

**COMMON COUNCIL
TUESDAY, MAY 9, 2017
6:00 P.M.**

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

Council Members

Walter Crowder – Present
Nicole Penrod – Present
Jennifer Romano – Absent
Tad Varga – Absent
Daniel Weigold – Present

The Columbia City Common Council met in regular session with all members except Jennifer Romano and Tad Varga present, Mayor Daniel presiding.

MINUTES Approval of the minutes was postponed until the next meeting.

SWEARING IN OF NEW K-9 CAS Chief Hively recognized and thanked community members and businesses who were a part of making the K-9 program a success; SDI, Jerry Busche with PDQ, Precision Plastics, W.C. Community Foundation, Jennifer Romano for helping with the grant process, Demoney & Grimes, Line Street Veterinary, W.C. Sheriff's Department as well as the Board of Works and Council members.

Chief Hively shared some information and stats on K-9 Cas.

Clerk Treasurer Rosie Coyle performed the swearing in ceremony for K-9 Cas.

UMBAUGH & ASSOCIATES: WASTEWATER UPDATE Jeff Rowe and Jeff Weaver were present to share the results of the sewer rate study in anticipation of the last phase of the LTCP. He did a quick recap of the steps leading up to this point. He reviewed the 3 phase rate increase that was implemented and noted, back in the 2014-2015 report, in the projection of costs they estimated there could be a need for a marginal increase somewhere in 2019 or 2020 of about \$2.00. He advised at this point that increase was still undetermined.

Mr. Rowe explained for the current study their test year ended in 2016. He reviewed a snapshot of the fund balances at the end of the year. He shared the City had just over \$3.1 million in total funds; the minimum reserves required total just over \$3.45 million, leaving a negative variance of about \$324,000.00. He continued to review the account balance comparison and advised the fund balances were improving and expect it to continue to improve.

Mr. Rowe reviewed the current estimated project costs for the Phase IIIB project or alternative 4. He advised the estimated costs were a little over \$8.8 million and in terms of funding of the project, at this point, they were assuming the City would finance about \$8.4 million and cash flow a little over \$400,000 of design engineering related costs. Mayor Daniel reminded Council

that when the ordinance was passed for the rate increase it was the goal of the Council to pay for the design engineering with cash rather bond for it.

Mr. Rowe reviewed a summary of the total estimated cost in the utility compared to the current annual revenues using a 40 year bond issue and 20 year bond issue. He shared after the third and final phase goes into effect they estimated collection of just shy of \$4.88 million per year. He advised under the 40 year bond issue scenario it appeared the rates would be sufficient to meet the requirements by about \$68,000. He noted on the 20 year bond issue it appeared the City would be short in annual revenues by about \$200,000.00 which would result in an increase to the average bill of about \$2.72. He pointed out that SRF could allow, on a case by case basis, a 30 year bond issue depending on meeting certain requirements.

Mr. Rowe advised there were still some unknowns; the project was still being designed and the results could vary depending on the final design as well as how the construction bids come in and then certainly which financing alternative is chosen will impact whether the City pursues USDA or bond issue through SRF. He noted there were trade-offs to one scenario over the other; one has a slightly lower rate impact and the other side is the City would pay more in interest. He stated based on the \$8.4 million, assuming the interest rate was the same for both options, under the 40 year the City would pay about \$2.9 million more in interest over the life of the loan compared to the 20 year.

Mayor Daniel questioned if there would ever be a point in time in which rates are going to look like they need to be decreased or at the very least stabilized. Mr. Rowe shared that communities are beginning to look at the longer term view. He advised in looking at the existing debt, the majority of the existing debt, actually will be paid off in 2028 so the debt service payments in total will drop by roughly \$1.7 million.

Walt Crowder noted it use to be rule of thumb of 20-25 years before more work would need to be done, to modernize the system. He questioned if that would be something the City would still incur. Mr. Rowe advised it would depend on the type of asset and something you definitely want to consider in looking at a 40 year or 20 year.

Mr. Rowe shared something else they could look at that he did not touch on with a 20 or 30 year issue, on a case by case basis, occasionally SRF will allow you to wrap debt around existing debt. He explained that would delay some of the principle on the earlier years until you pay of the existing bonds and then your principal payment jumps to the new bonds. He advised that would perhaps reduce, if not eliminate, the need for a rate increase under a 20 year issue; he noted the tradeoff would be paying a little more in interest but may minimize the overall rate impact. He advised if SRF was going to be an option that would be something they could talk to them about.

RESOLUTION 2017-9: SEWER DISTRICT Motion was made by Nicole Penrod to read Resolution 2017-9 by title only, Dan Weigold seconded the motion, all voted aye. Clerk Treasurer Rosie Coyle read Resolution 2017-9 in its entirety.

Mayor Daniel explained the Resolution and the formation of the Regional Sewer District. He advised we would have a seat on the Board since we are a service provider and the Board of Works would still have the final say as to whether we would serve extra areas not already identified by the City.

He suggested Council appoint Walt Crowder to the Regional Sewer District Board as the City representative.

Motion was made by Nicole Penrod to approve Resolution 2017-9, Dan Weigold seconded the motion, all voted aye.

APPOINTMENT TO THE WHITLEY COUNTY REGIONAL SEWER DISTRICT BOARD Nicole Penrod nominated Walt Crowder to serve on the Regional Sewer District Board, Dan Weigold seconded the nomination, all voted aye.

ORDINANCE 2017-5: AMENDING TO PRETREATMENT ORDINANCE – 2ND READING Motion was made by Dan Weigold to read Ordinance 2017-5 by title only, Nicole Penrod seconded the motion, all voted aye. Clerk Treasurer Rosie Coyle read Ordinance 2017-5 an ordinance amending Chapter 55, Pretreatment of Pollutants, of the Code of Ordinances of the City of Columbia City, Indiana.

Motion was made by Nicole Penrod to approve Ordinance 2017-5 on 2nd and final reading, Dan Weigold seconded the motion, all voted aye.

MORSCHES PARK – CONCESSION STAND PROPOSAL Mark Green presented information regarding the bathrooms and concession stand at Morsches Park. He advised he has talked to the Park Board regarding the issue. He explained they have a major problem with the bathrooms at Morsches Park. He shared there are a lot of events held there and with only having one women's bathroom with 2 stalls and one men's bathroom with one stall and one urinal it is not enough. He advised for that reason they have brought down 6 port a potties that are there for most of the year, which is not attractive but if they do not have them it causes major problems. He added that they have paid thousands of dollars over the past 5 years for them. He presented a proposal to Council that would include 6 different toilet stations in each the men's and women's restrooms. He advised it would include a new concession stand, storage area and closet and changing area for umpires and high school teams. He explained they had a local contractor put figures together for them but is unsure, after talking with the engineer, what it will end up costing since it has to pass State requirements. He advised he, the engineer and the local contractor were meeting to discuss the quote.

Mark Green asked for direction from Council. He advised the Park Board has asked if it would be possible to use \$100,000 - \$150,000 from the Rainy Day Fund. He noted if for some reason the project was upwards of \$500,000.00 he would pay for the rest out of the Riverboat money the Park gets each year.

Dan Weigold agreed it was a need and supported the project but at the same time needed to be wise in the money they spend. Walt Crowder supported the project as well and suggested

moving forward to see what their options are. He questioned if the building would be raised so there was no risk of flooding. Mark Green advised it would be raised with concrete block at the bottom.

Nicole Penrod questioned if they would be adding on to the current building or tearing down and rebuilding. Mark Green advised they would tear it down. Nicole Penrod felt in order for Council to make any kind of decision they would need firm numbers.

Mayor Daniel noted another critical piece of this was the sewer system that is connected to the bathrooms was not great. He advised as part of the project, not only would they build a bigger building; they would also replace the sewer line.

He explained typically the Board of Works acts as the executive body to make decisions on accepting bids; Mark's executive body is the Park Board but the Board of Works is the financial body so he has to work around 2 or 3 Boards. He advised the Park Board could not accept a bid in which there was no money to back it up with. He suggested we do the bidding process through City Council with final approval going to the Park Board. Attorney McNagny advised that was what she would do.

Mayor Daniel felt Council was on board with the idea but the challenge was how to fund the idea. Mark Green advised he would continue to work on it.

DEPARTMENT REPORTS **Mark Green** – baseball/softball field maintenance, mowing, new sign in a couple weeks. **Terry Wherry** – new draftsman. **Kelly Cearbaugh** – concrete work on courthouse square for Santa house and Vietnam memorial, curbs and sidewalks update. **Shawn Lickey** – update on the distribution line at Precision Plastics. **Mike Shoda** – Oakdale Ridge water tap, removed old tap from Frank's Greenhouse, Columbia Parkway storm water work. **Mike Cook** – completed NPDES application, training, sludge hauling halted due to load out pump stopped running.

Having no further business to discuss the meeting was adjourned.

Mayor Ryan Daniel

Attest:

Clerk Treasurer Rosie Coyle