

**LOWELL TOWN COUNCIL
REGULAR MEETING
NOVEMBER 26, 2012**

The regular meeting of the Lowell Town Council was called to order on Monday, November 26, 2012 at 7:00 P.M. by President Phillip Kuiper. The Pledge of Allegiance was recited followed

by a moment of silence. Clerk-Treasurer Judith Walters called the roll. Members present were Craig Earley, Robert Philpot, Donald Parker, Phillip Kuiper, and Edgar Corns. Also present were Town Attorney Gregg Sobkowski, Director of Public Works Greg Shook, Police Chief John Shelhart, Building Official Tom Trulley, Town Administrator Susan Peterson, Financial Consultant Greg Guerrettaz, two members of the media, and twenty citizens.

TREASURER'S REPORT - October 2012

Councilman Philpot made a motion to approve the October 2012 Treasurer's Report, seconded by Councilman Corns and carried by voice vote.

APPROVAL OF MINUTES

Councilman Parker made a motion to approve the November 8th work session, November 13th regular meeting, and the November 19th executive session and work session, seconded by Councilman Earley and carried by voice vote.

APPROVAL OF VOUCHERS

President Kuiper stated he reviewed White Vouchers #2319 - #2358, White-Police #4212 - #4225, Water #2696 - #2707, and Waste Water #3597 - #3611 and recommended them for payment. Councilman Corns made a motion to approve the vouchers as listed, seconded by Councilman Philpot and carried by voice vote.

ORDINANCES & RESOLUTIONS

1st & 2nd reading - Ordinance #2012-23 authorizing the Town to issue Economic Development Revenue Bonds, Series 2012 - St. Anthony Project - John Wilson, HSA

Prime Care, stated as it relates to the TIF itself, the project is in the neighborhood of \$4.5 - \$4.6 million dollars. It is a medical office building and the sole tenant will be St. Anthony's Hospital. The issuance is in the amount of \$580,000 which will cover the extension of the utilities not only for their site, but a larger twenty acre site and a few sites to the east. He stated when they first penciled this project, the TIF calculations we were using was a twenty-five year period, at a 7% interest rate, for the amount of \$550,000. In recent discussions, the Town was talking about a twenty year bond, but what we actually need is twenty payments. If you have a year for construction and then a year to catch up on taxes, that will leave eighteen payments. What they are asking the Town to consider is a twenty-two year bond so they can receive the full twenty payments. Mr. Kuiper stated to the Council that they originally agreed on a twenty year bond, eighteen of that actually being the TIF,

LTC REGULAR MEETING - 11/26/12 - Page 2 of 6

but they are asking for a twenty-two year bond so that they can get the full twenty year TIF. Mr. Wilson stated the other gap is that it is listed as a 7% interest rate, but when we ran our numbers about a week ago, we received a calculation of a 5% interest rate. There were previous projections from the Town's consultant that had even a 6% interest rate. He stated it is a very tight project and there is not a lot of room in the project itself. Although the bonds are going out, they are buying the bonds, and all of the risk is on their side. Mr. Kuiper stated that the Council could just do the first reading today instead of the first and second so that they could have time to decide. He also stated that he did not have a problem, personally, with the twenty-two year bond. The goal is to get the project going and to bring jobs in. Mr. Kuiper asked how many construction jobs this would bring in. Mr. Sobkowski stated the estimate was forty full time construction jobs. Mr. Kuiper asked how many employees once it is built. Mr. Sobkowski stated four to six full time employees. Mr. Kuiper stated that is a larger impact on us as a community. Whether we do twenty-two or twenty, the risk is the same to the Town. He also stated that he is fine with the 5%, but the Council as a whole may need some time to think it over. Mr. Wilson stated that was fine, and that they need time too with these new numbers.

Mr. Earley asked if Mr. Wilson is asking for the twenty-two year bond with the 7% interest rate. Mr. Wilson stated that was correct. Mr. Parker asked Mr. Guerrettaz for his opinion. Greg Guerrettaz, Financial Solutions Group, stated on December 20, 2011 we put together a document that had the recommendation of twenty years in it. At that time, this was on a fast track. That document showed a 6% interest rate. We made that recommendation because twenty years is a common term around the state. The 7% interest rate is pretty high, so that is why we would recommend the 5%. Mr.

Sobkowski stated the bond ordinance before you sets forth the maximums for the project. It authorizes the issuance of bonds in the maximum amount of \$580,000, for a maximum term of twenty-two years, and not to exceed the interest rate of 7%. If you decide tonight that you do not want the twenty-two years or the 7%, we can change that. Mr. Kuiper stated he would rather hold it over to have more discussion on it.

Councilman Parker made a motion to approve the first reading of Ordinance #2012-13, authorizing the issuance of Economic Development Bonds, by name and title only, and to hold off on the second reading. The motion was seconded by Councilman Earley and carried by voice vote.

1st reading - Ordinance #2012-24 - establishing a Storm Drainage Fee - Mr. Sobkowski stated this ordinance will have to be adjusted to incorporate the schedule of fees that Mr. Guerrettaz discussed at the Stormwater Board meeting. Councilman Philpot made a motion to approve the first reading of Ordinance #2012-24, Establishing a Storm Drainage Fee, by name and title only, and to hold off on the second reading. The motion was seconded by Councilman Corns. Mr. Corns stated he is reluctantly voting for the fee, but if we do not pay now, we will pay later. He stated if we do not adopt this program, the federal government can come in and fine us and in the end we will still have to do the program. He stated Lowell is right in the middle of the other municipalities around us. Everyone else is anywhere from \$5 to \$11. With the detention and retention ponds that we have to take care of, \$7 is a fair number. Mr. Kuiper agreed. Mr. Corns

LTC REGULAR MEETING -11/26/12 - Page 3 of 6

stated with all of the unfunded mandates, our citizens need to be writing our United States Senators and Representatives for creating these, and then our State Senators and Representatives because they are the ones that have to enforce it. This is not something that came about from the Lowell Town Council. The motion carried by voice vote.

UNFINISHED BUSINESS

WWTP Improvement Project - Approve Pay Request #23 - Partial Payment #7 to Thieneman Construction - \$1,016,700.00 (\$965,965 to Contractor, \$50,835 to retainage) and forward to SRF for payment - Councilman Corns made a motion to approve Pay Request #23, seconded by Councilman Earley and carried by voice vote.

Act on recommendation for bids for Old Grade School - John Blosky, Amereco

Engineering, stated himself and Steve Travis are prepared to make a recommendation for demolition on the Old Grade School. Mr. Travis stated on November 15th, 2012 at 10:00 AM, four bids were received by the Town for the asbestos abatement and demolition of the old public school house. Based upon the review of all bids, Amereco Engineering recommends the bid be awarded to Chem Check of Hebron, Indiana in the amount of \$177,000. It is further recommended that the Town accept alternate bid A2 in the amount of \$1,000 to backfill the site using existing soils, and that the unit costs are also accepted.

Mr. Corns asked what the total unit cost was. Mr. Travis asked Mr. Corns if there is a certain unit cost he is asking about, or the total budget area cost of the project. Mr. Corns asked if the \$48 for asbestos piping on the inside walls was per linear foot. Mr. Travis stated that was correct. Mr. Blosky stated there is so much clutter in the building that there is no way of telling for sure how much piping is behind the walls, but we have identified one hundred and five linear feet of piping that needs to come out. As for the UST closer, depending on the size of the tank will depend on how many samples we have to take. It will be at least \$2,000 for the soil samples associated with pulling the tank out of the ground. Mr. Corns asked what type of tank it is. Mr. Blosky stated it is a heating oil tank. Following the state rules for tank closer and removal, there are a certain amount of samples that have to be taken, and we are looking at about eight of those. He stated we do know that there is about eleven inches of liquid in the tank, which could equal about 1,500 gallons, and it will be \$1 per gallon to pump it out and take it somewhere to treat it. He stated he would prepare an estimated cost and e-mail it to Greg Shook.

Mr. Corns asked how the asbestos was going to be handled. Mr. Blosky stated a licensed abatement contractor will isolate the building, put their protective gear on, wet down the pipe and remove the insulation, and also clean all of the debris in the building.

Once that visual asbestos debris is gone, they can start the demolition of the building. We have also included unit costs because when you start opening a building of that age, you never know what you will find. Mr. Corns asked how the asbestos will be disposed.

Mr. Blosky stated it will probably go to Newton County Landfill because that is the closest licensed landfill that accepts asbestos waste. The construction and demolition debris will go down to C&D landfill, and the brick and concrete

LTC REGULAR MEETING - 11/26/12 - Page 4 of 6

materials will probably be recycled at Austgen Materials. Mr. Corns asked if they were aware of the articles that the Historical Association would like to have. Mr. Blosky stated it is in the specifications along with the arch over the window, stain glass

windows, and two stones from the South side. He stated they also have thirty to sixty limestone bricks and thirty to sixty bricks from the building as well.

Councilman Corns made a motion to accept the bid from Chem Check subject to the Town obtaining the tax deed to the building, seconded by Councilman Philpot. Mr. Parker asked on alternate two, page two, how is it that someone can come in at \$1,000 when everyone else was at \$12,000 or \$25,000. Mr. Blosky stated Chem Check was very interested in the project and asked a lot of questions. Since the recession it has been next to impossible to estimate project costs. He stated he was surprised at the \$1,000 as well. Mr. Parker asked what would happen if Chem Check would come in with a \$10,000 change order. Mr. Blosky stated he would not give it to them because this is the bid. The reason we have the cost to import backfill and the cost to use existing soil is because we have a \$6,000 allowance in the bid to hire an archeologist to come in and observe the soil being moved to see if there are any Indian artifacts on site. It should cost about \$4,000 for the archeologist so there should be a couple thousand dollar savings on the alternative which will be a deduct from the contract. Mr. Corns asked if there was a time limit to finish the job. Mr. Sobkowski stated it looks like it is thirty days from notice to proceed. A discussion followed on the schedule of the demolition and it was found that it would be about six weeks from the notice to proceed for the completion of the job. The motion carried by voice vote.

NEW BUSINESS

Request amendment of Clean Air Standards - Section 99.05 - Reasonable distance - to match the State of Indiana Code - Mi Ranchito, Sam Quiarte - Mr. Kuiper stated our ordinance reads fifteen feet from the building, but they are asking for it to read eight feet like the state code. Councilman Corns made a motion to approve the amendment for Mi Ranchito, seconded by Councilman Parker and carried by voice vote. Mr. Sobkowski stated he will have an ordinance at the next meeting to consider that change.

Mr. Kuiper stated there has been some discussion with the State about the median at Burr and Route 2. Chief Shelhart stated they are having a hard time with people going east-bound on Route 2 and trying to take a left hand turn to get in to some of the businesses on that side. The issue is that due to the configuration of the lanes, half of the vehicle sticks out and block the east bound lane on Route 2. Also the vehicles that are coming west-bound on Route 2 are making left hand turns and proceeding up in to Walgreens. He stated he has asked the State what could be done to stop that and they have responded if the Town would put up delineation posts through there, they would have no objection to that. The recommendation is to use the fiber glass posts

that are reflective and glue right to the ground. This would keep the people from making the left hand turns. Chief Shelhart stated he had asked the State if that is something they would take care of, and the representative from INDOT told him it would take an extended amount of time if they

LTC REGULAR MEETING - 11/26/12 - Page 5 of 6

would even do it. The representative told him that if the Town wanted to put them up, that would be fine. Chief Shelhart stated he would like to make a recommendation to the Council to put those up so that we can stop people from trying to make those turns.

A discussion followed on where exactly this was happening and how it affected east and west bound traffic on Route 2. Mr. Philpot asked how long the area would be where the barriers are. Chief Shelhart responded about 150 feet. Mr. Parker asked if east bound traffic would be able to get in to Subway. Chief Shelhart stated not at that section. They would have to go down to the proper left hand turn and come around. Mr. Parker stated when Chief Shelhart has his discussions with the State Highway, he would be glad to sit in because they need to hear from the Town Emergency Service people because we recognize what traffic congestion does, but we also recognize how we impede some of the local businesses. The State could have done a better job on that configuration. Councilman Parker made a motion to accept Chief Shelhart's recommendation, seconded by Councilman Corns and carried by voice vote.

Mr. Kuiper stated he has had a couple of inquiries about the vacancy that John Ammons death has left on the Police Commission. He stated that it had been brought to his attention that Keith Kilmer would like to fulfill Mr. Ammons's term with the Council's permission. Mrs. Walters stated he was in the first year of a three year term so there would be two years left to serve. Councilman Parker made a motion to appoint Keith Kilmer on the Police Commission in John Ammons term, seconded by Councilman Earley and carried by four ayes and one nay. Councilman Corns voting nay.

ANNOUNCEMENTS

President Kuiper announced the next regular meeting will be Monday - December 10, 2012 - 7:00 PM

Mr. Kuiper mentioned that the Parade of Lights was also a success again this year.

MEDIA QUESTIONS/PUBLIC COMMENTS

Melanie Csepiga asked if Chief Shelhart had an approximation of the cost for the

delineation posts. Chief Shelhart stated he did not have a cost and he would have to check with Mr. Shook or Frank Lovely of the Street Department. Ms. Csepiga asked if this was something people could just run over. Chief Shelhart stated it is something they could run over, but we would hope once people notice they are there, they will not try to get through.

Don Huseman, 362 Gwen's Cove, asked if anyone had given thought to asking the State to cut some of the guard rail off at that section on Route 2 since there is still a lot of property there that we could possibly use to enter. Mr. Kuiper stated we could ask them.

Charlie Reel, 633 Beech Ct, asked what happened to the \$200,000 bond that at one point the Town talked about having to tear the school down. Mr. Sobkowski stated when the property

LTC REGULAR MEETING - 11/26/12 - Page 6 of 6

owner appealed the decision of the hearing authority, she had asked for additional time to make repairs on the building. The court said she could have the time if she posted \$200,000 to repair the building and if she did not complete the repairs within a certain amount of time, that money would be used for demolition. She never posted the \$200,000 so we went in and got the demolition order affirmed. There was never a \$200,000 bond posted. Mr. Kuiper asked if Mr. Reel understood where the money is coming from. Mr. Reel stated he did not. Mr. Kuiper stated it is from our CDBG fund through the County. They had extra money left and they gave us around \$175,000 for the demolition of the building.

Carl Ferro, 1310 Harrison, asked what would happen if the demolition went passed the thirty day expectancy. Mr. Blosky stated they do not put penalties in the bid specs because if you penalize them, then you have to reward them if they finish early. He stated they allow the contractor to include a schedule and if it extends over and is costing extra money, there is a claim there for a deduct because in his schedule it states it will take a certain amount of time. Mr. Ferro asked if this company has met project schedules before. Mr. Blosky stated he has several recommendations from whom he has done business with within schedule. Mr. Ferro questioned the dust that will be created during the demolition and asbestos or lead paint in the building. Mr. Blosky stated it is a State and Federal rule that when the weather is below zero you have to document two times a day and if it is below thirty-two degrees you do not use water, and if it is above thirty-two, you can. We did specify that they put a wind screen up since it is a residential area. Mr. Blosky stated they took a sample of the walls and they

do not contain asbestos. The pipes do have asbestos and we are assuming that the roofing singles do, which is a non hazardous asbestos, but that can be part of the demolition of the entire building and taken to the landfill. Mr. Blosky stated they did not test the lead paint because for demolition the paint is not a hazard, it comes in to play when you are recycling the brick, but the materials that will be crushed are not painted.

Mr. Corns wanted to commend the Town employees who decorated the Town Hall for the holiday weekend and stated that it looked very nice and took a lot of work.

ADJOURNMENT

With no further questions or comments, Councilman Parker made a motion to adjourn at 7:47 PM, seconded by Councilman Earley and carried by voice vote.

Phillip Kuiper, President

Attest:

Judith Walters, Clerk-Treasurer