

**ALLEN COUNTY COUNCIL MEETING MINUTES**  
**AUGUST 5, 2013**  
**8:30 AM**

The Allen County Council met on Thursday, August 5, 2013 at 8:30 am in the Discussion Room at Citizens Square. The purpose of the special meeting was for additional appropriations needed for Stonebridge Business Park.

Attending: Robert A. Armstrong, Larry L. Brown, William E. Brown, Roy A. Buskirk, Tom A. Harris and Darren E. Vogt. Kevin Howell was absent.

Also Attending: Tera Klutz, Auditor; Nick Jordan, Chief Deputy Auditor; Jackie Scheuman, Finance and Budget Director; Commissioner Therese Brown; Commissioner Nelson Peters 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:** Good morning everyone. Council, we have only one item on the agenda. This is for some funding of infrastructure. We have an appropriation request for \$500,000 and we are going to some other funds for \$6,405,000. Commissioners, I am not sure who is coming up.

**Nelson Peters:** Good morning, Nelson Peters, Allen County Commissioner.

**Therese Brown:** Therese Brown, Allen County Commissioner.

**Dawn Rose:** Dawn Rose, Commissioners' Office.

**Nelson Peters:** Thanks so much for the opportunity to come before you today and for the special meeting. We believe the special meeting was really necessary in the name of time. You'll hear a little bit more about that in just a second. When we began the Shovel Ready program back in about 2007, we thought that all we had to do was own the land and they would come. We have had pretty good success with General Mills and other expansions of Vera Bradley and Steel Dynamics. What we have learned, as of late, is that it is not just owning the land that will bring people to the table as quickly as we'd like. We have learned that we really need to have infrastructure, utility work, drainage and the road work completed. We believe that we have actually lost projects recently because we didn't have the entire infrastructure in place. So what we are trying to do is finish building out the old Silverado Park which is now referred to as the Stonebridge Business Park in terms of getting that infrastructure in there. In doing so, there will be cost to do that. I mentioned the timeliness of the issue. We took bids last week. In order to award the bids, we have to have money in hand. We are in early August and we have contractors and construction people out there saying if we are going to get this done before the seasons change and you can truly benefit and be more inviting to prospective businesses, we don't want to lose any time. We are here today to ask for your

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consideration regarding a funding scheme that we have put together. Commissioner Brown will talk about that a little bit more.

**Therese Brown:** Thank you, Commissioner Peters. What you have before you is a combination of transfers and additional appropriations. We are asking for half a million dollars from the General Fund and \$1.8 million out of CEDIT to then be transferred and then appropriated in a new fund titled Stonebridge Fund 842. That is for us to be able to award the contracts at the end of this week. Keep in mind, I think you also have this in front of you, there are a variety of different things that are considered in the bid package. The Highway Department and the Redevelopment Commission will determine all the things that need to be done. We know that the bids were a wide range. We know that there are alternates that may be picked and also that we need to keep in mind contingencies. With that said, all of the money is going into the Stonebridge Fund, specifically into line items so that they can address contractual and structural issues. Also, the fact that we have money from other areas going into this, on this sheet, where we already have funds that are appropriated in CEDIT Fund 329 for the incentive funds for economic development for \$250,000, BF Goodrich for \$250,000 and the GM Bond \$485,000. Those amounts are set aside based on if there is a potential failure of those companies to pay their bond payment then we are securing CEDIT funds to make those happen. Since those will not be necessary for the first half of this year, those funds can be moved and used in this project. The economic incentive out of Special COIT Flood is \$150,000. Drainage expenses out of the Special COIT Flood Fund and Contractual out of the Special COIT Flood Fund for a half million. All-in-all we are asking for \$4,605,000 to be appropriated at this time. Do you have any questions?

**Darren Vogt:** Do you want to talk a little bit about the bids and how they came in so Council is aware?

**Therese Brown:** I believe the range of bids came in as low as \$3.8 million and as high as \$4.55 million.

**Darren Vogt:** Council, if everything went and the bid was what it was and there were no overages or contingencies came in we would have about \$800,000 additional. We haven't talked about pro-rating the funds back. Is that the game plan? I know you have the percentages of what had what. Should we have some sort of agreement as to where that money should go back in to? Personally, I would like to see it used for economic development in whatever fund the Commissioners have set aside for that. I really would rather not see it go into CEDIT. I would rather see it go into your fund under your control like we have talked about in the past.

**Nelson Peters:** Certainly we are not going to spend any more than we have to. As we have suggested to you, we believed that fund that had \$2.5 million in it at any one time would be appropriate for various contingencies. As we have talked in the past, there are other projects that could fall on the heels of this project and would require additional dollars. We would certainly appreciate that consideration. We will be as cost conscious as

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we can in this particular project and any additional dollars, we believe, ought to be spent for economic development.

**Darren Vogt:** Councilman Harris.

**Tom Harris:** The little that I know and in talking with the folks in economic development field, the certified properties is where we need to be and I think that is what you are saying this morning as well. Shovel Ready sites and Certified sites are going a little bit further to make sure that you are not just buying the property and making sure that all of the infrastructure and everything is ready to go. My recommendation and thought would be that the additional funds should be used in that way as well. If you have additional funds, use it to get us to a certified position rather than just buy additional property.

**Nelson Peters:** One of the things that we have learned is throughout this entire process is that certified is in the eye of the beholder. You have different definitions of certified from local to the State and so on and so forth. I think what we are trying to do here is to go beyond certified and make sure that we have the things that we now know will attract those businesses out there. We still have a couple of other business parks that we would love to get into the same position that we are trying to put this one in.

**Tom Harris:** I guess that is my thought, if there are additional funds, possibly that could be used to get those sites ready and be in a position to move on them as well.

**Therese Brown:** Absolutely. I think what Commissioner Peters is saying is that the property's purchased and has been sitting there and it is ready to be utilized in some fashion but the infrastructure not being there has made it difficult to take it to the next step and to leverage it as some have suggested it needed to be. We had Chris and Dawn go through with Mark Royse and look at different dollar amounts and infrastructure needs for our other properties and it is considerable. There are things to be done in certain areas between water extensions, sewer, roadways and drainage which are always a big one. We will definitely have the ability to utilize some of the excess funds to start leveraging those properties as well.

**Tom Harris:** That seems to be the name of the game to make sure that these sites can be moved on quickly. This puts Allen County in a good position.

**Therese Brown:** To add to that, I think we are being very proactive in a lot of the things that we are doing at this time. I think Commissioner Peters would agree as well that our Economic Development staff has gone above and beyond in redevelopment as well in looking at what the engineering needs would be to get some of these parcels ready. Instead of waiting for someone to say that they wanted to potentially locate, we are looking at what a parcel could look like if it was developed as one piece or subdivided into many. We are still moving forward.

**Darren Vogt:** Councilman Brown.

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**Larry Brown:** I have a couple of questions. Can you tell me if the scope of work in the bids that you referred to came in at the range of \$3.6 million to \$4 million something? Does it match what we are seeing on this sheet? Can we compare that figure to the \$3.951?

**Therese Brown:** What sheet are you looking at? Oh, there it is. I think that is more of a question for the Highway Department. I think all of the components are there so that whatever bid options they are going for are all inclusive.

**Nelson Peters:** I think it is more appropriate to compare it to the \$4.2 million.

**Roy Buskirk:** Correct.

**Nelson Peters:** The difference between the \$3.9 million and the \$4.2 are the contingencies.

**Larry Brown:** The question is still the same. Does the scope, the summary column, match the bid?

**Nelson Peters:** The answer is yes.

**Larry Brown:** Okay, question number two. As you have heard and I have heard and most of the people in government have heard, fiber is missing from some of the older industrial parks. What is the scheme, nowadays, for fiber for these businesses because the potential compliance in this particular part will be higher tech and fiber will be absolutely necessary?

**Nelson Peters:** Fiber has not even been considered in this particular bid.

**Larry Brown:** Should it be?

**Nelson Peters:** Probably. If you are talking a fully built-out industrial park, yes.

**Therese Brown:** And quite honestly, I suppose, how all of the alternates come in and what the bid price is, we have some leverage there. That is something that the Redevelopment Commission probably should be discussing.

**Roy Buskirk:** Typically, the cost of that is picked up by the communication companies.

**Larry Brown:** I am just asking the question.

**Roy Buskirk:** Okay. They run their own cost out in that area. It would be Frontier.

**Darren Vogt:** Councilman Buskirk, did you have a question?

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**Roy Buskirk:** Yeah, I have a question as to what funds, after this project is done, do we still have available in case of some expense on one of the other Shovel Ready sites that we have come up? Are we pulling every cent out of our different funds and leaving zero balances?

**Therese Brown:** We do know that we are going to have extra money coming into CEDIT next year. We have those dollars and we have earmarked them. We don't know that we are going to have to appropriate additional dollars instead of rolling over what was covering the TIF Bonds, the Nestle and all of that. We have money in there. I think we still have half a million in the Flood Control Fund or is this completely taken care of?

**Dawn Rose:** Yes. Motorola is being paid out of there.

**Nelson Peters:** It gets us pretty close to zero.

**Roy Buskirk:** I just found out over the weekend that there are 40 acres that are coming up to auction that is adjacent to our Shovel Ready site on Bluffton Road. It is November the 13<sup>th</sup>. If the County would have any interest at all in adding that on to the balance of the ground that we have there, at General Mills, do we have some left in the pot that we can get hold of? I guess what I am hearing is that there would have to be an additional appropriation.

**Therese Brown:** That is highly possible but I am not sure how much money is left in the Redevelopment Fund.

**Darren Vogt:** I am looking at it a little bit differently and would rather make sure that we are focused. We have ground and our original conversation was short-term, mid and long-term range with ground. I would like to see us get focused on the ground that we have and get it to the point where it is truly Shovel Ready and that someone can have a building up within sixty and ninety days. Right now, we don't have that opportunity. To go and acquire more ground if funding isn't there, I am not sure that we are ready for that step yet. In my personal opinion, we already have enough ground that is already like that. Councilman Brown.

**Bill Brown:** I agree with you Councilman Vogt. This is really a well thought out municipal utility plan along with taking the lots and the sites that we have and preparing them with the public funds. Councilman Brown, to your point, it is good to think about all of those utilities but typically the utilities, NIPSCO, electric and fiber telecommunications will come into alignment with the economic development folks. You weren't anticipating that the County would pay for that, were you?

**Larry Brown:** No, I wasn't suggesting that the County pay for that. There are just some where the utilities are not up to speed.

**Bill Brown:** Make sure that the alignment is all in place. This is really a good project.

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**Darren Vogt:** Council, are there any further questions? If not, we need some motion to move forward.

**Bill Brown:** I will make a motion that we appropriate, do we need to do all three of these separately?

**Darren Vogt:** Yes. You can make it all in one motion.

**Bill Brown:** Move to appropriate \$4,605,000 in a total of three funds for in the County General Fund of...

**Tera Klutz:** It is not a total. They are all three separate.

**Bill Brown:** Move to appropriate in the County General Fund for Contractual in the amount of \$500,000; appropriate in CEDIT in the about of \$1.8 million and appropriate in Stonebridge Fund, \$4,605,000.

**Tom Harris:** Second.

**Darren Vogt:** **Is there any further discussion? All in favor signify by saying aye, opposed, same sign. The motion passes 6-0-1 (Howell absent).**

**Nelson Peters:** Thank you very much. We appreciate it.

**Darren Vogt:** That is all we have on our agenda.

**Larry Brown:** Make a motion to approve to waive the reading on any matter approved today for which it may be deemed necessary for the County Council meeting of August 5, 2013.

**Roy Buskirk:** Second.

**Darren Vogt :** **All in favor please signify by saying aye. The motion passes 6-0-1 (Howell absent).**

**Bob Armstrong:** Move to adjourn.

**Larry Brown:** Second.

**Darren Vogt :** **All in favor please signify by saying aye. Opposed like sign. The motion carries 6-0-1 (Howell absent).** There being no further business the meeting was adjourned at 8:50.