

COMMON COUNCIL

Regular Meeting

January 5, 2026

The regular meeting of the Common Council of the City of Shelbyville, Indiana, was held in the Common Council Chambers of City Hall on Monday, January 5, 2026 at 6:00 P.M. Councilwoman Means-Davis opened with the Pledge of Allegiance, and Councilman Adams followed that with a prayer. All members were present with Mayor Furgeson presiding.

Mayor Furgeson entertained a motion to approve the minutes from the December 15, 2025 regular meeting and the December 15, 2025 non-public executive session. Councilman Reed made that motion, and Councilman Johnson seconded. The motion carried 7-0.

Under old business, was the second reading of Ordinance No. 25-3051 Salary Ordinance Amendment. As indicated in the previous meeting, Mayor Furgeson noted that this amendment corrects the entire fire department pay schedule. He explained that the calculations were inconsistent with the approved SFD contract and would be corrected for the new year. There being no further comments or questions, Councilwoman Sanders made a motion to approve the second reading as presented, and Councilman Adams seconded. The motion carried 7-0.

Under new business, was the first reading of Ordinance No. 26-3052 Annexation of Certain Real Estate. The City Council considered the voluntary annexation petition, which covers approximately 429 acres east of the I-74/State Road 44 interchange adjacent to industrial ground already owned by the Redevelopment Corporation. With that being said, Mayor Furgeson opened the floor for the public hearing on the matter. Representing the landowners, Attorney Eric Glasco confirmed that all affected property owners consented to the annexation request. Approximately 17.5% of the proposed territory's exterior boundary is currently shared with the City of Shelbyville. He clarified that the council's current action was limited to annexation and zoning decisions and did not constitute approval of the proposed data center project. Mayor Furgeson also advised participants that the preliminary design presented was not the final site layout.

Representatives Trey Westmoreland and JC Witt from Prologis, the prospective purchaser, presented a detailed powerpoint to the council. Their presentation covered the definition of a data center and provided company estimates on job creation and infrastructure impacts. Mr. Witt highlighted Prologis's significant experience, noting over 40 years of development experience, a portfolio of more than 30 data centers, an A3/A credit rating, 26.4 million square feet of ownership in the Indianapolis MSA, 200 MW of data centers completed since 2021, and approximately 600 megawatts currently under construction.

Operating in the Indianapolis market for 30 years, Prologis has over 40 local employees. The company's presence in the greater Indianapolis region includes approximately 26.5 million square feet of industrial space, housing about 143 businesses. These operations support roughly 26,400 local jobs.

Data centers, described by Mr. Westmoreland as large buildings housing computers, are purpose-built facilities that support essential digital activity. These centers contain servers, storage, and networking equipment, and are engineered to provide secure, redundant power and cooling to ensure near-perfect 24/7 uptime. They are crucial for powering core infrastructure, including cloud, AI, and digital services, and utilize generators for backup power. Ultimately, data centers enable high-speed data exchange across various users and platforms.

Renderings presented a view of the proposed facility alongside existing projects and those currently under construction. Mr. Westmoreland characterized the building as "prettier" than a typical manufacturing plant, noting its office buildings with glass frontages. The facilities are expected to accommodate 30 employees per shift in each building, totaling an anticipated 450 full-time employees based on the preliminary site drawings. Renderings and photos of buildings from the following locations were also presented: Hutto, Texas; Northern Virginia; Elk Grove Village, Chicago, Illinois; and North Las Vegas, Nevada. He further stated that these buildings do not produce any steam or smoke.

In 2023, Indiana's Data Center Industry made a substantial economic impact. The industry was responsible for 5,530 direct jobs and a total employment to support data centers (direct, indirect, and induced) of 24,460. Labor income reached \$503 million in 2023. The direct contribution to Indiana's GDP was \$1.046 billion, marking a 21% increase from 2022. Additionally, the industry generated \$327 million in state and local tax revenues in 2023.

Shelbyville was chosen by Prologis for Project Hackman, a proposed data center, primarily because the annexed land met the project's specific infrastructure needs, particularly for electrical and water consumption, as clarified by Mr. Westmoreland. Beyond the site's location and infrastructure, Prologis was attracted to Shelbyville as a prospective business partner due to its proven leadership and pro-business environment. Key factors in their selection included the campus-scale site for scalable development, by-right industrial zoning consistent with the IG land use plan, immediate utility availability, interstate adjacency, high-voltage transmission access, and the established partnership with Hoosier Energy.

Mr. Westmoreland detailed the considerable benefits that data centers, specifically Project Hackman, would bring to the community.

Economic Investment and Job Creation:

- **Capital Investment:** Project Hackman is projected to be a 500MW site, resulting in a total initial capital investment of between \$4 and \$6 billion. The typical initial construction cost per megawatt is \$8 - \$12 million, not including personal property investment.
- **Job Creation:** This development is expected to create approximately 450 full-time jobs and 6,750 construction jobs. Each data center building contributes 30 or more full-time jobs.

Community Impact and Revenue:

- **Positive Fiscal Ratio:** Data centers provide roughly \$15 in revenue for every \$1 spent on community services. This is significantly higher than the typical 4:1 ratio associated with manufacturing.
- **Limited Burden on Services:** Due to the relatively low employee count for the size of the investment and minimal truck traffic, the development has a limited impact on community resources. The concentrated number of jobs restricts the impact on local school systems and housing, while the community receives substantial tax and infrastructure benefits.

With that, Prologis intends to establish a long-term partnership as a member of the Shelbyville business community. The Prologis powerpoint presentation can be found attached to the meeting minutes in the Clerk-Treasurer's office.

Councilman Johnson raised a question regarding the potential negative environmental impact of the data centers, specifically concerning electricity and water consumption and the types of cooling systems currently in use.

Mr. Westmoreland addressed these concerns by explaining that the technology for water usage has advanced. He stated that the data centers now use less water daily than an average office building. Shelbyville's current water system capacity allows for the use of a closed-loop cooling system, which reuses water instead of continuously consuming it. Regarding power, the developers have agreed with Rush Shelby Energy to cover the full cost of all necessary infrastructure improvements for electrical service to the site.

Councilwoman Sanders raised a question surrounding concerns of the possibility of drilling wells on the property in order to gain access to additional water. Mr. Westmoreland stated there will be no wells drilled on the property as it was not feasible.

Following Councilman Reed's inquiry about the impact on low water tables—a concern raised by local farmers present—Mr. Westmoreland assured the group that there would be no issues. He then extended an invitation to both council members and citizens to visit an operational data center. Mr. Westmoreland emphasized that data centers are essentially just computers in a building, not manufacturing facilities, and therefore do not produce smokestacks or noxious gases.

Councilwoman Sanders voiced concerns regarding the use of generators. Mr. Westmoreland clarified that the generators will operate only during power outages and for necessary testing. The fuel type, whether diesel or gas, has not yet been decided and will be determined during the project's design phase.

When Councilman Reed questioned the value of the proposed annexed site to Prologis compared to other locations in Shelby County, Mr. Westmoreland responded that the site was suitable for the project because part of the land is already

zoned. He felt it was appropriate to connect with the existing zoning accessibility, noting that the necessary infrastructure is already established there.

Councilman Johnson referenced prior discussions, emphasizing that the project was not finalized. He noted that, even with tonight's annexation approval, construction might not begin for a couple of years. Mr. Westmoreland agreed, confirming that this was only the initial stage and that he could not offer any guarantees. While internal talks indicated Prologis's interest, a formal process still needed to be completed.

Councilwoman Means-Davis voiced concerns regarding the potential impact of the data center on nearby residents, specifically questioning issues related to noise and light pollution. Mr. Westmoreland addressed noise and lighting concerns, stating the main sound source would be air-handling units, comparable to large HVAC systems. Outdoor parking and security lights will be pointed down and under 3000 kelvin which is considered lamp light or warm light, not white light or cool light. He confirmed plans to comply with both Shelbyville's noise ordinances and dark sky standards.

Councilwoman Means-Davis raised a question about whether there would be exterior signage indicating the client on the site, or if the signage would be generally blank. She noted that neighbors might be concerned about a large, visible sign. Mr. Westmoreland explained that the signage is client-dependent, but for national security reasons, the client's identity would not be advertised publicly, although the city would be informed.

In response to Councilwoman Sanders' inquiry about the project's total construction timeline, Mr. Westmoreland clarified that the build-out is projected to take ten years. He also noted that construction would commence near the site that is already zoned, and then proceed eastward.

Councilwoman Wilson asked for clarification on overall pollution, specifically concerning land or air, in addition to the confirmed absence of light or noise pollution. In response, Mr. Westmoreland assured her that the project's ultimate feasibility would be determined through environmental studies and site planning. He stressed the company's desire for Pologis to be a community partner, not an opponent. Mr. Westmoreland wanted the project to be a positive development for the community. He noted that he has children and that his own community is also contemplating a similar undertaking.

With the conclusion of the preliminary agenda items, Mayor Furgeson officially opened the floor for public comment. The ensuing public comment period proved to be lengthy and extended for more than two hours as residents voiced their strong opposition and concerns.

The sheer volume of attendees underscored the community's intense interest in the matter, with the meeting room quickly reaching a standing-room-only capacity. The crowd overflowed from the council chambers, spilling out into city hall, down the main stairwell, into the lobby, and eventually out the front doors of the building. This overwhelming turnout highlighted the widespread nature of the public's concern.

During this extended session, over a dozen county residents came forward to articulate a unified set of concerns regarding the proposed ordinance. Key issues raised were the potential for significant farmland loss and the irreversible impact on the environment and the region's agricultural heritage. Speakers also focused heavily on the strain the project would place on vital infrastructure, specifically citing concerns about water and electricity consumption and the adequacy of current drainage systems. Furthermore, a palpable anxiety existed about the likely decline in local property values should the project move forward. A theme throughout the commentary was the issue of transparency, with residents expressing deep skepticism about the process and the data provided. Several speakers explicitly noted the lack of binding guarantees tied to the company's long-term projections and environmental impact assessments.

In light of these numerous concerns, several residents passionately urged the city council to halt the process entirely. Specific requests included calls to slow down the decision-making timeline, table the current ordinance for further review, or, most decisively, to impose a temporary moratorium on all related development, citing examples of other municipalities nationwide that have taken similar actions. Additionally, a few proactive residents suggested that council members undertake a comprehensive due diligence tour, visiting existing data center operations and consulting with city officials in those locations—specifically those who, in the years following project completion, have publicly expressed a retraction of their initial enthusiasm and support for the now-completed projects. The recorded meeting, which includes public comments, is available for viewing on the City of Shelbyville YouTube page and contains further detailed information.

Mayor Furgeson explained the annexation request process during public comment. If City Council approves the request, it will be forwarded to the Shelbyville Plan Commission. The Commission will then conduct a public hearing on the zoning component of the annexation, allowing for public comments. This hearing is scheduled for Wednesday, January 7, 2026, at 7:00 P.M. in the Breck Auditorium at Shelbyville High School. Following the hearing, the Plan Commission will make a recommendation back to the City Council for a second reading later this month.

City Attorney Jenny Meltzer added that the ordinance drafted is both an annexation and rezoning ordinance. She confirmed the process as follows: City Council will consider the ordinance on the first reading. They can pass it, turn it down or table it. The second step is for it to go to the Plan Commission, where a public hearing will be held, on the zoning portion of the ordinance, on Wednesday. They will make a recommendation back to the City Council on the zoning piece. The City Council will have this on second reading to adopt both the annexation and the zoning, if it goes through the entire process, at the second meeting in January. There is a time period for an appeal because this is an annexation under Section 5.1 of the code which is 100% voluntary annexation.

City Attorney Jenny Meltzer outlined the procedure for the combined annexation and rezoning ordinance, a process confirmed as a 100% voluntary annexation under Section 5.1 of the code. The process is as follows:

1. City Council (First Reading): The Council will initially consider the ordinance and can pass, reject, or table it.
2. Plan Commission: If passed, the zoning portion of the ordinance proceeds to the Plan Commission for a public hearing scheduled for Wednesday. The Commission will then return a zoning recommendation to the City Council.
3. City Council (Second Reading): The Council will hold a second meeting in January to adopt both the annexation and the zoning, provided the ordinance progresses through the entire process.

A specific appeal period is provided because this is a Section 5.1 voluntary annexation. If there is no appeal, the next process is for this to go into effect after appropriate recordings are completed. Attorney Meltzer clarified that if the city council votes down the ordinance, the Plan Commission still has the option to hold its meeting, develop a new recommendation, and send it back to the city council for reconsideration. However, she noted that holding such a meeting would be at the Plan Commission's discretion.

Attorney Glasco refocused the discussion by clarifying that the current matter before the Council was solely the annexation of land owned by Lorne and Alicia Clay, and the selection of a recommended zoning designation from the Plan Commission. He emphasized that the preceding discussion had centered on hypothetical data centers, despite the fact that Prologis is neither the annexation applicant nor the petitioner, and no specific project is currently being considered by the Council.

Attorney Glasco acknowledged both residents' and Council's questions, but stressed the importance of understanding the proper process. He noted that any future project, should it materialize, would undergo a separate Plan Commission process, including a tech review. At that stage, the actual developer would be the applicant responsible for addressing questions regarding the project's impact. He explained that Prologis's role in answering project-specific questions at an annexation hearing is limited, especially since the project itself is not guaranteed.

There being no further comments or questions from the council, Mayor Furgeson closed the public hearing, and Council Johnson called for a roll call vote on the annexation.

Councilwoman Wilson voted yes, Councilwoman Means-Davis voted yes, Councilman Johnson voted yes, Councilman Reed voted yes, Councilwoman Sanders voted yes, Councilman Adams voted no, and Councilman Harrold abstained. The motion carried 5-1-1.

Under miscellaneous business, was the restructuring of City Council President, Vice President, committees, liaisons, meeting dates and times. Mayor Furgeson entertained a motion to keep all appointments the same, and Councilman Harrold moved to approve. Councilman Reed seconded. The motion carried 7-0.

Mayor Furgeson announced the meeting dates that were moved. Due to the upcoming federal holidays, the January 19th meeting was moved to Wednesday, January 21, 2026 at 6:00 P.M. The February 16th was moved to Wednesday, February 18th at 6:00 P.M. Councilman Johnson made a motion to approve the meeting date changes and Councilman Harrold seconded. The motion carried 7-0.

There were no further comments, questions or requests from citizens, and there were no further reports from committees, boards or commissioners.

There being no further business to discuss, Mayor Furgeson entertained a motion to adjourn. Councilman Johnson moved to adjourn the Common Council.

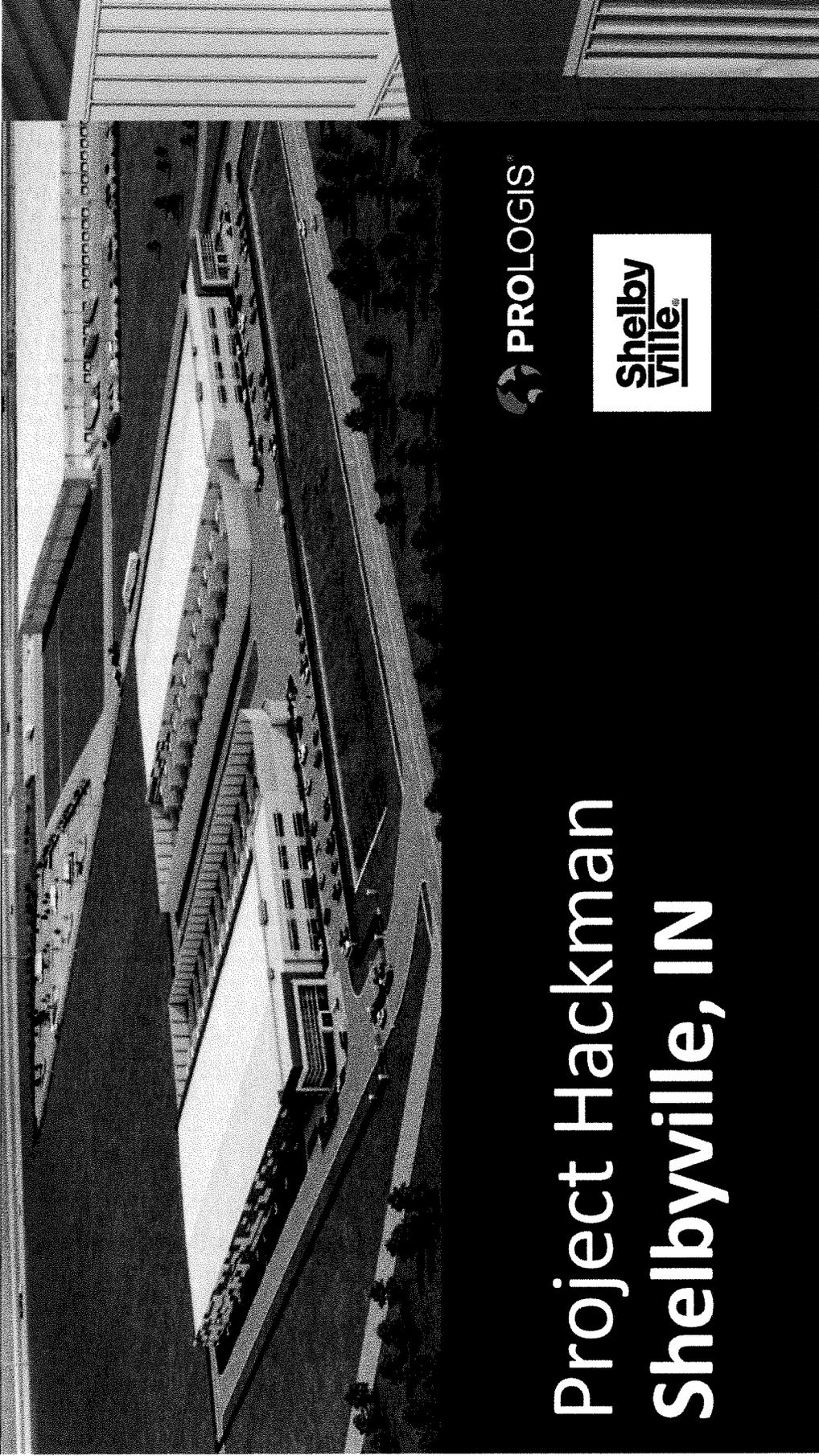
ATTEST:



Scott Asher
Clerk-Treasurer



Scott Furgeson
Mayor



Project Hackman Shelbyville, IN



PROLOGIS PORTFOLIO

Next-Gen Digital Infrastructure Business

40+
years development
experience

30+
data centers in
portfolio

A3/A
credit rating

26.4 MSF
ownership in Indianapolis MSA

200MW
data centers completed since 2021

600MW
under construction



About Our Indianapolis Presence

30 Years 40+

In the Indianapolis market

Prologis employees live and work here

26,400 143

Local jobs supported every day by our buildings

Businesses operate in our Indianapolis-based buildings

We actively support local organizations and nonprofits.

GLEANERS

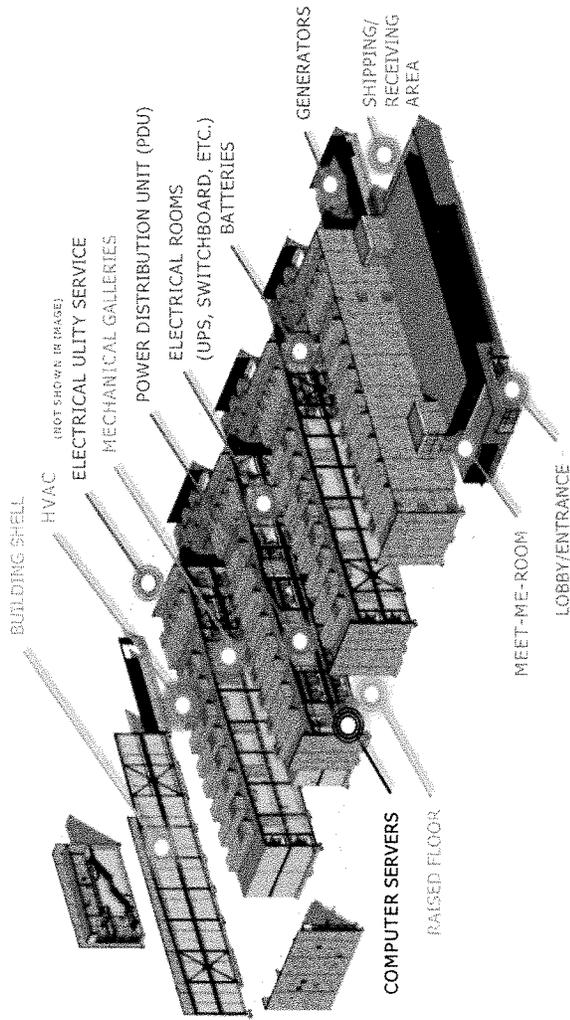


Prologis IMPACT Day

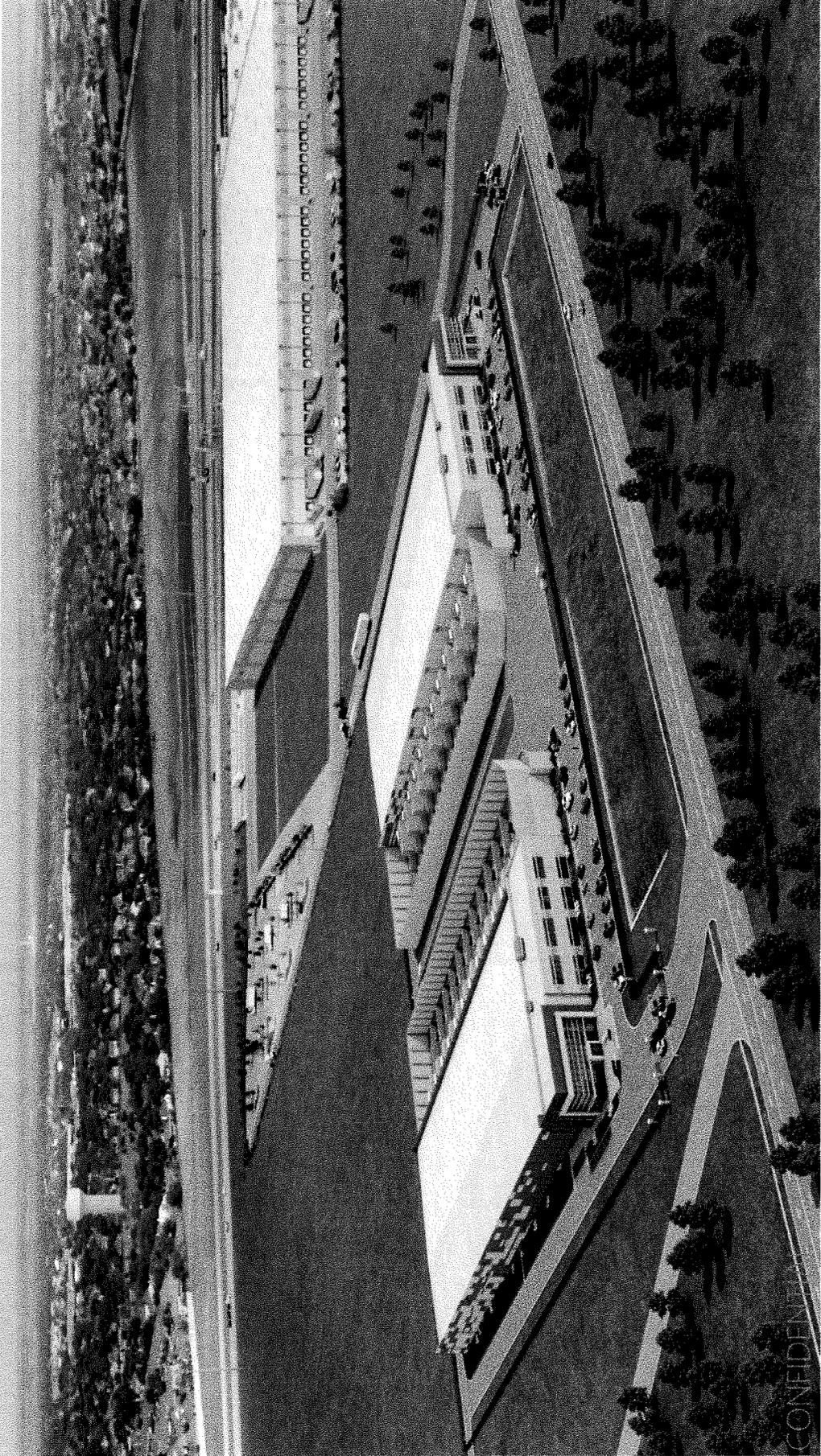
Inside the Box

- Purpose-built facilities housing servers, storage, and networking equipment
- Deliver secure, redundant power and cooling for 24/7 operations
- Core infrastructure powering cloud, AI, and digital services
- Engineered for near-perfect uptime (99.999%)
- Enable high-speed data exchange across users and platforms
- Scale from enterprise to hyperscale operators

- Building Shell
- Electrical Systems
- HVAC/Mechanical Systems
- Building Fit-Out/Site Work

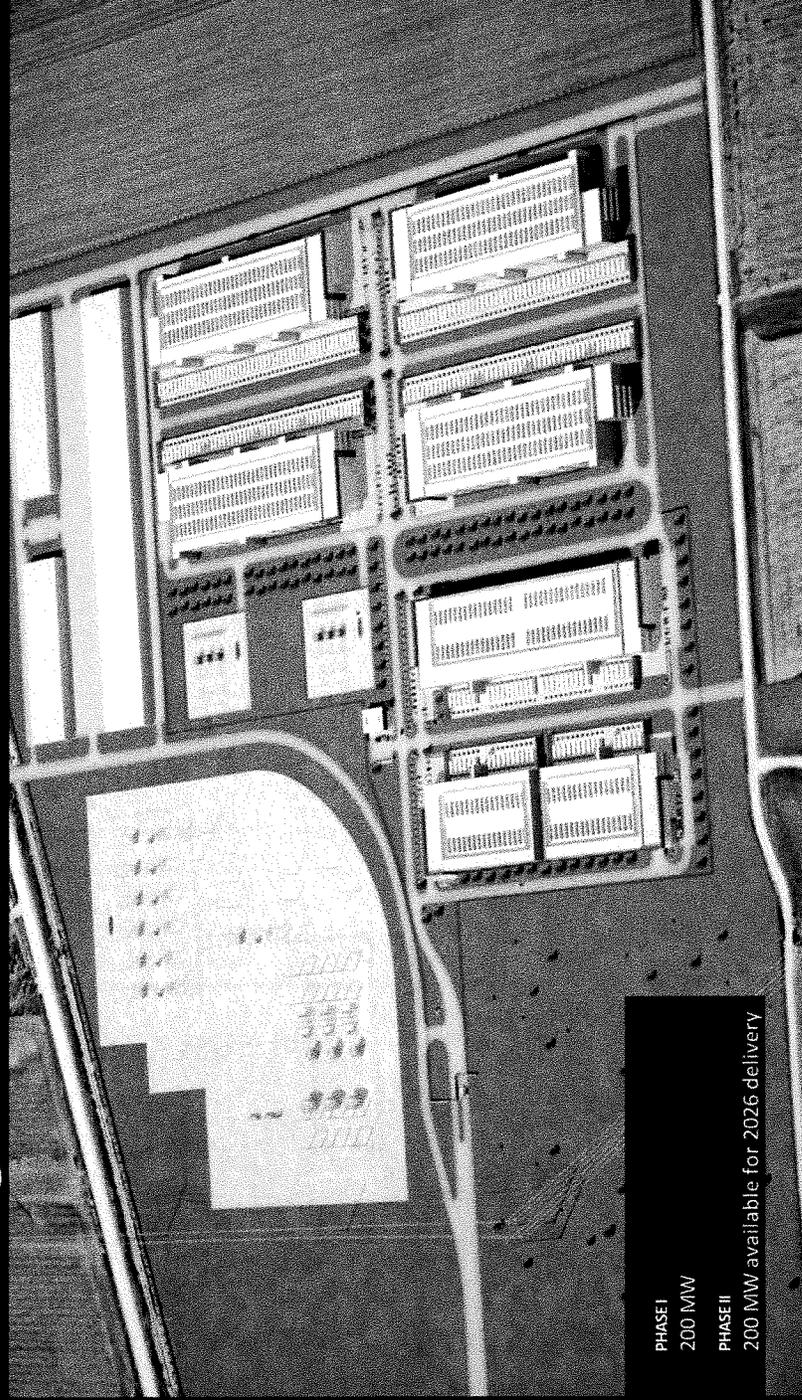






CONFIDENTIAL

Prologis Hutto, TX



PHASE I
200 MW
PHASE II
200 MW available for 2026 delivery

Confidential

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20150415 Prologis Hutto, TX

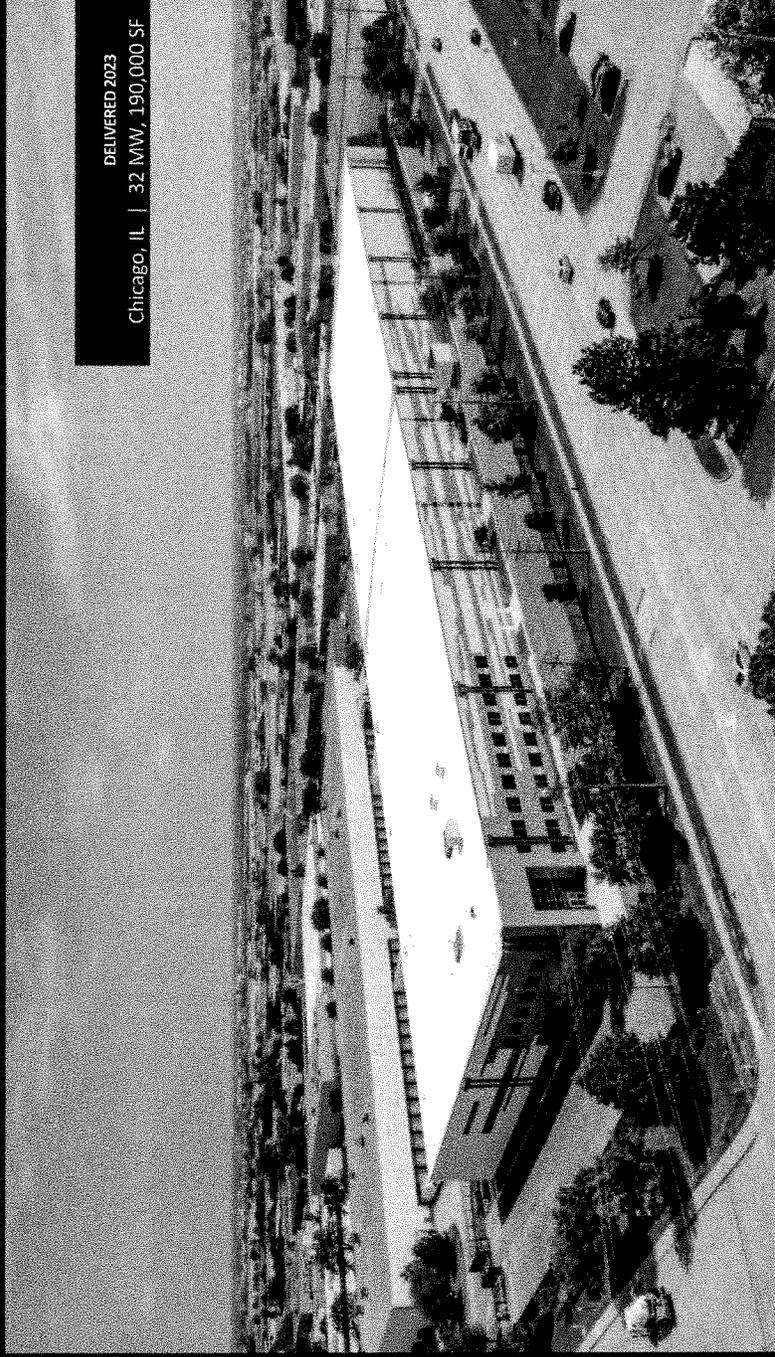
Prologis NOVA 231



2025 DELIVERY DATE
30 MW | Northern Virginia

CONFIDENTIAL

Prologis Elk Grove Village



DELIVERED 2023
Chicago, IL | 32 MW, 190,000 SF

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Prologis City of North Las Vegas



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Indiana's Data Center Industry

JOBS

2023 direct employment:

5,530

2023 total (direct, indirect & induced) employment: 24,460

LABOR INCOME

2023 total labor income: \$503

million

GPD AND TAXES IMPACT

\$1.046 billion direct contribution to Indiana's GDP in
2023

— 21% increase since 2022

\$327 million in 2023 state and local tax revenues

3.4

billion

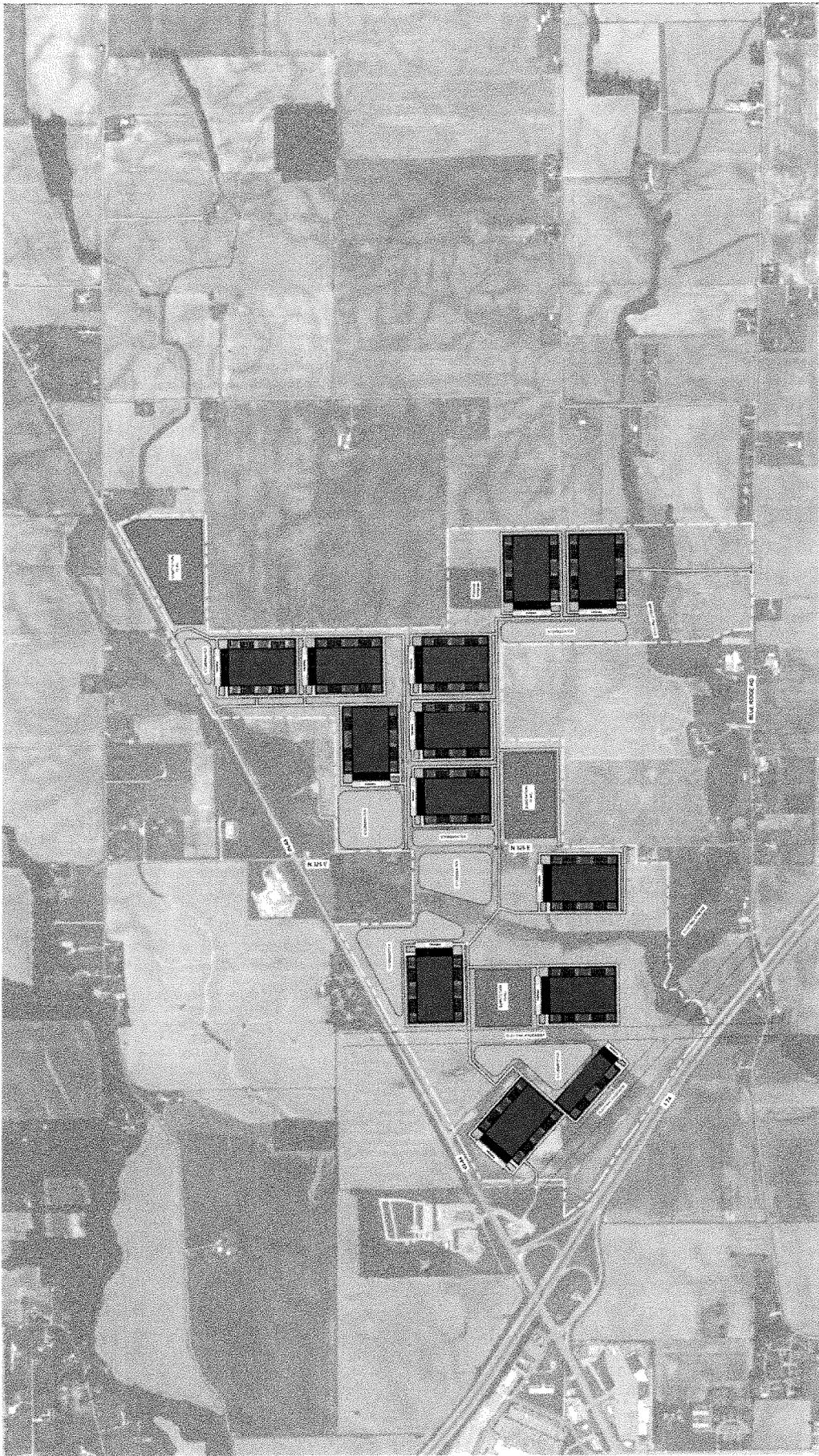
total GDP
contribution in
Indiana in
2023

Source: PwC, "Economic Contributions of Data Centers
in the United States, 2017-2023," Feb. 2025

Project Hackman – Aerial



CONFIDENTIAL



Benefits of Data Centers

- **Investment Dollars – Construction Costs**
 - Typical investment for full build out of initial construction costs (before personal property investment) is \$8M - \$12M/ MW.
 - Multiplier effect is 230% of direct investment.
 - For a 500MW campus: \$4B - \$6B in total initial investment.
- **Job Creation**
 - +/- 30 full time jobs that are created per data center building.
 - +/- 450 construction jobs that are created per data center building.
 - Project Hackman : 450 full time jobs & 6,750 construction jobs created.
- **Limited impact to community resources**
 - Data centers contribute roughly \$15 of revenue for every \$1 use of services. This compared to a typical ratio of 4:1 for manufacturing.
 - The buildings have an abnormally low employee count for the investment and little truck traffic from the facilities.
 - Due to a more concentrated number of jobs, impacts to school system and local housing from development is limited while communities receive significant tax and infrastructure benefits
 - Prologis intends to be a long-term partner member of the business community in Shelbyville.