

LOWELL TOWN COUNCIL
WORK SESSION
APRIL 25, 2016

A Work Session of the Lowell Town Council was called to order on Monday, April 25, 2016 at 5:00 P.M., by President Salatas. Members present were Michael Gruszka, LeAnn Angerman, Will Farrellbegg, Christopher Salatas, and Edgar Corns. Also present were Clerk-Treasurer Judith Walters, Town Attorney Nicole Bennett, Town Manager Jeffrey Sheridan, SEH Representative Craig Hendix, Jim Shannahan from Shannahan and Shannahan, Steve Dalton from Cender Group, SEH Representative Dan Botich, and one citizen. The purpose of the work session was discussion of park impact fees, refinancing of sewage bonds and general Town business.

Bond Counsel Jim Shannahan stated he had been contacted by Piper Jaffray, with an opportunity to refinance the 2005 Sewage Revenue Bonds for a savings of \$30,000 per year, including the financing costs, to get a lower interest rate for the last ten years of the bond. The Town currently has an interest rate of 3.44% on the 2005 SRF bond, and 2.54% on the 2011 SRF bond. He stated the call period would not be until July and would recommend the Town act on a Ordinance to refinance in June. Financial Advisor Steve Dalton agreed it was a good opportunity for Lowell and would be a net savings of 3%. The Town will have to authorize an underwriter. The Town Council will authorize during new business of the regular meeting to have Mr. Shannahan and Mr. Westland draft an ordinance for consideration in May or June.

A discussion followed on the five benches and three garbage cans requested for the downtown area. Councilwoman Angerman stated we have received a price quote of \$918 for a metal bench with Lowell inscribed on the back, and also a price quote for recycled benches, but she didn't think those would fit in the theme of the historic downtown. She thought those would be a good option for the municipal parking lots. The total costs for the benches and cans could be \$8,000.00, and if we didn't purchase recycled products where would the money come from. Town Manager Sheridan stated that he is meeting with an OCRA representative and there may be funding available for the downtown revitalization area with a 80/20 grant. Councilman Farrellbegg reminded that the business owners had said they may be able to help out with the cost. A discussion followed on sponsorship of the benches. Mr. Sheridan stated we may have to put in recycled benches temporarily and then move them out when funding becomes available for metal benches.

Councilman Corns stated that the Plan Commission subdivision standards are not being carried through. He stated the developers have to come up with cash for a Park development fee and that is discouraging. Craig Hendix, SEH representative, stated the Town allows the developer to contribute a fee in lieu of dedicating the park space. He stated the developer has always had to donate the park space, what has changed is they now can give the cash value as opposed to donating the park space. He stated the ordinance also changed from 20 acres to five acres. A discussion followed on the value of the lots and who determines what an acreage is worth. Developer Donald Cripe asked why only subdivisions developed at five acres or more had to contribute to the Park Improvement Fund. He stated that he felt that all empty lots should share in the Park fee. He asked why the larger developer is being penalized, and felt the impact fee should be paid on every new house. The Council informed Mr. Cripe that the Town is considering a

park impact fee on all building permit fees for new construction, which would be separate from the developer fee. Mr. Cripe asked who determined that an acre lot in Lowell was worth \$15,000. He said that he has purchased property at \$12,000 an acre and knew the Russell Farm property was \$11,000 an acre. Mr. Hendrix thought the \$15,000 figure came from an average of what is being charged in the area. A discussion followed with Mr. Cripe on the estimated development costs for his second phase of Beverly Estates. Based on 99 lots at 500 square foot per lot and estimated at \$15,000/acre, the park fee would be \$17,045. There was also discussion on engineering fees being charged on preliminary plat level and final plat level, and that the estimate Mr. Cripe was given may be overstated. Town Manager Sheridan will review the fees with staff and get a correct estimate to Mr. Cripe.

Craig Hendrix had spoken with Councilman Gruszka, who represents the P3 Committee, on a proposed bike trail along Nichols Street that could eventually connect Freedom Park to Buckley Park. He stated that INDOT, through NIRPC, currently has Group III funding available for pre-engineering and right-of way at a 80/20 match. The application is due to INDOT by May 2nd. A discussion followed on the proposed drawing of the Nichols Street Plan of a multi-use path on the east side of the street and the need for a boardwalk with rails over the ravine areas, and concrete trails where property owners are. President Salatas asked if it wouldn't be easier to get from the downtown area to Freedom Park along the rail line. Mr. Hendrix stated since it is an active rail line, they would not give a right-of-way. It was noted that a trial of this design would cost a million dollars a mile and the route from downtown to Freedom Park could be two million dollars. Town Manager Sheridan stated that he is meeting with Mitch Barloga, the trials representative at NIRPC, on Thursday. The grant that would be applied for would not be available until 2021 fiscal year, and the Town would have to be able to commit their 20% funding in July 2020. After discussion, Council members agreed to allow Mr. Hendrix to move forward on applying for the funding on the preliminary route.

Mr. Dan Botich, Economic Development Representative from SEH, gave a presentation to the Council on park infrastructure impact fees. He stated the fee is imposed on all new residential building permits to shift the costs of new and expanded park facilities from the current population and level of service to new development that will generate the need for an incremental level of service due to population increases of land use development from residential building permits issued. He stated to consider it an "entrance fee" to build and live in a community to insure level of service is adequate to service the incremental population. Mr. Botich stated in order to enact a Recreation Infrastructure Impact Fee (RIIF) Study, the Town must first prepare and adopt a Park Comprehensive Plan and an Impact Fee Advisory Committee. The Town will also need to prepare a Park & Recreation Master Plan, and submit it to the Indiana Department of Natural Resources, which will establish the land and programming standards for the town. Mr. Botich stated to prepare the RIIF Study, the Town will need to establish an Impact Zone and Zone Improvement Plan that provides for raising the current level of service to a higher community level of service, within a one year period of an Impact Fee Ordinance. He went over the contents of the Zone Improvement Plan and RIIF Study such as building permit projections, park revenues and expenditures, community level of service and anticipated population growth. Mr. Botich stated the Town may be reimbursed for the cost of the study from the impact fees when they are collected. He explained that when the study and plan is prepared, it will go to the Plan Commission, who would recommend it to the Town Council to adopt an Impact Fee Ordinance. Discussion followed that the impact fee would include all parks in town, including Freedom Park, but our portion of the

impact fee would be proportion so much to Freedom Park since it is shared with the Townships. Discussion followed on other communities in the area that have established a Park Infrastructure Impact Fee and what they charge. The City of Valparaiso charges \$1,288 per single family, Town of St John charges \$1,736, and City of Portage \$697. President Salatas stated at 65 building permits in 2015 in Lowell and if we charged \$1,000, that would of added \$65,000 to the Park budget. Town Manager Sheridan stated the Town needs to invest or it won't be able to grow. Clerk-Treasurer Judy Walters asked how much a Park Master Plan would cost, and told the Council the Town had already spent 80% of professional fees they had budgeted for 2016. Mr. Botich stated he thought the study wold cost approximately \$12-15,000 but will prepare an estimate to give to the town.

President Salatas brought up the Park Advisory Committee appointed in February and asked for suggestions for when they should meet. It was decided they would meet at 5:00 on the 3rd Tuesday prior to the Freedom Park Committee meeting at 6:00. Mr. Sheridan will contact the members.

Town Manager Sheridan stated that Public Works Director Greg Shook had planned to ask the Council during the regular meeting if they wanted to waive the building permit fees for the pump house and also the tower project. After discussion, it was decided since the taxpayers and water ratepayers are two different entities, the fees should not be waived.

Town Manager Sheridan gave an update on the current garbage contract extension that he was asked to review. He stated he is still collecting fees from surrounding communities, but stated that customer satisfaction should be a priority. He will give a more detailed report at a future meeting.

Mr. Sheridan stated he had met with both vendors interested in acting as hot dog vendors in the park and will have a recommendation during the regular meeting.

Craig Hendix stated the aerator at the Water Plant has gone bad and they would like to replace it with the same manufacturer and asked for a resolution stating they would like to sole source that purchase and not go out for bid. He stated the installation of the aerator would still need to receive quotes on. Mr. Hendrix also gave an update on the Well project and stated the well is in and producing 250 gpm, and the well house should be in soon. They hope to have in service in May.

Town Manager Sheridan informed the Council that the water tower at Evergreen Park has a leak and a contractor has been called in to repair. Mr. Hendrix reminded Council to limit on how much they spend on this tank as it will be out of service when the new tower is up and running.

No further discussion, the work session adjourned at 6:50 P.M.

Christopher Salatas, President

Attest:

Judith Walters, Clerk-Treasurer