

**COMMON COUNCIL
TUESDAY, MARCH 26, 2013
7:00 P.M.**

Mayor Ryan Daniel – Present
Clerk Treasurer Rosie Coyle – Present
Attorney Marcia McNagny – Present

Council Members

Nicole Penrod – Present
Ben Romine – Present
William (Bill) Simpson – Present
Daniel Weigold – Present
Jacie Worrick – Present

The Columbia City Common Council met in regular session with all members present, Mayor Daniel presiding.

MINUTES Mayor Daniel clarified under the Park Department report that Mark was referring to the Aquatics Facility Task Force.

Motion was made by Ben Romine to approve an overview of the March 12, 2013 meeting minutes as amended; Nicole Penrod seconded the motion, all voted aye.

SWEARING IN OF NEW POLICE OFFICER – JONATHON STOFFEL Rosie Coyle performed the swearing in ceremony for Jonathon Stoffel.

ALAN TIO: EDC ANNUAL REPORT Dick Buchanan and Alan Tio were present to give the annual report for the Economic Development Corporation.

ORDINANCE 2013-13: REMOVAL OF WATER JURISDICTION FROM IURC: 1ST READING Buzz Krohn, the City's financial consultant, was present to discuss opting out of the IURC.

Mr. Krohn shared there were over 400 of about 450 municipal water utilities that have opted out of the IURC; 65 of the 72 municipal electric utilities have opted out and over 40 REMC's that have opted out. He stated in Columbia City's case he did not feel the cost has been worth the benefit.

Mr. Krohn gave a brief history of our dealings with the IURC. He advised to opt out would not mean that we would be unregulated completely there was still an enormous amount of regulation and there would still be some ongoing reporting to the Commission. He shared if this was a "for profit" utility and people felt like they were getting taken advantage of by the utility share holders' there was a good function for that regulation but in our case it has been an impediment time wise, cost wise and lost opportunity cost wise. He advised there will still be those other regulatory bodies (EPA, IDEM, SBA, DLGF) that are really scrutinizing.

Ben Romine questioned had we done a 2% or 3% increase over 10 years would we have had to go through the process every year. Mr. Krohn advised under the Commission we would. He explained that was the deterrent to going through the Commission; if you go down there you do not want to just go for 2% or 3% that barely covers the cost of the process but if we were self-regulated we could do smaller increments on a more frequent basis. He stated when looking at the rates relative to other costs our water was cheap. Ben questioned if the only difference between where we are today under the IURC and where we would be without it was the rate process. Mr. Krohn explained our ability to react to economic conditions is greatly enhanced; it was about a year process when starting at square one.

Dan Weigold stated the financial savings to the City was incredible. Mr. Krohn advised the actual costs of the professional fees were 2 - 3 times in regulated vs. deregulated environment but the opportunity cost was 6 – 8 months.

Nicole Penrod felt the question the general public would have would be if we were out of the commission would mean we could do whatever we want; she asked Mr. Krohn to explain what the procedure would be. Mr. Krohn advised we would still have the State Board of Accounts who would audit every year and if there was anything going on they are the ones who would find it. He explained we would still have IDEM and EPA putting requirements on us that will demand we invest capitol to maintain compliance with their standards.

Mayor Daniel advised the we agonize over rate increases and wanted to make it clear that we do not have any intention of going after an electric or water rate increase in the near future. He wanted to make sure it was understood that the whole purpose of opting out of the IURC is to control our costs, to allow flexibility to phase rates in and to put the local control back in power. He shared that in the last rate case it was mentioned we had 8 or 9 comments that went to the IURC so what the IURC is basing their “counter rate” on was the 8 or 9 comments they received. He stated the Council hears the comments of 100’s of people, represent 8775 people in Columbia City, and find it a little difficult to have that control be based on 8 or 9 comments, 2 ½ hours away from here in Indianapolis, when we live by these rates, we are the rate payers and we hear from our citizens every day.

Ben Romine shared the main complaints or concerns he heard was the oversight of the utility if we are removed and what the complaints process was if they did not feel they got something resolved at the local level. Mr. Krohn advised he could not think of a time where there has been an issue. He shared that from his perspective Columbia City runs a really good show and has for a really long time; and has always had really good leadership. He stated if that was not the case then the role of the Commission would be much more important.

Mr. Krohn questioned if a public hearing had been set, assuming this does move forward. Mayor Daniel advised it was scheduled for the next Council meeting on April 9.

Dick Goodwin, resident of 1629 E. Bair Rd., was present representing the Whitley County Patriots group. He shared that the citizens are fed up and scared to death from Washington D.C. to the local level. He advised he has learned a lot about the IURC from this meeting and asked that Council be crystal clear to the public in letting them know we are all on the same level. He advised there was so much mistrust going on right now. He shared what he is hearing is that Council wants to dump these groups that are protecting the public because the Council wants their way. Dan Weigold advised that was obviously a misconception because Council members were utility users as well and did not want to pay any more than they have to. He stated they were not any different from anyone else and also had to make adjustments when there are rate increases.

Jacie Worrick questioned Mr. Goodwin that if he felt he was being mistreated, would he feel more comfortable going to Indianapolis or coming to City Council. Mr. Goodwin felt the sense of security would be going to Indianapolis but the reality would be City Council. Mr. Goodwin appreciated what the Council was doing and was convinced this would be the right move, but he was only one person.

Motion was made by Nicole Penrod to read Ordinance 2013-13 by title only; Dan Weigold seconded the motion, all voted aye. Clerk Treasurer Rosie Coyle read Ordinance 2013-13 an ordinance amending Chapter 52, Water Service, of Title V of the code of ordinances for the City of Columbia City, Indiana, relating to the removal of the City’s Water Utility from the jurisdiction of the Indiana Utility Regulatory Commission.

Ben Romine felt they needed to do everything we could to explain some of what Buzz discussed today; giving us the ability to phase in rates rather than have large increases and the oversight was still there.

Motion was made by Bill Simpson to approve Ordinance 2013-13 as first reading; Jacie Worrick seconded the motion, all voted aye.

ORDINANCE 2013-14: REMOVAL OF ELECTRIC JURISDICTION FROM IURC: 1ST READING Motion was made by Ben Romine to read Ordinance 2013-14 by title only, Jacie Worrick seconded the motion, all voted aye. Clerk Treasurer Rosie Coyle read Ordinance 2013-14 an ordinance amending Chapter 50, Electric Service, of Title V of the code of ordinances for the City of Columbia City, Indiana, relating to the removal of the City's Electric Utility from the jurisdiction of the Indiana Utility Regulatory Commission.

Motion was made by Jacie Worrick to approve Ordinance 2013-14 as first reading, Dan Weigold seconded the motion, all voted aye.

PUBLIC HEARING – RE-ESTABLISH PARK CUMULATIVE PARK & RECREATION FUND, CUMULATIVE FIRE FUND AND CUMULATIVE STREET FUND Mayor Daniel opened the meeting as a public hearing to discuss the reestablishment of the Cumulative Park & Recreation, Cumulative Fire and Cumulative Street Funds.

Rosie Coyle explained when assessed valuation goes up that means we would get more revenue and the State does not want us to get a windfall of taxes so they go in and cut the rates. She shared that the Fire Fund was down about \$72,000.00 from 2 years ago, Street was down about \$102,000.00 and the Park was down about \$35,000.00. She explained the only way we can start getting that money back is to re-establish those rates. She explained that if these funds are re-established, some of the operating expenses could be moved to those accounts which would free up some of the funds from the general, park and street funds.

There were no comments from the public. Mayor Daniel closed the public hearing.

RESOLUTION 2013-7: RE-ESTABLISH THE CUMULATIVE FIRE FUND: On the motion of Romine, second of Weigold to read Resolution 2013-7 by title only, all voted aye. The Clerk Treasurer read Resolution 2013-7 by title only. Romine made a motion which was seconded by Penrod to approve Resolution 2013-7. All voted aye.

RESOLUTION 2013-8: RE-ESTABLISH THE CUMULATIVE PARK & RECREATION FUND: On the motion of Worrick, seconded by Weigold to read Resolution 2013-8 by title only, all voted aye. The Clerk Treasurer read Resolution 2013-8 by title only. Simpson moved to approve Resolution 2013-8 which was seconded by Weigold. All voted aye.

RESOLUTION 2013-9: RE-ESTABLISH THE CUMULATIVE STREET/BRIDGE FUND: On the motion of Weigold, seconded by Worrick to read Resolution 2013-9 by title only, all voted aye. The Clerk Treasurer read Resolution 2013-9 by title only. The Clerk Treasurer explained that once approved, this would be sent to the State for their approval. On the motion of Worrick and second by Simpson to approve Resolution 2013-9, all voted aye.

ORDINANCE 2013-10: REZONE-WAYNE WASTE PROPERTY: On the motion of Romine, seconded by Penrod to read Ordinance 2013-10 by title only, all voted aye. The Clerk Treasurer read Ordinance 2013-10 by title only. The Mayor explained that this was the rezoning of the property of Wayne Waste which had been approved by the

Planning Commission. On the motion of Weigold and second of Romine to approve Ordinance 2013-10 as second and final reading, all voted aye.

ORDINANCE 2013-11: REGULATION OF STIP CLUBS-SECOND READING:

This was postponed for further review by the City Attorney.

COMPLIANCE WITH STATEMENT OF BENEFITS: PEAK PERFORMANCE PROPERTIES:

The Clerk Treasurer presented the Compliance with Statement of Benefits from Peak Performance. She informed the Council that they were in compliance with their SB1 and requested approval. On the motion of Romine and second of Penrod to approve their Compliance with Statement of Benefits, all voted aye.

REQUEST FOR AIR BAG PURCHASE FOR FIRE DEPT

Chief LaRue informed the Council that he had found out at their rescue training they had been to that their air bags for doing rescues on vehicles was expired. The life of these bags are only 10 years and that the one they have is 15 years old. Some other fire departments have had theirs fail. Chief LaRue requested that the Council allow an additional appropriation out of his Cum funds to purchase a new one for approximately \$7500.00. Romine asked if we would have to do the additional appropriation if we took the expense out of other funds. The Clerk Treasurer informed him that no, not if we could find the money in our current budgets. This would speed things up since the Additional Appropriation request needs to be sent to the State for approval. The Council requested that the Mayor and Clerk Treasurer review the funds available to see if they could find the money elsewhere and save the Cum funds for the purchase of the fire truck.

DEPARTMENT REPORTS: Larry Whetstone, Jeff Walker, Tim Longenbaugh, Mike Cook, Terry Wherry, Kelly Cearbaugh, Mike Dear and Tom LaRue gave updates for their Departments.

There being no further business to come before the Council, the Mayor adjourned the meeting.

Mayor Ryan Daniel

ATTEST:

Clerk Treasurer Rosie Coyle