

**ALLEN COUNTY COUNCIL MEETING MINUTES**  
**MAY 19, 2011**  
**8:30 AM**

The Allen County Council met on Thursday, May 19, 2011 at 8:30 am in the County Council/Commissioners Courtroom. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants and any other business to come before Council.

Attending: Bob A. Armstrong, Roy A. Buskirk, Tom A. Harris, Kevin M. Howell and Darren E. Vogt

Also Attending: Tera Klutz, Auditor; Nick Jordan, Chief Deputy Auditor; Jackie Scheuman, Finance and Budget Director; Therese Brown, Commissioner and Becky Butler, Administrative Assistant.

The meeting was called to order by President Darren Vogt with the Pledge of Allegiance and a moment of silent prayer.

**Darren Vogt:** If you notice, we have two members of Council that are sick today so make sure that you wish them well while they are dealing with their illnesses. We have a minor adjustment to the agenda. After Economic Development, we are going to have the addendum which is the Board of Health. Mindy Waldron has a hearing that she needs to be to and so we are going to get that on the agenda after Economic Development. As you all have been made aware of, we are going to have a joint meeting with City Council on May 31<sup>st</sup>. That is about the \$700,000 request that is on our agenda under IT. That request will be withdrawn or actually tabled until our June meeting. With that, we will move to approval of the minutes for April 15 and April 21 meetings. Those were sent out to you electronically. Are there any corrections or questions on the minutes?

**Roy Buskirk:** So moved for approval.

**Bob Armstrong:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). Now we have the financial report.

**Tera Klutz:** Good morning. We are a third of the way through 2011 and our revenues are tracking well. We are on track to meet 100% of our revenue estimates. Property taxes were due May 10<sup>th</sup> and we are looking for a property advance distribution this month and then a settlement of those

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taxes that were paid by May 10<sup>th</sup> in June. Today, you had appropriations of a little over a million but now that the \$700,000 has been withdrawn, there is approximately \$300,000. You have about \$800,000 available for appropriations through 2011.

**Darren Vogt:** Council, I hope you understand what was just said. We have \$800,000 in unappropriated funds for the remainder of the year. Today we have \$300,000 before us and we have a \$700,000 request that will come before us in the following month. I just know that we are looking at not a lot of money towards the end of the year to appropriate anything. Are there any questions for Auditor Klutz on the financial report? Not hearing any, is there a motion to approve the financial report?

**Bob Armstrong:** So moved.

**Kevin Howell:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). The unemployment rate for April is not out yet. It should be out today but the March unemployment rate was 8.9%. Are there any other comments? With that, we will move to the 745 grant. We have a grant in the amount of \$278,836 for DAC.

**Mike McAlexander:** Hi, I'm Mike McAlexander and I am wearing the hat of the President of the Drug and Alcohol Consortium. This is our annual presentation. As many of you know, people that are convicted of drunk driving offenses have a fee that, by Indiana Code, is to be distributed for the areas of justice, prevention and intervention as well as the management for the DAC. This year, those collections came out with a little bit of a carryover from last year just shy of \$70,000 over each of the four areas. What we have handed to you is tow documents. One is a list of the proposals that have been approved by our funding committee, our Board and the Commissioners. The other document has brief descriptions of each program and has been approved. We ask for your approval of this and then these funds would be dispersed to these organizations later this summer.

**Darren Vogt:** Council, this is something that comes before us every year. Is it the statutes or the bylaws of the DAC...

**Mike McAlexander:** It is by statute that you have a local coordinating committee and DAC is the one for Allen County.

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**Darren Vogt:** They have to come before us and the Commissioners to get approval.

**Mike McAlexander:** Right and we were in front of the Commissioners a week or so ago.

**Darren Vogt:** Councilman Buskirk?

**Roy Buskirk:** On the appropriation of the funds versus what was requested, is that just a percentage of what they requested?

**Mike McAlexander:** Generally, the folks ask for funds for a specific program and they will come in and request similarly to when you do your budgeting. You may get requests that are all over the board. Our funding committee evaluates them based on the organization, the structure and past record of how they have done things in the past. If they are a new organization, we try to be open to what we call a start-up organization. We are looking at some mentoring this year and have some people from some of the more successful people from social service agencies sit down with the start-ups so that they follow the procedures and do the right reporting and that sort of thing.

**Tom Harris:** I have a question. How do you measure results on some of these? I guess that is the challenge.

**Mike McAlexander:** That is always the trick especially for youth programs. Prevention is always difficult to try to evaluate. You try to look at the public impact on it and the number of participants in a given program. It is kind of like the after school programs and sometimes you are successful by what doesn't happen. It has to be a little bit subjective but we try to look at the number of people served, the staffing and the feedback. We ask them to do outcome determinations but if you're dealing with someone who is twelve years old, you are not necessarily going to know how successful you are until they are seventeen or eighteen.

**Kevin Howell:** The group that is being recommended for money, does it change yearly?

**Mike McAlexander:** Yes.

**Kevin Howell:** They apply every year to be in this?

**Mike McAlexander:** Yes. Usually during the month of March, we put out a notice to the various social service agencies and treatment providers that we are open to this and ask for their input. The same thing is for law

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enforcement under the justice funds. We supply a lot of equipment such as in-car cameras and portable breath testing units and that kind of thing.

**Kevin Howell:** Is there a set number here? I see about ten here. Is there a minimum or maximum that you take?

**Mike McAlexander:** We are limited by the amount of money that we have on that and the number of requests.

**Kevin Howell:** Okay.

**Darren Vogt:** There are certain requirements that they must meet.

**Mike McAlexander:** We have some participants that make reports on a periodic basis. They sit down with us and let us know how the programs are working.

**Darren Vogt:** There are different criteria that you look for.

**Mike McAlexander:** We have to take the money and split it into quarters, basically. That is why it is broken down between justice, prevention and intervention.

**Kevin Howell:** Okay.

**Darren Vogt:** Council, are there any further questions on the DAC appropriation in Fund 745? Not hearing, is there a motion to approve?

**Roy Buskirk:** So moved.

**Bob Armstrong:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). With that, we are on to Economic Development.

**Nikki Liter:** Nikki Liter, Allen County Economic Development.

**Mark Webb:** Mark Webb from QuikCut.

**Nikki Liter:** QuikCut is here today requesting an abatement on real and personal property. As you know, they are located on Allen Martin Drive. They are one of northeast Indiana's largest steel fabricator and they are growing rapidly. Mark has been able to purchase two more buildings and they need to

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add equipment because of the demand of what he is seeing right now. The investment includes \$130,000 in real improvements and \$250,000 in equipment purchases. The buildings that he has acquired, one is beside the original location and one is around the corner on Ellenwood Drive. According to the point system, I recommend a five-year abatement for both the real and personal property. With these new investments, they will be retaining 25 employees and adding an additional 25 employees with annual salaries of about \$945,000. Result of the tax abatement over the five years, they can look to save about \$14,500. If you have any questions, Mark is here to talk a little about the project.

**Darren Vogt:** Mark, do you want to go ahead and tell us what you have going on? It sounds great that you are doubling your workforce.

**Mark Webb:** We have some existing customers that we have taken on a new product line for them and that has doubled our revenue with them. There are some other markets that we have gotten into. The turnaround in the economy has affected us and the growth has gone very well. We just need to add people fast and start to work adding people and the outlook is very good. This is the largest backlog that we have ever had.

**Darren Vogt:** Good. Council, are there any questions. I think, if you recall, we had a corrected amount for the abatement. The one in our packet was a seven or ten-year abatement. Are there any questions?

**Tom Harris:** Just a comment. I want to say congratulations to you and the management team. Please pass that on to the staff and employees as well. Staying competitive and being able to grow and it's great to have you in the community.

**Mark Webb:** Thank you.

**Darren Vogt:** We need a motion to approve the resolution for a Statement of Benefits for QuikCut at 4630 Allen Martin Dr, 4532 Allen Martin Dr and 4523 Ellenwood Dr.

**Roy Buskirk:** So moved.

**Kevin Howell:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). We also have a LEDGE agreement with General Mills.

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**Scott Harrold:** Scott Harrold, County Economic Development. This is,, hopefully, the final agreement with General Mills as far as the financial incentives. This is our formal agreement that we have used many times in the past. County Attorney Bill Fishing worked very hard to make sure this was something that met our needs and didn't impose any liabilities upon the County beyond what we had promised to do. Basically it is an agreement that commits the company to investing about \$36 million for the distribution center as well as hiring 65 new people and retaining the people that have been working in the former Nestle Building. Our commitment is \$250,000 towards land buy-down. It would be paid upon Certificate of Occupancy. That would be 2012. It also lays out the other commitments that we have made as far as County Council giving them a ten-year abatement, which has already occurred. There are some infrastructure improvements that we need to deliver on still and hopefully we will be bidding those out for engineering once we get the word from the company. Once you sign this, it will have been approved by all of the County bodies. Redevelopment and the County Commissioners approved it last week. We will then send it to General Mills to get their signatures on it. With that, I will be happy to take any questions.

**Darren Vogt:** Have they given any indication of when they are going to make a final decision on that?

**Scott Harrold:** My indication is that we will have that by the end of the month.

**Darren Vogt:** Council, are there any questions on this? We need a motion to approve the LEDGE agreement with General Mills.

**Kevin Howell:** So moved.

**Bob Armstrong:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent).

**Roy Buskirk:** Before you leave, can you electronically send me the lot numbers for the airport?

**Scott Harrold:** Yes, I can do that.

**Darren Vogt:** Council, with that, here is the adjustment in the agenda is going to come. We are going to take the addendum and the Department of

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Health is requesting to apply for a NACCHO Community Health Assessment and Community Health Improvement Grant.

**Mindy Waldron:** Thanks for letting me go early, I do appreciate that. We wanted to receive your permission to apply for a demonstration grant up to \$35,000 with NACCHO. That is the National Association of City and County Health Officials. It is a Federal agency that advocates for public health on the national side of things. They are awarding twelve demonstration grants in 2011 to local health departments to partner with a non-profit hospital. Here it would be Parkview. Parkview is required to do one of these community health assessments every three years. By partnering with us, we bring in the grant money to help assist with one contractual person to carry the project out as well as the data assessment. It is usually good for three years and will put us in the position to be able to apply for accreditation which is the new thing for local health departments. It will be required for those in Indiana. We are hoping to be one of the twelve awarded. We were only notified last week and that is the reason for the last minute notice of this. We will hear in June of the awards. It is a very quick turnaround for the whole project. We have about a year to complete the project and it will end with a community health improvement plan being implemented. I would be glad to answer any questions.

**Kevin Howell:** I haven't had a chance to read all of this but give me an overview. What are you going to be assessing?

**Mindy Waldron:** It is everything from access to care to transportation for care. It is not just public health because we are partnering with a hospital that has to do it. It is a community health assessment. It is location, access, transportation, what are the barriers to care from a general medical sense, what gaps we have in public health in the whole system which includes hospitals to urgent clinics and to anything else that contributes to a health issue in a community. We will have four main partners which is required for this grant. This is done by the CDC and is a nationally accredited program. It is not something that the communities develop on their own. We will have up to ten or twelve non-critical partners like the Y and St. Joe Community Health Foundation, people that deal with critical agencies and groups of folks in the community. The ten to twelve partners have not been notified yet so I hesitate to name them. You get a big scope of the entire community's access to healthcare.

**Kevin Howell:** Okay. Two questions, number one, is this county-wide?

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**Mindy Waldron:** Yes it is county-wide however partnering with Parkview it is going to be a regional program. We met with the Northeast Chamber yesterday and they will be assisting as well.

**Kevin Howell:** So it is Northeast Indiana?

**Mindy Waldron:** It will only be the Counties that have a Parkview facility in them. That is going to be the regional aspect. Most of the health departments in Northeast Indiana will not have the ability to have a hospital to partner with to do this. To become accredited, they will have to and so we can share our data with them. That is a big bonus for the other ten health departments in the northeast part of the State. It will be an Allen County project with some ties to all of the Counties that have Parkview facilities in them.

**Kevin Howell:** I represent Southeast Allen County and how do you plan to contact the people and get the information?

**Mindy Waldron:** The application only has to cover a big picture of how you would like to do that. We have hired a grant writer to actually do that. After that, the partners and agencies come to develop it. They have to fly to people to Rhode Island to train two days after the grant is awarded. They are told how to get full community assessment. We did one three years ago. We did a lower amount of money and so it wasn't as widespread. St. Joe Community Health Foundation has done their low income study for healthcare about two or three years ago. It is done on a bit of a survey basis. It is a federally run program that gets a good widespread participation so that you have representation. We have many agencies that represent all areas of the County.

**Kevin Howell:** It is going to be a survey sent out to people?

**Mindy Waldron:** How it typically occurs is that there are multiple meetings where you gather a lot of data. There is a set number of questions that must be answered and they have to be answered by all agencies. Each question is assessed for what is the community's overall answer. It will be done in multiple areas of the County. You typically separate it by topics and so there will be several sets of them for this size of County. The agencies that participate ensure that the people at the table, these are large meetings, where there is voting on the answers and is coupled with surveys that are done by phone.

**Kevin Howell:** So I assume that there will be a rural element to this?

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**Mindy Waldron:** Yes. We have to have that as part of the grant application. It will show how we will cover all areas of the community. We will have agencies that represent that.

**Darren Vogt:** Councilman Harris?

**Tom Harris:** Mindy, you mentioned that the \$35,000 will pay for the assessment process.

**Mindy Waldron:** Right.

**Tom Harris:** Then you mentioned that the implementation process happens afterward. Are there additional costs coming back to the County based on what needs to be implemented?

**Mindy Waldron:** The plan will be developed which is part of the project. The assessment will be done and then the plan is developed in the scope of the entire project. The implementation of the plan, I can't say that I know exactly what the plan will entail. There might be certain programs that might incur costs but the partnering entities that we will be working with will be providing resources at their cost to participate. The implementation plan will be very widespread. It would be new programs, the potential for change in how things are done now and it has a lot to do with business. It is about preventive care.

**Tom Harris:** Who are those entities?

**Mindy Waldron:** We will be part of it and maybe it'll change some of our programming if we have a gap or need to redirect to something else. We are not foreseeing that there will be additional cost for us to implement. This is a community assessment and a community plan. It behooves business and others to voluntarily or proactively take on parts of it if they see the benefits to it. Yesterday we discussed what the costs might be with implementation because the partnering agencies aren't seeing money with this grant. That will just be the assessment and plan development. We will all be assigning resources to help complete that. I will say that I don't have the best answer until I see the plan. We are not seeing costs that we wouldn't reallocate within. Others may decide if they want to take on costs associated with implementing the plan. This is a big-picture thing.

**Tom Harris:** I understand. Is the accreditation dependent upon the assessment or the implementation of the plan?

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**Mindy Waldron:** Both. You have to have the plan implemented to apply but to even be eligible to think of accreditation, you have to have had the assessment and have the plan developed. Implementation can take place over a number of years but typically it is a three-year span. To apply, we have to have done the community health assessment and the development of the plan.

**Roy Buskirk:** So, by having the accreditation, it will help as far as obtaining grants?

**Mindy Waldron:** Yes and it was made clear to us as Indiana Health Departments that we will need to work towards accreditation to continue to receive our State grants. There is a lot of pressure to ensure that there is a standardized program. With 92 Counties in the State of Indiana, it is very different than any other State. It is very hard to have consistency of service. The main goal is to achieve consistency and standardization of services provided within a community and accreditation is supposed to achieve that. We have to ensure that we have policies and procedures in place and a strategic plan, all of the big picture items that trickle down to make a better run department. That is the goal.

**Darren Vogt:** Councilman Howell?

**Kevin Howell:** Two things right quickly. In this assessment, are immigrants and minority groups taken into consideration?

**Mindy Waldron:** Everyone. We will have agencies that represent whether it is minority populations or those that we consider at-risk populations such as refugees and things like that. Again, it is a very big-scope look at all of the population that resides in the County.

**Kevin Howell:** Okay, I'm done.

**Mindy Waldron:** If you would like to participate, you're in.

**Kevin Howell:** I think I will. I have farmers on one and Burmese here.

**Darren Vogt:** Are there any further questions, Council? We need a motion for approval for Mindy to apply for the grant.

**Kevin Howell:** So moved.

**Bob Armstrong:** Second.

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**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). We will go back to the regular agenda and we will be at Appropriations in the General Fund with Department One, Clerk of Courts. You liaison is ill this morning.

**Lisa Borgmann:** Lisa Borgmann, Clerk of Courts. I am requesting an additional appropriation of \$56,900 to pay the 2011 Star Bank fees. This expense was not included in the 2011 budget. I wanted to let you know that we have been comparing Star Bank fees with the other local banks and they are, by far, the lowest. We also receive excellent service from Star Bank and are really happy with them.

**Darren Vogt:** Great. Council, are there any questions on this? This is the one where we have to separate out the bank fees from the interest.

**Lisa Borgmann:** They had been netting the interest.

**Darren Vogt:** We did this with one other department.

**Lisa Borgmann:** The Treasurer.

**Darren Vogt:** We just did this with the Treasurer's Office a couple of months ago. Councilman Buskirk?

**Roy Buskirk:** Lisa, I noted that you discontinued one service that Star was providing.

**Lisa Borgmann:** It was a lockbox operation and they were handling all of the Small Claims judgments and garnishments. It cost about \$80,000 a year and I eliminated that in February. It will be a huge cost savings for us.

**Roy Buskirk:** And you did that without adding on to your staff?

**Lisa Borgmann:** Yes.

**Darren Vogt:** Council, are there any further questions? We need a motion for approval on bank fees for \$56,900.

**Kevin Howell:** So moved.

**Tom Harris:** Second.

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**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). You guys need to pick it up a little bit on the motions here. I don't know what is going on. Building Department, there is Dave. He doesn't have bank fees but we have to deal with cars.

**Dave Fuller:** Dave Fuller, Allen County Building Commissioner. We have a request for three replacement vehicles for our fleet. One of the cars that is going to be replaced is already gone. It dropped an engine about two or three months ago. We have a couple of spares that we use for that purpose. We are now down to one spare. This was in our 2011 budget and was put into Council's budget in anticipation of this request. We took quotes from multiple dealerships for both four-cylinder and six-cylinder Ford Escapes. The four-cylinders were in our budget and we are asking for \$47,769 for three Ford Escapes.

**Darren Vogt:** Council, are there any questions? This is really an appropriation in our budget line item, vehicles. Councilman Buskirk?

**Roy Buskirk:** On these bids, you got them through the Purchasing Department?

**Dave Fuller:** We went through Purchasing and also compared them to the State list and this is less than the State list.

**Roy Buskirk:** As I recall two years ago you came forward to acquire some vehicles that were supposed to be very economical.

**Darren Vogt:** Hybrids.

**Dave Fuller:** We got five hybrids last year. We have had them since March of 2010. We elected not to ask for hybrids this time. We have saved over a thousand gallons in fuel comparing the five hybrids to the five vehicles that they replaced. We don't have enough information, in this short period of time, to save over the life of the vehicles. It would have been about \$10,000 extra per vehicle for hybrids. We are close to the payback but we don't have enough information to make that case.

**Roy Buskirk:** You also have the replacement of batteries that I understand can be quite expensive.

**Dave Fuller:** The batteries are guaranteed for 100,000 miles and so I don't think they will be a huge issue. The research that has been done is based on a study of hybrids versus gas and maintenance cost on over 150,000 miles.

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There was not a single battery replacement. I think the batteries are not going to be too big of an issue.

**Darren Vogt:** Councilman Harris?

**Tom Harris:** What is Plan B should we say no and this is not approved?

**Dave Fuller:** Right now we are down to one spare because our second spare is being used to replace the one. If we have another breakdown between now and the next time we come for vehicles, then we won't have any spares for routine maintenance or accidents. We currently just got a car back that had been broadsided at an intersection by someone who ran a red light. Both of the spares were in service over the last thirty days or so. It makes it difficult to keep going.

**Tom Harris:** These vehicles are being used, just briefly, for what?

**Dave Fuller:** They are used for inspections throughout the day. We have seventeen inspectors in the field full time. They average about 18,000 to 20,000 miles per inspector per year. They get quite a bit of abuse on job sites.

**Roy Buskirk:** Is it cars or do some of them have the small pickups?

**Dave Fuller:** We went with five Ranger pickups two or three years ago. They have been very reliable and have done the job for us but the problem is that we are averaging about fourteen miles to the gallon. These Escapes are getting about twenty-three or twenty-four miles to the gallon. The hybrids are getting about thirty-two miles to the gallon. We are working towards replacing the small cars, the Cobalts that we have now. They have been decent mileage-wise but they sit so low to the ground that we have had some damage to the undercarriage at construction sites.

**Roy Buskirk:** That is the reason that I asked about the pickups. Some construction sites can be very rough.

**Dave Fuller:** If it wasn't for the mileage, we would probably do more pickups.

**Darren Vogt:** Do you know how many miles were on the car that had the engine blow up?

**Dave Fuller:** About 115,000 to 116,000. That car was ready for replacement anyway and so we chose to let it go.

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**Darren Vogt:** On our general fleet, we replace based on the size of the vehicle and the mileage. Give me an idea of how many miles there are.

**Dave Fuller:** The other two that are going to be replaced by these vehicles, one has 120,000 and one has 109,000. They are all four-cylinder Cobalts. They are pretty worn out by the time they get to that point. We have some Malibus that have six cylinders in them and the pickup trucks have six cylinders. They seem to be more durable than the four-cylinders.

**Darren Vogt:** How many miles are on the hybrids that you have?

**Dave Fuller:** It varies with the vehicle but we are running about twelve to fifteen thousand. They were used for just part of the year last year.

**Darren Vogt:** So you are putting about 20,000 miles on those and so the life cycle will be about five years.

**Dave Fuller:** Five to six years. We are estimating that we should be able to get 150,000 miles out of the hybrids because they run on electricity totally roughly half the time they are driven.

**Tom Harris:** These are being purchased in the County?

**Dave Fuller:** Yes, they are being purchased through O'Daniel.

**Darren Vogt:** Council, are there any further questions? We need a motion.

**Tom Harris:** So moved.

**Bob Armstrong:** Second.

**Darren Vogt:** We need a transfer.

**Tera Klutz:** A motion for what?

**Tom Harris:** I was waiting for that. Move for approval of the reduction in the Council 100-4201-413.43-08 Vehicles for \$47,769 and the appropriation in 100-2901-424.43-08 Vehicles for \$47,769.

**Kevin Howell:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown

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**and Moss absent**). Have you guys noticed that everything on the agenda today, the liaisons are absent?

**Tera Klutz:** Until we get to the next page.

**Darren Vogt:** DPS is now up.

**Scott Harrold:** Scott Harrold, County Redevelopment Commission. The first item Legal, unfortunately or fortunately, we have pretty much gone through our Legal budget for the year. Actually it is a good thing because it means we have been very busy. Part of it is that we have been very busy with land banking. That has required some additional legal assistance. Bill Fishing has engaged his associate Jack Bentz, from Beers Mallers, to assist us with that. We have run into some unique situations. These are properties that the Redevelopment Commission has pursued. They tend to be farms that have been in families for a hundred years and a lot of issues tend to crop up. One in particular is blanket easements when the original electric lines came through in the early 1900's, they didn't know where they were going to run them so they got a blanket easement for farm owners and then never came back and delineated where the lines came through. Little things like that take a bit of extra work. Jack has done a very good job for us. We have closed on the second property yesterday on Bandolier out by the CASAD Depot. We have a firm purchase agreement for additional property north of where General Mills has proposed locating. That is conditional on General Mills executing their agreement. If General Mills does not, it gives us the option to pick up the entire 180 acres. We sort of thought ahead on that. The other side is Bill Fishing is involved in a lot of the legal agreements such as the one you saw earlier today. Typically we pay those types of things through Redevelopment simply because that is the mechanism that we have. This \$35,000 is the extra CEDIT dollars that you and the Commissioners so graciously gave to the Redevelopment Commission. We didn't have that last year when we were doing the budget and hopefully we won't use all of it. I think we are seeing the downside of the curve and are getting a lot of things done. Do you want me to do the next one too?

**Darren Vogt:** You might as well.

**Scott Harrold:** The CASAD TIF Fund is collecting tax increment from the Superior Aluminum Products which is right across from Bandolier and Ryan Roads. It has been there since late 1990's. We have set aside tax increment knowing that there would be additional needs in the future. With the new U.S. 24 coming through, where Ryan turns into Bruick Road on the north, it is going to be one of the few access points along there. There will be a partial interchange. That is going to become a major corridor from there to 30. We

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are also seeing additional prospects for development. There is discussion of turning CASAD Depot into a distribution hub intermodal. Basically the \$750,000 is for highway road engineering. DLZ has been selected to be a consultant. We haven't finalized the contract but it is ready to be signed. We got their quote after I submitted this but the estimate is \$884,870. This is for a major road improvement project. Part of it is taking a sharp S-curve out and re-engineering that. Bruick, north of Harper, is currently gravel and there is going to be a lot of drainage fees. Some of this is will be paid out this year and some of it won't be done until next year or even 2013. I am not sure how quickly we will move so I thought we would go ahead and budget the \$750,000 this year. We will see where we are at during the budget time. We hadn't appropriated this money that was sitting there because we hadn't decided on a use for it. This seems like an appropriate use. With that, I will take any questions you have.

**Darren Vogt:** Councilman Harris?

**Tom Harris:** The \$750,000 is for engineering cost and the project?

**Scott Harrold:** No, just engineering.

**Tom Harris:** Just for engineering and the project is \$884,870?

**Scott Harrold:** No. The engineering is the \$800,000 and the project estimate is about \$6 million. It is going to be a fairly large project. Part of it is putting on ten-foot shoulders for the Amish buggies. That will be one of the few points where they will have access underneath U.S. 24. There is an Amish community in the area. It is also being designed to be turned, eventually, into a four-lane highway. There are some large ditches on the sides of the road and there will be something done with those as well.

**Tom Harris:** So the project has already been approved?

**Scott Harrold:** This is just for engineering. We are going to pursue Federal funding and hopefully we will secure funding for that. Construction wouldn't be until 2013 or 2014.

**Tom Harris:** This is coming from the TIF Fund and not the General Fund.

**Scott Harrold:** Correct.

**Tom Harris:** I like the idea that it's development of infrastructure to allow growth and economic development for East Allen County.

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**Darren Vogt:** Councilman Buskirk?

**Roy Buskirk:** This \$884,000, is that a professional contract and so there is no bidding on that?

**Scott Harrold:** We took quotes but under State law you are not allowed to take the lowest bid on engineering for a highway project. You have to select based on qualifications. We had the Highway Department review the quotes. If we weren't happy with the dollar amounts, we could go onto the next highest qualified engineering firm. The Highway Department said that this was well within the lines and was a little lower than they expected. Based on that, we will be recommending that the Redevelopment Commission approve the contract. We have to have a few little changes in the contract but we are satisfied that it is a reasonable price.

**Roy Buskirk:** Just so that some of the newer members on the Council understand how this works, the engineering and land acquisition will very possibly be used as matching funds for the eighty-twenty Federal money on doing the actual construction. That is the reason that the Highway Department is in front of us quite often for money that has been spent on one of the phases and then they get reimbursement for it. They need that money again for the next phase.

**Scott Harrold:** This is actually a project that was Highway's. They had an engineering study done in 2010 to decide which of three corridors would be the best for this area. It turned out that this was the best and we were able to convince the State to put an interchange at that location. This is a project already planned by Highway to do and we are just helping to move it forward a little bit by getting the engineer.

**Roy Buskirk:** One reason on the engineer, the drainage situation and moving the ditch that is alongside of the road over so that the road can be widened and hopefully we will have Federal funds participate. By putting that in the project, they would also participate on the drainage issue, correct?

**Scott Harrold:** Yes.

**Darren Vogt:** Councilman Howell?

**Kevin Howell:** If the Federal government doesn't put the money in, do you come back here to get the money to complete it?

**Scott Harrold:** If we don't get Federal funding, we will have to work with Highway to try and juggle some of the projects. This is something that SDI

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requested as part of their location on Bandelier. They see this as a product that they want to bring in and potential future products to show it off since they will be the first ones in the U.S. I think it should qualify for the Federal funding.

**Tom Harris:** One other comment that I want to make with the Fort-to-Port 24 improvements. I think it just makes sense to head in this direction. It's a great part of the County for growth.

**Darren Vogt:** I have a question regarding land banking. If the purchases all go through as is anticipated currently, how much money is left from the land banking?

**Scott Harrold:** Assuming that the purchase goes through, we will have \$1.8 million left in the County Redevelopment Capital Fund.

**Darren Vogt:** With \$1.8 million left, how many acres would we have?

**Scott Harrold:** A lot of the ones that we have purchased are around \$10,000 an acre so 180 acres.

**Darren Vogt:** I just wanted to get an update on the dollars and the amount of acres that we have.

**Roy Buskirk:** I think there was a miscommunication there. You wanted to know how many acres we had purchased.

**Darren Vogt:** Right.

**Scott Harrold:** Oh, there is 150 at Silverado, Bandelier was 111 but we are doing a swap with SDI so we will end up with about 75 there. Plus another 75 if we purchase the Fox property.

**Darren Vogt:** About 300 acres. Council, we have the Legal and the Contractual. Are there any further questions? I need a motion on those.

**Roy Buskirk:** I make a motion to approve the Allen County Redevelopment Fund in the amount of \$35,000 and the CASAD East TIF fund in the amount of \$750,000.

**Tom Harris:** Second.

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**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent).

**Roy Buskirk:** Now the liaison is here for the rest of them.

**Darren Vogt:** How does that happen? Good morning, please introduce yourself for the record.

**Jolie Walker:** Jolie Walker with the Allen County Commissioners Office. I am here for the first part of County Services. Mr. Bolenbaugh is not able to be here today. I was driving this process, a little bit. What has happened, with the closing of the internal Print Shop, is that we have contracted with Fort Wayne Community Schools for printing. That brought in the question of billing out the different departments for their printing. Fort Wayne Community Schools wanted to bill one central location. I don't blame them instead of having to divvy it up. What we do is turn around and invoice the different departments to receive that money back. It was requested to have a revolving line and we can't do that. By the direction of Tera, we have set up a different fund, Fund 307, for the County Services and is right below that. What happens in that fund is that we will have matching expense and matching revenue. With that being said, the transfers are just transferring within the County General County Services fund to that print line. I will write a claim for \$200,000 to Fund 307. That is like an operating cash flow to get it started and then those appropriations in Fund 307 are covered by their own revenue. The cash flow of \$200,000 will just go into Fund 307, get it started and then the estimated revenues cover the estimated expenses. The rest of the money in the County General Fund in County Services will go back into the County General at the end of the year. I will keep reconciling that to make sure that it is going to happen.

**Darren Vogt:** Council, are there any questions on this? It is more of an accounting issue than anything else.

**Jolie Walker:** In the Fund 307, you are going to get real, true cost of everything that is happening. The telephone is going to be there, service repair, toner, printing services and postage. All of the internal services will be paid for by one location and then billed out to different departments.

**Darren Vogt:** Councilman Buskirk?

**Roy Buskirk:** I am not going to let her off that easy. Line six for the printing charges of over a million dollars, is that going to be reimbursed by the departments?

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**Jolie Walker:** On the top part, I am transferring everything down to that line so that it is easier to reconcile throughout the year and to make sure that the money is rolling back into the County General Fund. Does that make sense?

**Roy Buskirk:** No, it doesn't to me.

**Jolie Walker:** I am kind of putting it all in one basket.

**Tom Harris:** So the gasoline that you have listed, what is the gasoline?

**Jolie Walker:** The gasoline for the County vehicles.

**Tom Harris:** So that is moving back and forth for printing and such, right? You are basically taking all of that and sticking it in one account so it can be tracked better.

**Jolie Walker:** It is kind of like putting it into a savings account.

**Tom Harris:** Instead of it going to the gasoline account, it is put into one account so we can track it.

**Jolie Walker:** Right. I am not going to be running the claims out of these accounts. I am going to be reconciling. I want the gasoline line to be zero so there can't be a claim paid by that line on accident. It has to be paid out of Fund 307. It is just easier tracking purposes and for auditing for me.

**Roy Buskirk:** How this appears to me is that you are taking funds from the first five items and paying the printing charges.

**Jolie Walker:** No, I am putting it into that line. I am transferring it from those items into that line. I will then make a claim to Fund 307 for \$200,000. The rest of that money will stay in that line.

**Roy Buskirk:** Okay. I thought that was a charge that you were going to pay.

**Jolie Walker:** No, no, no. That money will sit there for the rest of the year and then roll back into County General.

**Roy Buskirk:** I'm sure that everyone else understood it.

**Darren Vogt:** I had a conversation and so I did understand it. I had a little advantage on you. Are there any other questions on that? One thing that I don't understand is that the appropriation is \$1.32 million in the 307 Fund. How do we get to \$1.32 million?

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**Jolie Walker:** That is the estimated expenses for the year and the \$1.32 million is covered by the revenues.

**Darren Vogt:** That is what was throwing me off a little bit.

**Jolie Walker:** I had great teachers.

**Darren Vogt:** I assume that was the Auditor's Office.

**Jolie Walker:** Yep.

**Darren Vogt:** We can take a motion on all of this.

**Tera Klutz:** You can do it as Department 39, one through six and Department 40, one through six.

**Darren Vogt:** And then we will take the salary ordinance separately. Did everybody get that?

**Roy Buskirk:** Yeah, I'll try it. Move to approve transfer of funds in Department 39, one through five to six. Then approve to appropriate funds in Department 40, one through six. Do you want the amounts?

**Tera Klutz:** That will work.

**Bob Armstrong:** Second.

**Darren Vogt:** **We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent).** We also have a salary ordinance. Are you handling that?

**Jolie Walker:** I just know that there is money in there.

**Roy Buskirk:** This is where the Service Station current manager is retiring and they are hiring a replacement. There is an overlap and I am a little disappointed that it is only eight days but we need to have funds to pay the replacement.

**Darren Vogt:** We need an ordinance to pay them. The funds, they are going to have within their own line item.

**Tom Harris:** Consideration of a temporary salary ordinance for an employee for the purpose of training and establishing the pay within the budget of County Services, line item 100-3901-415, Service Station Manager, 13-84,

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classification of LTC6 and an annual salary of \$38,025. This is effective for eight days.

**Roy Buskirk:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). Department 41, IT, is the one that we are going to have the joint meeting to discuss. Next is the Auditor's Office, appropriate in the General Fund and Workers Compensation.

**Tera Klutz:** I am requesting an additional \$274,500 to supplement or fund our Workers Compensation Self Insurance Fund. We moved to be self-insured in 2006 and as a result have had significant savings even if you consider this additional appropriation. We had a unique circumstance which was not planned for. As a result, we are running out of money in our self-insurance Workers Comp fund. I had a spreadsheet in your packet that explained a little bit about how this unique incident or isolated incident was going to cost and how the additional amount of money would be allocated from all of the other departments that pay into the Workers Comp fund.

**Darren Vogt:** Can you explain a little bit about how that works and how the other departments pay into that fund?

**Tera Klutz:** Yes. Each job in the County has historically been rated and given a Workers Comp code based upon the risk associated with that job. Those ratings were done when we were with a third party insurance rater. We have kept that same analysis and therefore Highway pays into this fund, Memorial Coliseum, Department of Health, Community Corrections and the General Fund pays the most because we have the most departments. Some of our jobs might not be as high risk as some of those other jobs but the sheer number of employees that we have requires us to contribute more.

**Darren Vogt:** Worker Compensation, this is typically how it is done with codes. Clerical employees have one risk. Highway guys will have another risk. That is really how it is done and you have taken that analysis and thrown it out to them.

**Tera Klutz:** Yes and I have heard back from many of the departments and they are all are going to be able to transfer into the Workers Comp line or the Department of Health may need to come for an additional appropriation in the next few months to pay their portion.

**Darren Vogt:** Councilman Howell?

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**Kevin Howell:** This is a learning experience for me here. Is this on a rolling basis?

**Tera Klutz:** What we do every year is budget in the General Fund and in the Department of Health Fund, Community Corrections, Highway Fund and the Memorial Coliseum. An expected amount of money that we will need that is transferred into the Workers Comp fund every year. We use this Workers Comp Fund on an as needed basis. If somebody gets hurt on the job and it is determined to be a Workers Comp issue, Cathy can correct me if I am wrong and she is our Workers Comp Administrator, then we will pay the expense from that fund. Any amount of money that is left in that fund stays with the County. In fact, one year we had such little claims for three years in a row that there were no contributions from those other departments into the fund because we had a healthy fund balance because our Workers Comp experience had been so low.

**Kevin Howell:** What factors or calculations determine what goes into where?

**Tera Klutz:** The expenses. We look at historical expenses and trend that to estimate what we will need.

**Kevin Howell:** How far does it go back in terms of your trending?

**Tera Klutz:** When we started in 2006. The basis for that year was that everybody put in what they had budgeted before when we were paying an outside insurance vendor. That became the first year's contribution and that amount ended up being enough and significantly higher than our actual experience over those three years that we were able to reduce the amount that we were budgeting and putting into the fund because we were not having a matching Workers Comp expense. We were left with a rolling fund balance.

**Darren Vogt:** This fund does not roll into the General Fund.

**Tera Klutz:** No.

**Darren Vogt:** It stays in its own appropriated line and we appropriate every year at budget time.

**Tera Klutz:** Actually the fund does not require appropriation because you appropriate the money in the General Fund and you appropriate the money in those other funds and then a claim is written from that fund. It is similar to our health insurance. The only expenses that can come from the Workers Comp fund have to be related to the Workers Comp expense. Since you will

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never know when you are going to have an expense, that fund does not require appropriation. It is holding there for Workers Comp expenses only.

**Kevin Howell:** So basically it is a year-by-year static fund unless you need it.

**Tera Klutz:** Yes and we don't have to contribute to it if we didn't need it.

**Kevin Howell:** Okay.

**Tom Harris:** The question with that is what is the amount that we generally set aside?

**Tera Klutz:** It has kind of changed over the past five years but the General Fund has generally put around \$400,000 a year.

**Tom Harris:** And so we are self-insured.

**Tera Klutz:** Yes.

**Tom Harris:** One of the ways that you measure is through a mod factor and to understand how much you are paying in and paying out. Do you have an idea of what that mod factor is for the County in terms of the industry standard for rating Workers Comp?

**Cathy Serrano:** Cathy Serrano, Director of Human Resources and still acting as Risk Manager. I don't have that off the top of my head but our Workers Comp TPA routinely goes out and looks at the industry for us for those factors and percentages and so forth. I can get that for you.

**Tom Harris:** Yes, let's do that. It's a rating system in the industry for Workers Comp to really evaluate how much you are putting in to how much you are paying out. This is an area that I pay particular attention to, that is my field a little bit. It is also a relationship of how safe it is for an employer. We ought to see those numbers going down or stagnant or something. I would be interested in seeing the last few years as we go forward here.

**Tera Klutz:** I have the history of what we have paid in and what we have paid out, to the penny, since 2006.

**Tom Harris:** Do we publish or promote or communicate our overall throughout the year in terms of how we are going?

**Cathy Serrano:** On an informal basis, I don't necessarily communicate across department lines how another department is or isn't doing. It is part of our

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safety program and we reward departments, give them an attaboy. We go out and put up posters and that kind of thing saying “hey you are doing great”. For example, the Highway Department is a really good example. They have had a really low recordable rate since January of this year. We recently went out and put posters up. There were no vehicular accidents that were accountable in the Highway Department for over 109 days. We go out and make sure that they see it in that way. I don’t necessarily communicate across departmental lines.

**Darren Vogt:** Councilman Howell?

**Kevin Howell:** Two questions, one for you and one for the President and senior member here. Do you do a yearly assessment of Workers Comp? Do you make it public or how does that work?

**Cathy Serrano:** No, I have never done that.

**Tera Klutz:** You provide training. She provides ongoing training to mitigate accidents in the workplace.

**Cathy Serrano:** I think the Councilman is talking about publishing the figures and the loss data but no, I keep that fairly internal. Of course it is always available to the Council and the Commissioners. I don’t put that out to the departments, per se.

**Kevin Howell:** To the President and senior member here, do we do a yearly public overview of what we have saved or spent?

**Darren Vogt:** Not on something like this.

**Cathy Serrano:** I do make a report to the Commissioners to give them an assessment of what I had been doing as a Risk Manager and where I see cost savings and how many questionable claims we had and what I did on claims that I thought were questionable. Also, what we were averaging per claim and those kinds of things. I have made that kind of report to the Commissioners.

**Darren Vogt:** I think the only way to go and get a comparison is to go out and get a bid for actually purchasing insurance ourselves as an outside party taking it over versus what we are spending. I think that is what we have found is that it has been better off doing it that way.

**Cathy Serrano:** Considerably.

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**Darren Vogt:** Rather than buying it on the outside market.

**Cathy Serrano:** Part of that was, in retrospect, we converted to being self-insured in 2006 and we also changed our third party administrator a few months after that when we found out that the preceding administrator wasn't being quite as aggressive. It really requires you to keep an on-hand, day-by-day look at each and every case. You have to look at re-pricing and getting the discounts that you are entitled to as a Workers Comp provider and making sure that you are steering that treatment because as an employer, you can do that. It takes a lot of hands-on to keep those costs down. That wasn't happening in the past. You went for about a year without a Risk Manager and so the cost tended to escalate. Part of that was when you got someone in there to look at that on a day-by-day basis. That helped the cost come down and putting emphasis on safety and training which helps the cost come down. You have to watch the provider costs and changing as you need to because you can do that as the employer.

**Darren Vogt:** It is basically paying retail versus a negotiated rate.

**Cathy Serrano:** Exactly.

**Roy Buskirk:** One thing too is it's hard when you are self-insured to say that this year we saved so much because of the fact of what occurred now. When you have a year in which it is going to show a negative and we never saved money. You have to kind of use some sound judgment when you look at the numbers.

**Cathy Serrano:** You sort of have to take that one strange, and I do that on the annual basis when I report to the Commissioners. I had these four really large hits and you can take them aside and look at the rest of the experience and we are doing pretty good.

**Roy Buskirk:** We had a freakish accident. A gentleman fell down some steps and died. That is the reason for the large cost and it is basically because one accident happened.

**Cathy Serrano:** That's right and it is our very first year of going into our excess fund. We have a stop-loss fund and it is our very first year of tapping into that. That is going to have to come into play now because we have a death benefit that we have to pay as well.

**Darren Vogt:** Council, are there any further questions on Department Two, the Auditor's Office, Workers Compensation for \$247,500? We need a motion.

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**Roy Buskirk:** Move to approve an appropriation in the General Fund for Workmans Comp in the amount of \$274,500.

**Bob Armstrong:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). We do not need Department 42, County Council reduction, right?

**Tera Klutz:** Right.

**Roy Buskirk:** I have a question on that.

**Darren Vogt:** Okay.

**Roy Buskirk:** How much do we have in the County Council Contractual?

**Tera Klutz:** In the financials, in the General Fund tab.

**Roy Buskirk:** I just figured you knew it off the top of your head.

**Tera Klutz:** I sure do but wouldn't you rather see it while I am saying it?

**Roy Buskirk:** Okay, all right.

**Tera Klutz:** Behind the financial information in the General Fund tab, you will find a sheet titled County Council Outstanding Projects. About a third of the way down, you will see Alternative Funding Sources Currently Appropriated in Council's 2011 Budget. The County Council's Contractual line item is \$950,000. That has been a carryover for the past few years and originated from a time when tax bills were late, certified rates were late, certified budgets were late and as a result, we were not able to do appropriations. Council had appropriated some money where they would be able to unappropriate and re-appropriate as needs came up in the beginning of the year. No year has been like this year with doing additional appropriations. That is how much you have available.

**Roy Buskirk:** So, the \$700,000 that we possibly will need, the \$217,000 and change is out of that fund, where is the rest of it?

**Tera Klutz:** From the \$813,000 above, the County General available for appropriation.

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**Roy Buskirk:** Thank you.

**Darren Vogt:** With the appropriations that we did today, we have about \$500,000 left.

**Tera Klutz:** I can tell you really quick.

**Roy Buskirk:** So we could take more out of that Contractual line and leave more in the appropriation instead of wiping the appropriation to zero.

**Tera Klutz:** Yes you could. I have that you have \$482,317 left after today's appropriations.

**Darren Vogt:** Okay. Council, are there any other comments on that? We will move to Discussion Items. We have the Highway Department to discuss a possible Rainy Day Fund loan to purchase dump trucks. Council, you should have received today a note, that I have not had a chance to read, from the Highway Department.

**Bill Hartman:** Good morning, Bill Hartman, Allen County Highway Department Director.

**Rick Eubank:** Rick Eubank and I am the Fleet Manager for the Highway Department. At the beginning of the session today, we handed out this document to explain to you what we are trying to do here. Usually we don't have to come to Council for things of this nature because usually it is in my budget. Over the last three or four years our Highway budget for new trucks and equipment has been reduced from \$1.2 million down to \$300,000. There were a few years where we were unable to purchase trucks and we have gotten ourselves into a bind. To try to make things work, we thought that we could borrow money internally to make this kind of purchase instead of going to an outside banking source and paying them interest.

**Bill Hartman:** Basically we would like to buy ten trucks all at once. With the budget that we have now, we have to piecemeal and buy two or three trucks at a time and as you can see on the list on the back, there are about three different makes of vehicles. We would like to consolidate that down to one make. As you can see, there are several model years which create issues on stocking parts for the fleet. If we purchase ten trucks at once then with starters and alternators, we would only have to have one or two on hand for ten trucks and as you can see, with the different years and makes, there are many more parts that we have to stock. We are looking at some savings for that. This is a program that we would like to start this year and pay this off in five years. We would then go and buy another ten trucks in five years and

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start turning the fleet over. As the second paragraph states, we have 35 trucks now and we are going to go down to 32 trucks. There are 13 that we would like to trade in. You can see the mileages on these. The vehicles and repair cost from 2008 to 2010 and it has the original purchase price. This program is primarily what Rick has come up with and I support. We went through Bob Bolenbaugh and the Purchasing Department about getting a loan on the outside. He talked that over with Commissioner Peters and the Auditor and we thought that an internal loan might work out for us.

**Tera Klutz:** They inquired to see if Council might be open to doing an internal loan from the Rainy Day Fund or any other fund that was available. We have money available in the Rainy Day Fund and it is a common use of the Rainy Day Fund to borrow temporarily from the fund for cash flow purposes. This would be a five-year loan but it would be \$1.6 million and I feel that there is enough funding in the Rainy Day Fund to allow this. They would pay it back beginning even this year and they would pay it over five installments. We thought that the interest quote that they got from Bob Bolenbaugh was 2.68% and we thought if we would charge 1.5% interest that it still would be better than what we are getting with our Rainy Day money.

**Darren Vogt:** Let's open this up for questions. This is the first time we are seeing this from a discussion standpoint and I am not sure that we are ready to act on it today.

**Bill Hartman:** We don't intend that.

**Tera Klutz:** There is no way that you can today. This is just to see if you guys are open to the idea.

**Darren Vogt:** Okay. Councilman Buskirk?

**Roy Buskirk:** You said that previously you had been receiving \$1.2 million and now it is like \$300,000. What revenue stream is that from?

**Bill Hartman:** MVH and LR&S. We had to cut our overall budget by 20% and the truck line item was taken in that reduction.

**Roy Buskirk:** And so the revenue is based upon the number of miles in the unincorporated area and every time there is an annexation, money is transferred then to the City or whoever is doing the annexation.

**Tera Klutz:** Even possibly other Counties. There are parts of the formula that are divvied out based upon our unincorporated population and road miles to other Counties. There are three different formulas that tie into the allocation

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of MVH. Every time an annexation occurs, we lose money not only to Cities and Towns but also to other Counties. Also vice versa, if Fishers is annexing, we can possibly get more revenue.

**Roy Buskirk:** How much was it last year? How much money did you receive last year?

**Bill Hartman:** \$300,000 is our truck line item.

**Darren Vogt:** Let me interject for a second. That is a line item that you set yourself.

**Bill Hartman:** Yes we did.

**Darren Vogt:** You decided that you were going to put \$300,000 into this and the reason that you have put less in is because the overall pot has shrunk.

**Bill Hartman:** That is correct. We also have a repair line item that we are going to transfer into this in order to have enough. We feel that we will save enough in repairs that we can transfer from that into our budget for when the payment comes due.

**Rick Eubank:** The thing of it is that the payment that we have calculated would be approximately \$350,000 and we are already budgeting \$300,000 for new trucks. We will save \$50,000 in what we pay out in repair parts. We can easily budget for the next five years to pay this back. It makes our budgeting easier.

**Tom Harris:** Without getting too detailed here, I am not looking for this answer now, there has to be a ratio of the repair cost in looking at how much of the repair cost is due to age of the vehicle and use and abuse, right? The truck that is being used today could be a 2010 truck and you will still pay \$10,000 because something happened to it versus a truck that was purchased in 2000 and we paid \$10,000 and it may be an age issue. There has to be some ratio in your repair cost and it would be interesting to understand that. In other words, you have a cost down here for \$27,000 for unit number 197, and I don't want to talk about that truck please, but is that due to the age of that truck or something that was due to the normal routine? That is one question and the second one is if you are going to move from 35 trucks to 32 trucks, you could just eliminate your top three items if it is based on age. If you are spending the most on those, you can knock those repair costs out immediately.

**Bill Hartman:** We still have the rest of an aging fleet.

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**Tom Harris:** I understand that. This concept of purchasing in bulk is something new?

**Rick Eubank:** I have been in the Highway Department for thirty-five years and the largest truck purchase I can ever remember making was six trucks. Something that I didn't really realize until I was putting this together, on the second page on the far right, it shows the original purchase price. If you look at the second and third item, it goes from \$59,000 to \$54,000, in 1995 four vehicles were purchased at the \$59,000. The next year, 1996, was the year that we purchased six vehicles at one time and those vehicles are like- vehicles and you can see what the cost savings were there. I don't know if we can save that much at this time.

**Darren Vogt:** I think in today's environment, moving those kinds of units, you might. That is one of the questions that I have. Point number two says that the cost per truck goes down by purchasing ten. That is some of the things that I am interested in seeing. What are we going to save? If we buy two or three that is in our budget or if we buy ten, what is the cost going to be? Those are the kinds of things that I am looking for. Those are the concrete numbers that I am looking for. The concept, I don't have a problem with.

**Tom Harris:** I agree with that. The challenge comes with all of those trucks start going out at one time five to seven years from now. So all of a sudden, dealing with a few every few years, now you have to replace an entire fleet.

**Rick Eubank:** Well, you're right. What I would like to do is run the trucks fifteen years which would be the life cycle. That is five years more than it should be but it is what we can afford to do. If we can do the ten this time and then when they are paid off in five years, we would buy another ten. Our fleet is thirty and so every fifteen years the fleet would turn completely around.

**Tom Harris:** I see.

**Tera Klutz:** And they are still paying the same amount every year.

**Rick Eubank:** When our budget was reduced, at one point we had achieved a ten-year turnaround which was great. We can't afford to do that anymore. One vehicle is a 1992 and that is the last one left from that series of trucks.

**Tom Harris:** If you purchased a truck today, how long do you expect it to last?

**Rick Eubanks:** I am hoping for fifteen years.

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**Roy Buskirk:** That is one thing that I would like to see is what kind of savings we would have in buying blocks of ten.

**Darren Vogt:** One more thing, to Councilman Harris' point of maintenance, how much is really routine maintenance that is a mechanical failure versus an accident that happened in the normal routine. That would be a good analysis if it's possible. If not, I can understand that you may not break it down that way but I think it would be helpful. These are three-year numbers, if you notice, Council. They are for 2008, 2009 and 2010.

**Roy Buskirk:** Yes, they are only averaging about 60,000 a year. Brand new ones are going to have maintenance cost.

**Darren Vogt:** Try to delineate the difference. Councilman Howell?

**Kevin Howell:** When is your drop-dead date on this?

**Bill Hartman:** There really isn't one.

**Rick Eubank:** This is actually the start. I cannot proceed unless I am sure that I have funding to be able to do it.

**Bill Hartman:** We have a line item and can buy a couple of trucks each year but this is a new concept that we would like to try. We can buy a couple of trucks and reduce the fleet by a couple of trucks as well but we are proposing this new concept.

**Darren Vogt:** Are there any further questions, Council? Councilman Buskirk?

**Roy Buskirk:** The tandem axles are the ones that have a lot of maintenance cost.

**Rick Eubank:** That and they have the most mileage and are driven the most. Those particular vehicles are some of our mainline vehicles. All of those have had the engines rebuilt. I don't know if that is in these figures but they have had transmissions and differentials. To get this much life out of them, we have had to replace the dump beds on them and things like that.

**Roy Buskirk:** Replacing the engines, there are a lot of trucking companies that do that. They get 250,000 miles on them and replace the engines and run again.

**Rick Eubank:** If anybody would want to, you can come out and take a look at them and what is happening to them. For us it is the age and what we are

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doing out there. The sand and the salt that we have causes serious rust issues.

**Darren Vogt:** Are there any further questions? Who is your liaison?

**Bill Hartman:** Bob.

**Darren Vogt:** If you could work with him and he can update us and we will bring it back up for further discussion.

**Bob Armstrong:** We've met and all three of us have discussed this. As we move forward, I will get back with you and let you know what our plan is.

**Bill Hartman:** We will work on your questions. Thank you.

**Darren Vogt:** Next up we have the ARMAD/9-12 Military Appreciation Day. Do you want to take this, Kevin?

**Kevin Howell:** Yes, Mr. President and Council members, what this is a celebration of veterans on Memorial Day. This is the first of its kind and the City of Fort Wayne is giving a proclamation to this affect. I want to make sure that Allen County is definitely represented. We represent all of Allen County and the City of Fort Wayne is in Allen County. We are honoring veterans who have served and are serving and essentially I want to ask for a proclamation from Allen County and signed by our President on behalf of all of us. I will then make the presentation at the May 28<sup>th</sup> celebration.

**Roy Buskirk:** On the 28<sup>th</sup>, starting at 11:00, at the Classic Café on Hillegas Road is where this is going to occur. It is an all-day affair and the letters that you are reading off has to do with the radio communication that they will set up there for you to talk to anyone throughout the whole world. In other years when they have done this, you can talk to family members in other places. It is a program in recognition of all of the veterans that have served and of the current military personnel. It's a great program.

**Darren Vogt:** So what you are asking for is basically a proclamation similar to the one that we have here. We can get that drawn up and Kevin will be there to present it. I am assuming that no one has any issue with this. We need to support our men and women that protect us each and every day for the freedoms and liberties that we have. We have unanimous consent and we will get that drafted up. Becky, if you can draft something up and get it to me, I will come in and sign it. Next is the Strategic Plan, Tom.

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**Tom Harris:** The last time that we brought this up at the last meeting, as the County is moving forward on its annual Strategic Plan review, that meeting is happening this afternoon. Larry Brown and I are on the committee, as is the Auditor, and it was suggested that we might consider having something from the County Council's perspective. You had this before you last month and the comment was that we might want to add something under Collaboration or something that would represent our involvement with State Representatives and State Senators to communicate the needs of County government. If you look under the Collaboration column, it says work with State Representatives and State Senators to enhance the communication of County needs. Under Activities and Tasks, we added members of Council will work with area State Reps and Senators to communicate changing needs and views of County government. That was the addition from last month. With Council's approval, we will go ahead and submit this to the Strategic Planning Committee for inclusion in this year's document.

**Darren Vogt:** The only thing I would note is, after conversations with the Auditor, you included at the bottom to create a Rainy Day Fund and rollover policy to guide County Council. We may be changing part of that and the rollover policy may not occur. We can leave it in there with a minor tweaking of it. There may not be a necessity for it.

**Tom Harris:** Sure. We can do a couple of things. We can pull it out right now but we are not bound to these items. It is kind of a vision in terms of where we are going. Those things are going to change as time goes on.

**Darren Vogt:** It may change that we may want to have it at some point.

**Roy Buskirk:** Create a Rainy Day Fund, we already have that.

**Tera Klutz:** Policy is what you need to look at.

**Roy Buskirk:** Oh.

**Tera Klutz:** We are still working on that.

**Roy Buskirk:** Is there anything to report on that?

**Darren Vogt:** Not yet. Is there a motion to accept this as our strategic plan piece?

**Roy Buskirk:** So moved.

**Bob Armstrong:** Second.

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**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). Board updates and appointments. Does any Council member have any kind of Board meetings or upcoming meetings? Council, you have an update on the meetings that I have with the Commissioners. This is making sure that we are being kept up to date with them. If you have any tweaks or modifications on this, get with Chris. It is a work in progress and as we see the need to modify or adjust, it is our tool to help us communicate as to what is going on. If you recall, we are going to have a joint meeting on the 31<sup>st</sup>, Tuesday, at 5:30 p.m. It will be at the Library. I haven't gotten all of the details. Councilman Harper was still sending me messages during the meeting this morning. I am to call him and I will find out exactly where. I have received a letter from the Allen County Genealogical Society and they are celebrating their 35<sup>th</sup> year. As many of you know, the Genealogical Society is the second largest in the world and they would just like some letter of support acknowledging what they do and how much they contribute. I will get with Becky and draft something along those lines and get it out if Council is okay with that. When you look at the visitors and people from thirty-five different States and foreign countries that come to our facility and you look at it from an economic development impact, it definitely has some impact. Council, are there any other questions or discussion items that need to be brought up this morning?

**Roy Buskirk:** Our next meeting will be at Citizens Square?

**Darren Vogt:** If all goes well, it will be June 16<sup>th</sup> at the Citizens Square Courtroom.

**Roy Buskirk:** Where is that at?

**Becky Butler:** The lower level. The Garden Level which is the basement.

**Darren Vogt:** I have not been over there to see how it is coming along.

**Becky Butler:** It is under construction right now so you can't.

**Tera Klutz:** Becky will work with trying to figure out where you are going to park and if we will still have the meeting there. We went there and tried to get in but it is still under construction. We will keep you updated.

**Darren Vogt:** So that is tentative but Becky will keep us updated.

**Roy Buskirk:** I timed it the other day and it takes about seven to eight minutes to walk from here to there.

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**Tera Klutz:** That's good because you may still have to park down here.

**Darren Vogt:** We need someone to approve to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of May 19, 2011.

**Tom Harris:** So moved.

**Kevin Howell:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent). We need a motion to adjourn.

**Roy Buskirk:** Move to adjourn.

**Bob Armstrong:** Second.

**Darren Vogt:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Brown and Moss absent).

There being no further business, the meeting was adjourned at 10:14 a.m.