make a purchase without prior consent from the city council. And if a vote were held at this meeting his vote would be no. He felt that he needed more information to find out if the Mayor's ability to sign and enter into contracts extended to Property Purchase Agreements.

Frank Schmautz recommended to the council that they hold two votes: one to accept the purchase and one to agree to pay back the money owed to Larry Shrodes.

Frank Schmautz stated that he understands the Mayor's intent but wants proper process to be followed. He stated that he did not want the city council to have a repeat of overstep in the past that put them in a bad situation.

Larry Shrodes stated to the council that he would like to see the city grow and was willing to use his own money to see that it did. He had no intentions to do anything that would hurt the city.

Citizen Roger Frazier stated that when he was in office, he saw a letter from Mr. McGhee to the city about tearing down the properties that had no mention of having to purchase the properties first from 2012.

Mayor stated that McGhee had changed his mind and wanted to sell. Mayor was asked if there was an appraisal and he stated that he was not aware of one. He told the council that there were 4 lots on 431.

Terry Schmautz disputes one of the lots and stated that he felt it was a falsified lot that he owned. Mayor told Terry Schmautz that he thought it was not the lot they were discussing and that that lot was owned by Rudy Cundiff. Mayor stated that this special meeting was not to discuss those lots or personal property.

Frank stated he was not willing to vote on anything tonight and that they needed more information on the deal before a vote should be called.

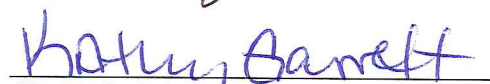
Carolyn Orange commented as a citizen that she felt the Mayor should not sign a purchase agreement without the city council's permission.

Frank Schmautz asked if it was possible for the council members to come by and review. Mayor invited all the council members to come by the office any time to view any city business.

Mayor asked if there were any other questions by the city council. All said no. Mayor called for a Motion to Adjourn. Frank Schmautz made Motion to Adjourn. Scott Newman second Motion to Adjourn. All in favor, none opposed. Meeting Adjourned.



Mayor



City Administrator