

RE: Inmate Medical
Clerk-phone jacks
Zoning Change for Ethanol Plant in Cayuga
Petition CR 300 N running E from CR 50 E to RR
Dental and Vision Insurance-Dirk Davis
Morning Star Energy-Ethanol plant south of Lilly
JE Sheckell contract
Jail water-New hire
SRI-Tax sale-Commissioners sale
Technology Coordinator-Jerry Hawkins
Appointment to Alcohol Beverage Board-Raymond Bush
Sales Disclosures-Assessors office
Health Insurance-Pierre Fox

Minutes-Vermillion County Commissioners February 7, 2006

The Vermillion County Commissioners met in the Commissioners Courtroom, Courthouse, Newport, Indiana.

President, Tim Wilson called the meeting to order and led in the Pledge to the Flag.

Roll call was taken: Present were President Tim Wilson, Harry Crossley and Kim Hawkins. Also present were Attorney Jon Spurr, Auditor Sherrie Koma and Deputy Auditor Amy Tolbert.

A motion to approve the minutes of the January 2, 2007 meeting was made by Crossley, seconded by Wilson.

Unfinished Business:

Inmate Medical. Sheriff Bob Spence said he had two companies here, one is Advance and the other one is Professional Health Care.

Dale Clouse, a representative from Health Professionals Ltd was present to discuss their program. He said he was going to spend a few minutes providing the Commissioners with an overview of their proposal and he asked if everyone had a copy of their proposal. Clouse said he was going to give them an overview of that proposal, discuss who they are as a company and then discuss the various pricing options and open it up for questions. Clouse said he would preface his comments this evening knowing that you did and rightfully so solicit more than one vendor's proposal. He said its equally important when you look at these proposals to not only identify the similarities but closely identify what the differences are because the differences make the difference in terms of pricing. Health Professionals Ltd is a company that started in 1995 in Peoria IL by 3 physicians whose sole purpose for that companies existence is to provide comprehensive inmate health care services to both the correctional industry, the state prison system as well as county jails. Since the inception of that company and we should say, one of the similarities is that the other proposing vendor this evening initially was a part of the original Health Professionals Company. The company split in 2002 and formed the two separate companies, Advance Professional Health Care and of course our company, Health Professionals kept the original name. So, Advance Professional Health Care in fact, the principals have been in business as long as Health Professionals have been in business. In 2002, the company split and divided assets. What happened was that the company was growing rapidly at the time and in 2002 Health Professionals, in the division of assets, the number of clients was reduced because their was a splitting off of accounts. As it happened, Indiana accounts for the most part were absorbed by Advance and Illinois accounts for the most part were absorbed by Health Professionals. What has happened is that since 2004, the companies have been able to compete against one another. There has been limited growth within the state of Indiana for Health Professionals. A lot of their growth took place in other midwestern states. Today in 2007 they have a total of 93 accounts in 9 states. 9 of

those accounts are with the Illinois Department of Corrections, so we have 84 accounts that are county jails. In Indiana they have 6 county jails, the most recent client is Miami County. They also have Wabash, Fulton, White and now Miami, Clinton, and Howard. Each one of those counties they provide a different scope of services for. As they would here, they tailor services to the needs of the individual county systems that they would be working with, the jail administrations and of course they tailor their services based on the average daily population. One of the things that set their company apart is the fact that they offer, as a part of their scope of services, is the ability for a county jail to contract with them for what they call a no cap hospitalization. What that means is that you pay one price for all off site care. You pay that price to the provider, which would be in this case, Health Professionals. Regardless of what those costs are in that contract year, you know what your cost is; it's a fixed cost. They are able to do that because of the size of the size of their company and because of the way they approach the management of care off site, they are able to control those off site costs. In the event that it goes above what they expect those off site costs to be, they pool resources from all of their accounts to help them in the event that there might be that one or two extreme medical expense off site. That is something that sets their company apart from their competition is the fact they do offer a no cap hospitalization and that is included in all of their pricing options that are contained within the proposal, is a no cap option, which is something that former Sheriff Hawkins and current Sheriff Spence indicated an interest in being able to have that cost certainty. Another thing that sets them somewhat apart is the fact that they offer a no cap pharmacy as well, where they would be responsible for the purchase of all pharmaceuticals, whether they be prescription or over the counter medications. Unlimited pharmaceutical costs with one exception but we do provide limited coverage but not unlimited coverage for medications related to HIV, HEP C or cancer treatments. You will see what those limits are, and those limits are the same across the board in all 6 cost proposals. They practice, what they refer to as evidence based managed care and that is how they are able to provide quality inmate health care at low costs and reduced risk. They practice medicine in a jail environment that may be slightly different than how you might used to having the practice of medicine practiced in a county jail. If you have for example, a local physician providing services. For example, we all have our own family doctors of course and Clouse said he has a very good working relationship with his family doctor and he knows him very well and he can call him and say I am feeling the same way I felt 6 months ago, can you give an antibiotic and chances are the doctor will prescribe the antibiotic for him without him coming in. In a jail environment we practice medicine based on the evidence presented and it has to be certainly demonstrated by the inmate that there is a need, a symptom related need for medication or for care, not simply because the inmate may ask for it for the meds, but that there is a legitimate need for the meds. That is one way they can control the costs and reduce the risks, because one of the things they don't want to do is over medicate based on the request of an inmate. They try to practice preventative medicine on site, there by minimizing the frequency of off site visits of inmates to hospitals. He mentioned to Hawkins and Spence, there are hidden costs associated with any time your going to send an inmate out to a hospital or an out patient clinic because that inmate has to be escorted by a corrections officer or a deputy. That officer is getting paid for that time he is with that one inmate in a hospital and if you have a hospitalization that might run 3, 5, 7 days, that individual inmate has to be guarded by a corrections officer. What they try to do is minimize off site care by practicing preventative medicine and doing as much care on site as possible and as the site will allow. Their emphasis is on prevention, and also on reducing the counties risk by managing care through utilization management department, in house, in our corporate office in Peoria. That Utilization management department is headed up by a correctional physician and the purpose of that department is to monitor and manage primarily off site care. For example, sometimes an inmate may end up going to the hospital for problem A and that is what the inmate needs to have taken care of in order for that inmate to have the kind of necessary care that you as a county would be responsible for providing, but if that inmate goes to the hospital and the doctor thinks there needs to be procedure B, C, D & E also done, when he was sent to

have A done, whose on the hook for B, C, D & E. What happens is that unless you have on going monitoring of the care that is being provided in the hospital, you lose control of the care being provided and the cost associated with that care. Similarly unless there is an ongoing monitoring of off site care, the kind that they would provide is the length of stay may end up being extended by what is necessary. Often times and inmate can just as easily recover back in your custody in the jail then if they were given another couple of days over the weekend in the hospital when they are really able to leave the hospital on a Friday afternoon but they stayed over until Monday morning for example. So, the county needs to look very closely at the kind of care that is given off site to monitor that care and if the care can be provided as well back at the jail site, we would recommend that the inmate be released back to the custody of the Sheriff and brought back to the jail. Clouse said he presumed everyone had a chance to read the proposals. He said what he would like to leave them with before talking about pricing is that because of their administrative support through utilization management, NCCHC accepted policies, procedures, and protocols, and an ongoing connection with the corporate office through their contract manager, who is and Indiana based nurse, who be assigned this contract, she would be the link between the corporate office support services and the on site care that is provided. That individual would be making regular contact with the on site staff that they would be providing for them here as well. With all of those things, they will guarantee that they can provide the county with low risk, low cost, quality inmate health care in a way that emphasizes prevention and emphasizes the management of the health care of the inmates. Clouse said unless they had specific questions about any of the details of their proposal, he would like to run through the 6 different pricing options. Hawkins said that it was his understanding that they were recommending one plan and suggested he just explain that plan to them in an effort to save time. Clouse said all 6 plans are virtually the same except for the nursing staffing, He said when they first met with the jail administration and the Sheriff back in the summer, there was a real interest in trying to provide as much care on site as fiscally possible. He said given our average daily inmate population, they put forward proposals that would give them either 12 hours, 15 hours, or 20 hours of on site nursing care per week. The on site physician is constant all through all 6 proposals, so were really only taking about the difference in nursing services. He said they also put forward in 3 of the 6 proposals; deal with the utilization of an LPN and the other 3 with an RN on site. He said in their experience, and LPN in a correctional environment when properly supervised by contract manager, can perform almost everything that an RN can perform on site in a correctional environment. He said they are recommending the utilization of an LPN as opposed to an RN, although some of their sites prefer an RN. Option 3 is recommending the use of 20 hours per week on site LPN nursing services. All 6 options, including option 3 is composing once a week for approximately an hour per week on site physician service or 1 day every other week for 2 hours. He said either option would be sufficient for and on site physician, especially if you have a regular on site nurse, that is in routine contact with the physician even when the physician isn't there. Clouse said all of the options, including option 3 include a 24/7 on call availability, so that in the event that the physician is not on site and a situation arises that would require the physicians expertise, that physician can be contacted immediately and they assure that there will be a very quick turn around time on response. Clouse said they have a fail safe mechanism set up in the event that the primary on site physician is not available to take your call when it occurs. He said they have a 3 deep level of physician support that they provide, where one of the first things they do in transition is to educate the onsite personnel to what the emergency call out procedures are. He said that there would be the 24/7 on call availability along with malpractice insurance necessary for all onsite staff. They also include both medical and mental health training. Even though there is not an onsite mental health practitioner being proposed in any of these options, all of our options includes an initial 8 hours of training in the mental health arena, 4 hours of which deal with intake and assessment and identification of inmates that are exhibiting mental illness or symptoms of mental illness at intake. It is also involves as a part of that 4 hours of training signs and symptoms of individuals who are experiencing mental health issues, so that all the correction officers, even

though an individual inmate might not exhibit mental illness concerns at intake, once they are in confinement for a period of time then they begin to exhibit problems with regard to mental health. Part of those 4 hours of training, core training, includes the symptoms and identification and the care of and how to respond to inmates that are exhibiting mental illness or mental health issues. They also include in that 8 hours of initial training, 4 hours of training for suicide prevention. Unfortunately that becomes another increasing problem in jail or in the correction environment. They feel that even though they might not be providing a mental health professional on site, its very important from our perspective to have our mental health department come out and provide everyone on site with that training on suicide prevention. We then follow up with annual refresher training on both of those components in mental health. All of the options, including option 3 include the office supplies and on site expenses, start up and transition expenses. They are providing in all of their options, including option 3, the pharmacy benefit, which is no cap on pharmacy, whether it be over the counter or prescription medications, with the exception that we have placed an annual cap on HIV meds, or HEP C meds, biological meds for the most part are the kind you might find used in cancer treatments. What they are finding is that it is unusual for there to be instances of HEP C, and there is a limited number of individuals in the jail that have HIV. They are providing an annual cap for those meds only. They are also providing a no cap on hospitalization in all of those options. This is an area where you could have a huge explosion on, and after talking to the former and current sheriff, that's an area that seems to be an increasing concern, the cost of off site care and having to come back to the board or the county commission to request additional funding because the budget that was put in place for medical care has been exceeded because of an unanticipated off site expense. They are providing a no cap option for hospitalization, diagnostic services, lab and x-ray services, med supplies as well as medical waste disposal is also included in each option, including service option 3. The pricing that we are showing here for service option 3 is an annual price of \$68,351.60. It's based on an average daily inmate population of 80. This is one of those things that he mentioned reference to the off set, look at the differences, make sure that the proposals that you are considering are very similar to ours because that does have an effect on pricing. Clouse said to look at history and the capacity of the facility to determine what ADP should be used for pricing purposes, but former Sheriff Hawkins advised them that they should be using an ADP as well. He has mentioned on several occasions, not to this group before, but this pricing represents a one-year agreement. He has mentioned in the past to the Sheriffs that if that they were interested in a longer term relationship than a 1 year contract, they are very willing and open to the idea of a multi year agreement and at that point they would be willing to reduce the first year costs, by being able to spread their start up costs over the term of 2 years, for example, instead of trying to get that back all in the first year. Another advantage of a multi year agreement as opposed to a single year agreement is they are able to lock in to the price increases in the second and third year and they would be very competitive. Pricing in the second and third year would be fixed at a rate significantly lower than what they would expect the medical services CPI to actually be. Last year the medical services CPI was 4.2%, something like that, consumer price index for medical services. Many of our agreements just automatically roll up by that CPI. He said when they are looking at a multi year possibility, they would be very happy to consider a fixed increase at less than what we expect that CPI to be. Wilson asked what if the inmate is taken to the hospital to stay, who pays the bill? Clouse said Health Professionals does, he said he mentioned cost certainty to you, when you purchase a no cap hospitalization, that is exactly what you are purchasing, there is no limit to how much we are responsible for paying.

Les Singleton with Advance Correctional Health Care. He thanked the commissioners for allowing him the time to present his information. He said the other gentleman present is the CEO of the company, Dr. Norman Johnson. He said when they go into a county jail facility; first off they have three objectives, to reduce the risk and liability is their most important objective, to help control cost to the county and also increase the quality of health care that is being currently

provided by the county jail. He asked them to look in their packets; he said he highlighted the counties they currently service. They service 42 counties in Indiana. He said the upside is that when they are doing a good job, each and every county is going to know, likewise if they aren't doing a good job, each and every county is going to know because the Indiana Sheriff's Association is a very tight networked group. He said the packet also includes a list of references. They currently service over 80 county jails in 9 different states. The smallest jail has an average daily population of 18; the largest is a little bit over 1000. His job is to sell until he is blue in the face, but the bottom line is if you get anything out of this presentation today, check those references. He encourages Sheriffs to call other Sheriffs, commissioners to call other commissioners. Take a look at those references and when it is all said and done make a few calls, check the references and they will speak volumes. Singleton said to turn to the Health Care program section and he will go right down the list. Hawkins said really what they are interested in is there anything that Advance provides that the other group doesn't and the costs. Johnson said that let me start out by saying that the previous vendor did a great job, it was very accurate, probably what sets the two companies apart, from our standpoint is, risk management. He said they have 84 separate policies and procedures. They set up quality improvement programs that are ongoing, they write the protocols. He said you get sued for two reasons, for medical malpractice, and they have correctional insurance, as does the previous vendor. He said 90% of the time you get sued for civil rights; they also have a separate policy for civil rights. He said their programming includes a complete discount network as well. All the hospitalization, the off site care goes through a discount program. They also pay for all the medications. The issue of HIV, HEP C and cancer drugs is every real and the reason our company and others would not want an uncapped program is because they would have to figure you would have that and they would have to charge for it. It is not financially smart to accept that type of program so they have put a cap on it and it is a very reasonable approach. They have not put any program in for that all because the truth is, if you put a cap, say \$1200.00 in place, you kind of have to charge the account for that, there is no free money. Say you use \$600.00 of it; well you've just spent \$600.00 too much. Lets say you use \$1800.00, its going to cost you \$600.00, there is no benefit from our experience But buying the drugs at the cheapest rate, we purchase drugs at physician cost. That discount is passed on. On the issue of staffing, there is a number of different ways to go. He said 20 hours is a good number. He said they presently run a number of counties around ours and they would cross share nurses so the nurse can get full time benefits. They do Parke, Clay, Putnam, Montgomery, and Hendrix County. They handle virtually all these counties in this particular area. Johnson said they actually have some jails that do not want any nurses, what they do then is train the officers, they don't always recommend that but they are flexible to meet the needs to the jail administration. Hawkins asked if the \$65,000.00 was the cost proposal and Singleton said yes. Hawkins asked what the \$1.00 per Diem rate was. Singleton said basically we based your average daily population number on 55 because you only on an average daily basis carry 55 inmates. You carry 25 other inmates, which are other sources, the bottom line is they are not Vermillion County inmates. We use that number, we reconcile every 3 months, lets say over a 3 month period you average 56 inmates, you would be charged an additional \$1.00 a day for that 3 month period, so your looking at an additional \$91.00 or \$92.00 dollars. He said they are flexible with that, if Spence thinks his population will increase, what we do is an amendment to the contract, raise the base number, obviously the price will come up but it can also work in the opposite end of the spectrum. If your county inmate population drops and its going to stay that way, they can lower that number and payment. Johnson said as Singleton has pointed out very well, its very important to understand what the average daily population is, it should be the counties responsibility. He said 80 is the number, were actually covering 80 patients, but only 55 are they counties, they still take care of the others. The other entities would be responsible for them, they bill the state. Hawkins asked about the monthly fee for services, are they all the time. Singleton said that is the monthly payment, the annual payment divided by 12. Singleton pointed out the service provided; he said they recommended 20 hours of nursing services. He said they have two regional nurses in the State of

Indiana and that is their sole job, to go around and work with each of the county jail nurses to make sure that nursing staff is working at an exceptional rate. He said they have a layered system, the two regional nurses report to the corporate nurses, its continuous quality improvement. They revisit their goals every 2 to 3 months with the Sheriff and pertinent staff. There is continual training that is always involved. They also do peer reviews, the Sheriff is always in charge of the program. Hawkins asked if the nurse would be shared with another county and Singleton said yes they have a nurse in a neighboring county that works 20 hours, they will put her in our county and then she will be eligible for full time benefits. Hawkins said they are going to make a motion to take it under advisement, give it back to Spence and let him come back with his recommendation. The commissioners are in agreement that this is something they definitely want to do.

911 Director Appointment. Crossley said they got a letter from the 911 board that says that they had a meeting and they voted to recommend Deputy Mike Phelps to replace Bob Spence as 911 director. Crossley made a motion to accept, seconded by Hawkins.

New Business

Martha Padish was present and asked if she could get some more phone jacks in the election room, she said she only has one and has to borrow several hundred strands of phone line at Election time and string them to the back to able them to have phones. She asked if there was any way when they have the phone company come, to install 4 new phone jacks. She said she needs it where a poll calls in on one, the others are free for them to call in on those also, not like a roll thing, she needs them separate for different polls to get through. Wilson said he doesn't know why they couldn't do that. Wilson asked Koma if the 832 lines were working yet and she said she has been working on it. Hawkins made a motion to allow, seconded by Crossley. Wilson told Koma to get the 832 line up and running, she said she has made several calls to get this done. Wilson said to tell them we want it done and she said she has and Wilson said its going to cost the county money.

Change of Zoning petition filed by Myers, Little and Hennis. Wilson said they are going to allow 10 people from each side to speak, those for and those against, and they will allow 2 minutes per person. Wilson said he wanted everyone to keep in mind that this is Commissioners Court and to treat it the same as if they were in Judge Stengel's Court. Any body disrupts anybody or gets out of hand, the Sheriff will remove you. Attorney Joe Beardsley had the petition and spoke first. He turned in the list of their 10 people that were for the rezoning.

1. Beardsley said change is tough; none of us like that but if we don't change were going to have wasteland. He said that we have been very fortunate to have a solid company come in here and want to build an ethanol plant. They have some of the finest people representing them that he has had the pleasure to deal with. They are solid, they are well educated. Those of you who have met with them know what he is talking about it. He said that they are asking that the commissioners approve the rezoning so that this plant can be built. These are good people and they haven't always been treated courteously. Beardsley said you can disagree with them, you can disagree when we need economic development, you can disagree whether we need ethanol, you can disagree whether there should be one up there, but he thinks we should all treat them courteously and with the respect they deserve.
2. Don Panner with Renewable Ag Energy. He said his basic role for the company is identifying sites to build the ethanol plants. The company is a bio fuels company that is based in Colorado and an operational headquarters in St. Louis. He said they are a group of people who have spent their entire careers working in agriculture in and around rural communities throughout the world. There bio fuel business is at the heart of the thing that drives the people of RAE. The key points of this kind of operation for this county is that it will bring 40+ jobs to the community and most of those jobs will be staffed by local people. The amount of capital we plan on is 180 million dollars. From

the local farm community we will be using about 40 million bushels of corn. He said he provided a data packet for the commissioners and he wanted to point out page 3 that states the summary of the kinds of local economic benefits that can be expected from an operation such as an ethanol plant. That information is based on a 50 million gallon per year production plant, our plant will be a little over 100 million gallons so the amount of impact to the community is bit more. On page 4 there is a list of pertinent information in regards to the land. On page 6 there is a diagram that shows the proposed location of the plant relative to the sight. The other thing he wanted to point out is that they have been working on this project since May 2006 and have spent have untold hours to research and look into all the issues concerning this ethanol plant. They feel they have done there very best to address the issues with the number of public and private meetings they have held. They have never dodged a single question. In summary he wanted to go back to the meeting with ABC on January 11 where they voted unanimously, one vote abstained, to make a recommendation to you to approve rezoning this property from agricultural. We would like the commissioners to approve it as well so they can continue this process of developing this ethanol plant here in Vermillion County.

3. Martha Shlicker, who leads over all engineering and operations for Renewable Ag Energy. She said she has spent the past 20 years as an organic chemist, leading research, development, production, manufacturing, sales and marketing around the world. She has done so with the highest commitment to the communities in which she operates. Stewardship for those communities the facilities, the environment, the employees, and the people of the town. She said she is committed to doing that with the focus on the long term, even if that means it will take more time in the short term. She said she is really fortunate to work for a company and to have engineering employees with those same values. She said that will be there commitment here in Cayuga. She said they as a company really believe in renewable fuel, because they really truly do believe that renewable fuels give us energy, security, redevelopment of rural America and improvement of the environment. With those values, they will also hold to those values when developing this plant. The site was selected and the site was large to ensure that we can utilize all those local assets that Don talked about, to build a plant that wont just be successful in good times, so we can be certain that we can build a plant that will adapt new technologies and contrary to some rumors in the community, not for expansion but to assure we can augment the technologies that will create other value added businesses to the community and will ensure it can weather the tough times as well. She said they are here to really make sure that we not only take advantage of those assets but to also listen to the concerns of the community. We are committed to continue to address those concerns, to form a community advisory group to help us not only during construction but also during the operation of the facility to ensure that the plant and the community can have mutually beneficial advantages. We want to see people in the community have jobs, new businesses created, internships, scholarships and the kids that are in grade school today working in our plant 20 to 30 years from now. She encourages and asks for the Commissioners support in approving the zoning recommendation from last month so they continue on with construction.
4. Ed Cole, Economic Development Director for Vermillion County. He said Renewable Ag Energy is interested in building a state of the art ethanol facility near Cayuga. The economic impact on the local economy will be huge for many years to come, approximately 40-45 full jobs with and average salary of \$34,500.00 per year with benefits. Studies of similar plants in other states have shown that there are 129 spin off jobs that come from this type of development. 40 million bushels of locally grown corn, purchased from local farmers, a total economic impact of 9.7 million dollars annually, that is from the labor income and goods and services purchase by this type of development. Ethanol is an outstanding fit for Vermillion County. We have the water and we sit above one of the largest aquifers in North America, which is nearly inexhaustible. We have the rail, we have the natural gas, and

we have a fantastic corn supply and an outstanding highway system. He encouraged the Commissioners to vote positively for growth in Vermillion County.

5. Steve Hicks, Highland Twp Farmer. He said Vermillion County produces 5 million bushels of corn annually according to the Indiana Agricultural Statistic Service. The presence of an ethanol plant in our county will increase the basis for price we receive for corn by roughly 10 cents per bushel. This translates into ½ million dollars annually for farmers of this county. By being able to deliver the corn locally an additional savings of transportation costs of 5 cents per bushel will be realized. Farmers pay personal property taxes on farm machinery, equipment, farm structures and grain handling systems. These taxes are paid by farmers to the county. All residents of the county benefit from the taxes that farmer's pay, some of you in this room receive you pay from local farmers through these taxes. State government has reduced giving the county monies to operate; this is being offset by increasing real estate and personal property tax rates to be able to maintain our current county surfaces. Hicks said he feels we need to change the zoning of this tract to allow this facility to be built. This will allow me to transport my corn to a county facility where local residents work. The product produced will be used by all of us for our transportation needs. Feed will also be produced for anyone wanting to raise livestock. Because of these benefits to the entire county, I fully support these efforts for rezoning.
6. Jack Fenoglio, resident of Vermillion County but worked in Vigo County because there was an economic development group there that said yes to putting in a large aluminum plant, where I was able to use my engineering degree to work almost 40 years in that industry and to provide a good home for my family and to enable my children to see their grandparents probably 5 days a week, today if I see my grandchildren 5 days a year I am fortunate because my children have all moved away because there are no jobs here. That is why I hope you will change this zoning so that we can bring industry into Vermillion County to provide jobs that don't exist today and to improve the jobs and the income that the farmers can get by increasing their crops. I hope you will agree with the area plan commission and change the zoning.
7. Danny Wesch, farmer from Eugene. He has served on many community boards, one of them being the Economic Development Board. He said if you remember right, our charge on that board was to bring industry and business to Vermillion County, now we have the chance to bring an Ethanol plant here, that will supply 40 plus jobs, not including the many construction jobs. They will have projected payroll of 1.8 million that will have a ripple effect through the local economy. Maybe we can reverse the flow of our young people out of the county by giving them more choices. He said he feels that if we turn this zoning request down tonight, we are saying to all future businesses in Vermillion County that we don't want you. He thinks this is the wrong message to be sending. He said when he left the area plan meeting last month; he turned north on 63, out of Newport, and viewed what looked like a small city. Lights were everywhere, steam was rising from the Premier boxboard plant, and Duke Energy. He said that we aren't asking to zone something that isn't industrial, that shouldn't be industrial. This is the perfect fit to have another plant move in and help the tax pace of Northern Vermillion County.
8. John Cheesewright, County Council Member for many years. He said he has heard several companies come in and propose building plans but we have two professionals here tonight that are really on the ball. He said they give you every detail; both positive and negative things that could happen and they have been so cooperative that it's beyond his thinking to even refuse them. As county council they have to approve tax abatements and this is one plant that is not going to ask for tax abatement. Tax abatements amount to thousands of dollars and we are very fortunate that they have financed well enough that they don't have to ask for a tax abatement, so as a county councilman he wants them to vote in favor of the ethanol plant. As a member, and president of Vermillion County Farm Bureau, we are a family organization, most of us that have insurance have children and we have to insure our children and send

them to school. Farm Bureau has given away thousands and thousands of dollars through scholarships in this county and the reason they do that is because they would like for the children to come back to Vermillion County with their education and further improve this county. It is hard to do because we do not have the jobs. He said they are hopeful that by approving this plant that we can have more kids and grandkids come back and have jobs here for a long long time. The company promised them that they plan on being here a long time. He said he hopes they will vote in favor.

9. Ron Mack, 5th generation resident of Vermillion County. He said Eli Lilly sits on what used to be his family farm and they had all those same fears that others are having today. The fears never came true. He said he spent 25 years in food processing and toured some 25 to 30 plants all over the United States and Canada and what he said he has found in all the plants is that they are govern by several Federal Agencies that just absolutely will not allow any kind of unsafe, unhealthy condition to exist. This plan will have to abide by FDA, USDA, OSHA, EPA, Transportation Safety, and Alcohol, Tobacco, and Fire Arms regulations. If you have ever been through any kind of government audit in any kind of a plant that is one little bit of trouble you don't want. He said he is strongly in favor of this plant and hopes they will approve because we do need the jobs and the taxes in Vermillion County.
10. Tom Milligan, member of the Vermillion County Economic Development. He said he did not agree to serve on the council to bring harm to people; he wants to do something good for our community. He said he made the trip down to Palestine to see what an ethanol plant was like. He said that within a half a mile of the plant there, after it was in operation, the people of Palestine decided to build their grade school there. From what work that he has done, there will only be 2 homes within a half a mile from the plant. Would the town built a grade school their if there was an odor problem or if it wasn't fit for children to be around, if there was going to be a noise problem there. There is no way the people of Palestine would have built the school there if it would put the children in danger. He said it wasn't him or this county that decided that as a National Policy we were going to lower our dependents on foreign oil, that is the way that our country is going. He said he doesn't think Ethanol is a total insulate, its only one part of that puzzle but it is a part of the puzzle that we can fit into and it can be positive for our community. It can be positive for Vermillion County; it's going to give us jobs and farmers another market for corn. He said he would strongly urge them to approve the zoning. He said he really doesn't think it's going to be so detrimental to the lives of those that live near it.

Wilson passed a list around for the 10 people who are opposed to sign in.

1. Evelyn Ward, Newport resident said she went to Palestine and wants to make everyone aware that the plant is a 40 million gallon per year ethanol plant. Cayuga proposed ethanol plant is 108 million gallon per year. That is 2 ½ times the one in Palestine. Palestine uses a half a million plus gallon of water per day, does this mean that Cayuga's proposed ethanol will probably use 1 ½ times that amount of water per day. Palestine receives 100 semi truck loads of corn per day does that mean Cayuga's proposed plant will need 2 ½ times the trucks plus the 200 train cars that we want each week. The proposed plans for the 108 million gallon per year ethanol plant is being built with a lot of room for expansion due partly to the fact that right now the emissions standards are 100 tons per year and are going to go up to 250 tons per year. Do you know what is in 250 ton of emissions, no you don't and you will not know until the permits are issued. How much of the real story do you know? What guidelines, if any, do they have? When the water, the pollution, truck traffic, noise, and the rail cars etc. reach a certain level can anything be done to protect the public? One more thing to you three elected Commissioners, from the Daily Clintonian of December 27, 2006 and I quote, "No person from corporation, public employee, or body politic, shall contact any member of the Area Plan Commission or the Board of Commissioners orally or in writing in advance of a public hearing on a case then pending for the decision of such

Commissioners.” The first amendment to the Constitution allows freedom of speech, are we not as important as the Zoning Commission or the Economic Council?

2. Cindy Knauer said she has remained silent since the announcement of the ethanol plant. I have been a listener and I have been learning since the announcement in October of 2006. I can no longer be silent after attending the rezoning meeting on January 11, 2006. She said as she sat in the meeting listening to both sides, she kept hearing a man behind her making comments about those opposed to the rezoning. He kept saying, what is their problem? Let me explain, recently I moved from Danville Illinois to Cayuga Indiana, my finance at the time owned property there and convinced me that the country was the best place for me. I sold my home of 25 years to move to the country. We got married, built a new home and it is very peaceful, I enjoy a wood fire outside, the cool nights, and the sounds of nature. I think everyone can agree that our biggest asset or investment is our home and our land and it is very important for all of us to protect that investment. She said she was at the rezoning meeting for that very reason, to protect mine. In good faith we built our homes, some of recently and some many many years ago in a residential area next to large parcels of land zoned for agriculture. We felt safe and protected by that fact. Now, all of that has changed with total disregard for those of us that were there first. Our group has done a lot of research and probably more research than you may have done, most of you rely on the company for your information and with no offense, and they are good salesman. They have told the Commissioners what they wanted to hear. We have researched the effects of an ethanol plant this close to a residential area. The net effect is decreased property value. I am in Real Estate; I know how a property decreases when you have a residential property next to a zoned industrial plot. My property values are going to plummet along with the rest of us. It is going to impact our quality of life as research shows, a man in Palestine Illinois, which Tom Milligan just mentioned, has a 6,000 square foot home that he cant even give away. Another man said the constant hum of the grinders is very annoying, the list goes on. Lets just say the ethanol plant is built and I find that I can't physically tolerate the additional 100 tons of pollution a year or the constant hum of the grinders. If anybody knows me, if you click a pen, I can't stand it. What are my choices? I am stuck because I can't give my house away. What have you possibly done to understand the full ramifications? Where is my safety net? You have sealed my fate with out just compensation. Thank you.
3. Kristi Lamb who lives on County Road 350 N. For the record she wanted it stated that our County Commissioners did not plan to allow us to speak tonight. Only after approaching one of them and stating that you are an elected official and this is a public meeting, were we allowed limited time to speak. Also for the record public notice was sent to our homes and published in local newspapers, that we were not to speak to our Board of Commissioners once this petition was filed. We have tried to play by the rules. Please refer to the checklist in your binder and it is a checklist for a zoning map change, it was obtained from our local zoning office. Can you answer yes to all of these questions? There are 11 questions. She said she especially finds the last question interesting; it is really needed or is merely for the convenience of the applicant? It was stated at the Area Plan Commission hearing on January 11, 2006, that this land would be rezoned only for the use of RAE, for an ethanol facility. That sounds like it's merely for the convenience of the applicant to me, especially when an ethanol facility is already planned for and Industrial Place in Vermillion County. Can you guarantee in writing that if this land is rezoned to Industrial and for any reason RAE backs out of this, that it will immediately go back to Agriculture. Two of you Commissioners told me safety and well-being should be a top priority for you as Commissioners of this County. It is your obligation as elected County Officials to ensure the health and safety of the residents of this county. Have you considered all of implications this rezoning will have on all residents of this county. If you vote to approve this rezoning tonight, you give free control of 320 plus acres of land to a company from Colorado. There will be no restrictions or guidelines

in place locally. There will be no limit to the amount of water they can use, no limit locally to how much they can pollute our air, no limit to the amount of noise they can make. When asked if rail cars would be moving through the night time hours, they could not answer that question for us. No limit to the amount of light they can emit, no guidelines for how they will dispose of their waste product. Don't let this be like our new County Highway Garage on State Road 63. Who will be responsible for the \$59,000.00 plus additional costs need to finish that project. Certainly hindsight is always clearer but these are taxpayer's dollars and you are elected by the taxpayers. Mr. Milligan stated "Parents would not put their children in harms way, Parents would not let this happen." Who do you think we are? We are parents and that is what this all boils down to. I am certain that the air that all of the children in the surrounding area will breathe as a result of this will compromise their health. Who will protect them? If you won't listen to us as parents, who will you listen to? Lets talk about supporting the community. My family and I believe in supporting out community. We buy all we can locally before driving 20 miles to save a dime. We believe in supporting the little guy, now we are the little guy, who will support us? If this company is really truly committed to our community, then why are we in such a hurry to accommodate them without all information in place? If this truly is a win win situation, then why are we so afraid were going to scare this company away? You as Commissioners have 90 days to make a decision, I ask you to vote your conscious and not be influenced by numbers and by those who merely stand to prophet from this. I have one final question, did you, the Commissioners meet with Economic Development members, County Council members and RAE representatives on January 22nd? Wilson asked Joe if that was the meeting out at Duke Energy or was that before Christmas? There was some discussion as to the meeting in question. Hawkins said he did not meet with anyone. Crossley said he didn't meet with nobody on the 22nd. Wilson said they met with them at Duke Energy prior to the first of the year.

4. Jeff Lamb, Kristy Lamb's husband, has lived on 350 N since 1974 and he said he was pretty attached to the place. He said he is really really worried about what kind of emissions these ethanol plants are going to have. He said he is also really really worried about the water usage. He said if anyone reads the Clintonian, they will have read his letter where 108 million gallons of ethanol produced a year times 3 gallons of water for each gallon of ethanol equals 324 million gallons of water sucked down the ground every year which, I don't know if a million gallons of water fills this room or not, but its a lot of water. He said he is really worried about his daughter's health, and all the kids on his road. We have a lot of grade school aged kids on his road and we live close enough to industry. Also, he would like to say that whoever was fifteen minutes to the south of our house, I think the company is called Morning Star, supposedly going in down there south of Lilly, that is a great deal. Whoever did that, I applaud you because that ground's zoned industrial and the people I've talked to and some of them were County officials, they have really got their ducks in a row. No offense to Martha and Don, they are nice people, but that's the right place.
5. Phil Wright, I am a businessman and technically a farmer because I live on a farm and I agree with the ethanol plant 100 percent, except the location is wrong. He said he is also an engineer and he used to work at Public Service Indiana and I was down there when they had fires and explosions. I have seen my share of them and I was in ruins with it, 35-ton pipes blew. Wright said he heard that we are supposed to also get an ethanol plant in the Dana area. So if were going to have one down by Dana, one in Cayuga and one down by Eli Lilly, well that is more than all the corn we will use in Vermillion County, isn't it? Do you think one ethanol plant will be enough? That is 5 million bushels they said we have. Where are they going to get all the extra corn? Someone was talking about the Palestine thing, she's right about that, and its only producing a half of what they are going to produce in Cayuga. Again, I am for growth, I am for it but I think this is not an industrial site. Its going to be next to my daughter, she is going to have to breathe the micro pollutants, the Co2, the ethanol fumes. What if we go from corn to weeds? The corn

stalks and the stuff they take off the field, the new technology, are they going to be using that, so you know? Wilson advised Wright that he needs to direct questions to the Commissioners. Wright said his point is what will that smell like? New technology, what else is going to be in there? We don't know. Again, he said he is for this 100 percent but he thinks it is too close to his family, his daughter, my wife, my neighbors, and the trains. Right now if we are 3600 feet from Cayuga, if you have a mile long train, how are you not going to block railroad crossing in Cayuga in a timely manner? You will be blocking the railroad tracks, you will be. I also heard today that they are going to build two ethanol plants in Danville, one at East gate, they said there is not water, but there is now I guess. Wright apologized for getting a little upset, and he said again I am for this 100 percent but its so close to my family, my neighbors. Wright said just because Palestine wants to put it near their home, their schools, should we put it near our schools? He said he made up a pro and con list and I want to give this to you the Commissioners as I leave. 20 jobs, 30 jobs, 40 jobs maybe, 15 cent more bushel for corn that is the pros. 6 million bushels of corn in Vermillion County, the cons. The extra truck traffic, the extra railroad traffic, effects the quality of water and quantity of water, the air pollutions, Co2, smell, pollution, railroad blockage, noise, humming, constant, light pollution, fires, explosions, dangers, and those so close proximity to our homes. Again, I am not against the ethanol plant, I think its too close to our homes. Now, I want to know how many of you people live close to it, put your hands up. You people who spoke, Mr. Milligan do you live close to it, no, none of you people who are for it live close to it. I say why don't they put it by Mr. Cheesewright's place. Wilson advised Wright that his time was up and Wright apologized. Wright said that he is going to finish up, and that they only had 8 people. Wright said the plant would have a 2 ½ mile evacuation zone, where are we going to go if a fire breaks out, where are me and my wife, where are our neighbors, where are the people in the school going to go, 2 ½ miles from this plant. He said that you guys are leaders and have the right to protect the families and people. I believe in each and all these things. We've never been a republic and do you know what that mean, a democracy, if not by public opinion then best by law. Our Commissioners have in the past have put up a situation that this area is residential, agricultural. That means to protect Cayuga, the park, and we don't know what's going to happen. There are lots of dangers, there are lots of situations and I am sorry I have to get upset but I do care about neighbors, I do care about my daughter over there, she is only 8 years old. There are other places in Vermillion County to put it. That is what I don't understand. Hawkins asked if the list that was given was already in the book and Wright said no, it was extra. Wright said that the bottom line is, I say lets find another company like Morning Star who will build an Industrial site on and Industrial site.

6. Ardie Kilgore said he has no problems with the ethanol plant and he somewhat agrees with Wright. If that is the wave of the future then lets build them but this is a zoning issue. He is not sure how much research has been done. Kilgore said it was adopted in 1969 and you may be able to tell me, I don't know, I have heard all kinds of rumors, how much we just spent a couple of years ago on updating this plan. I am assuming you've all read the comprehensive plan and I have a few things I want to read to you. This is what were supposed to be doing in the future. Page 1 the very first paragraph, a comprehensive plan by statute prepared and adopted to promote public health, safety, morals, convenience and order, and the general welfare for the sake of efficiency and economy in the process of development. He then said to turn to page 29, purpose of the plan, a comprehensive plan is a tool with which to encourage and direct desirable development of Vermillion County. In this case, nobody directed this company to this site. The site directly north of this site is zoned suburban residential; it was zoned in 1969, which is for housing. It makes no sense what so ever to zone an industrial tract next to a suburban residential. No sense, who would want industry next to homes. There were homes there when the zoned it and there have been homes built. Vermillion County Economic Development, they didn't bring this plan in, they chose the site. Then they began moving people out of the way to get site.

They didn't even call the zoning office until they announced to the public that this was a done deal. They didn't, ask the zoning administrator. It was a done deal before they even checked the zoning of the property in question and the surrounding zoning. It didn't matter to them, zoning don't matter. Page 34, negative impacts of unchanneled growth. Vermillion County leaders must recognize and appreciate that the attraction of business and industry and the expansion of infrastructure in the county can have negative impact. These impacts are on environmentally sensitive areas and much appreciated slow paced quality of life community presently enjoys. We have all enjoyed the country life in our suburban-zoned residential area. That is why I built my home there. I like Danny and John, I have served on the Council, I have served on the plan commission, I understand planning and zoning, that is why I built in a suburban-zoned residential area, for protection. Growth of business has been repeatedly mentioned during the public participation process; with these businesses jobs will not be the only creation. Other results of the domino effect are potentially negative results and growths and development, growth of any kind brings with it the potential for nuisance and incompatibly between adjoining land uses. Residential and Industrial land uses are not compatible. I don't think anybody can argue that point, they are not compatible. This come from Purdue Extension Services, Communities on coarse land use, the laws behind planning and zoning are designed to promote the health, safety, and welfare of all of the locality citizens by preventing incompatible land uses. Historically zoning ceased to prevent one landowner from harming his or her neighbor on engaging in incompatible uses. By segregating uses, zoning attempts to separate incompatible uses. That is what the people before us set out to do, when they chose to zone that area with residential homes, they zoned residential area to protect that area for homes. Zoning laws embody the assumption that wholesome housing must be protected from harmful neighbors. Thus, Commerce and Industry are excluded from residential zones because they are deemed harmful to housing, even within residential zones; there is hierarchy and desirable uses. The law regards the single family home as the highest use. Creation of districts pertain only to single family homes cease to protect this highest housing from intrusion by Commercial development and or potentially interfering use. Kilgore said he considers this spot zoning. If it isn't zoned, we will spot it in here for them. Spot zoning is not illegal per say if the zoning action bears a rational relationship to the public health, safety, morals convenience and general welfare. Where have we heard that before? Spot zoning provided private benefits perhaps to the detriment of the public. In this case I would say it does. Planning and zoning by local governments carry out the police power of function of protecting the general health, safety, and welfare of the citizens. Planning function is reflected in a comprehensive plan, which is implemented most commonly through zoning ordinance. Zoning ordinance mainly attempt to prevent incompatible uses from locating next to one another. We've heard that 3 or 4 times, incompatible uses. Kilgore said, you guys have the authority to allow this thing to happen or not, but who do we call when we have problems out there? Can we call you guys if the rail cars are making too much noise at night and we can't sleep? Can I call you if the odor is so bad I cant sit on the patio? Can commissioners put restrictions on this land use, even if they choose to rezone it, such as hours when the rail cars are allowed to move and promises that there will be no back entrance to the plant. Kilgore said, the bottom line is, can you put restrictions on this?

7. Shawn Haworth said Kilgore brought up a lot of points. Haworth said he talked to one of the zoning members last month and he asked them if this was going to be common practice, letting companies come in and choose a site and accommodating them and that person said yes, if that is what it takes. He said they will spot zone if that is what it takes. A lot of our concerns are safety, how are we going to be protected from seeing this, hearing this. Everything we heard from the company is proposed but once this is zoned, they can throw that out the door and put anything anywhere they want. What will the Commissioners do to protect us when this goes through? There are a lot of concerns there.

Jeff Lamb said the Commissioners have 90 days to make a decision, why are you in such a hurry? Wilson said some good questions were asked but wanted to point out that there was an 18,000 gallon LP tank sitting in there neighborhood and has been sitting there for a long while. Wilson also said that as of January 25, from IDEM, in reference to pollution, Public Service, who is working on it, but they are putting out 67,210 tons a year. Someone said they were putting in new stacks and Wilson said yes but as of January 25 that was the rate. Wright said but that is also 6 miles away. Wilson said Duke Energy does 51 and Inland Container does 125. Wilson said that was just information he wanted to throw out there. Kristy Lamb said those places are already in an Industrial area and they already polluted that and its okay to come over here and pollute urban residential. Wilson said it was just some research he has done to find out what the neighbors doing. Ward said if it expands its 250, if the law passes it can be up to 250 tons. Crossley asked if they were saying the south plant was okay with those opposing and that he lives within 2 miles of the south plant, what's the deal. Kilgore said the point is that it's zoned industrial. Crossley said there are 6 houses within a half a mile of the south plant. He said he is for improvement and jobs. Hawkins asked that once it is zoned is it, if something falls through and it doesn't come down, is it left zoned? Spurr thought yes it would be left zoned Industrial. Larry Langley said it would stay zoned Industrial. Ward asked, never to be changed, never? Hawkins said what if the families go back and ask it to go back to agriculture? Langley said he didn't know, it has never happened before. Cole said there have been cases where other counties have had ethanol plants come in and they limited the use to an ethanol plant only and that has been it. It can be done, it has been done recently and I don't remember the county off the top of my head but I do have the information so it can be done. If you want to restrict it to that type of industry. Hawkins asked who do they complain to, is it within our rights to form a pollution board, not just for the ethanol plants, for everything. There is an option under IDEM to do that, as a county you can form an air pollution agency or something like that. There are only about 6 or 7 entities that have done it and it has only been cities so far. Terre Haute has one. Mack said from his experience, if any citizen has a complaint against any facility they are free to call whoever they think needs to be notified. If they are worried about run off from the plant, call the EPA. If they are worried about dust emissions call OSHA or EPA both. If they are cars on the tracks at midnight, making a lot of noise then call Transportation Safety and or OSHA. There is a procedure in place to follow. Hawkins said anyone that deals on the state level; federal...Mack said it would happen just like that, he has seen it happen time and time again. Hawkins said it wouldn't hurt to have something on the county level. Knauer what about sewer and water, if it comes down Division street like they propose. Not only are you decreasing our property values, I don't have to pay water, I don't have to pay for sewer, but now I am going to have to because of state law. I think that is wrong. Wright questioned the evacuation zones and Hawkins said there are evacuation zones on a lot of things. Wright said the other plants don't have the explosive factors that and ethanol plant does. Where does the steam go? Except for our group, no independent research has been doneKnauer said she is just upset because this might good for everyone else, but it's going to cost the residents money. It's going to cost us for sewer, it's going to cost us for water and it's going to decrease the value of property and homes. Where is my protection, where is my safety net? Kristi Lamb asked how much fuel would be kept on site, because fuel has to be mixed with ethanol in order to transport it. Wilson asked how much VX sat out there for years and no one worried about it. Wilson pointed out that Evelyn Ward worked there and she said he was comparing apples to oranges. He said if you are saying one is deadly then the other is deadly. Wright said no because its six miles away. Wilson said Newport isn't. Hawkins asked how the Ammunition Plant came to be. Did someone set in a meeting and discuss it or did they just come in and seize the property and the farmers. Wright said that was when the war started, and Hawkins said but still somebody was a neighbor. Ward said there was a war going on. Knauer said knowledge is power, if they had known then what they know they probably would have fought it. Hawkins said it doesn't make right and that they have every concern in the world. Wilson said they need a motion to approve or disapprove. Crossley said you guys live in the north end, make your motion.

Hawkins said he will make the motion, area plan commission has been set up to make this decision and to back down from them would be no justice and I think we need to support them. He said he also thinks that the resident's need protected and he hopes the new company are good neighbors with these people. Hawkins said he makes the motion, and Crossley said he agrees and he will second the motion. Motion to approve, all in favor, passed unanimously.

Petition to vacate a public road way by Little and Hennis. The petition is to vacate CR 300 North running east from County Road 50 East to CSX railroad tracks. They are requesting the vacation so that the lands to the north and south of the roadway may be used for the construction and operation of an ethanol manufacturing facility. In addition to the petitioners the following people have land contiguous to the roadway, Marvin D & Nodine Sue Myers, Duke Energy Inc, and CSX Railroad. Wilson said he has not problem with it but he thinks if we do close it we should ask Economic Development to chip and seal 50 E and others that would be affected by closing this road. Someone said the plant couldn't be built without closing this road. Wilson said the road is mostly used by Terry & Marge Hennis. Bill Clark did a traffic count on that road and it took 7 days for 35 cars to go down that road. Wilson said it has been a dumping ground for trash. Evelyn Ward asked if there was a proper procedure for closing a road and Wilson said they are doing it right now, they have advertised it and they have notified adjacent owners. Ward said she couldn't tell what is going on. Wilson said they have a petition here to close Country Road 300, from County Road 50 E to the west edge of the Duke Property, just west of the railroad tracks. Crossley said when someone petitions to close a road; they contact the adjacent owners, send them a registered letter and if they oppose then the commissioners don't close the roads. Wilson made a motion to allow them to close the road, seconded by Crossley. Hawkins opposed. Petition granted to close the road.

Dirk Davis, Davis & Associates, Insurance. Davis said he is the agent for the county employees voluntary dental and vision plan. He just wanted to briefly let the commissioners know where were at. He said right now we have 53 insured on the dental plan and 24 on the vision. Current loss ratio is 158%. The old plan had a lot of different percentages it paid from one year to the next and different waiting periods. The plan we are on now does not have a waiting period. There is a real good network; all but 3 dentists in Vigo County are part of the network, all of them in Vermillion and Parke County. The employees, he believes, are very happy with the plan because they don't have any of type of extra charges beyond usual and customary because it's a very strong network. The pricing for employee is \$19.92 a month versus the old plan, which was \$37.23. A family is \$68.13; the old plan was \$130.07. We started a brand new vision plan with PSP and we've got 24 employees on that plan and the good news is that our rates were consistent and guaranteed for two years. Davis thanked them for their business and stated that he was a Vermillion County resident.

Rocky Express Pipeline-not present.

Brian Paasch with Morning Star Energy was present to discuss his project. Paasch said he is the co-founder and president of the company. He said it was founded August of 2004 by him and his wife, residents of Hendricks County. He said they are also working to build a 100 million gallon per year ethanol facility. He said ICM is going to be their general contractor. The Palestine plant is and ICM designed plant. This company has a lot of experience locally; they've done all the environmental permitting that is required. Paasch said the project they are working on is south of Eli Lilly, the river is to the east, and the CSX main line rail is critical to the success of this project or any ethanol project, State Road 63 is on the front of our property. He said they have been continuing to develop the project. Paasch said he is meeting with the BZA tomorrow night to discuss some general storage and height restrictions. Paasch said they would hire approximately 40 to 45 people. They are anticipating using the aquifer at approximately 1,000.00 gallons per minute, Lilly has used up to 3,000.00 gallons per minute. Paasch said he very much desires to have a positive partnership with the county, they are not

asking for a decision tonight, they are just hoping this begins a conversation and if we can have it resolved by next month, that would be great but were just to here to start the process and answer any questions. Tom with Baker and Daniels said this site has ready access to water, natural gas, electricity and already currently zoned. As part of the process there are also the process of arranging for financing, contracting, all those kinds of things and one of those pieces of that is making sure that from the public side, they have things necessary to move ahead. He said they prepared for Mr. Spurr, a memorandum of understanding, which just outlines what they expect to happen. What the company expects to do in terms of its investment and employment and what this company will need to make this a reality. Primarily it is just the support and cooperation with helping us make sure that if we need assistance with permits etc. This company is very willing to work with everyone and want to understand that the county is sort of behind and supportive of the project. The other thing they will be requesting is property tax abatement. There are several tax credits they can seek but will be only requesting tax abatement. He said he does not want the Commissioners to take any formal action; they just wanted to introduce the project and field questions. Yoho asked how they compete with another ethanol plant that is proposed? Paasch said, in a nation scope, they wouldn't be competing. Right now the nation is producing between 5 and 6 billion gallons per year of ethanol. The industry wants to get to 14 billion, which would be 10% of the United States gasoline supply. He said they are still trying to fill a huge void for the product. Vermillion County does 6 million bushels of corn per year, a plant like this takes 35 to 40 million bushels of corn or sorghum per year. Vermillion County has some land that is ideally good for sorghum but has a very tiny market. They will be delighted to see every other truck being sorghum and corn. They are interchangeable in this facility. There is going to be a need for the farming community to grow the corn and sorghum supply and that is possible. He said they have talked to the Farm Bureau guys about yield improvements, the number of bushels that can be harvested off a year. As far as people go, these are pretty high tech facilities, just a half a step below a pharmaceutical plant. They are a small operation, only about 40 to 45 jobs. Roughly 1/3 will be engineering, 1/3 biochemistry and 1/3 for administration. It's not a real big job producer within the plant. It will indirectly create 1500 new jobs. There is a lot of economic benefit there. Their plan is to work with a large grain company. Wilson asked if they have plans anywhere else and Paasch said no. Ed Cole said the county has been blessed to have two very fine organizations, super people; we are really truly blessed, tremendous people. They say what they are going to do, they do what they what they say. We have really hit homeruns with both of these groups. Good people all the way around. He said he has been all over Vermillion County with Paasch and others and they have been tremendous people. Jerry Hawkins asked Paasch if they were going to request tax increments financing in addition to the abatements and Paasch said currently that is not the plan. He said INDOT has asked them to work to utilize the existing meridian cut there, for their own plan purposes. Hawkins said he serves on the county council so it changes the impact in terms of collecting taxes in the future. Cheesewright said these two groups have high standards and he doesn't think they would tell us something we shouldn't or don't know. He said it's a win win situation and that we are very fortunate to have this many jobs coming on at one time. He said these are long-term plans. Paasch said they would be making this product, selling it to New York and bringing New York dollars back to Indiana. Wilson said lets go for it. Paasch said he would like to be put on the March meeting for approval. They will be giving the same presentation to the Council on Monday. Cheesewright said he wanted to thank the Commissioners for their judgement tonight on behalf of Farm Bureau.

The contract with JE Shekell has expired and asked them for a bid for the maintenance contract. It is \$19,400.00 annually. Wilson said they need to go with the contract. Hawkins made a motion to accept Shekell, seconded by Crossley. All were in favor.

Hawkins said Dale Cutrell passed away and he was taking care of the jail water and now they need to have someone else that is certified to take care of it. Wilson

has been in contact with George Hinote, who has been in contact with the state and they have made some recommendations. Hinote said they are willing to pay him \$800.00 a month and Hinote has a list of some things the jail needs to become compliant. Hawkins said Cutrell did a wonderful job and he will be sadly missed. Wilson made a motion to hire Hinote, seconded by Crossley. All were in favor.

Glen Ledkey with SRI was present to discuss the Commissioners tax sale. He said there has been some interest from the treasurer and auditor to move some of these parcels you have on the tax roll. He said he put together some booklets that lists these properties that haven't sold. He said the legislation changed the procedures on tax sale property. There are 2 options outlined in the booklet. A certificate sale means you have a tax deed on the property, you can decide that you want to sell your rights on these liens to the public at a lower price. This is one way to dispose of property. He said a lot of the parcels are minerals rights. He said there fee for doing a certificate sale would be \$120.00 if the property sales, they don't charge if it doesn't sell. They are trying to help the county put these parcels back on the tax roll. That is their number one function. He said basically all that will need to be done is to advertise it twice in the newspaper, wait 90 days and then hold the auction. He suggested setting their price at \$150.00 to \$200.00 over to cover the costs involved. He said a certificate sale would attract mostly local people. He said the parcels with improvements over \$5,000.00 should be processed to deeds. A deed sale means doing the process for the public, a title search, and notifications, petitioning the court for the deed, getting the deed and then doing the sale. SRI said they will do the work and the commissioners will just have to read through them. The title search would be the responsibility of the commissioners and would suggest they get quotes for this. The Commissioners would also pay for the advertising. Our cost for doing this is for any property that cant be processed to deed, we charge \$100.00 for those and then we charge a 12% on anything that is brought in from the sale. If they don't sell, you can turn around within about 4 weeks and have another sale. You can sit there and lower the price and put them up for auction again. At that point, all we get is just the 12% if there is anything sold. Ledkey said he has sent the contracts to Mr. Spurr for his review. If your going to have the certificate sale, we would like to get started quickly on those, because if they don't sale, we want to put them back and have them certified for the A sale. Understanding that, if no one buys them or if the owner wants to redeem any of these properties, they still have to pay all back taxes. On a certificate sale, the buyer will go through the expense of processing the deed and then the money that was generated from that sale will go towards the back taxes. He said the county has over \$146,000.00 of uncollected taxes. Ledkey said first the contract would need approved and then they would start the ball rolling. Spurr said he has the contract and would look over it and then the Commissioners could decide at the next meeting. Wilson said they had a situation where a property was sold; a guy bought it for \$85,000.00 in a tax sale. There was 5 acres that wasn't disclosed so the sale was set aside. The guy got his money back plus 6%. Hawkins asked who was responsible for that? Ledkey said they get their data from our records. Hawkins said the person who had the 5 acres did not come and record it; he just had the legal papers where he had purchased it. Ledkey said it's a legal thing. Wilson said we really need to get away from these cards and get a system where it can just be pulled up on the computer. Ledkey said of course in any sale we tell them buyer beware, which didn't work in this case.

Jerry Hawkins is recommending that the commissioners release a request for a proposal for a Technology Coordinator. The reason is so that the county doesn't get another employee and it can be paid out of Cumulative Capital Development. It would be a contract. Kim Hawkins asked how he came up with 15 hours a week? What if someone just wants so much an hour when needed, it might be 10 hours one week and 15 hours the next. Jerry Hawkins said he is just doing it to get them some interested people, when someone is found they can discuss the contract in detail and then generate the agreement. Jerry Hawkins said once we get this in place we should also generate a protocol so that we know what to do. Kim Hawkins asked who would make the calls, in reference to the vendors such

as Manatron etc. Jerry Hawkins said he has a provision in place, when you read the job description, it says that technology coordinator should represent the courthouse and all outside vendors. You wouldn't have manatron without the technology coordinators approval.

Wilson said we need to re-appoint Raymond Bush to the Alcoholic Beverage Board. Crossley made a motion to approve, seconded by Hawkins. All were in favor.

Paige Kilgore said Pat Richey want to make sure the Commissioners had seen the Sales Disclosure contract

Wilson asked Koma to get our 832 line going. Koma said the two lines just keep going out. Wilson said he will call and get the number in the morning so he can call them.

Kilgore said Richey had discovered that the sales disclosure fee, half of that money was to be set-aside in its own fund, Koma is familiar with it. From this point forward, a fund will be created for that and will help offset the annual cost of it. Koma said for every disclosure the Assessors office should get \$5.00 but it has been going in to county general.

Pierre Fox said there was an issue with a net increase of \$3.64 for the council members who opted to take Medicare instead of the group health plan. January 1 is the only time that you can make changes to the Medicare part B so we changed several of the members to a cheaper plan that provided a little better value. There was a price increase as far as their reimbursement. He said Lesli Bohanno told him that it needs council approval and he wanted to make sure everyone is on the same page. Wilson said this would be an increase in pay and he said Bohannon asked him about it and he advised her to advise Fox to bring it up at the meeting so everyone knows what is going on, before she starts paying the three council members. Fox said it does cause a little burden on the Auditor's office because they cut the check for some of the premiums so I think their concern the was they wanted to make sure that the amount of the check was allowable. Wilson said that the council needs to act on it but he asked Fox to come to the Commissioners meeting so they could vote on it and have a paper trail. Hawkins wanted some verification as to what was going on. Fox said that in 2006, they had three people, John Yoho and his wife, John Cheesewright, and Lavonna Mattick, they are all over 65 and a part of the council which is a part time elected employee. What they did at renewal last year is created a separate class of employees called the part time elected officials because they are eligible for medicare which is a richer health plan than the supplement for the group. There is no deductible. By taking them off the group plan and reimbursing them, the claims that they had in 2006 are not even going to show up on the claims report, they are no longer primary. Wilson said before they changed it, it was costing us. Fox said it would have been easier last year to just put everyone on the group plan but then everybody pays the price. Fox said it is worth it because of the actual premium savings is about \$2500.00 a year for what you reimburse verses what it would cost in premiums. Wilson made a motion to allow, seconded by Crossley. All were in favor. Fox said there was no change in 2007 with the prescription drug plan as well. We can address that at a later meeting. We just want to make sure you are ok with this program because your renewal is May 1st. He hopes to have the renewal 60 days prior to the renewal date, which would be before your next meeting. Wilson asked Koma if she advertised it and she said yes and they are due by March 6th. Fox said he would send them the claim experience so they can get a competitive bid and he will be back in March. Crossley said they would just take the bids under advisement at their next meeting.

Crossley made a motion to adjourn, seconded by Hawkins.

Adjourn 10:32

Read in full and approved by the Vermillion County Commissioners on the 6th day of March 2007.

Attest: _____
 Sherrie A. Koma, Auditor