

January 17, 2006

Commissioners met on this day with the following members present: John Richwine, Patricia Dillon and Paul Wilson. Also present were County Attorney Jim Wilson, County Auditor Kathy Stoops-Wright, Deputy Auditor Jane Doty and Commissioners Office Manager Shawn Swindell.

IN THE MATTER OF APPROVAL OF MINUTES

Commissioners approved the minutes for December 20, 2005 upon motion made by Patricia Dillon and seconded by Paul Wilson. Motion carried unanimously.

IN THE MATTER OF THE HAMPTONS MEMORANDUM OF UNDERSTANDING APPROVAL

Jerry Shine, Attorney for the Planning Commission, came before the Board of Commissioners asking for the review and approval of the Memorandum of Understanding on the PUD Conceptual Plan known as The Hamptons. He states: Centex Homes have modified the Conceptual Plan and by the request of the Commissioners they have agreed to donate 2 acres of ground on 800 S. to the library. There are certain specific stipulations in the Plan as to the time limitations and they have further agreed pursuant to the Plan where they will locate certain model homes. The MOU states that the developer will pay the sum of \$2,000.00 per residential lot at the time that a building permit is granted. Those funds will be paid to Madison County. Also, it has been agreed upon with the developer after discussions with the County Engineer to provide Madison County with \$250,000 for road improvements on 800 S. Those will be made a various time during the development of this subdivision. There are certain limitations as to the issuance of building permits and other issues that are covered in the MOU that will be addressed by Centex. Commissioner Wilson asked Mr. Shine to point out the difference in the 1-12-06 MOU and the one presented today. On page 3 paragraph 7 on when the first \$125,000 will be paid. It will be April 30, 2007 and the approval of the detailed development plan. Also inserted is the date of January 17, 2006 for the Conceptual Plan in paragraph 7 & 8, it was not designated on the previous drawings that were given to the County as to where the model homes would be located and where the donated land for the library will be, and the road improvements that will be made on 800S which were discussed. Those are the only changes that were made. There was an agreement on the documentation that has been presented to the Commissioners with the exception that there is clarification that has been requested by the Commissioners and with the developer as to the number of residential units that may be commenced in construction in 2006 and 2007. Commissioner Wilson asked if they were going to work through the MOU first and then the PUD. Mr. Shine recommended that they approve the MOU first before the Ordinance for the PUD, which he recommends be approved subject to County Attorney Jim Wilson and his review. The Ordinance that is presented is the original Ordinance and should not have any changes. Commissioner Wilson asked because there are a few things that are built into the PUD that are worth noting in the records in reference to price range of the houses, masonry on the houses, etc., which they can go through when they address the PUD. Mr. Shine agreed to that.

Steve Hardin, Attorney for Centex Homes, came before the Board to address the MOU and the PUD. Also present were representatives from Centex, John Issacs and Tim Westerfield. Mr. Hardin stated that the PUD had a unanimous favor recommendation from the Planning Commission, they have had numerous discussions with the Commissioners and council and planning department engineers and they don't propose any changes from where they have been for the last 2 months or so on the PUD. With the MOU they provided the initial draft to the Commissioners and they have had numerous discussions with Mr. Shine and the County Engineer with respect to what the Commissioners would like to see out of the MOU. Our understanding is that Centex did agree to pay \$2,000 per lot as a fee to the County and agreed to pay \$250,000 for additional road improvements on 800 S. One of the questions that has come up is the impact on the schools so that is why a third of the \$2,000 lot fee will be designated for the benefit of the school district also we agreed to with the school is to ask the home owners to voluntarily fill out a card at the time of closing to identify the number of school

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age children in the home with their expected grade will be for the upcoming school year and provide those to the school district to help them facilitate their planning as they are going forward. Also have agreed to donate to the library approximately 2 acres that will be utilized for a library and given them until 2010 to identify they in fact want that site. Other questions Mr. Shine asked to be addressed were the number of building permits going forward. One unique question in this MOU is that the Commissioners asked Centex Homes to limit the number of building permits that would be issued in any given year, which is not something that is happening in any other MOU's but they understand that there was a concern there to help monitor the impact on schools, which the Commissioners have asked that they would agree to limit the building permits to no more than 120 permits in a given year. Centex has agreed to that. What their plan is from a business stand point is if the MOU and PUD Ordinance is approved, their plan would be to go forward with the next steps which would be the detailed development plan, their final drainage plans and all those normal procedures this spring and hopefully by sometime this summer they would have their detailed development plans and all plans approved with the idea to start erecting their model homes sometime later this year. One of the questions from the Commissioners was a concern of are they planning to build 200 homes in 2006 and it was requested to push off some of those homes until 2007 and they've agreed that they would not close on any sell of homes until 2007 and since they agreed to no more than 120 building permits in any given year, they basically agreed to do is take the 120 cap would apply for if they, they would like to, if a homeowner came out and saw the neighborhood and they would like to be able to purchase a home, they would like the ability to be able to pull that building permit and begin building that home for the homeowner but they would agree that they wouldn't consummate the sale until 2007 and any building permits that would be issued in 2006 would count against the total cap of 120 building permits for 2007. Basically what is being said is that there be allowed 120 building permits between now and the end of 2007, they would be entitled to be able to pull some building permits this year for homeowners if they would like to begin home construction any of those permits are going to count against the cap for 2007. For certain there is a maximum of 120 between now and the end of 2007. Commissioner Wilson asked if the model homes are occupied. Mr. Hardin stated that they would have an occupancy permit but no one lives inside them. There would be sales people working out of one of them and the other to show people. They were also asked to include that the snow removal would be the responsibility of the Homeowners Association, which was added last week (paragraph 9 of the MOU). Also asked to dedicate certain amount of right of way, in paragraph 6, that at no cost to the County fifty (50) foot one half right of way along 800 S, they have agreed to do that as well. As well as we agreed to whatever the State asks us to do, they have to agree to that, so they agreed to work with the State regarding any type of right of way the State may need. Paragraph 5 covers the inspection costs and different things like that that have been typical in previous MOU's. Commissioner Richwine asks back on paragraph 2C, which is different then what the Commissioners requested and different then some language we looked at before. How much construction are you anticipating what would be the time table for folks to being able to move into those homes, what is the point of building the home and then making a sale in January if we are going to let you go ahead a build it you might as well close the sale? To me that is a little bit contradictory. Our intent was to not have any new home construction begin until 2007. Mr. Hardin responds that they kept the language in about the close of the sale because that was something we thought we heard from Mr. Shine, coming from the Commissioners, that there was some importance of closing, which would mean they wouldn't be occupying the homes until 2007. Commissioner Richwine asked but you could have it built in 2006 and they could occupy it January 1, 2007. Mr. Hardin responds that that is correct. We were really trying to address what we thought we heard was the concern about the number of homes being built in a given year. Commissioner Wilson asked with his own calculations, you are showing 120 occupied homes in 2007 is the maximum, could be less, then another 120 in 2008, 120 in 2009, 120 in 2010, 120 in 2011, and then 90 in 2012, if you were able to sell out the maximum amount. So, if you run the maximums, the end build out would be sometime during the calendar year of 2012? Mr. Hardin answers that is correct if in a perfect world from our point of view. Commissioner Richwine states that is not exactly true because the way it is written in the MOU, not more than 120 in the first year and no more the 240 in the

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second year. So, if you built a 100 in the first year you could actually do a 140 in the second. Yes. Commissioner Richwine asks how much construction prior to 2007 would you anticipate and when would that begin if we left it the way it is? John Isaacs from Centex responds to that question, basically we have a lot of approvals to obtain between now and being able to push dirt, one is development plan approval from both the Planning Commission and the Commissioner and as well as Drainage Board approval really before the Planning Commission takes their action which is going to take some coordination of some off site issues as well as sanitary sewer and water has some off site that needs to be handled in order to get the project developed. In a great case scenario, I would hope to think we could get through that process with construction plan approval sometime in the mid to late summer, August 1st would be a reasonable target date to start the development. The development of Phase I that we show, which has the pool house and the circle and the area off State Road 13, I believe there are 54 lots in that section, so in that section there would be 54 lots on the market with the streets being improved roughly taking three months from that start date. So if it is started in August, then it would be reasonable to think that we could have streets in by the middle of October, maybe first of November, with the expectation that once the streets are in building permits can be issued. Building permits take anywhere between 90 and 100 days to close. So if we started November 1st, the likelihood of getting occupancy on January 1 is probably not likely. Probably looking at February 1 for the closing date of the first home, other than the models. The models we can bump up the time line a little bit and get the contractors in there, we don't modify our quality standards but the ability to stack people in the house day in and day out we try to do that. So 54 homes sites would be brought to the market and realistically the next closing of our project on The Hamptons property would occur in April of 2007, development of Phase 2 could not occur earlier than, let's say, April 15, 2007, which means building permits could not be issued in that section until probably about July 1st, then that section would have another 50 lots. Commissioner Wilson asked if that is the case, it is pretty unrealistic that you would be in a situation where you would be let 240 building permits in a calendar year, if you were only looking at 50 per section that needed approval, from section to section? Mr. Isaacs responds that it is possible that we would come in and ask for multiple sections in a year, we would come in April for a section, July for a section, September for a section... and bring 150 to the market. We aren't going to do that unless the demand is there, we aren't going to have 150 lots in the ground that aren't being sold, that is bad business practice on our side. Mr. Hardin asked Mr. Isaacs specifically what is the best case, worst-case scenario, on how many building permits you might seek to request by the end of 2006, if there would be 54 lots approximately being the maximum number of lots available do you have any idea the number of building permits you might get? He responded anywhere between 25 and 35 as a reasonable expectation of starting. If we got 20 we would be ecstatic that would be a great kick off to a project. That being the worse case scenario being the most permits you might see in 2006. Commissioner Wilson asked, for sure that total though counts in the 2007 cap. Mr. Isaacs responds, that is correct, if we get to December 1st and we pull our 120 permits we are done until January 1, 2008. Commissioner Wilson stated that he appreciates the 120 cap but is concerned in the carry over business because the main reason the cap is being asked for here has to do with the school district it doesn't have anything with our end of it and the problem is if you start out slow and you get into the second year and you approve five sections or something and then all at once you're going to influx a lot of kids in the district. On the other, I understand why you want to be able to carry over if you have that interest in the infrastructure and you want a return on your investment. I have an idea here that I haven't discussed it with anybody, I've just made a note to try to come up with a compromise between a flat 120 per year no matter what rule verses yours which actually really opens up the other end of it. What if we held to the 120 a year with the understanding that you be allowed to carry over 40 at a maximum? So if you build 80 the first year you could carry over 40 but never over anymore than 40. A carry over cap from one year to the next so it is capped at 120 and if you are short the 120 you can carry over 40, but your carry over would only be what you lacked from the year prior. So Mr. Isaacs asks if in year 3 if we do 140 then the next year you are back to 120. Yes that is correct. So that way it plays itself out and give you an opportunity to catch up if you sell

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short from one year to the next. So we end up with a cap and give you some flexibility but worst-case scenario is that it goes to 160. That way the worst-case scenario told to the school district is 160 additional homes in that calendar year. Mr. Isaacs states that they might be able to make it simpler because our starting point was 150 so we would be willing to make it 120 in 2007 and bump it to 150 for the balance of the project and not come up with a complex formula or anything that anyone has to worry about. Commissioner Wilson said he didn't see how that is too complex, it is 120 cap and if you fall short you can only make up what you are short up to 40 the next year. So from one year to the next it is 120 if there is a carry over it can't be worse than 160. I don't think it is too complex. And if you look at the carry over you are more than likely going to end up in your 2012 year pretty close to the 120 versus the 90. It is obvious it will be easy to chart out, you know exactly what you have and the school district would know what their worse case scenario would be but it gives you the ability to carry over. When you start talking about 50 homes a section, basically what we are talking about here is a section worth of homes that you can carry over. Mr. Hardin asks, let me see if I understand what you are proposing, if we keep the language exactly like it is but a sentence in there at the end that says, however at no event will there ever be more than 150 building permits in any given year, I mean 160, because that allows them to capture that carry over as we are wanting to be able to do, but to say the in no year would there be anymore than 160. Commissioner Wilson stated that the paragraph would need to be reworked and would be left to the lawyers. But it would play itself out that; no more than 120 if you fall short you can make up what you fall short up to 40 in the following calendar year. Commissioner Richwine stated that what Mr. Hardin stated would work, no more than 160 in any year after 2007 would cover that. Commissioner Wilson states as long as you know that would be the absolute cap but the only thing is that opens the door for year three for 160, that is not my idea. Commissioner Richwine says no it doesn't because the rest of this is the same so if you are still building 120 in every year and no more than that, so you are 240 and 360 in year three, but no more than 160. Commissioner Wilson states that but as long as the understanding is that in year three you return to the 120 limit. You are still no more than 360 by the end of year 3 but no more than 160 building permits in any year following 2007 states Commissioner Richwine. Mr. Hardin says there are two catches there that there are two safeguards for. That would work states Commissioner Richwine. Commissioner Wilson wants to make sure that he isn't being too thick here, if you go year one and it was 80 and year two it was 160, in year three it would be back to 120 again. Commissioner Richwine states it 120 no matter what as long as you stay below the thresholds. Mr. Isaacs states that if you add another 120 we would be at the 240 max. In the last year there is only 90. Commissioner Wilson states that is what he meant when he said in that tail year you are down anyway, but could go all the way up to 160. Is that achievable? Mr. Hardin says we will just add a sentence that says however in no year would there ever be more than 160 building permits issued. Excluding 2007. Commissioner Wilson says that 120 has to be in there somewhere. Mr. Hardin restates, after 2007 no more than 160 in any given year. Commissioner Richwine says that then the rest of the language takes care of the max. Commissioner Wilson says if in 2007 they go 120, then you can only go 120 the next year. Mr. Shine says that is in paragraph 2 ii. All that still stays in there. Commissioner Richwine states that that captured build out rate over the entire project and by adding the 160 we are capping it out between 2007 and beyond per year. Commissioner Wilson added just so you all in your legal wisdom can get that written out so it is a clear understanding of where I'm coming from.

Mr. Shine asks that when the Commissioners consider their motion, there will be a modification to paragraph 2C, which will state after the year 2007 there will be no more than 160 building permits issued in any single year. Commissioner Wilson asks that so you are still going to file your numeric progression here, so that still brings it within the range of the 120? As long as we have that understanding. Mr. Shine adds, Mr. Wilson, your point of 2006, they can still get up to 120 permits in 2006 and 2007. I just want that clear to you. Commissioner Wilson states that the intent here was not to build houses until 2007 so do you intend to build houses in 2006? Mr. Shine says that is what they just went through, yes sir. Mr. Hardin states there would be no more than 120 between now

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and the end of 2007, there would likely be some at the end of this year. Commissioner Richwine states that occupancy would begin in 2007. Mr. Isaacs states he wants to give the Commissioners some realistic expectation that we could have a great fall and good construction season and no hiccups in the approval process. Commissioner Wilson asks when is it you are putting people in the houses? Mr. Isaacs says 2007. Commissioner Wilson wants to know if they are willing to stipulate that there will be no one in a home in 2007? Mr. Isaacs states yes there will be no occupancy in 2006. Commissioner Wilson states the problem is the double up. You are talking about being able in calendar year 2007 being able to occupy 240 houses? Mr. Isaacs, Mr. Hardin and Commissioner Richwine say no 120. Mr. Shine states we want to get the houses in there before March so we can get them assessed and get them on the tax roll if they are going to be there. Commissioner Wilson asks you want to get the structure up? Mr. Shine states they want to get the structures and occupancy permits issued because when the occupancy is issued they can be assessed and if our assessor can get them assessed by March they will be on the tax rolls. Commissioner Wilson states if there is 50% of the construction done they can be assessed 50% of the assessed value before it is occupied. I don't think we should make agreements here necessarily to bear on that particular issue.

Commissioner Wilson made a motion to approve the Memorandum of Understanding as it has been presented today with the final draft being reviewed and approved by both the Planning Commission attorney and the attorney for the Board of Commissioners. Patricia Dillon seconded that motion. Commissioner Richwine asks under discussion would that motion include the changes discussed in Paragraph 2C? Commissioner Wilson says that is correct. Motion carried unanimously.

IN THE MATTER OF ORDINANCE 2006-BC-O-1, ORDINANCE FOR THE HAMPTONS PLANNED UNIT DEVELOPMENT

Mr. Shine presented Ordinance 2006-BC-O-1, Ordinance For The Hamptons Planned Unit Development. This was part of the conceptual plan and the documentation that was approved by the Planning Commission and forwarded to the Commissioners for their approval. If approved, it will be subject to the MOU that the Commissioners just approved. Commissioner Wilson asks if the County Engineer has any comments on this Ordinance or the Planning Director prior to the approval of the Planning Commission? Nothing. Mr. Shine states that this specific approval is what has been set for hearing and has been continued, therefore, members of the general public may be here that were at our previous meetings and would request that the Board ask if any questions from the general public on this issue. Commissioner Wilson asked what the price range is on the houses, just for the record. Mr. Isaacs states \$125,000 - \$200,000. Commissioner Richwine asks is that how it will be advertised? It's not \$125,000 today and \$115,000 come January? Commissioner Wilson asks that he isn't going to drive down St Rd 13 and see a big sign that says \$90,000 - \$120,000? Mr. Isaacs says no. Commissioner Wilson asks how does the corridor on St Rd 13 play into this? Mr. Shine states that corridor overlay district will apply along 800S and also along St Rd 13. There is a significant six acre commercial development which will be a separate phase, phase four of the development, which will be brought before us also. It does front on St Rd 13. Commissioner Wilson asks about the lighting and sidewalks and all that stuff? Mr. Shine says yes the lighting and sidewalks will be ok. The library will also be involved in that area. Commissioner Wilson states that you have 690 houses and took the low average of an assessed value of 100,000 per home, we are talking 69 million dollars worth of assessed value in there, is that correct? Not including the commercial property. Mr. Isaacs asks that is not including land prices and everything else. Commissioner Wilson says strictly the houses. We have 690 houses in there and if we took at a low average of 100,000 a house you would have 69 million dollars of assessed value in there? That match is correct states Mr. Hardin. Commissioner Wilson says that does not include the commercial and infrastructure and all the other things built in there. It is my understanding that as far as the library property is concerned that you are going to take care of the infrastructure to support the library? Mr. Isaacs says they will provide them with sanitary and sewer stubs as well as a stub to the storm connection.

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Commissioner Richwine asked for any response from the general public. No responses. Commissioner Wilson makes a motion that the Planning Commissions recommendation to approve the Ordinance 2006-BC-O-1 for The Hamptons PUD be approved. Motion seconded by Patricia Dillon. Subject to Attorneys approval. Motion carried unanimously.

IN THE MATTER OF PROPOSED S & R MEDICAL SERVICES AGREEMENT

Commissioners tabled the S & R Medical Services Agreement until the next meeting. Motion to table made by John Richwine and seconded by Paul Wilson. Motion carried unanimously.

IN THE MATTER OF 2006 COMMISSIONERS APPOINTMENT

Commissioners tabled the 2006 Board Appointments until the next meeting. Motion to table made by John Richwine and seconded by Paul Wilson. Motion carried unanimously.

IN THE MATTER OF NORTH MADISON PUBLIC LIBRARY BOARD APPOINTMENT FOR 2006

Commissioners reappointed Wayne Davidson to the North Madison Public Library Board for 2006. Motion made by Patricia Dillon and seconded by Paul Wilson. Motion carried unanimously.

IN THE MATTER OF CHEMICAL PEOPLE TASK FORCE FUNDS

The Chemical People Task Force Grant Screening Committee submitted to the Commissioners their 2006 Grant Allocations for the Drug Free Community funds. This year's distribution is \$157,900. The recommendation of allocations of funds to the following organizations was approved upon motion made by Paul Wilson and seconded by Patricia Dillon. Motion carried unanimously.

Center for Mental Health	\$200.00
Mad Co Sheriff Department	\$25,799.00
Healthy, Tobacco Free Mad Co	\$12,305.00
Just Say No Clubs	\$6,200.00
Mad Co Post Proms	\$3,818.00
Administration	\$7666.00
Alternatives	\$10,000.00
House of Hope	\$13,300.00
Mad Co Community Health	\$3,000.00
Sowers of Seeds	\$15,500.00
Community Justice Center	\$1,200.00
Center of Mental Health	\$1,200.00
Administration	\$7667.00
Edgewood Police	\$6,767.00
Elwood Police	\$4,718.00
Chesterfield Police	\$4,718.00
Mad Co Drug Court	\$3,500.00
Mad Co Adult Probation	\$2,886.00
Comm Justice Center	\$16,886.00
Administration	\$7,667.00

IN THE MATTER OF HEALTH INSURANCE PROVIDER CHANGE

Effective 1-1-06, the Madison County new healthcare administrator has been changed from American Medical Security to Anthem Blue Cross Blue Shield. Brian Elson with Apex Benefits Group is the healthcare broker.

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IN THE MATTER OF DRIVEWAY PERMITS

Commissioners approved the following Driveway Permits upon recommendation of County Engineer, Chuck Leser. Motion to approve made by Paul Wilson and seconded by Patricia Dillon. Motion carried unanimously.

D05-167	Steve Sperry	Pipe Cr Farms L 1	Jackson
D05-313	Lantz Ltd, Inc	SW corner of 1000S/100E	Adams
D05-314	Price Builders	50W,300ft S of US 36 Wsd	Fall Cr
D05-315	Hallmark Homes	Hickory Hills E. L 26	Fall Cr
D05-316	CP Morgan	Summerlake L 589	Green
D06-1	CP Morgan	Summerlake L 654	Green
D06-2	Rod Holloway Hms	Jefferson Place L 45	Green
D06-3	Bob Riddle Blders	Hickory Hills E L 46	Fall Cr
D06-4	CP Morgan	Summerlake L 647	Green

IN THE MATTER OF BIDS RECEIVED FOR WILBURN/YARLING PROJECT

The following bids were received on this day for the Wilburn/Yarling Project:

Daves Excavating, Inc.	\$1,388,442.69 bid 1,444,944.59 alt 910,295.45 alt 666,797.35 alt
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JG Case Construction, Inc.	\$1,319,956.00 bid 1,129,481.00 alt 900,327.00 alt 709,192.00 alt
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Atlas Excavating, Inc.	\$1,165,821.00 bid 984,905.00 alt 777,483.00 alt 596,085.00 alt
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Culi Excavating, Inc.	\$1,647,369.00 bid
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Motion to table bids for COG to review and recommend awarding made by Paul Wilson and seconded by Patricia Dillon. Motion carried unanimously.

IN THE MATTER OF FTR RECORDING SYSTEM MAINTENANCE LOCATED IN THE COMMISSIONERS COURTROOM

Paul Wilson made a motion to approve the annual maintenance agreement with Word Systems, Inc. for the FTR recording system located in the Commissioners courtroom motion seconded by Patricia Dillon. Motion carried unanimously. The Commissioners asked the Auditors office if they would check with the ITS Department on how much it would cost for an update to the software on this system.

IN THE MATTER OF HIGHWAY UPDATE

Kevin McNew, Highway Superintendent, came before the Board of Commissioners with an update on the Highway Department funds and equipment.

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There being no further business before the Board the meeting was adjourned upon motion made by Patricia Dillon and seconded by Paul Wilson.

BOARD OF COMMISSIONERS
