



Common Council Meeting – Minutes for April 19th, 2021

Council Members in Attendance: Todd Nunemaker (OL), Amy Rosa (IP), David Kauffman (OL), Denny Miller (IP).

Also Present: City Attorney: Brian L. Hoffer (OL), **Clerk Treasurer:** Jeff Knight (IP) plus 9 guests (OL), 4 guests (IP) and 1 member of the press (OL)

- Call to Order: Mayor Jenkins called the meeting to order at 7:02 pm and opened with the pledge of allegiance and prayer. Mayor Jenkins introduced Mr. Dana Hollar as the person who will replace Anna Huff as the Council member for District 2. Mr. Hollar will take the oath of office at the next Council meeting. Councilwoman Huff's resignation took effect on April 15th.
- Roll Call: Council members listed above were in attendance either in person (IP) or online (OL) via ZOOM videoconference.
- Approval of Minutes from March 29th, 2021: Councilwoman Rosa motioned to approve the minutes. Councilman Miller seconded. There were no questions or comments. The minutes were approved unanimously (4-0) via roll call vote.
- Petitions or Comments by Citizens: There were two citizens requesting to speak. Judy Spicher (351 S. Locke St.) and Jamie Maller (602 S. Jackson) wished to speak in opposition to the Tri-State Crush tax abatement. The first to speak was Mrs. Spicher. She showed the Council members photos of her property that reflected the impacts of the dust from the Mill. She stated her belief that nothing has been fixed in two years. There is still dust and sound that impacts their daily lives. She reiterated that she has two boys that are unable to play outside because of the dust. She also indicated that one of the boys has had 16 surgeries due to breathing issues. Mayor Jenkins asked Mrs. Spicher if she had met with the owner of Tri-State. She said she had not. She was either working or at the hospital.

Councilwoman Rosa inquired if the issues with Tri-State could be put on a future agenda for further consideration of these issues that are outside of the scope of the abatement being presented. Mayor Jenkins responded affirmatively and said that he would revisit the letter that was issued to the company a year ago as well as set up a meeting with the owner.



Mrs. Jamie Maller was the second citizen to speak. She restated much of what Mrs. Spicher said pertaining to the Spicher back yard. She said the car was covered in dust and the backyard is awful. She contrasted this Mill with the Mill on SR 119 which she said was spotless.

For the record, Mayor Jenkins noted that IDEM has a “virtual file cabinet” where information is stored pertaining to issues like this. From 2019 to today, zero violations have been found. That does not mean that nothing is happening. It just means that nothing rising to the level of a violation has taken place. Mayor Jenkins said that he will try to get a response from the owner within a month.

- Reports of Committees, Boards, and Commissions:
 - Clerk-Treasurer Report for March 31, 2021: CT Knight submitted the report and indicated there were no significant financial changes to discuss. All was in balance. The only change of note was the addition of a box on the lower right-hand side of page one that shows the breakdown of funds held in the money market account. Councilman Miller motioned to approve the CT Report. Councilman Kauffman seconded. The report was approved unanimously (4-0) by roll call vote.
 - USDA Annual Report: CT Knight introduced this report. The report was submitted for the first time since the inception of the CSO project. He said the reason was due to comments made by the federal auditor during the last review of the City. She said that after completion, these reports needed to be submitted to the governing body for approval. CT Knight proceeded by telling the Council that this report utilizes the experience of Baker Tilly as the financials reflected on the report are required to be in a modified accrual basis and the City operates on a cash basis. The report shows how the utility has functioned over the course of the last year. CT Knight turned the presentation over to Mr. Ross Hagan (Baker Tilly). Mr. Hagan briefly discussed how the financials were put together and confirmed that none of the other cities that Baker Tilly has generated these reports for has been required to submit them to the governing body for approval. CT Knight concluded by noting the report compares actuals to budget, but also informed the Council that historically the utility has not had a formal budget. The negative numbers on the report are primarily the results of having to estimate run rates from one year, use them as the “budget” numbers and then see how the actuals compare. They are not any true negatives in terms of comparison. CT Knight concluded by stating that the only reason he was asking for approval was to comply with the directive from the auditor. Councilman Miller motioned to approve the USDA Annual Report. Councilwoman Rosa seconded. The report was approved unanimously (4-0) by roll call vote.



- Unfinished Business: There was none.
- New Business:
 - Tax Abatement Reviews: Mayor Jenkins began the discussion with an overview of how the tax abatement process works. He then yielded the floor to Mr. Jeff Kitson (Economic Development and Redevelopment Director) who presented the following five entities for approval for the 2021 timeframe.
 - Fairmont Homes, LLC: This is for taxes payable in 2022. They estimated 300 additional employees but are only at 248 at this time. Mr. Kitson indicated that the employee count had been higher but that COVID has had some impact as well as attrition due to other companies offering better pay. Their average salaries are at \$42,120 compared to an estimate of \$37,000. This is a personal property submission. Mr. Kitson recommended approval. Councilman Kauffman motioned for approval. Councilman Nunemaker seconded. Councilwoman Rosa asked Mr. Kitson if there was an employee count audit to see if the companies were reporting accurate numbers. Mr. Kitson said there is not. He noted that there has never been an issue in the past and so he takes what is submitted at face value. The company is signing that everything is accurate and the impact of filing false information would jeopardize the continuation of their tax relief. City Council Hoffer agreed with Mr. Kitson. Councilman Nunemaker inquired if this was year 4 of 5. Mr. Kitson said yes. With no further questions or concerns the application was approved unanimously (4-0) by roll call vote.
 - The Aluminum Trailer Company: Mr. Kitson reminded the Council that ATC has a 10-year Real Property (running through 2027) and 5-year Personal Property (running through 2022) tax phase in. Mr. Kitson noted that all the numbers are up and recommended approval. Councilman Miller inquired if when ATC's phase in is concluded if they can reapply. Mayor Jenkins replied no, except in certain circumstances such as company expansion. This is normally a one-time arrangement to show appreciation and the desire for them to stay as part of the community.

REAL PROPERTY: Councilman Miller motioned to approve the real property request as presented. Councilman Kauffman seconded. The real property application was approved unanimously (4-0) by roll call vote.



PERSONAL PROPERTY: Councilwoman Rosa motioned to approve the personal property request as presented. Councilman Nunemaker seconded. The personal property application was approved unanimously (4-0) by roll call vote.

- Newmar: Mr. Kitson noted that Newmar has a 5-year phase in on both Real Property and Personal Property. Due to some ambiguity of how the forms were supposed to be filled out, Newmar only reflected five new employees added when the number is closer to 36 which is well above where they expected to be. The total salary for the five individuals was \$323,400 (average of \$64,600). Mr. Kitson recommended approval.

PERSONAL PROPERTY: Councilman Nunemaker motioned to approve the personal property request as submitted. Councilwoman Rosa seconded. Councilwoman Rosa asked if what was listed was the total salary or the median. Mr. Kitson answered that it was the total. There were no further questions or concerns regarding the Newmar personal property application. The application was approved unanimously (4-0) by roll call vote.

REAL PROPERTY: Prior to the vote on real property, Councilman Nunemaker asked what year of the phase in Newmar was in. The question was on behalf of Mrs. Denise Fedorow (reporter in attendance via ZOOM videoconference). Mr. Kitson said they were in year 3 of 5. Councilman Miller motioned to approve the application. Councilman Kauffman seconded. There no further questions pertaining to the real property application. The application was approved unanimously (4-0) by roll call vote.

- US Rod: Mr. Kitson began this discussion by noting that US Rod is in year 2 of a 5-year phase in for both Real Property and Personal Property. From a real property standpoint, the company has exceeded their hiring estimate by 24 people with a mean salary of \$81,195.60 vs an estimate of \$44,700. Mr. Kitson recommended approval.

REAL PROPERTY: Councilwoman Rosa motioned to approve the application as submitted. Councilman Miller seconded. There were no additional questions regarding this application. The application was approved unanimously (4-0) by roll call vote.



PERSONAL PROPERTY: Mr. Kitson commented that the information is essentially the same as that of the Real Property. The company did add some manufacturing equipment and, at the time of submission, did not have an updated assessed valuation due to timing. Regardless, Mr. Kitson felt comfortable with where the company stands. Councilman Kauffman motioned to approve the application. Councilman Miller seconded. There were no further questions or concerns noted. The application was approved unanimously (4-0) by roll call vote.

- Tri-State Crush: Mr. Kitson presented the applications for the company. One year ago the company had hired 7 employees. They are now up to 8 with salaries averaging \$55,000. The estimate was 9 employees and salaries averaging \$50,000. Based upon the documentation submitted, Mr. Kitson stated that the company is in compliance with both Personal and Real Property.

Mr. Nunemaker asked if the 8 employees listed were at the Nappanee location. Mr. Kitson said yes. Councilman Miller referenced the Council Minutes from a year ago when the discussion had talked about the paving of the parking lot. Councilman Miller asked if Mr. Kitson knew if that had been accomplished. Mr. Kitson replied that he did not know the answer to that. He believed that the owner did work on the drainage. Mayor Jenkins suggested that this is one of the issues where a review of the memo put together a year ago is warranted. Councilman Nunemaker also inquired as to whether work on the drainage had been completed as well. Planning and Zoning Director Lehman commented that they did a street cutout on 19 and connected into it as the plans indicated. Not sure about the drainage in the middle of the property but he thought they had taken care of that as well. Director Lehman stated there have been no complaints filed and the pumps have been removed.

Councilman Miller continued the discussion noting that last year, there were no assessed valuations on the applications and this year they have been omitted as well. Mr. Kitson referenced his earlier comments regarding the timing of the assessed valuations in relation to when these applications are due to be reviewed. The County is just getting the information out to everyone. The business owners are asked to have these applications in to the City by March 30th. Mr. Kitson is attempting to get these approved documents in to the County by May 1st. Mayor Jenkins asked if Mr. Kitson can put the prior assessed valuation in for reference purposes. He said he



would do so. Councilman Miller followed up by asking if part of the original tax abatement approval was for razing the old mill. Mayor Jenkins responded that it came up in a follow-up discussion, but not as part of the statement of benefits. Mayor Jenkins said the City will follow-up with the owner again and confirm what his intent is for the structure. Councilwoman Rosa interjected that she would also like to know if this was part of their overall project from inception. Mayor Jenkins said knocking down the building was part of the plan for future expansion. Mr. Kitson said the owner removed the retail store that was part of the building but not the mill itself. Councilman Miller suggested that the owner has done work on the property, but it seems like the urgency is not there until the time for the tax abatement to be approved for another year. Councilman Miller conceded that work has been done, but that it has had much less impact on the local neighbors than it has closer to where he lives. Councilman Rosa continued to have concerns with the working relationship the company has with its residential neighbors, the smell was specifically mentioned. She recognized that a tax abatement is a different issue than the integrity of their working relationship with their neighbors. Councilwoman Rosa inquired what falls under the definition of the word “project”. Mayor Jenkins said that when the discussions were taking place with Tri-State, it was a fairly new process and there were only a couple of other facilities to look at that were similar. Sometimes, you just do not know what questions to ask. He will continue to try and work with the owner and get some further answers. Mayor Jenkins continued by commenting that the approval was to be based on the Statement of Benefits and not the peripheral questions or issues. City Attorney Hoffer concurred. He said that each business is obligated to give the City accurate information. The onus is on the company and the assumption is that the company is responding in good faith. City Attorney Hoffer and Mayor Jenkins agreed that there may be further discussion about the other issues raised, but they would not be germane to this tax abatement process. Mayor Jenkins said that he and the City needed to continue to work on being a “convener” to improve the relationship between the company and the neighbors.

Councilwoman Rosa circled back to the assessed valuation issue and asked if these applications should be tabled until such valuations are received. Councilman Nunemaker went to MACOG’s GIS and found somewhat outdated information with a land value of \$34,800 and building \$324,400 and the smaller parcel of \$12,400. Mr.



Kitson asked for a moment to get some updated numbers for the Council. Councilman Nunemaker questioned the CF-1 for Real Estate reflecting \$1.2 million completed valuation for the project. He wondered if part of the discussion regarding the phase-in could pertain to the lack of a paved parking lot or potentially incomplete dust collection system. Mr. Kitson noted that the dust collection system is there, and the filters are changed out regularly, and the parking lot was not a required part of the project. The three points of consideration were the building, equipment, and number of employees.

After stepping away to find assessed valuation information, Mr. Kitson returned to the meeting. The real estate is assessed at \$644,400 for 2021. Last year it was around \$630,000. This was solely on structures. For personal property, the assessed valuation is \$696,870 for 2021. Mayor Jenkins asked about the \$1.7 million and \$2.045 million shown on the statement. Mr. Kitson said that was equipment.

PERSONAL PROPERTY: Councilwoman Rosa motioned to approve the application. Councilman Nunemaker seconded. There were no further questions or comments. The application was approved by a 3-1 vote. Councilman Miller voted no.

REAL PROPERTY: Councilman Kauffman motioned to approve the application. Councilman Nunemaker seconded. There were no further questions or comments. The application was approved by a 3-1 vote. Councilman Miller voted no.

- EMS Quarterly Write-offs: CT Knight presented the quarterly write-offs as a normal course of business. The dollar amount this month is less this month than in prior quarters. The amount was \$22,942.47. Prior quarters have been between \$24,000 and \$26,000. Councilman Miller motioned to approve the quarterly write-offs. Councilwoman Rosa seconded. The write-offs were approved unanimously (4-0) by roll call vote.
- Ordinance 1586 Amending Ambulance Rates: Mayor Jenkins introduced this Ordinance stating that Ambulance Billing contacted the City in early 2020 with the suggestion of raising rates as they had not been raised since 2012 and they were below what surrounding communities are charging. CT Knight added that this Ordinance increases the amount billed to insurance and not the patient. Councilman Miller motioned to approve the Ordinance. Councilwoman Rosa seconded. Mayor Jenkins stated his appreciation for the EMS



department and the quality of service they provide. The Ordinance was approved unanimously (4-0) by roll call vote, on first reading.

- Request to Setup Flower Stand from Matt Tobias: Director Lehman presented this request. The new location will be where the old car wash was next to Pizza Hut. He asked for a site plan that was provided and submitted to the Council. Mr. Tobias reiterated that they have looked for a permanent facility and they thought they had a location, but the discussions fell through. Councilman Nunemaker asked about the temporary structure and if it would infringe upon any setback lines. Director Lehman said it would not. Mr. Tobias talked briefly about the design and layout of the structure. Councilman Miller motioned to approve the request with a removal date of November 15th. Councilman Kauffman seconded. There were no further questions or concerns. The request was approved unanimously (4-0) by roll call vote.
- Approval of Accounts Payable Vouchers: 2021 APVs Totaling \$450,390.22: Councilwoman Rosa motioned to approve the APVs. Councilman Miller seconded. There were no questions or comments. The APV's were approved unanimously by roll call vote.
- Reports from City Officers (reports are generally submitted for the second Council meeting of the month):
 - EMS Director: The EMS report was submitted. Councilman Miller and Councilwoman Rosa noted their appreciation for the work they do as they have both known individuals that needed their services.
 - Fire Chief/Planning and Zoning: The Fire report was submitted. Chief Lehman added that they have been extremely busy this year. They are at 80 calls this year. They did not reach that number until June of 2020. Councilman Nunemaker inquired as to the type of calls they have received. Chief Lehman said there have been large number of false alarms as well as field fires. Mayor Jenkins also asked if they have received more mutual aid calls this year. Chief Lehman said yes.
 - Police Chief: The Police report was submitted. No questions.
 - Street Department: The Street Department report was submitted. No questions.
 - Park Superintendent: The Park report was submitted. No questions.



- Senior Center Director: Mayor Jenkins commented that they are working on opening back up, but the numbers are just a bit too high to safely open. This will be re-evaluated at the beginning of May.
- Mayor: Mayor Jenkins mentioned that each year Baker Tilly generates the annual financial report for the water and sewage works for the City. They are available in the CT's office for each member. Mayor Jenkins continued by discussing Chief Sumpters retirement and the shift towards creating a unified Fire and EMS department. By moving Mr. Don Lehman to focusing full time on the Fire Department, a replacement will need to be found for Planning and Zoning with expertise as an urban planner, architect, or engineer. Something further will be put together and submitted for the May 3rd Council meeting.

Adjournment: With no further business to be discussed, Councilwoman Rosa motioned to adjourn the meeting and Councilman Miller seconded. The meeting was adjourned at 8:45 pm by unanimous voice vote. The next Council meeting will take place on Monday, May 3rd, at 7:00 pm.

Phil Jenkins, Mayor

Attest: _____
Jeff Knight, Clerk of the Council