Fiscal Court Orders

COURT MET IN REGULAR SESSION, PRESENT COUNTY JUDGE-EXECUTIVE DEAN WATTS AND THE FOLLOWING NAMED MAGISTRATES: KEITH METCALFE, SAM HUTCHINS, BERNARD ICE, JEFF LEAR AND JEFF HAHN.

***

MINUTES APPROVED - OCT. 21 AND NOV. 5

On motion of Sam Hutchins, second of Jerry Hahn, by unanimous vote of the Court, IT IS HEREBY ORDERED to approve the minutes of the Oct. 21 regular session and of the Nov. 5 special session of Nelson Fiscal Court as presented.

*** ***** ***

BILLS

On motion of Bernard Ice, second of Jeff Lear, by unanimous vote of the Court, IT IS HEREBY ORDERED to authorize the County Treasurer to pay the following bills:

Nelson County Fiscal Court
Bills for Court Approval
November 18, 2014

Name	Memo	Account	Amount
01 General Fund			
ADP	Processing fees 103114	9100301 · Payroll Processing	$ 416.20
Aqua Treat	Monthly treatment	5415329 · Civic Center Maint Contracts	184.80
Barrie, Jennifer	Sheriff office cleaning - Oct 2014	5105329 · Law Enforc. Bldg Main Contracts	1,000.00
Blanchett, Clay	Service voting machines	5065336 · Election Equip Main	1,285.00
Bluegrass Uniforms Inc.	Ferrie, Roney	5105481 · Law Enforc Uniforms	963.24
BNC Chamber of Commerce	Annual membership	9100551 · Memberships	3,000.00
Cedar Creek Quarry LLC	Rock - New Haven	5405348 · Recreation Program Support	1,604.08
City of Bardstown	Annual recreation support	5405348 · Recreation Program Support	50,000.00
City of Bloomfield	Annual recreation support	5405348 · Recreation Program Support	5,000.00
City of New Haven	Annual recreation support	5405348 · Recreation Program Support	5,000.00
Danville Office	Paper, sticky notes	5040445 · Treasurer Office Supplies	53.75
Danville Office	Inspection reports	5115427 · Codes - Technical supplies	286.00
Danville Office	Toner, office supplies	5115445 · Codes - Office Supplies	175.74
Feed America Ky	Feed America Program 1014	5330515 · Feed America Program	225.00
Galls	Snow, Allison	5105481 · Law Enforc Uniforms	233.16
Holt Computers	Service call - printer	5115445 · Codes - Office Supplies	60.00
Joe Hill's	Hedge trimmer maint (2)	5090427 · Maintenance - Supplies	252.39
Kerr Office Plus	Copier service call	5001445 · CJE Office supplies	733.49
Ky Forestry	78780 acres fire protection	9500902 · Forest Fire Suppression	1,576.00
L&W Emergency Equip	2015 Explorer #2 - equipment and install	5105723 · Law Enforcement Automobiles	7,216.08
Landmark Comm News	Budget amend, rezonings, job opening, clerk audit	9100539 · Advertising & Legal Notices	1,068.98
Leo Talbott & Son, Inc.	AC	5085329 · Sutherland Building Main Contracts	85.00
Leo Talbott & Son, Inc.	Extension Office	5415329 · Civic Center Maint Contracts	339.20
Leo Talbott & Son, Inc.	Health Dept	5415329 · Civic Center Maint Contracts	1,670.00
Lincoln Trail ADD	FY 2015 contribution	9100551 · Memberships	8,979.00
Lincoln Trail Health Dept	Health Dept Appropriation #1	5231507 · Health Dept Appropriation	163,402.75
Lincoln Trail Health Dept	Health Dept Appropriation #2	5231507 · Health Dept Appropriation	163,402.75
Patrons Home Center	Bulbs, ballasts, air filters	5081334 · Justice Center Bldg Maint	609.35
Patrons Home Center	Hand soap, air freshener, batteries	5081411 · Justice Center Custodial Supply	200.92
Patrons Home Center	Air freshener, hand soap	5085411 · Sutherland Bldg Custodial Suppl	181.93
Patrons Home Center	Bathroom repairs	5086571 · Wickland Repairs	11.98
Patrons Home Center	Buckets, batteries, glue, saw blades, drill bits	5090427 · Maintenance - Supplies	133.79
Patrons Home Center	Install tax payment drop box, bulbs	5105334 · Law Enforcment Building Maint	111.44
Patrons Home Center	Water hose	5205334 · Animal Control Building Main	13.99
Patrons Home Center	Gloves	5205427 · Animal Control Feed & supplies	35.98
Patrons Home Center	Repairs to wash machine and dryer, keys	5305334 · Sr Citizens Bldg Supplies	64.42
Patrons Home Center	Air freshener, drain cleaner	5305411 · Sr Citizens Custodial Supply	103.92
Patrons Home Center	Supplies - packaging tape	5330515 · Feed America Program	47.84
Patrons Home Center	DWP - football scoreboard repairs	5405348 · Recreation Program Support	145.66
Patrons Home Center	Bulbs, socket reducer, waterline repair	5415334 · Civic Center Bldg Maint	211.75
Patrons Home Center	Air freshener	5415411 · Civic Center Custodial Supplies	167.86
Patrons Home Center	Video surveillance signage	5425334 · Fairgrounds Support	2.58

Fiscal Court Orders

Quick Care Express	October oil changes, wiper blades, general maint	5105340 · Law Enforc Vehicle maintenance	1,168.60
Sam's Club	Annual fee	9100551 · Memberships	280.00
SecureNet	Security system - Humane Society	5205329 · Animal Control Maint Contracts	39.95
Springfield Laundry	Mats	5080411 · Old Courthouse Custodial Supply	64.50
Springfield Laundry	Mats	5081411 · Justice Center Custodial Supply	572.50
Springfield Laundry	Mats	5085411 · Sutherland Bldg Custodial Suppl	127.00
Springfield Laundry	Mats	5105411 · Law Enforc Custodial Supplies	177.00
Springfield Laundry	Mats	5415411 · Civic Center Custodial Supplies	23.00
St Monica Parish	Voting machine storage	5065364 · Elections Equipment Storage	1,350.00
Underwood, Judith A	Civic Center Cleaning 1114	5415329 · Civic Center Maint Contracts	850.00
Total 01 General Fund			424,908.57

02 Road Fund

American Tire	Gradall crew truck, bushhog, JD Tractor	6105479 · Tires	2,398.51
Cedar Creek Quarry LLC	Various county roads	6105447 · Dust control-chip seal oil	1,790.18
Central Ky Plumbing	Lighting project - lower building	6103334 · Building Maintenance	481.54
Cintas	Uniforms	6105481 · Uniforms	1,116.63
Fisher Auto	Motor treatment	6105427 · Garage supplies	53.10
J Edinger	Truck 300, Salt Spreader	6105443 · Parts	605.30
Keystops	Fuel	6105429 · Fuel	11,489.20
Keystops	Oil and lubricants - bulk purchase	6105439 · Lubricants	1,102.95
Kimball Midwest	Hose	6105427 · Garage supplies	59.95
Ky Clutch	JD Tractor - clutch kit	6105443 · Parts	425.00
Larue County Ready Mix	Salt spreader	6105443 · Parts	250.00
Lasco	Filters	6105427 · Garage supplies	107.02
Lasco	Starter - Gradall	6105443 · Parts	225.00
Limestone Farm Lawn	JD Tractor	6105443 · Parts	619.41
Mago Construction	KYTC Discretionary - Airport Rd	311 07 · State Bond Projects	36,736.25
Patrons Home Center	Repairs to side overhead door	6103334 · Building Maintenance	9.48
Patrons Home Center	Cable	6105427 · Garage supplies	10.68
Patrons Home Center	Propane for paver	6105429 · Fuel	14.07
Saf-ti-Co	Speed limit, object markings	6105469 · Signs & Posts	446.10
Sherman Dixie	Wire Lane	6105457 · Bridge & Culvert Materials	455.55
Truck Parts & Service	CAT Yellow paint, garage supply	6105427 · Garage supplies	79.22
Truck Parts & Service	Mechanic truck, Gradall	6105443 · Parts	121.48
Whayne Supply	416B, Paver	6105443 · Parts	413.36
Total 02 Road Fund			59,009.98

03 Jail Fund

Bloomfield Family Dentistry	Inmate medical	5101549 · Routine Medical	748.00
Clems	Food	5101425 · Food	1,314.31
Coca Cola	Inventory purchases	5101428 · Canteen Inventory	90.00
Dean Milk	Milk	5101425 · Food	948.35
Flowers Baking Co	Bread	5101425 · Food	286.80
Flowers Baking Co	Inventory	5101428 · Canteen Inventory	126.72
Gordon Foods	Dishmachine lease	5101336 · Equipment Repairs	85.00
Gordon Foods	Cleaning supplies	5101411 · Custodial Supplies	3,948.39
Gordon Foods	Kitchen supplies	5101423 · Food Prep & Serving Supplies	600.72
Gordon Foods	Food	5101425 · Food	6,868.47
Gordon Foods	Canteen purchases	5101428 · Canteen Inventory	290.60
HIS Pharmacy	Inmate medical	5101549 · Routine Medical	1,190.05
KY Cavern Water	Water	5101445 · Office Supplies	48.94
Leo Talbott & Son, Inc.	AC - new side, old side	5101329 · Building Main Contracts	1,315.00
Maxima Supply	Inventory purchases	5101428 · Canteen Inventory	1,357.04
Nu Life Cartridge	Paper	5101428 · Canteen Inventory	101.97
Nu Life Cartridge	Paper	5101445 · Office Supplies	101.97
Patrons Home Center	Paint and supplies, bit set	5101334 · Building Maint Supplies	85.25
Patrons Home Center	Floor wax, sealer	5101411 · Custodial Supplies	248.99
Roby's Country Gardens	Food	5101425 · Food	709.20
Total 03 Jail Fund			20,465.77

04 LGEA Fund

Cedar Creek Quarry LLC	Various county roads	6105409 · Rock	3,553.99
Mago Construction	Various county roads	6105405 · Hot and cold mix	14,778.61
Total 04 LGEA Fund			18,332.60

09 Ambulance Fund

Airgas Mid America	Oxygen	5140550 · Medical supplies & Materials	821.32
American Tire	Sq 31 36 37	5140340 · Vehicle Maintenance & Repairs	1,307.40
American Tire	Sq 36 37	5140443 · Vehicle Parts	2,171.64
American Tire	Sq 31	5140479 · Tires	223.60
Bound Tree Medical	Medical supplies	5140550 · Medical supplies & Materials	391.20
Danville Office	Envelopes, printer ink	5140445 · Office Supplies	98.98
Financial Forms & Supplies	Laser invoices	5140445 · Office Supplies	309.62
Fleet Matics	GPS Service Agreement	5140336 · Equipment Maintenance & Repairs	193.00

Fiscal Court Orders

Galls	Uniforms	5140481 · Staff Uniforms	47.00
Mohawk Medical	Medicine and supplies	5140550 · Medical supplies & Materials	50.47
Newcomb Oil Co	Fuel	5140429 · Fuel	6,986.91
Patrons Home Center	Circuit breaker repair, paint	5140334 · Building maintenance	112.79
Patrons Home Center	Polyurethane	5140445 · Office Supplies	7.79
Patrons Home Center	Bathroom renovation - ADA compliance	5140742 · EMS Building	119.58
Pat's Alterations	Uniform alterations	5140481 · Staff Uniforms	17.00
QuadMed Inc	Medical supplies	5140550 · Medical supplies & Materials	1,072.76
Sam's Club	Kitchen supplies	5140411 · Custodial supplies	221.03
Shred-It USA	File destruction service	5140445 · Office Supplies	62.95
Tri/etto Provider Solutions	Electronic claims	5140445 · Office Supplies	84.18
Total 09 Ambulance Fund			14,299.22
Subtotal - General Fund Bills			**$ 537,016.14**
13 Solid Waste Fund			
Bardstown HS Key Club	Manton Rd	5215315 · Roadside Cleanup	$ 375.00
Boy Scout Troop 142	Old Boston Rd, Spenc Matt, Withrow Cr	5215315 · Roadside Cleanup	250.00
Cobra Youth Wrestling	Hwy 150 Springfield Rd	5215315 · Roadside Cleanup	300.00
M. Riggle Autism Foundation	Clarktown Rd	5215315 · Roadside Cleanup	250.00
Nelson Co Baptist Ch	Louisville Road	5215315 · Roadside Cleanup	1,250.00
NCHS Football	Hwy 62, 55	5215315 · Roadside Cleanup	750.00
NCHS Wrestling	Springfield Road	5215315 · Roadside Cleanup	300.00
New Haven Public School	New Haven Rd	5215315 · Roadside Cleanup	250.00
Parkway Baptist Church	Parkway Drive	5215315 · Roadside Cleanup	250.00
Thomas Nelson HS Cheer	Bellwood Rd	5215315 · Roadside Cleanup	250.00
Fisher Auto	Headlight bulbs	5215443 · Parts	32.48
FleetPride	Transmission fluid, paint, primer	5215427 · Garage supplies	341.04
FleetPride	Truck 410 repairs; filters, hoses, couplings	5215443 · Parts	696.43
Keystops	Fuel	5215429 · Fuel & Lubricants	15,895.32
Lasco	Truck 412	5215443 · Parts	2,053.80
Municipal Equip	Truck 411	5215336 · Equipment Repair	6,841.80
Patrons Home Center	Trash bags	5215315 · Roadside Cleanup	525.50
Patrons Home Center	Truck 414	5215443 · Parts	62.72
Piles, Eddie	Boot allowance	5215481 · Employee uniforms	75.00
Salt River	Garbage billing services	5215320 · Collection Contracts	10,480.50
Springfield Laundry	Uniforms	5215481 · Employee uniforms	378.40
Truck Parts & Service	Truck 409, 414; tire patching, valve caps	5215443 · Parts	477.08
Total 13 Solid Waste Fund			42,085.07
15 Landfill Fund			
American Tire	Tire repair	5210479 · Tires	22.58
Brandeis	Hydraulic parts	5210541 · Hydraulic Parts & Equipment	174.00
Coleman Contracting Inc	Mechanic shop - draw #3	5210741 · Landfill Bldgs	100,260.90
Earthmoving Equipment	963 Highlift - Final Drive	5210717 · Landfill Equipment	18,800.42
Fisher Auto	Grease gun, digital caliper	5210427 · Main supplies	60.93
Fisher Auto	D6 - battery	5210443 · Parts	134.00
FleetPride	Filters, sockets	5210443 · Parts	84.68
FleetPride	22 ton Air Hydraulic Jack, combo wrench	5210475 · Tools	721.70
Keystops	Fuel	5210429 · Fuel & Lubricants	6,991.03
McCoy & McCoy	Monitoring	5210324 · Environmental Monitoring	173.80
Modern Supply	Torch supplies	5210427 · Main supplies	167.33
Patrons Home Center	Repairs to office bathroom, bulbs	5210334 · Building Maintenance	256.17
Patrons Home Center	Propane torch, drain spade, supplies	5210427 · Main supplies	100.63
Patrons Home Center	Mechanic shop - wiring	5210741 · Landfill Bldgs	371.74
Quill Corporation	Chair - Lee	5210445 · Office Expense	143.99
SMR Environ Services	Methane Sampling	5210324 · Environmental Monitoring	626.00
Springfield Laundry	Cleaning supplies	5210427 · Main supplies	111.00
Springfield Laundry	Uniforms	5210481 · Uniforms	281.20
Sublet Contractors	Truck 401 - weld line, patch tank	5210336 · Equipment Repairs	225.00
Whayne Supply	420 Backhoe - door	5210443 · Parts	2,054.33
Whayne Supply	826G	5210443 · Parts	231.36
Total 15 Landfill Fund			131,992.79
23 Occupational Tax Fund			
Eagle Information Services LLC	Occupational License Software	5047725 · OLF Equipment	4,500.00
Total 23 Occupational Tax Fund			4,500.00
97 PIC			
Cedar Creek Quarry LLC	Rock	8011703 · Radio Tower	877.57
Patrons Home Center	Air freshener, mouse traps	5082411 · SOB Custodial Supplies	79.94
Patrons Home Center	Bulbs	5082334 · SOB Bldg Main	107.88
Springfield Laundry	Mats	5082411 · SOB Custodial Supplies	30.00
Total 97 PIC			1,095.39
Subtotal - PIC Fund Bills			**$ 179,673.25**
Total Bills to Pay			**$ 716,689.39**

Fiscal Court Orders

Nelson County Fiscal Court
Additional Bills for Court Approval
November 18, 2014

Name	Memo	Account	Amount
01 General Fund			
ADP	Processing fees 110614	9100301 · Payroll Processing	$ 46.20
BNC Christmas Parade Committee	Parade entry fee	5001445 · CJE Office supplies	25.00
Houghlin Greenwell Funeral Home	Johnson	5330344 · Pauper Burials	950.00
Kentucky One	Random testing, employee post accident	9400547 · Employee Medical/WC Claims	140.00
Kimball Midwest	Compact video-scope	5090475 · Maintenance - Tools	95.40
Kimball Midwest	Terminals	5090427 · Maintenance - Supplies	129.80
Leo Talbott & Son, Inc.	HVAC 0614	5105329 · Law Enforc. Bldg Main Contracts	138.00
Nelson County Coroner	Coroner transports 1014	5020308 · Coroner Autopsy & Services	400.00
Quick Care Oil Lube Express	Oil change, wiper blades	5105340 · Law Enforc Vehicle maintenance	61.85
Speedway	Fuel	5105429 · Law Enforc Fuel	1,340.57
USPS	Postage	5001445 · CJE Office supplies	151.30
Total 01 General Fund			3,478.12
02 Road Fund			
Kentucky One	Random testing	9400547 · Employee Medical/WC Claims	75.00
Kimball Midwest	Cleaners	6105427 · Garage supplies	80.85
Kimball Midwest	Compact video-scope	6105475 · Tools	95.40
Patrons Home Center	Propane for paver machine	6105429 · Fuel	12.06
Saf-ti-Co	Side road signage	6105469 · Signs & Posts	81.60
Total 02 Road Fund			344.91
03 Jail Fund			
Bloomfield Family Dentistry	Inmate medical	5101549 · Routine Medical	274.00
Kentucky One	Random testing, employee medical	9400547 · Employee Medical/WC Claims	190.00
Universal Toxicology LLC	Pre-trial testing	5101550 · Pretrial Testing Supplies	100.00
Total 03 Jail Fund			564.00
09 Ambulance Fund			
Kentucky One	Random testing, pre-employment testing	9400547 · Employee Medical/WC Claims	185.00
Patrons Home Center	Bulbs, turnbuckle	5140334 · Building maintenance	20.96
Total 09 Ambulance Fund			205.96
13 Solid Waste Fund			
Power Train	Truck 412 PTO/pump	5215443 · Parts	1,919.04
Total 13 Solid Waste Fund			1,919.04
15 Landfill Fund			
Kentucky One	Post accident testing	9400547 · Employee Medical/WC Claims	70.00
Patrons Home Center	Bathroom repairs	5210334 · Building Maintenance	5.69
Total 15 Landfill Fund			75.69
Total Additional Bills			$ 6,587.72

NELSON COUNTY FISCAL COURT
PrePaid Bills and Upcoming Transfers for Court Approval
November 18, 2014

Fund/Vendor	Description	Account	Amount
General Fund			
BP Gas	Fuel	5105429 · Law Enforcement Fuel	$ 5,322.00
Election Poll Workers (various)	2014 General Election	5065192 · Election Officers Pay	15,988.80
Election Poll Locations (various)	2014 General Election	5065347 · Election Polling Rent	2,200.00
Town & Country Bank	2007 Go Bonds - Principal	601-12 · 2007 Bond Principal	60,000.00
Town & Country Bank	2007 Go Bonds - Interest	605-12 · 2007 Bond Interest	7,575.00
Solid Waste Fund			
Newcomb Oil Co	Used ice machine	5215445 · Office Supplies	300.00
Occupational License Fund			
EMS Fund	FY 15 Appropriation	4909 09 · Transfers to EMS	80,000.00
TOTAL PAID BILLS			**$ 171,385.80**

RESOLUTION/AGREEMENT - THE BARDSTOWN BOURBON COMPANY, LLC

The Bardstown Bourbon Company CEO David Mandell, along with Garnett Black and Attorney Jeff McKenzie, appeared before Nelson Fiscal Court explaining final "payment in lieu of taxes" resolution and agreement. Following presentation by Mr. McKenzie, on motion of Jeff Lear, second of Jerry Hahn, by unanimous vote of the Court, IT IS HEREBY ORDERED to approve the following resolution:

RESOLUTION

A RESOLUTION OF THE FISCAL COURT OF THE COUNTY OF NELSON, KENTUCKY (THE "COUNTY") AUTHORIZING THE EXECUTION OF A MEMORANDUM OF AGREEMENT BETWEEN THE COUNTY AND THE BARDSTOWN BOURBON COMPANY, LLC, RELATING TO THE ACQUISITION, CONSTRUCTION, EQUIPPING AND INSTALLATION OF A DISTILLERY AND WAREHOUSES AND BARRELS THEREIN TO BE LOCATED IN THE COUNTY; AGREEING TO UNDERTAKE THE ISSUANCE OF INDUSTRIAL BUILDING REVENUE BONDS AT THE APPROPRIATE TIME TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING, EQUIPPING AND INSTALLING SAID FACILITIES; AND TAKING OTHER PRELIMINARY ACTION.

WHEREAS, The Bardstown Bourbon Company, LLC (the "Company"), is a Kentucky limited liability company duly organized and in good standing under the laws of the Commonwealth of Kentucky, and

WHEREAS, the Company proposes to undertake an industrial building project, within the meaning of the Industrial Buildings for Cities and Counties Act, as amended, Sections 103.200 to 103.285 of the Kentucky Revised Statutes (the "Act"), consisting of (i) the acquisition of real estate, construction, equipping and installation of a distillery and warehouses and barrels therein to be located on Parkway Drive, Nelson County, Kentucky, for the purpose of establishing industrial buildings for the manufacture and storage of bourbon and other products (the "Project"); (ii) the reimbursement to the Company for costs already incurred and paid with respect to the Project; (iii) the payment of certain costs of issuance (the Project and the payment of costs of issuance, collectively the "Project"), all in furtherance of the purposes of the Act and the public benefit of the residents and inhabitants of the County; and

WHEREAS, the County (the "Issuer") is authorized by the Act to issue its industrial building revenue bonds (the "Bonds") for the purpose of defraying the cost of the Project; discussions have occurred between the Company and the Issuer incident to the issuance of the Bonds by the Issuer; the Issuer has agreed with the Company to issue the Bonds based upon compliance by the Company with certain conditions, requirements, and obligations, and subject to the approval by the Issuer of the terms of all agreements, ordinances, and other documents required incident to the Bonds issue; and the Issuer has authorized the Company to proceed with the Project, subject to reimbursement of the initial costs of the Project from the proceeds of the Bonds, when, as, and if issued; and

WHEREAS, based upon an estimate of the costs of the Project, the Issuer proposes to issue the Bonds in an amount not to exceed EIGHTY FIVE MILLION EIGHT HUNDRED THOUSAND DOLLARS AND NO/100 ($85,800,000.00), such Bonds to be delivered by the Issuer to pay the costs of the Project, together with costs incident to the authorization and issuance of the Bonds, but with such contributions from the Company as may be necessary; and

WHEREAS, the Issuer proposes to enter into at the appropriate time a lease agreement with the Company (the "Lease Agreement") with respect to the Project, whereby the Company will covenant and agree to make rental payments sufficient to provide for payment of principal of, premium, if any, and interest on the Bonds as the same become due and payable and any other costs of the Issuer incurred in connection with the issuance of the Bonds and the Project; the liability of the Company under this instrument or any other instrument related to the issuance of the Bonds shall be limited to its interest in the Project to be financed thereby and no other party shall have the right to obtain payment from the company or from any assets of the Company other than such Project; and

WHEREAS, the undertaking of the Project by the Company will promote economic development of the Commonwealth and the Issuer, will relieve conditions of unemployment, will encourage the increase of industry, and will improve the economic welfare of the inhabitants of the Issuer; and

WHEREAS, it is deemed necessary and advisable that a Memorandum of Agreement between the Issuer and the Company be executed setting forth the agreements of the parties with respect to the financing of the Project, the issuance of the Bonds to defray the costs thereof, and the payments by the Company with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE FISCAL COURT OF THE ISSUER AS FOLLOWS:

SECTION I. It is hereby found, determined, and declared that the recitals set forth in the preamble to this Resolution, which are incorporated in this Section by reference, are true and correct.

SECTION II. The Project is intended to accomplish the public purposes of the Act by promoting the economic development of the Commonwealth of Kentucky and the Issuer, relieving conditions of unemployment and encouraging the increase of industry.

SECTION III. The Issuer hereby undertakes to issue the Bonds in a principal amount not to exceed EIGHTY FIVE MILLION EIGHT HUNDRED THOUSAND DOLLARS AND NO/100 ($85,800,000.00) to finance or reimburse the Company for the certain costs relating to the Project, for a term of 30 years. The issuance of the Bonds shall be conditioned upon the negotiation of acceptable terms with the purchase of the Bonds and the execution of an acceptable Lease Agreement between the Issuer and the Company.

SECTION IV. The Company has represented that it will have sufficient financial resources to finance the Project and to place in operation and continue to operate, maintain and insure the Project throughout the term of the Bond issue, meeting when due the obligations of the proposed Lease Agreement; and sufficient safeguards will be provided in the Lease Agreement to insure that all money provided from the proceeds of the sale of the Bonds will be expended by way of direct expenditure or reimbursement, solely and only for the purposes of the Project.

SECTION V. The County Judge/Executive is hereby authorized and directed to execute, and the Fiscal Court Clerk of the Issuer is hereby authorized and directed to attest, a Memorandum of Agreement between the Issuer and the Company setting forth their preliminary agreements respecting the Bonds and the financing of the Project in the form attached hereto as Exhibit A.

SECTION VI. THE BONDS SHALL NOT BE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE ISSUER, THE COMMONWEALTH OR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE COMMONWEALTH BUT SHALL BE PAYABLE SOLELY FROM THE LEASE PAYMENTS TO BE MADE BY THE COMPANY TO THE ISSUER PURSUANT TO THE LEASE AND ANY SECURITY MORTGAGED AND PLEDGED THEREFOR, WHICH COLLATERAL SECURITY MAY INCLUDE THE PROJECT.

SECTION VII. In order to induce the acquisition, construction, equipping and installation of the Project in the County with the resultant public benefits which will flow therefrom, it is deemed necessary and advisable that the Memorandum of Agreement hereinafter referred to be approved and executed for and on behalf of the Issuer. Accordingly, the Memorandum of Agreement by and between the Company and the Issuer substantially in the form and with the contents set forth in Exhibit A attached hereto and incorporated herein by reference is hereby approved and the County Judge/Executive is hereby authorized and directed to execute and deliver said Memorandum of Agreement.

SECTION VIII. The Issuer assumes no responsibility for the acquisition, construction, equipping, installation or operation of the Project, all of which shall be the sole responsibility of the Company.

SECTION IX. The Company has requested, and the Issuer hereby approves, the employment of Bingham Greenebaum Doll LLP as "Bond Counsel." Bond Counsel is authorized and directed to take any other legal action necessary or appropriate in connection with

the issuance of the Bonds. The County Attorney is authorized and directed to assist Bond Counsel in any appropriate manner.

SECTION X. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement therein contained against any past, present or future officer, member, employee or agent of the Issuer, as such, either directly or through the Issuer, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees or agents as such shall be expressly waived and released as a condition of and consideration for the adoption of this Resolution and the issuance of the Bonds.

SECTION XI. This Resolution and Memorandum of Agreement approved hereby constitute the present official intent of the Issuer to issue the Bonds at a later date.

SECTION XII. No County funds shall be expended on the Project, except such as are derived from Bond proceeds.

SECTION XIII. This Resolution shall be in full force and effect upon its adoption.

(Signatures Appear on the Following Page)

INTRODUCED, SECONDED, READ AND ADOPTED AT A DULY CONVENED MEETING OF THE FISCAL COURT OF THE COUNTY OF NELSON, KENTUCKY, held on the 18 day of November, 2014, on the same occasion signed in open session by the County Judge/Executive as evidence of his approval, attested under seal by the Fiscal Court Clerk, ordered to be filed and recorded as required by law, and declared to be in full force and effect according to law.

Dean Watts
DEAN WATTS
COUNTY JUDGE/EXECUTIVE

(SEAL)

ATTEST:

Elaine Filiatreau
ELAINE FILIATREAU
FISCAL COURT CLERK

CERTIFICATE OF THE CLERK

I, the undersigned, do hereby certify that I am the duly qualified and acting Fiscal Court Clerk of the Fiscal Court of Nelson County, that the foregoing Resolution is a true copy of said Resolution duly adopted by the Fiscal Court of Nelson County, signed by the County Judge/Executive, and attested under seal by me as Fiscal Court Clerk of Nelson County, at a properly convened meeting held on the 18 day of November, 2014, as shown by the official records in my custody and under my control; that attached hereto are true copies of the documents approved therein, and that copies of such documents have also been duly filed and recorded in the official records of said Fiscal court.

IN WITNESS WHEREOF, I have hereunder set my hand as Fiscal Court Clerk of Nelson County this 18 day of November, 2014.

Elaine Filiatreau
ELAINE FILIATREAU
FISCAL COURT CLERK

(SEAL)

EXHIBIT A

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT executed as of this 18 day of November, 2014, by and between the **FISCAL COURT OF THE COUNTY OF NELSON, KENTUCKY** (the "Issuer"), a political subdivision of the Commonwealth of Kentucky, and **THE BARDSTOWN BOURBON COMPANY, LLC**, a Kentucky limited liability company duly organized and existing under the laws of the Commonwealth of Kentucky (the "Company").

Recitals

A. The Issuer is authorized by the Industrial Buildings for Cities and Counties Act (the "Act"), KRS 103.200 to 103.285, to issue revenue bonds and use the proceeds thereof to finance the costs of acquisition of industrial facilities for use in the industrial operation of a private business enterprise, in order to accomplish the public purposes of promoting the economic development of the Commonwealth of Kentucky (the "Commonwealth"), relieving conditions of unemployment and encouraging the increase of industry in the Commonwealth.

B. The Company, as borrower, has applied to the Issuer for the issuance of industrial building revenue bonds (the "Bonds") of the Issuer, in order to finance: (i) the acquisition, construction, equipping and installation of a distillery warehouses and barrels therein to be located on Parkway Drive, Nelson County, Kentucky (the "County"), for the purpose of establishing industrial buildings for the storage of bourbon and other products; (ii) the reimbursement to the Company for costs already incurred and paid with respect to the project; (iii) the payment of certain costs of issuance (the project and the payment of costs of issuance, collectively the "Project"); all in furtherance of the purposes of the Act and the public benefit of the residents and inhabitants of the County; and

C. The Fiscal Court of the Issuer has found and determined that the Project will tend to accomplish the public purposes of the Act by promoting the economic development of the Commonwealth, relieving conditions of unemployment and encouraging the increase of industry in the Commonwealth.

D. The Issuer proposes to issue the Bonds to finance the cost of the Project and desires to authorize the Company to proceed with the Project and to be reimbursed out of the proceeds of the Bonds for any costs of the Project incurred prior to the issuance of the Bonds.

E. The Issuer proposes to enter into at the appropriate time a lease agreement with the Company with respect to the Project, whereby the Company will covenant and agree to make rental payments sufficient to provide for payment of (i) principal (ii) premium, if any, and (iii) interest on the Bonds as the same become due and payable and (iv) any other costs of the Issuer incurred in connection with the issuance of the Bonds and the Project (the "Lease Agreement").

Section 1. Representations and Undertakings of the Company. The Company represents, undertakes, covenants, and agrees as follows:

A. The Company, including any subsidiaries thereof, intends to use the Project at all times during the 30 year term of the aforementioned Lease Agreement or the sooner termination of such Lease Agreement, for the purposes hereinbefore indicated.

B. The Company will cause contracts to be entered into for, or will otherwise provide for, the acquisition and construction of the Project.

C. Prior to or contemporaneously with the delivery of any Bonds, the Company will enter into the Lease Agreement with the Issuer under the terms of which the Company will obligate itself to: (i) undertake and complete the acquisition, construction, installation and equipping of the Project; and (ii) to pay to the Issuer amounts sufficient in the aggregate to pay the principal of, interest on, and premium, if any, on the Bonds, as and when the Bonds shall become due and payable, such Lease Agreement to contain such other provisions as shall be agreed upon by the Issuer and Company.

D. As a condition to the issuance of the Bonds, the Company shall enter into agreements with the County and the Commonwealth, pursuant to which the Company shall make payments in lieu of taxes ("PILOT Payments") to: (i) the County; and (ii) the Commonwealth; in each case in amounts equal to and at the same times as the ad valorem taxes on the tangible

property that would otherwise be due to the County and the Commonwealth, respectively, with respect to the Project; provided, however, that such PILOT Payments shall not include amounts equal to the ad valorem taxes that would otherwise be due for land, buildings, machinery and equipment. The Company shall have the right, in its sole discretion, upon notice to the County and Commonwealth, to select a portion of the Project to be deleted from the Bond and reconveyed to the Company, without affecting the status of the remainder of the Project or the Bond, whereupon the portion of the Project that is removed and conveyed will be taxed in accordance with law.

E. From and after the date of this Memorandum of Agreement, throughout the existence of any of the Bonds, and at all times thereafter, the Company will indemnify, protect and hold harmless the Issuer, all members of the Fiscal Court of the Issuer, and all of the Issuer's officers, employees, and agents from any and all costs, claims, expenses and liability (including, without limitation, reasonable attorneys' fees related thereto) arising from or related to: (i) the issuance of the Bonds; (ii) the ownership or operation of the Project, and including the building and business located therein or related thereto; and (iii) any other action of Issuer arising from, or related to, this Memorandum of Agreement and the transaction contemplated herein.

F. The Company will take such further action and adopt such further proceedings as may be requested to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

Section 2. **Undertakings of the Issuer.** Subject to the fulfillment of the several conditions herein stated, the Issuer agrees as follows:

A. Based upon an estimate of the costs of the Project, the Issuer will authorize or cause to be authorized the issuance and sale of the Bonds pursuant to the terms of the Act as then in force in an aggregate principal amount not to exceed EIGHTY FIVE MILLION EIGHT HUNDRED THOUSAND DOLLARS ($85,800,000), and for a term of 30 years, such Bonds to be delivered by the Issuer to pay the costs of the Project, together with costs incident to the authorization and issuance of the Bonds, but with such contributions from the Company as may be necessary.

B. The Issuer will adopt or cause to be adopted such proceedings and authorize the execution of such documents as may be necessary or acceptable for (i) the authorization, issuance, and sale of the Bonds upon a negotiated basis, (ii) the acquisition, construction, installation and equipping of the Project; and (iii) the Lease Agreement relating to the Project and the Bonds, all as shall be authorized by law and upon terms which shall be mutually satisfactory to the Issuer and the Company.

C. The aggregate payments stipulated under the Lease Agreement shall be sufficient (in addition to the covenants of the Company to properly maintain and insure the Project) to pay the principal of, interest on and premium, if any, on all Bonds as and when the same become due and payable and to pay all other costs associated therewith.

D. It will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings as it may deem appropriate.

Section 3. **General Provisions.**

A. The law firm of Bingham Greenebaum Doll LLP, Louisville, Kentucky, is hereby designated as bond counsel in connection with the authorization, issuance and sale of the Bonds.

B. All commitments of the Issuer and the Company pursuant to this Memorandum of Agreement are subject to the condition that on or before one year from the date hereof (or such other date as shall be mutually satisfactory to the Issuer and the Company) the Issuer and the Company shall have agreed to mutually acceptable terms and conditions with respect to the aforementioned Lease Agreement and all other documents required in connection with the Bonds and the Project.

C. This Memorandum of Agreement, and the Resolution approving it, constitute the present intent of the Issuer to issue the aforementioned Bonds at a later date.

D. **IT IS UNDERSTOOD AND AGREED THAT THE BONDS AND THE INTEREST THEREON, WHEN AND IF ISSUED, SHALL NEVER BE A**

GENERAL OBLIGATION OF THE ISSUER BUT A SPECIAL LIMITED OBLIGATION PAYABLE SOLELY IN THE AMOUNTS PAYABLE UNDER A LEASE AGREEMENT AND OTHER REVENUES OF THE PROJECT. NEITHER THE ISSUER, THE COMMONWEALTH OF KENTUCKY, NOR ANY POLITICAL SUBDIVISION OF THE COMMONWEALTH OF KENTUCKY SHALL BE OBLIGATED TO PAY THE PRINCIPAL OR INTEREST ON SUCH BONDS OR OTHER COSTS INCIDENT THERETO.

E. It is further understood and agreed that no recourse under or upon any obligation, covenant, acceptance or agreement contained in this Memorandum of Agreement, the Resolution or the Bonds or any related documents, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against any officer as such, past, present, or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to any holder of any Bond, or otherwise, of any sum that may be due and unpaid by the Issuer upon any of the Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, as such, to respond by reason of any act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to the Issuer or any receiver thereof, or for or to the owner or any holder of any Bond, or otherwise, of any sum that may remain due and unpaid upon any Bond, shall be deemed to be expressly waived and released as a condition of and consideration for the execution and delivery of this Memorandum of Agreement and any related documents and the issuance of the Bonds.

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Agreement by their officers thereunto duly authorized on the day and year first above written.

FISCAL COURT OF NELSON COUNTY, KENTUCKY

DEAN WATTS
COUNTY JUDGE/EXECUTIVE

(SEAL)

ATTEST:

ELAINE FILIATREAU
FISCAL COURT CLERK

THE BARDSTOWN BOURBON COMPANY, LLC

By _____

Name _____

Title _____

*** ***** ***

ORDINANCE AUTHORIZING ISSUANCE OF INDUSTRIAL BUILDING REVENUE BONDS - HEAVEN HILL DISTILLERIES, INC (FIRST READING)

PILOT AGREEMENT

County Judge-Executive Dean Watts presented in open Court for first reading the following proposed ordinance related to issuance of Industrial Building Revenue Bonds, as well as the attached Pilot Agreement, for Heaven

Hill Distilleries, Inc. After a first reading, on motion of Bernard Ice, second of Jeff Lear, by affirmative vote of all Court members, IT IS HEREBY ORDERED to approve the following ordinance and the Pilot Agreement:

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNTY OF NELSON, KENTUCKY, AUTHORIZING THE ISSUANCE OF UP TO $50,000,000 PRINCIPAL AMOUNT OF INDUSTRIAL BUILDING REVENUE BONDS, SERIES 2014 (HEAVEN HILL DISTILLERIES, INC., PROJECT), IN ONE OR MORE SERIES FOR THE PURPOSE OF FINANCING AN INDUSTRIAL BUILDING PROJECT; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF: (i) A LEASE AGREEMENT BETWEEN THE COUNTY AND HEAVEN HILL DISTILLERIES, INC., (ii) A MORTGAGE, (iii) A BOND PURCHASE AGREEMENT, (iv) A PAYMENT IN LIEU OF TAXES AGREEMENT, AND (v) ANY AND ALL OTHER RELATED DOCUMENTS; AND TAKING OTHER RELATED AND INCIDENTAL ACTION.

WHEREAS, the County of Nelson, Kentucky ("Issuer"), pursuant to the provisions of the Industrial Buildings for Cities and Counties Act, as amended, Sections 103.200 to 103.285, inclusive, of the Kentucky Revised Statutes, (the "Act"), is authorized to issue its revenue bonds and to make the proceeds from the sale thereof available to a company for the purpose of financing industrial building facilities as defined in the Act, such bonds being payable from rental payments made by such company; and under the Act the financing of industrial buildings constitutes a public purpose;

WHEREAS, Heaven Hill Distilleries, Inc., a Kentucky corporation ("Company"), proposes that the Issuer, pursuant to the Act, assist the Company in financing the acquisition, construction and installation of warehouses and barrels therein to be located on Gilkey Run Road, Nelson County, Kentucky, for the purpose of establishing industrial buildings for the storage of Evan Williams Bourbon and other products (collectively, the "Project"), which Project and the site thereof are more particularly described in the Lease Agreement hereinafter identified and approved; and the Project qualifies for financing as an "industrial building" within the meaning of the Act; and

WHEREAS, the acquisition, construction and installation of the Project will result in the retention of industry and a substantial number of employment opportunities in the community that would otherwise not be available;

WHEREAS, on February 19, 2013, the Fiscal Court of the Issuer adopted a resolution (the "Inducement Resolution") authorizing industrial building revenue bond financing for the benefit of the Company and affirming the Issuer's agreement to undertake such financing at the appropriate time, subject to compliance with the provisions of the Act;

WHEREAS, the Kentucky Economic Development Finance Authority has approved the issuance of the Bonds (as defined herein) and the reduction in the state ad valorem tax in connection with the Bonds and the Project pursuant to KRS 103.210;

WHEREAS, at the request of the Company the Issuer is prepared to issue its revenue Bonds pursuant to the Act for purposes of financing the acquisition, construction and installation of the Project and paying costs of issuance of the Bond, upon terms which are set forth in the Lease Agreement hereinafter identified and approved;

WHEREAS, pursuant to the provisions of Section 103.230 of the Act, the Company will make a request in writing, addressed to the County Judge/Executive acting on behalf of the Issuer, that the sale of the Bonds hereinafter identified and authorized, to bear interest as set out in the Bond Purchase Agreement hereinafter identified and approved, shall be made upon a negotiated basis; and

WHEREAS, it is necessary and proper in the interests of the health, safety, convenience and general welfare of the citizens, residents and inhabitants of the Issuer and its environs that the Issuer (a) authorize the issuance of the Bonds pursuant to the Act in order to finance, for the benefit of the Company, the acquisition, construction and installation of the Project and to pay certain costs of the issuance of the Bonds, (b) authorize the execution of a Lease Agreement between the Issuer, as lessor, and the Company, as lessee, (c) authorize the execution of a Mortgage and the execution of related documents, (d) authorize the execution of a Bond Purchase Agreement and the execution of related documents, (e) authorize the execution of a Payment in Lieu of Taxes Agreement, and (f) authorize and approve the sale of the Bonds and approve other necessary or related documents and actions.

BE IT ORDAINED BY THE FISCAL COURT OF NELSON COUNTY, KENTUCKY, AS FOLLOWS:

Section 1. For the purposes set forth in the preamble, which is incorporated as a part hereof, the Issuer, acting by and through the Fiscal Court, hereby:

(A) Confirms and ratifies the Inducement Resolution and the prior discussions and agreements described therein, whereby the Issuer agreed preliminarily to authorize and issue its Bonds for the Company pursuant to the Act in order to finance the Project;

(B) Accepts from the Company the conveyance of the Project and the sites thereof, subject to the terms and conditions contained in the instruments of conveyance and in the Lease Agreement hereinafter identified and approved;

(C) Authorizes the sale, issuance, execution and delivery of up to $50,000,000 principal amount of Nelson County, Kentucky Industrial Building Revenue Bonds, Series 2014 (Heaven Hill Distilleries, Inc. Project) (the "Bonds"), which shall be issued in substantially the form and subject to the terms and specifications set forth in the Bond Purchase Agreement identified and approved herein, all subject to compliance with the provisions of the Act; and

(D) Authorizes the use of the proceeds of the Bonds, as provided in the Bond Purchase Agreement, Mortgage and Lease Agreement hereinafter identified and approved, to pay the costs

of acquisition, construction and installation of the Project and to pay certain costs of issuance of the Bonds.

Section 2. The County/Judge Executive is hereby authorized, empowered and directed to execute, acknowledge and deliver on behalf of the Issuer, as lessor of the Project, and the Company, as lessee (the "Lease Agreement"), which Lease Agreement is hereby approved, authorized and adopted in substantially the form previously submitted and filed with the Clerk of the Fiscal Court, with such changes therein and completions thereof as the officer executing the same may require or approve on behalf of the Issuer, upon the advice of counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. In order to provide for the security of the Bonds, the County Judge/Executive is hereby authorized, empowered and directed to execute and acknowledge on behalf of the Issuer a Security Agreement in favor of the purchaser of the Bonds. The Security Agreement is hereby approved, authorized and adopted in substantially the form previously submitted and filed with the Clerk of the Fiscal Court, with such changes and completions as the officer executing the same may require or approve on behalf of the Issuer, upon the advice of counsel, such approval to be conclusively evidenced by the execution and delivery thereof. So that the statutory mortgage lien provided by Section 103.250 of the Act shall not attach to the Project, the Issuer hereby declares its intention and elects to follow the provisions of Section 103.251 of the Act with respect to the imposition of a foreclosable lien on the Project in connection with the security of the Bonds. The Bonds shall be issued no later than one (1) year from the date of adoption of this Ordinance, shall mature as to principal no later than the date which is thirty (30) years from the date of issuance of the Bonds and shall be subject to redemption and shall bear interest payable periodically at a rate approved by the Company, all as provided in the Bond Purchase Agreement hereinafter identified, reference to which is hereby made.

Section 4. With respect to the authorization and sale of the Bonds, and upon the request of the Company, the Issuer approves, and the County Judge/Executive is authorized and directed to execute and deliver on behalf of the Issuer, a Bond Purchase Agreement between the Issuer and the purchaser of the Bonds to be designated by the Company, and as approved by the Company (the "Bond Purchase Agreement"), being in substantially the form submitted herewith, with such changes and completions as the officer executing the same may require or approve on behalf of the Issuer, upon the advice of counsel, such approval to be conclusively evidenced by the execution and delivery thereof. The sale of the Bonds pursuant to the terms of the Bond Purchase Agreement is hereby authorized, approved and directed.

Section 5. The County Judge/Executive is hereby authorized, empowered and directed to execute, acknowledge and deliver on behalf of the Issuer a Payment In Lieu of Taxes Agreement between the Issuer and the Company (the "Payment In Lieu of Taxes Agreement"), which Payment In Lieu of Taxes Agreement is hereby approved, authorized and adopted in substantially the form previously submitted and filed with the Clerk of the Fiscal Court, with such changes therein and completions thereof as the officer executing the same may require or approve on behalf of the Issuer, upon the advice of counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The County Judge/Executive, the Fiscal Court Clerk, the County Treasurer, the County Attorney and other appropriate officials of Issuer, and each of them, for and on behalf of the Issuer, are hereby authorized, empowered and directed to do and perform any and all things necessary to effect the execution and delivery of the Lease Agreement, the Security Agreement, the Bond Purchase Agreement, the Payment In Lieu of Taxes Agreement and related documents, the performance of all obligations and the preservation of all rights of the Issuer thereunder, the execution and delivery of the Bonds and the performance from time to time of all other actions of whatever nature necessary to carry out the authority conferred or contemplated by and the purposes of this Ordinance, the Lease Agreement, the Security Agreement, the Bond Purchase Agreement, the Payment In Lieu of Taxes Agreement and related documents, and further to approve and to execute all papers, documents, certificates or other instruments that may be required for the carrying out and effectuation from time to time of the authority conferred by and the purposes of this Ordinance, the Lease Agreement, the Security Agreement, the Bond Purchase Agreement, the Payment In Lieu of Taxes Agreement and related documents, or to evidence said authority and purposes.

Section 7. The Bonds and the interest thereon do not represent or constitute an indebtedness of the Issuer or the Commonwealth of Kentucky within the meaning of the Constitution or statutes of the Commonwealth or a pledge of the faith and credit of the Issuer or the Commonwealth. The Issuer shall never be required to pay from its own funds any obligations deriving from the issuance of the Bonds, and the Bonds are declared to be special and limited obligations payable solely and only from the receipts derived under the Lease Agreement and the Security Agreement, as provided in the documents herein approved.

Section 8. The provisions of this Ordinance may be supplemented from time to time by resolution of the Fiscal Court.

Section 9. The provisions of this Ordinance are hereby declared to be severable and, if any section or provision shall, for any reason, be declared invalid, such declaration of invalidity shall not affect the validity of the remainder of this Ordinance.

Section 10. In the event of any conflict or conflicts between the provisions of this Ordinance and of any prior ordinances, resolutions or parts thereof, the provisions of this Ordinance shall prevail.

Section 11. This Ordinance shall be in full force and effect upon its passage and approval and upon publication of the legal notice required by Section 103.210 of the Act.

This Ordinance was given first reading at a duly convened meeting of the Fiscal Court held on November 18, 2014, and given second reading and adopted at a duly convened meeting of the Fiscal Court held on _____ __, 2014.

Dean Watts

Dean Watts, County Judge/Executive

11/18/14

Date

PILOT AGREEMENT

THIS **PILOT AGREEMENT** ("Agreement") is entered into and effective as of November 18, 2014, by and between (i) **HEAVEN HILL DISTILLERIES, INC.**, a Kentucky corporation (the "Company"), and (ii) **FISCAL COURT OF NELSON COUNTY, KENTUCKY** (the "Issuer") (collectively, the "Parties").

RECITALS:

A. Pursuant to Resolution adopted on or about February 19, 2013 (the "Resolution"), the Fiscal Court of Nelson County, Kentucky authorized the issuance of Industrial Building Revenue Bonds in an amount up to FIFTY MILLION DOLLARS ($50,000,000) for a term of thirty years (the "Bonds") to pay the costs of the acquisition, construction and installation of the Project, as hereinafter defined.

B. The Kentucky Economic Development Finance Authority (the "Authority") approved the issuance of the Bonds pursuant to KRS 103.210(1).

C. The Fiscal Court of the Issuer adopted an ordinance on November 18, 2014, (the "Ordinance") to issue and sell the Bonds, and to use the proceeds of the Bonds to acquire and develop the Project.

D. As an inducement to the Issuer to issue the Bonds and to the Authority to approve the Bonds, the Company shall, during the "Term," as defined herein, make certain payments in lieu of all applicable city, local and county taxing authority ad valorem taxes and those imposed by the Commonwealth of Kentucky ("Commonwealth"), as provided herein.

AGREEMENT:

NOW, THEREFORE, the Parties hereby agree as follows:

1. DEFINITIONS.

1.1 ***Building*** shall mean the industrial building located on the Real Property and site improvements and appurtenances.

1.2 ***Effective Date*** shall mean the date the Bonds are issued.

1.3 ***Equipment*** shall mean equipment and machinery for the Company's manufacturing and production processes located in or at the Building, including any improvements or additions thereto or replacements thereof.

1.4 ***Bonds*** shall mean the industrial revenue bonds, in a face amount up to $50,000,000, for a term of thirty years, which the Issuer has agreed to issue at the request of the Company, to pay the costs of acquisition, construction and installation of the Project, as more particularly described in the Ordinance and corresponding transaction documents.

1.5 ***Payment Date*** shall mean December 31 of each year during the Term, beginning December 31, 2015.

1.6 ***PILOT*** ("Payment in Lieu of Tax") shall mean the payment, as more particularly described in Section 2, to be made by the Company in lieu of all ad valorem taxes due or payable, during the Term, relating to the Project.

1.7 ***Project*** shall mean the Real Property, Building and Equipment, collectively.

1.8 ***Real Property*** shall mean the real property located on Gilkey Run Road, Nelson County, Kentucky, as more particularly described on attached Exhibit A.

1.9 ***Term*** shall have the meaning described in, and be concurrent with, the term of the Bonds.

2. PILOT. As an inducement to the Issuer to issue, and the Authority to approve, the Bonds, the Company agrees to pay during the Term, on or before the Payment Date, an annual PILOT to the Issuer and the Commonwealth of Kentucky, in each case in amounts equal to the ad valorem taxes on the stored barreled spirits pursuant to KRS 132.020(1)(n)(4) that would otherwise be due to the Issuer, the Commonwealth, and other parties under such party's respective and applicable tangible personal property tax rate, as applied to such stored barreled spirits located at the Project.

3. CONTINGENT UPON BONDS. Notwithstanding anything herein to the contrary, the Company is under no obligation to proceed with the Project or the Bonds. If the Company does not proceed with the Project, or if the Bond transaction is not consummated for any reason whatsoever, other than a default by the Issuer, or if the Bonds are terminated by the Company for any reason, then this Agreement shall be null and void.

4. LEASEHOLD TAXES. The Parties acknowledge that, upon issuance of the Bonds, the Company may be obligated to pay certain leasehold taxes on the Project pursuant to KRS 132.020. The Parties hereby agree that the amounts due under Section 2 shall be reduced by the amount of any such leasehold tax payment.

5. MISCELLANEOUS.

5.1 Entire Agreement. This Agreement embodies the entire agreement and understanding of the Parties related to its subject matter and supersedes all prior proposals, understandings, agreements, correspondence, arrangements and contemporaneous oral agreements relating to the subject matter of this Agreement. No representation, promise, inducement or statement of intention that has not been embodied in this Agreement has been made by any party.

5.2 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

5.3 Amendment; Waiver. This Agreement may be amended, modified or superseded only by a written instrument signed by all of the Parties to this Agreement. No party will be deemed to have waived compliance by another party of any provision of this Agreement unless such waiver is contained in a written instrument signed by the waiving party and no waiver that may be given by a party will be applicable except in the specific instance for which it is given. The failure of any party to enforce at any time any of the provisions of this Agreement or to exercise any right or option contained in this Agreement or to require at any time performance of any of the provisions of this Agreement, by any of the other parties, will not be construed to be a future waiver of such provisions and will not affect the validity of this Agreement or any of its provisions or the right of such party thereafter to enforce each provision of this Agreement. No course of dealing will operate as a waiver or modification of any provision of this Agreement or otherwise prejudice such party's rights, powers and remedies.

5.4 Binding Effect. All of the provisions of this Agreement will be binding upon and inure to the benefit of and be enforceable by the Parties to this Agreement and their respective successors and assigns.

5.5 Equipment. The Parties hereby agree that the purchase, installation or use of improvements or additions to, or replacements of, the Equipment, will not cause Company to incur any property tax or otherwise increase the PILOT payments hereunder.

5.6 Further Assurances. Throughout the Term, each party will execute and deliver such additional documents or take such additional actions as may be requested by another party to this Agreement if such requested document or action is reasonably necessary to effect the transactions described in this Agreement, including all documents necessary or appropriate to effect the Bonds.

5.7 Construction and Interpretation of Agreement.

(a) Section titles or captions in this Agreement are included for purposes of convenience only and will not be considered a part of the agreement in construing or interpreting any of its provisions. All references in this Agreement to Sections will refer to sections of this Agreement unless the context clearly otherwise requires.

(b) The Parties have participated jointly in the negotiation and drafting of this Agreement. If any ambiguity or question of intent or interpretation arises, no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

(c) Unless the context otherwise requires, when used in this Agreement, the singular will include the plural, the plural will include the singular, and all nouns, pronouns and any variations thereof will be deemed to refer to the masculine, feminine or neuter, as the identity of the person or persons may require.

(d) The Parties do not intend that this Agreement will confer on any third party any right, remedy or benefit, or that any third party will have any right to enforce any provision of this Agreement.

5.8 Governing Law. This Agreement will be governed by, and will be construed and enforced in accordance with, the laws of the Commonwealth of Kentucky, without giving effect to any conflict of law rule or principle of such state. Any dispute hereunder or any appeal from a decision hereunder shall be instituted exclusively in the courts of the Commonwealth of Kentucky located in Hart County.

5.9 Limited Assignment; Binding Effect. Neither Party shall assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the other Party, except that the Company may assign all of its rights and obligations under this Agreement without the prior consent of the Issuer in connection with the sale of the Project or in connection with a merger or other transfer by operation of law. Subject to the foregoing, all the provisions of this Agreement shall be binding upon, and shall inure to, the benefit of and be enforceable by the Parties to this Agreement and their respective heirs, legal representatives, successors and assigns.

5.10 Severability of Provisions. If a court in any proceeding holds any provision of this Agreement or its application to any person or circumstance invalid, illegal or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it was held to be invalid, illegal or unenforceable, shall not be affected, and shall be valid, legal and enforceable to the fullest extent permitted by law, but only if and to the extent such enforcement would not materially and adversely frustrate the Parties' essential objectives as expressed in this Agreement. Furthermore, in lieu of any such invalid or unenforceable term or provision, the Parties intend that the court add to this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be valid and enforceable, so as to effect the original intent of the parties to the greatest extent possible.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first written above.

HEAVEN HILL DISTILLERIES, INC.

By: _____
Name: _____
Title: _____

(the "Company")

COUNTY OF NELSON, KENTUCKY

By: _____
Name: Dean Watts
Title: Judge/Executive

(the "Issuer")

EXHIBIT A

Property Description

*** ***** ***

WICKLAND EASEMENT

Request was made by the City of Bardstown for a sewer line easement through Wickland property; concern was partially with the number of large trees that might be impacted. Magistrates have had time to meet with City

personnel to try to resolve questions related to the easement. Following discussion, on motion of Jeff Lear, second of Bernard Ice, by affirmative vote of Court members Lear, Ice, Metcalfe, Hahn and Watts, IT IS HEREBY ORDERED to grant a sewerline easement through Wickland property as described and presented by City Engineer Jessica Filiatreau. Magistrate Hutchins voted against the motion.

*** ***** ***

OFFICIALS BONDS

On motion of Sam Hutchins, second of Jeff Lear, by unanimous vote of the Court, IT IS HEREBY ORDERED to approve County Officials' bonds as follows:

Nelson County Fiscal Court

Order

I hereby order that the bond amounts for Public Officials for the County of Nelson be set as follows:

County Judge Executive	$10,000
County Clerk	$10,000
County Clerk-Revenue Bond	$75,000
Jailer	$10,000
Sheriff	$10,000
Sheriff-Revenue Bond	$2,500,000
Sheriff-Advancement	$300,000
County Attorney	$10,000
Surveyor	$10,000
Coroner	$10,000
Deputy Coroner	$10,000
Deputy Coroner	$10,000
County Treasurer	$75,000
Human Resource Manager	$50,000
Occupational License Fee Administrator	$5,000
Landfill Clerk	$2,000
Sheriff's Clerk	$10,000
Sheriff's Clerk	$10,000
Sheriff's Clerk	$10,000
Sheriff's Clerk	$10,000
Sheriff's Bookkeeper	$10,000

Entered this 18th day of November, 2014.

Dean Watts, County Judge-Executive
Nelson County, KY

*** ***** ***

RED CROSS VEHICLE (TRI-COUNTY)

Marion County Judge-Executive John Mattingly, Jan Ballard and Susan Hardin appeared before Nelson Fiscal County in their capacities as representatives of the local Red Cross - speaking for the tri-county area

of Nelson, Marion and Washington counties. Judge Mattingly explained a matching grant that has been obtained for a Red Cross SUV through the Honorable Order of Kentucky Colonels. Suggestion was made that each county's share of the match should be based on population of that county:

Honorable Order of Kentucky Colonels
A NON-PROFIT CHARITABLE ORGANIZATION

Nelson 57.93% = $8,545.59
Marion 26.44% = $3899.29
Washington 15.63% = $2305.14
$14,750.00

2010 Census
Nelson 43,437 = 57.93
Marion 19,820 = 26.42
Wash. 11,717 = 15.62
74,974

September 5, 2014

Ms. Susan Hardin, Chapter Executive
Heart of Kentucky Chapter, ARC
321 S. Third St.
Bardstown, KY 40004

Governor Steven L. Beshear
Commander-in-Chief
General Paul J. Schulte
Commanding General
General Barbara K. Dutschke
Adjutant General
Colonel Garry Gupton
Executive Director
Colonel Linda G. Boone
General Manager
Colonel Mary Ann Hunt
Treasurer

BOARD OF TRUSTEES
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General Jim Lindsey
General T. William Samuels, Jr.
General Paul J. Schulte
General John S. Shropshire
General Hal Sullivan

Dear Ms. Hardin:

On behalf of the members and Trustees of the Honorable Order of Kentucky Colonels, I am pleased to inform you of a positive review of your request for a grant from the Honorable Order.

The Honorable Order has an agreement with the Farmer Auto Group, known in Louisville as the Oxmoor Auto Group. This group represents 10 new vehicle dealerships and has a large capacity for obtaining quality used vehicles. Farmer Auto Group will obtain vehicles for us at their cost.

As you are aware, we have changed our funding parameters for vehicles. Therefore, the Honorable Order will pay 50% of the cost, up to a maximum of $14,750, of an SUV with a towing package, purchased under our "at cost" agreement with Farmer Auto Group. The Heart of Kentucky ARC would provide the additional funding.

To access the funding, please provide to us any special requirements for this vehicle and a notarized statement advising that you have secured the additional 50% (up to $14,750) of the actual cost of the vehicle. At that point, we will contact Oxmoor Auto Group to begin the search for your vehicle.

This commitment is valid through February 28, 2015. **Should you have questions, please contact Colonel Linda Boone at the phone number or address below.** If you are unable to meet the commitment deadline, you may request an extension of time, in writing, from the Honorable Order. No anticipation of an extension should be held until receipt of approval from the Honorable Order.

We sincerely hope this commitment will help your organization better serve the citizens of Kentucky.

Sincerely,

L. Boone

for → T. William Samuels, Jr.
Trustee

TWS/lb

NATIONAL HEADQUARTERS
1717 ALLIANT AVE., SUITE 14
LOUISVILLE, KENTUCKY 40299

502 266-6114 HQ
502 266-6848 MEMBERSHIP
502 266-6264 EMPORIUM
502 266-6643 FAX

INFO@KYCOLONELS.ORG EMAIL
KYCOLONELS.ORG WEB ADDRESS

Judge Mattingly explained the functions of Red Cross, needs experienced during times of crisis, and support within the three affected counties. Nelson County's share of matching funds for the vehicle would be approximately $8,500.00. On motion of Sam Hutchins, second of Keith Metcalfe, by affirmative vote of Court members Watts,

Hutchins, Metcalfe, Ice and Hahn, IT IS HEREBY ORDERED to approve Nelson County's proportionate funding, based on population, of an SUV for Red Cross as described. Magistrate Lear voted against the motion.

*** ***** ***

RESOLUTION RE MUNICIPAL BONDS

County Treasurer Rhonda Fenwick presented Court members with a short overview of how late audits by the State Auditor's office have resulted in inability to send pertinent information to bondholders within the expected time-frame, which in turn has resulted in SEC "Disclosure Certificate":

MEMORANDUM

TO: County of Nelson, Kentucky
FROM: Rubin & Hays
DATE: November 13, 2014
RE: Municipalities Continuing Disclosure Cooperation Initiative

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The federal government decided some time ago that issuers of municipal bonds should be obligated to disclose to bondholders and potential bondholders the issuer's financial condition. To accomplish this goal, about 25 years ago the Securities and Exchange Commission (the "**SEC**") adopted Rule 15c2-12 (the "**Rule**") to cause issuers of bonds to provide updated financial information to bondholders and potential bondholders.

When issuer's issue bonds, they adopt a certificate ("**Disclosure Certificate**") of some kind in which they agree to regularly disclose financial information to comply with the Rule. The Disclosure Certificate describes the information to disclose and when and where to disclose it. Currently, issuers file annual financial information and/or audited financial statements (collectively the "**Annual Report**") as well as material events (like a missed payment) to the Electronic Municipal Market Access system ("**EMMA**") at [illegible] Frequently in Kentucky, the issuer's financial advisor assists with the process of collecting the data each year and filing it.

The process of compiling the relevant information and posting it to EMMA can be difficult and time consuming. Frequently, through no fault of the issuer, the audit is not ready by the filing deadlines in the issuer's Disclosure Certificate. Consequently, issuers throughout the country regularly miss the deadlines in their Disclosure Certificates.

The SEC determined, in the aftermath of the "Great Recession", to put a greater emphasis on continuing disclosure by issuers. On March 10, 2014 the SEC announced its Municipalities Continuing Disclosure Cooperation Initiative (the "MCDC") to provide favorable settlement terms to issuers involved in the offer or sale of municipal securities as well as underwriters of such offerings if they self-report to the SEC possible violations involving materially inaccurate statements relating to prior compliance with continuing disclosure obligations.

Underwriters of Kentucky bonds (the buyers of bonds) submitted reports to the SEC on a number of Kentucky issuers. These issuers include cities, counties, utility systems, and taxing districts, and are represented by the different bond counsel and financial advisors who work in Kentucky.

You are receiving this memorandum, because an underwriter reported a problem with your financial disclosures. Since the SEC has been informed of potential and immaterial mistakes in your financial disclosures, it is advisable to submit a report to the SEC addressing the matters raised by the underwriter. In addition, the SEC is encouraging issuers to adopt procedures to try to improve future compliance.

The deadline to file a report with the SEC and participate in the MCDC Initiative is **December 1, 2014**.

Please feel free to call us if you have any questions about the MCDC program and would like assistance preparing and filing a report with the SEC for the MCDC Initiative.

Fiscal Court Orders

On motion of Sam Hutchins, second of Jeff Lear, by unanimous vote of the Court, IT IS HEREBY ORDERED to approve the following resolution:

COUNTY OF NELSON, KENTUCKY

RESOLUTION NO. _____

A RESOLUTION OF THE FISCAL COURT OF THE COUNTY OF NELSON, KENTUCKY, ADOPTING CERTAIN GUIDELINES AND PROCEDURES IN CONNECTION WITH THE COMPLIANCE WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION

RECITALS:

1. In accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "SEC"), the County of Nelson, Kentucky (the "County") is required to provide or cause to be provided, in a timely manner, to the Electronic Municipal Market Access system ("EMMA") at http://www.emma.msrb.org, annual financial information and/or audited financial statements (collectively the "Annual Report") of the County generally consistent with the information contained in Official Statements used in the marketing of bonds or other obligations (the "County's Bonds"), as well as material events as set forth in the Rule. Such Annual Report will be made available in accordance with the County's continuing disclosure certificates (collectively the "Disclosure Certificates") relating to the sale or underwriting of the County's Bonds.

2. For the purpose of assuring compliance with the Rule and the Disclosure Certificate, the County desires to adopt the Guidelines and Procedures (the "Procedures"), attached hereto as **Exhibit A**.

3. The SEC announced on March 10, 2014 its Municipalities Continuing Disclosure Cooperation Initiative (the "MCDC") to provide favorable settlement terms to issuers involved in the offer or sale of municipal securities as well as underwriters of such offerings if they self-report to the SEC possible violations involving materially inaccurate statements relating to prior compliance with continuing disclosure obligations.

4. The underwriters of the County's general obligation bonds disclosed to the SEC as part of the MCDC that the County occasionally been late in filing its annual audit with EMMA, which is due in large part to the tardiness of the State Auditor in completing audits.

4. An underwriter of the County's bonds disclosed to the SEC as part of the MCDC that County's annual financial information and audited financial statements have occasionally not been filed or has been filed late with EMMA.

5. The Fiscal Court of the County does not believe that the County has made materially inaccurate statements relating to prior compliance with continuing disclosure obligations.

NOW, THEREFORE, BE IT RESOLVED BY THE FISCAL COURT OF THE COUNTY OF NELSON, KENTUCKY:

Section 1. Approval of Procedures. The Procedures for SEC Rule 15c2-12 attached hereto as **Exhibit A** are hereby approved and incorporated into this section as if expressly set forth herein. The Fiscal Court hereby covenants that unless it receives an opinion of bond counsel to the effect that failure to comply with such Procedures will not cause a violation of the Rule and Disclosure Certificates, it will comply with the attached Procedures.

Section 2. Amendment of Procedures. The Fiscal Court hereby delegates to the County Treasurer, in consultation with bond counsel, the authority to amend the Procedures on a case-by-case basis, as deemed necessary and report to Fiscal Court.

Section 3. Filing with the SEC. The Fiscal Court does hereby authorize the filing of a Municipalities Continuing Disclosure Cooperation Initiative Questionnaire For Self-Reporting Entities with the SEC to disclose and explain possible violations of the Rule by the County the contents of which questionnaire will be subject to approval of the County Judge/Executive.

Section 4. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

Section 5. Authorizations. All officials and employees of the County, including the County Judge/Executive and the County Treasurer, are authorized and empowered, collectively or individually, to take all other actions and steps as they shall deem necessary or desirable in connection with the adoption and compliance with the Procedures.

Section 6. Effective Date. This Resolution shall take effect immediately upon its adoption.

Introduced, read, adopted and enacted by the Fiscal Court of the County of Nelson, Kentucky, at a duly convened meeting held on November 18, 2014, signed by the County Judge/Executive indicating approval, and attested by the Fiscal Court Clerk.

COUNTY OF NELSON, KENTUCKY

County Judge/Executive

Attest:

Fiscal Court Clerk

CERTIFICATE OF FISCAL COURT CLERK

I, the duly qualified and acting Fiscal Court Clerk of the County of Nelson, Kentucky, do hereby certify that the foregoing is a true, complete, and correct copy of a Resolution read, adopted and enacted by the Fiscal Court of the County, executed by the County Judge/Executive and attested by the Fiscal Court Clerk on November 18, 2014, and that said Resolution has been duly recorded in the official records of the County, as shown by the official records of said County in my custody and under my control.

IN TESTIMONY WHEREOF, witness my signature as Fiscal Court Clerk of the County this November 18, 2014.

Fiscal Court Clerk

EXHIBIT A

COUNTY OF NELSON, KENTUCKY

GUIDELINES AND PROCEDURES
RELATING TO COMPLIANCE WITH
RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION

BACKGROUND

In accordance with the requirements of Rule 15c2-12 (the "**Rule**") promulgated by the Securities and Exchange Commission, the County of Nelson, Kentucky (the "County") is required to provide or cause to be provided, in a timely manner, to the Electronic Municipal Market Access system ("**EMMA**") at http://www.emma.msrb.org, annual financial information and/or audited financial statements (collectively the "**Annual Report**") of the County generally consistent with the information contained in Official Statements used in the marketing of bonds or other obligations (the "**County's Bonds**"), as well as material events as set forth in the Rule. Such Annual Report will be available in accordance with the County's continuing disclosure

certificates (collectively the "**Disclosure Certificates**") relating to the sale or underwriting of the County's Bonds.

The County may engage, as appropriate, disclosure agents (collectively the "**Disclosure Agent**") with expertise in matters relating to the Rule. These Guidelines and Procedures (the "**Procedures**") have been approved by the Fiscal Court.

The primary responsibility for compliance with the Procedures will rest with the County Treasurer of the County (the "**Compliance Officer**").

GENERAL REQUIREMENTS, PROCEDURES AND RESPONSIBILITIES

Responsibility of Compliance Officer. The Compliance Officer is responsible for coordinating compliance with the provisions of these Procedures, the Disclosure Agreement and the Rule. The Compliance Officer will consult with the Disclosure Agent (if any) as necessary to effectuate compliance with these Procedures.

The Compliance Officer is the individual and officer responsible for complying or causing compliance with the filing requirements of the Rule. The Compliance Officer will:

(i) be responsible for updating, compiling and providing or causing the update and compilation of and to provide to the Disclosure Agent (if any) the information to be filed with EMMA;

(ii) by **February 1** of each year consult with the independent auditor for the County to determine if the audited financial statements for the County will be completed on or before **March 31** of each year;

(iii) if the County should become an "obligated person" under the Rule as provided in the Continuing Disclosure Agreement of the County, dated May 1, 2011, within 15 business days of the receipt and completion of the Annual Report, file or cause to be filed the Annual Report with EMMA;

(iv) in the event that the Annual Report is not expected to be completed on or before **March 31** of any year, file or cause to be filed with EMMA (if the County is an "obligated person" a notice that the Annual Report will not be completed and filed with EMMA by **March 31**;

(v) create an internal tickler system to cause compliance with the reporting requirements of the Rule;

(vi) report on an annual basis to the County Judge/Executive that the reporting requirements of the Rule have been met or if unable to be met the reasons therefor and the information reported to EMMA relating to the failure to meet the reporting requirements of the Rule; and

(vii) file or cause to be filed any in a timely manner not in excess of ten (10) business days after the occurrence of a "**Material Event**", notice of each Material Event to EMMA. "Material Event" has the meaning provided in the Disclosure Agreement for the relevant bond issue of the County.

Annual Report Availability. The County agrees to make publicly available its Annual Report. Such information regarding the County can be obtained from the County Treasurer, P.O. Box 578, Bardstown, Kentucky 40004.

It is the intention and expectation of the Fiscal Court that, if the County should become an "obligated person" under the Rule as provided in the Continuing Disclosure Agreement of the County, dated May 1, 2011, the Annual Report with respect to each fiscal year will be either transmitted to a Disclosure Agent with the request that the information be immediately filed with, or shall otherwise be filed directly with, EMMA, as required under the Rule and the Disclosure Agreement, no later than **March 31** of each calendar year for the fiscal year of the County ended June 30. If the Fiscal Court appoints a Disclosure Agent to undertake the filing requirements of the Rule and the Disclosure Agreement, the Compliance Officer shall request confirmation from the Disclosure Agent that the Annual Report has been timely and appropriately filed with EMMA, as required under the Rule and the Disclosure Agreement.

Fiscal Court Orders

Reporting Compliance. As of the date of these Procedures, the County is in compliance with the reporting requirements of the Rule for all undertakings for which they are an "obligated person" as defined in the Rule.

These Procedures are dated November 18, 2014, the date of their approval by the Fiscal Court.

The undersigned hereby acknowledges having received a copy of these Procedures and has read and understand the duties assigned hereunder:

By Rhonda Fennick
Treasurer, County of Nelson, Kentucky

*** ***** ***

DEPARTMENT REPORTS

**JAIL

Jailer Dorcas Figg presented her regular report as follows:

NELSON COUNTY JAIL

	Total	Hardin Co	HIP	State	W-End	In House
OCTOBER						
Thur. 06	113	1	3	29	6	103
Fri. 07	113	1	3	32	6	103
Sat. 08	116	1	3	34	6	106
Sun. 09	119	1	3	33	5	110
Mon. 10	104	1	3	34	7	93
Tue. 11	112	1	4	32	7	100
Wed. 12	109	1	3	32	7	98
Thur. 13	109	1	3	32	7	98
Fri. 14	110	1	3	31	7	99
Sat. 15	111	1	2	31	4	104
Sun. 16	112	1	2	30	2	107
Mon. 17	106	1	2	32	4	99
Tue. 18	102	1	2	31	4	95

OCTOBER 2014 DAILY AVERAGE

	Mandays	Average
CI	542	17
CD	379	12
NELSON	2403	75
TOTAL	3324	104

NEW ARREST AND RELEASES F/OCTOBER 2014

ARRIVALS	MALE	FEMALE	TOTAL
	146	48	194
RELEASES	MALE	FEMALE	
	147	47	194

SENTENCED INMATES	
DISTRICT COURT	3
WEEKENDS	4
WAITING COURT	6
HIP	2
WORK RELEASE	0
C/S	0
STATE SENTENCED	
CI	16
CD	15
CI SERVING WEEKENDS	3
COMMUNITY SERVICE	7
WORK RELEASE	3
CIRCUIT SENTENCE TO JAIL	2
DRUG COURT	1

CIRCUIT WAITING COURT 53

TOTAL OF 59 HAS NOT BEEN SENTENCED

NUMBER OF DAYS INMATES SERVED F/OCTOBER 2014

DAYS	INMATES	DAYS	
1	76	16	5
2	65	17	4
3	15	18	1
4	12	19	1
5	13	20	5
6	4	21	0
7	2	22	1
8	5	23	2
9	4	24	1
10	2	25	3
11	7	26	1
12	1	27	0
13	1	28	1
14	3	29	1
15	11	30	1
		31	61

**LANDFILL/SOLID WASTE

Landfill Engineer Brad Spalding reported as follows:

1) Holiday schedule will be adjusted for Thanksgiving;

2) Highlift is back on the job--various repair items were outlined by Spalding;

3) Note was made of help from Road Dept. for three or four days in hauling dirt, with gratitude expressed;

4) Update was given on progress of Mechanics Shop, with expectation that job will be complete in two to three weeks.

**ROAD DEPARTMENT

County Engineer Jim Lemieux reported as follows:

1) Snow crews were out yesterday;

2) Bushhogging for year is complete; boom mowing is on-going; Mago is closed for this season;

3) Quotes for asphalt cold mix (winter pothole patching) were received as follows:

Asphalt Winter (Cold Mix) - KP-6
or High performance Cold Mix

	2014 per ton	2013 per ton	2012 per ton	2011 per ton	2010	2009
MAGO Construction	$100.00 KP-6	$100.98 KP-6	$88.25 KP-6	$85.37 KP-6	$80.51 KP-6	$90.00 KP-6
MAGO Construction	$118.50 HP Cold Mix					
J.H. Rudolph & co. Inc	$125.00 HP Cold Mix					
Scotty's Paving	$124.00 HP cold Mix	$124.00 UPM cold Mix	no quote	no quote	no quote	$82.00
Gohman's Asphalt	no quote	no quote	no quote	no quote	no quote	no quote
Total Cost Purchased 100 tons KP-6= HP Cold Mix=	**$10,000.00** **$11,850.00**	$10,098.00	$8,825.00	$8,537.00	$8,051.00	$8,200.00

** Note: MAGO Bid per Commonwealth of Kentucky Contract # 605 1500000502-1 for HP Cold Mix - Bull County =$142.29/ton
JH Rudolph Bid per Commonwealth of Kentucky Contract # 605 1500000501-1 for HP Cold Mix - KYTC Dist 4=$125.00/ton

On motion of Keith Metcalfe, second of Bernard Ice, by unanimous vote of the Court, IT IS HEREBY ORDERED to approve Mago's proposal for cold mix.

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Nov. 18, 2014
REGULAR SESSION OF NELSON FISCAL COURT

Following updates by Judge Watts on the Feed America schedule, and by Fire Chief Marlin Howard on the Botland Fire Substation, on motion of Keith Metcalfe, second of Bernard Ice, by unanimous vote of the Court, IT IS HEREBY ORDERED to adjourn the Nov. 18 session of Nelson Fiscal Court.

DEAN WATTS, NELSON COUNTY JUDGE-EXECUTIVE

ELAINE A FILIATREAU, NELSON COUNTY CLERK