

JULY 5, 2017

TOWN COUNCIL MEETING

Those present:

| | | | |
|---------------|--------------------|------------------|------------------|
| Jim Smith | Carrie Mugford | Aaron Popplewell | David Fenker |
| Allen Miracle | Matt Mize | Steve Shumaker | McKenzie Klemann |
| Tom Dale | Jim Kirk | Ben Vineyard | Al Schlitt |
| Laura Rager | Cam Kissinger | Jeff Hersha | Jacob McClellan |
| Adam Penrod | Ryan Shock | Eric Walsh | Heath Medsger |
| | Jennifer Hotchkiss | Kent Coble | Greg Egolf |

Those absent: Chalmer Tobias. A quorum was attained.

The regular July meeting of the North Manchester Town Council was held at the Public Safety Building, 709 W. Main Street, North Manchester, Indiana, on July 5th, 2017, at 7:00 p.m., pursuant to notice duly given in accordance with the rules of the Council. The meeting was called to order by council president, Jim Smith, who presided.

Jim Smith removed item #6 under new business from the agenda. The State Board of Accounts has advised against creating a new MVH fund to account for additional MVH revenues. Smith then added item #4 under the Clerk-Treasurer portion to finalize the 2012 sidewalk bond. Motion to approve the agenda as amended: Rager/Miracle. Motion passes unanimously.

MINUTES

Minutes of 06/07/17 regular meeting were presented for approval. Motion to approve the minutes as presented: Miracle/Rager. Motion passes unanimously.

VISITOR COMMENTS

None

PUBLIC HEARING

Peabody Retirement Home Bond Refunding – Council President Jim Smith introduced Jacob McClellan of Bose, McKinney and Evans, LLP. McClellan requested council consider passing general ordinance #3 on second and third reading at this meeting to facilitate moving the process forward for Peabody. McClellan explained that this refunding will allow for a better interest rate and overall savings for Peabody Retirement Home. The Town is the conduit that allows Peabody to issue tax exempt bonds. This is the same process as was followed in 2013 and 2016. The current bond issue is not to exceed \$31,000,000. McClellan clarified that the tax code mandates a public hearing so that council has a chance to hear comments from residents. Smith opened the public hearing. Smith asked when tax exempt bonds were first sold for Peabody. McClellan stated that in 2002 a set of bonds was issued for expansion and renovation. Smith commented that the town has cooperated with Peabody in this capacity for 15 years with no consequence to the town. No further comments were made. Smith closed the public hearing.

Water Utility Rates - President Smith open the public hearing for water utility rate increase. Town Manager Adam Penrod provided a handout outlining the need for a water rate increase and the impact the increase will have on average utility customers. Penrod emphasized that the “water” bill is misnomer; the utility bill is actually a combination of 5 utilities. The increase being considered is only on the water utility portion not the total bill. Penrod explained that the outside

user rate is 1.5 times the regular rate for water. There has been some misinformation going around town and Penrod apologized for any confusion. Penrod commented that the water utility hasn't had sufficient revenue since Invensys left town several years ago. The water utility has been relying on its cash reserves and fire hydrant rental to cover operating costs. This is not fiscally responsible because revenue is not covering daily operating expenses and does not allow enough money for major improvements. Hydrant rental fees are paid through the general fund of the town, not on the utility bill as a user fee as in some communities. The last water rate increase was 9 years ago. Penrod noted that debt from the new water plant is payable till 2029, which is another required fiscal obligation. The system is getting older and there isn't revenue to upgrade aging pipes. Inflation itself is going up but rates aren't. The cost of everything goes up and the utility has to have enough money to cover its expenses. The water utility is functioning, but there are needs to repair and replace in the infrastructure. Penrod also explained that increasing water flow capacity helps with ISO fire rating and decreases property insurance rates for residents. The town is fortunate to have a system with two water towers, but those towers need regular maintenance. Water Superintendent Ryan Shock stated that IDEM inspected the towers in 2013 and found some required improvements. Keeping the towers clean and well maintained is a public health issue. Shock explained the need to have active and functioning valves to be able to shut off small sections of town when repairs are needed. There are several valves that are immobile or leaking which require repair. There is also a state mandated backflow prevention program that is being implemented. Penrod asked for support and understanding, because it is not easy to pass utility rate increases. There were no public comments. The public hearing was closed.

Smith opened the wastewater public hearing. Penrod explained that the wastewater utility is in better financial condition than water. Wastewater has had more regular increases because of an agreed order with IDEM and a mandated Long Term Control Plan. Penrod stated that recent increases have looked out 5-10 years at the needs of the sewage plant and yet they still have projects upcoming and rising costs. The sewage plant hasn't been upgraded since 1992 and is maxed out. The plant is still a good working facility but needs ongoing maintenance to keep it viable. The wastewater utility has debt obligations until 2033. The next LTCP project will be paid for from cash reserves but the utility has to replenish that cash. Penrod has worked with HJ Umbaugh to create a capital plan for wastewater similar to what has been done with water. The wastewater rate increase isn't as much as water, but Penrod recommends having small consistent increases spread out over the next several years. We feel this is better for the utility and the community. There were no public comments. The public hearing was closed.

UNFINISHED BUSINESS

1. Consideration of Peabody Home Refunding, GO #3, 2017 – Clerk-Treasurer Mugford read general ordinance #3 by title only. Councilmember Tom Dale asked if Peabody has plans to go through a refunding again in the near future. Jacob McClellan responded that this refunding should satisfy the bond holders. However, Peabody may refund again if a great offer becomes available. Motion to approve general ordinance #3 on second reading: Dale/Rager. Motion passes unanimously. Smith stated that Peabody would like to have this ordinance finished to comply with the bond issuance time schedule. Smith asked if council is agreeable to moving forward with another reading at this meeting. Motion to suspend the rules and move to third reading: Rager/Dale. Motion passes unanimously. Mugford read general ordinance #3 by title only. Motion to approve general ordinance #3 on third reading: Rager/Miracle. Motion passes unanimously. Motion to reinstate the rules: Dale/Rager. Motion passes unanimously.

2. Consideration of Water Rate Ordinance, GO #4, 2017 – Mugford read general ordinance #4 by title only. Dale expressed his remorse at not raising rates several years ago so that cash reserves would not have been depleted. Dale remarked that it is hard to work out of deficit.

Smith observed that a plan has been developed that should keep the utility in better shape. Motion to approve general ordinance #4 on second reading: Miracle/Rager. Motion passes unanimously.

3. Consideration of Wastewater Rate Ordinance, GO #5, 2017 – Mugford read general ordinance \$5 by title only. Motion to approve general ordinance \$5 on second reading: Rager/Miracle. Motion passes unanimously.

NEW BUSINESS

1. Open Water Softener Salt Bids – Town Attorney Matt Mize opened two bids for delivered water softener rock salt that were received at Town Hall on time. The bids were as follows: Compass Minerals \$118/ton and Cargill Salt - \$116/ton. Water Superintendent Shock stated that Compass Minerals was the previous supplier. At \$116 per ton the price is slightly lower than last year. Motion to approve contingent on review by Shock, Penrod and Mize: Rager/Dale. Motion passes unanimously.

2. Consideration of Contract for Attorney Services – President Smith explained that he and Attorney Mize have been working on a contract and have come to an agreement for service. This will put Mize on a retainer instead of an hourly rate. The contract will commence July 1 and be renewable annually. Motion to approve a new attorney contract: Rager/Dale. Motion passes unanimously.

3. Consideration of JPR Contract – Fees for Services Rendered – Penrod stated that he reached out to JPR to help with the 2017 Community Crossing grant application, ADA compliance/transition plan, and the Title 6 implementation. Several pieces have already been started, but each project needs put together and finished. The next step will be implementation, because these things are a requirement but there is too little time to get it all done in-house. Penrod noted that the Community Crossing grant was completed by Miriah, Wayne and Carrie last year. However, this year the scope of the project will be much bigger in an attempt to maximize our dollars and maximum the grant money. Penrod stated that opportunities like the Community Crossing 75/25 grant don't come along often, so it is best to maximize the opportunity. Penrod explained that this is a standard fee for service agreement similar to the one signed with Jones & Henry. The fee schedule is included with the contract. Motion to approve a fee for service agreement with JPR: Dale/Rager. Motion passes unanimously. Dale remarked how important it is to apply for all the grant money available. There are many needs and a consultant will help to create an effective application. Smith expressed how valuable it is to find a consultant who knows how to best present our project.

4. Consideration of Disposal of Property – Town Manager Penrod announced that Manchester Early Learning Center has opened their new facility. While we are all glad they have a bright future, it closes the chapter on their former building which is owned by the town. Penrod asked if council intends to dispose of the property. Penrod stated that no department has a need for another building. Penrod explained that this is only a decision to dispose of the building. Council will be asked to approve again once a plan of disposal is put together. Motion to dispose of the property formerly used as MELC: Rager/Miracle. Dale asked how the disposal will be done. Attorney Mize stated that there are state statutes on how to properly dispose of real property. It will be advertised and bids will be taken. Penrod noted that two appraisals have been done and the purchase has to be the average of the two. Mize remarked that there are provisions for adjoining land owners that also have to be considered. Motion passes unanimously.

5. Consideration of Permission to Purchase New Software for Clerk/Utility Offices – Clerk-Treasurer Mugford explained that the current software vendor, Computrain, has been bought out by Keystone. Keystone has announced that they are not going to continue supporting Computrain in the near future; essentially, forcing Computrain users to switch to a new software. Town Hall employees have spent months testing and reviewing software programs. It has been decided that Frey Municipal Software is the most compatible option at a cost of \$67,000. Mugford noted that the office employees were able to see Frey in use at a neighboring municipality. Mugford clarified that this decision was not made in haste and regrets having to spend the money because the current software works well. Mugford mentioned that the office does not purchase equipment or vehicles and the State Board of Accounts approved software is the daily workhorse. The expense will be split with the utility department. Mugford asked that the town portion of the bill be paid with money from the Riverboat fund, so that department budgets don't have to bear the burden. Motion to approve purchase of Frey software from utility and Riverboat funds: Rager/Dale. Motion passes unanimously. Mugford thanked the council.

DEPARTMENTAL & COMMISSION REPORTS

Appointments – None.

Police Dept. – Police Chief Jim Kirk stated that the American Legion post is requesting to close the alley adjacent to their building for a motor cycle show on August 11. Motion to approve the alley closure: Rager/Miracle. Motion passes unanimously. Kirk noted that the LED lights are all installed and functioning well.

Fire Dept. – Fire Chief Cam Kissinger added 1 medical call to the report. Kissinger reported that construction of the new fire truck is coming along and will hopefully be done by early August. The fireworks went very well and drew a big crowd. Kissinger announced the volunteer fire fighters will hold a pancake breakfast on August 5 in the fire bay.

Code Enforcement – Report included in packet.

Plan Commission – Nothing to report

Board of Zoning Appeals – Did not meet.

Traffic Commission – Did not meet.

Parks & Recreation – Park and Recreation Director Jennifer Hotchkiss announced that the naming contest for the new canoe launch has been tabled until the July Park & Rec meeting. The opening of the canoe launch has been delayed by weather so it was decided to take more time in naming the park. Hotchkiss reported that roof damage has been discovered over the pool area. CMS Roofing and EMC Insurance have been to the building to assess the damage. The repairs could be covered under warranty instead of being paid for by insurance. It still needs to be determined if the damage is from wind or improper installation. Hotchkiss noted that an eagle scout restored the gazebo. It took a lot of work, but looks very nice. The signs have been put out for Funfest. Lastly, park maintenance employees built a gaga pit next to the skate park. The kids love it.

Town Life Center – Nothing to report.

Tree Advisory – Report included in packet. Ben Vineyard reported that June was a busy month. Bid packets have been sent out for a large number of trees to be trimmed and removed. Vineyard expects this round of trim/removals will be a big portion of the tree committee budget.

EDG – Nothing to report.

RDC – Penrod reported that the Redevelopment Commission met this afternoon. Almost all of the engineering and information gathering has been completed. The next step is for the developer to use the information to complete a more exact pro forma. From that the RDC can make a determination on cost/benefit analysis and meet with the developer to decide on an appropriate direction to continue.

Medcor – Did not meet.

Solid Waste – Nothing to report

Storm Water Board – Adam Penrod reported that the storm water board met only to approve the docket.

Public Works – Reports submitted in packet. Water Superintendent Ryan Shock reported that the water department has fixed two significant leaks in the past month that were leaking approximately 1,000,000 gallons per month. These were just two of the leaks found by MD Wessler. Work will continue to fix additional leaks around town as time allows. Shock reported that two new services have been installed. This is noteworthy because there aren't normally two new water services installed in a year. Peerless Midwest is currently servicing the two oldest wells. Shock is awaiting a report on the condition of the wells.

TOWN MANAGER'S REPORT

Town Manager Adam Penrod reported on the progress at the canoe launch. The weather and profusion of rain has made progress difficult. It's hard for contractors to work next to a constantly rising and falling river. Scheduling the contractors and subs has also been hard to do because it is a small project fit in between other projects. However, the block for the bathroom should go up soon. The ADA pier has been installed. The pier was constructed to be able to float up to 15 feet above normal river level. Even at its highest flood stage the pier should still be able to float. Penrod remarked that anyone can take a peek at the progress, just be careful because it is an active construction site. Penrod is still hopeful to have the project done by Funfest.

Penrod stated that the Medcor welcome sign still has emblems and post caps to be put in place. This should be done in the next week. The garden club would like to help put plantings around the sign.

Penrod reported that Manchester Main Street has not yet provided the information requested by council regarding potential ownership of the Firehouse building. MMS may be ready in August. Penrod expressed his appreciation to Parkview for donating \$2,000 toward a parking lot expansion at the public safety building. Six to ten new spots will be added in the back of the building.

CLERK-TREASURER'S REPORT

1. Financial Reports – Approved subject to audit.
2. Claims - The Town claim docket totaling \$432,994.27 and the Public Works docket totaling \$173,196.89 were submitted for payment. Motion to pay our bills: Rager/Miracle. Motion carried by unanimous voice vote of members present.

3. Preliminary Budget Forms – Mugford explained the preliminary budget forms have 5 columns this year: 2015 expenses, 2016 expenses, first half 2017 expenses, 2017 budget, and 2018 proposed budget. This gives a lot of information to help make informed budget decisions. Mugford noted that the state growth quotient is 4% for 2018. Mugford would like to keep the department budgets at 2.7% in an attempt to increase cash balances. Council will meet on July 19 at 5:30 at the Public Safety building to discuss budgets with department heads.

4. Finalize Sidewalk Bond – Mugford requested council consent to finalize the 2012 sidewalk construction bond. The bond trustee, Regions Bank, has been asking for closure for a long time. Closure of the construction account will allow a final amortization to be created. Council agreed by consensus to finalize the 2012 sidewalk construction bond. Mugford thanked the council.

VISITOR COMMENTS

None.

COUNCIL COMMENTS

Meeting adjourned at 7:55 p.m.

TOWN COUNCIL, TOWN OF N. MANCHESTER

Jim Smith, President

Laura Rager, Vice-President

Tom Dale

Allen Miracle

Chalmer Tobias

ATTEST:

Carrie Mugford, Clerk-Treasurer