

**MINUTES OF A REGULAR MEETING OF THE
COMMON COUNCIL OF THE CITY OF JASPER, INDIANA
JUNE 22, 2016**

A meeting of the Common Council of the City of Jasper, Indiana, was held on Wednesday, June 22, 2016, in the Council Chambers of City Hall located at 610 Main Street, Jasper, Indiana.

Call to Order. Presiding Officer Mayor Terry Seitz called the meeting to order at 7:00 p.m.

Roll Call.

Clerk-Treasurer Juanita S. Boehm called the roll.

Mayor Terry Seitz	Present
Council members:	
Gregory Schnarr	Present
John Bell	Present
David Hurst	Present
Earl Schmitt	Present
Kevin Manley	Present
Nancy Eckerle	Present
Dean Vonderheide	Present
City Attorney Renee Kabrick	Absent
Clerk-Treasurer Juanita S. Boehm	Present

Boehm announced that in order to have a quorum for the meeting, a majority of the council members must be in attendance. All seven council members were in attendance which is a majority; therefore, there was a quorum for the meeting.

Pledge of Allegiance. Mayor Seitz invited all those present to join him in reciting the Pledge of Allegiance.

Approval of the Minutes.

The following minutes were distributed to and examined by the Council:

1. May 18, 2016 regular common council meeting

A motion was made by Council member Nancy Eckerle and seconded by Council member Dean Vonderheide to approve the minutes as published. Motion carried 7-0.

UTILITY SERVICE BOARD REPORT

Utility Service Board Chairman Rick Stradtner gave a report on the regular monthly Utility Service Board meeting held on June 20, 2016. A copy of the Utility Service Board minutes is supplied to each council member.

APPOINTMENT TO THE UTILITY SERVICE BOARD

Since Derek Smith resigned from the Utility Service Board, the council members needed to appoint a member to serve the remainder of Smith's term that expires December 31, 2016.

A motion was made by Council member Kevin Manley and seconded by Council member Earl Schmitt to appoint Adam Auffart to the Utility Service Board. Motion carried 7-0.

RESOLUTION NO. 2016-5 A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF JASPER, INDIANA, ENDORSING DIRECTIVE REGARDING POLICY ON ERRONEOUS OR IRREGULAR VARIANCES, LOSSES, SHORTAGES, AND THEFTS AND A PROCESS FOR REPORTING MATERIAL ITEMS

This resolution establishes a materiality threshold and a process for reporting material items regarding erroneous or irregular variances, losses, shortages, and thefts.

A motion was made by Council member Dean Vonderheide and seconded by Council member Gregory Schnarr to consider the resolution for one reading only. Motion carried 7-0. Thereafter, a motion was made by Council member David Hurst and seconded by Council member John Bell to read the resolution by title only. Motion carried 7-0. Mayor Seitz so read the resolution. Thereafter, a motion was made by Council member Kevin Manley and seconded by Council member Earl Schmitt to pass and adopt Resolution No. 2016-5. Motion carried 7-0.

Clerk-Treasurer Juanita Boehm said materiality thresholds need to be established when the City must report erroneous or irregular variances, losses, shortages, and thefts to the State Board of Accounts. The cash threshold is \$500 and the non-cash threshold is \$2,000.

ORDINANCE NO. 2016-11 AN ORDINANCE APPROPRIATING ADDITIONAL MONEY FOR THE CITY OF JASPER, INDIANA, FOR THE REMAINDER OF THE FISCAL YEAR ENDING DECEMBER 31, 2016

This ordinance appropriates money for the balance of the fire truck, for downtown professional services, and for downtown materials from the LOIT Special Distribution Fund.

A notice to taxpayers appeared in the Herald on June 10, 2016.

Before the ordinance was introduced, Fire Chief Kenneth Hochgesang explained why an additional \$50,000 needs to be appropriated from the Fire Truck Donation Fund and \$50,000 from the Cumulative Firefighting Special Fund. He said \$500,000 was appropriated for a new rescue truck but the bid he will recommend

to the Board of Public Works and Safety to accept is \$577,796.07. He said this new rescue truck should last 20-25 years.

Council member John Bell as Redevelopment Commission [RDC] president spoke about the \$400,000 appropriation that is for professional services for the downtown Square project. He said the RDC approved a contract with Rundell Ernstberger Associates [REA] for phase 2 of the downtown design subject to council approving the appropriation. The proposed project cost of up to \$6 million is a concern but the ask of \$4 million from the council has not changed. The funding gap could be narrowed by grants, donations or other means or scoping down the design. He would like the \$400,000 appropriation approved tonight so construction starts March 1st. He feels the RDC has done what the council has asked them to do.

Council member Kevin Manley said everyone has received significant feedback from the public since the proposed design and \$4.3 to \$5.9 million cost estimates were presented. This started out as an infrastructure project and we wanted to put the area back better than what we have now. CityVisions had an estimated cost of \$2.2 million. Manley said he has concerns about the pavers and thinks the cost of the project is considerably higher because of the pavers. He would like to spend more time on phase 1 and know what the area is going to look like before going to phase 2. No one is suggesting they back away from the original \$4 million that was agreed upon. He would like to see more design options. Manley asked if the infrastructure is part of the project or if the utilities are paying for it.

Bell responded that it is part of the overall project cost and the various departments are involved. He said this is a quality of place project and we do not want it to look like we cut corners. The City's commitment is \$4 million. The amenities do not have to be done or that can be done as funding by others becomes available. Bell added that the next phase includes engineering to drawing up bid documents to putting project out to bid and oversight of the project to the end of the project.

Council member David Hurst said he does not think the council members can disregard the feedback they are receiving from the public. We are here to represent the people and nobody is impressed with what is going on and the pavers are a big issue. Hurst said people agree that there can be improvements to the downtown but this is a lot of money to spend. He suggested holding off until we decide what the design is going to be.

Council member Earl Schmitt said he is on the committee but he has a lot of concerns. He would like to see if the cultural center referendum passes because if it does not pass, is there a need to enhance the downtown. He does not think improvements to the downtown will bring a lot people to this area to work. The only thing that will bring people to work is higher wages.

Council member Dean Vonderheide questioned whether a scaled-back scope of the project will matter to the fees REA has proposed.

Council member Gregory Schnarr also questioned whether REA fees will be the same whether it is a \$4 million or a \$6 million project. He would like to see this project scaled back and see what we are getting before committing \$400,000 for the next phase. The gap between \$4 million and \$6 million may or may not get closed. We do not want to over extend ourselves on several projects plus take care of our day-to-day expenses. If we get the \$1 million grant match that should help reduce the City's cost not necessarily add more cost to the project. He does not want the City to rely on the grant and donations because if they do not happen, then where are we. If you look at the minimum project cost of \$4.3 million, that is already over the council's \$4 million commitment.

Bell said there have been many negative public comments about this project. In his opinion, for someone's opinion to matter, one must have all the facts and we need to do a better job of educating the public.

Mayor Seitz clarified what utility and infrastructure work needs to be done. He also gave an update on the ever-changing grant match program and guidelines. It is a competitive grant and economic development projects, such as this, may receive more consideration.

Schmitt asked if the department heads have been involved. Seitz said they have met on the technical review and they will be involved again. Schmitt said he has more questions but will ask them later. Council member Nancy Eckerle said she also has a list of questions and wanted to know when she and the others will get the opportunity to ask them. Bell responded by saying that is part of phase 2; what everyone is talking about is in phase 2.

Ann Knies, a downtown merchant that is a member of the committee, said the committee has listened to public opinion when picking a design option and will continue listening and making adjustments such as with the issue of parallel parking. Knies said there is a lot of misunderstanding. The design that was presented is not set in stone and things will not be done without input from people other than those on the committee.

Mayor Seitz then asked for comments from the public. No comments were received. He then introduced the ordinance.

Thereafter, a motion was made by Council member John Bell and seconded by Council member Dean Vonderheide to consider the ordinance for one reading only. Motion carried 7-0. Thereafter, a motion was made by Council member Nancy Eckerle and seconded by Council member Earl Schmitt to read the ordinance by title only. Motion carried 7-0. Mayor Seitz so read the ordinance. Thereafter, a motion was made by Council member John Bell and seconded by Council member Dean Vonderheide to pass and adopt Ordinance No. 2016-11.

Before calling for the vote, Mayor Seitz asked if there was any further discussion. Council member David Hurst said \$335,000 should be separated from the \$400,000 appropriation for REA's fees. Hurst also noted that the soft costs are not included in the project cost estimates. Council member Nancy Eckerle said it

seems there are a lot of unanswered questions even from tonight and various opinions. She said she did not think anyone was opposed to the project but it is the whole scope that is a concern. She said this is not an emergency to proceed at this time and she would like to study the cost breakdown that Bell forwarded late last night before making a decision. She felt the council needed more time before moving to the next phase of the project. She then asked if they could do a partial appropriation tonight and if needed, appropriate the rest at another time.

Bell reiterated that REA is finished with phase 1. REA did what we asked them to do. It's time to move to phase 2.

Schnarr asked if the City could have a phase 2 and a phase 3 contract with REA. He said a lot of people are not satisfied either with the project or the cost. He also said if we delay the project by doing our due diligence that is not a problem.

Vonderheide agreed with Schnarr about focusing on breaking out certain costs in REA's contract for now.

Mayor Seitz said he detected that no one is against the project but they want to separate REA's costs for the initial funding which is for several designs.

Schnarr said to get our answers and still move forward he recommended changing the \$400,000 appropriation for contractual services to \$150,000 for phase 2 which would pay for the design, community outreach and geo-technical surveys .

Bell did not want to amend his motion as such therefore Mayor Seitz called for the vote to pass and adopt Ordinance No. 2016-11. The motion was denied 2-5 with Council members John Bell and Dean Vonderheide voting aye while Council members Gregory Schnarr, David Hurst, Earl Schmitt, Kevin Manley, and Nancy Eckerle voted nay.

New ordinance

AN ORDINANCE APPROPRIATING ADDITIONAL MONEY FOR THE CITY OF JASPER, INDIANA, FOR THE REMAINDER OF THE FISCAL YEAR ENDING DECEMBER 31, 2016

This ordinance is referenced Ordinance No. 2016-14.

Because some of the council members felt some money needs to be spent on more design options before making decisions about the downtown Square project plus they wanted to consider the other appropriations that were in the ordinance that was denied, they introduced another ordinance that changed the two \$400,000 appropriations for the professional fees for the downtown development that are listed in the EDIT Fund and then transferred to the RDC-General Fund to \$150,000 and keep all the other appropriations the same.

Mayor Seitz then called for the following motions.

A motion was made by Council member Nancy Eckerle and seconded by Council member Earl Schmitt to consider the ordinance for one reading only. Motion carried 7-0. Thereafter, a motion was made by Council member Earl Schmitt and seconded by Council member Gregory Schnarr to read the ordinance by title only. Motion carried 7-0. Mayor Seitz so read the ordinance. Thereafter, a motion was made by Council member Gregory Schnarr and seconded by Council member Nancy Eckerle to pass and adopt the ordinance. Mayor Seitz asked if there was any discussion. Hearing none, he called for the vote. The motion to pass and adopt the ordinance passed 5-2 with Council members Gregory Schnarr, Earl Schmitt, Kevin Manley, Nancy Eckerle, and Dean Vonderheide voting aye while Council members John Bell and David Hurst voted nay. Bell said he wanted the appropriation amount to remain at \$400,000 while David Hurst did not think they should appropriate any money for the next design phase for the downtown project at this time.

ORDINANCE NO. 2016-12 AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF JASPER, INDIANA, ADOPTING UNIFORM INTERNAL CONTROL STANDARDS FOR AN INDIANA POLITICAL SUBDIVISION

This ordinance adopts internal control standards as set forth by the Indiana State Board of Accounts Uniform Internal Control Standards for Indiana Political Subdivisions Manual.

A motion was made by Council member Dean Vonderheide and seconded by Council member John Bell to consider the ordinance for one reading only. Motion carried 7-0. Thereafter, a motion was made by Council member Gregory Schnarr and seconded by Council member Earl Schmitt to read the ordinance by title only. Motion carried 7-0. Mayor Seitz so read the ordinance. Thereafter, a motion was made by Council member Kevin Manley and seconded by Council member Nancy Eckerle to pass and adopt Ordinance No. 2016-12. Motion carried 7-0.

ORDINANCE NO. 2016-13 AN ORDINANCE CORRECTING SCRIVENER'S ERROR--AMENDING ORDINANCE NO. 2016-9 ENTITLED AN ORDINANCE AMENDING ORDINANCE NO. 2001-50 ENTITLED "AN ORDINANCE ESTABLISHING A 'RAINY DAY FUND' PURSUANT TO IC §36-1-8-5.1"

This ordinance corrects a scrivener's error in a WHEREAS section of Ordinance No. 2016-9.

A motion was made by Council member Gregory Schnarr and seconded by Council member John Bell to consider the ordinance for one reading only. Motion carried 7-0. Thereafter, a motion was made by Council member David Hurst and seconded by Council member Nancy Eckerle to read the ordinance by title only. Motion carried 7-0. Mayor Seitz so read the ordinance. Thereafter, a

motion was made by Council member David Hurst and seconded by Council member Earl Schmitt to pass and adopt Ordinance No. 2016-13. Motion carried 7-0.

Adjournment. There being no further business to come before the board, a motion was made by Council member Earl Schmitt and seconded by Council member Kevin Manley to adjourn the meeting. The motion carried 7-0 and the meeting adjourned at 9:08 p.m.

The minutes were hereby approved _____ with X without corrections or clarification this 20th day of July, 2016.

Mayor Terry Seitz
Presiding Officer

Attest: _____
Juanita S. Boehm, Clerk-Treasurer