

ALLEN COUNTY COUNCIL MEETING MINUTES
NOVEMBER 25, 2014
8:30 AM

The Allen County Council met on Tuesday, November 25, 2014 at 8:30 am in the Discussion Room at Citizens Square. 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: Robert A. Armstrong, Larry L. Brown, William E. Brown, 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 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. First on the agenda is the approval of the September 18th and October 16th meeting minutes. Are there any additions or corrections?

Roy Buskirk: Move to approve the minutes from September 18, 2014 and October 16, 2014.

Bob Armstrong: Second.

Darren Vogt: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. With that we will move onto our financial report, Tera.

Tera Klutz: Good morning, Council. I hope you have had the opportunity to review the October 31st financial statements. So far, the revenue is still tracking as expected. We are still going to get a property tax advance this month from the tax collections and then we will settle everything up in December. We still anticipate hitting our revenue targets. Expenses are also on track. I don't anticipate a large rollover, maybe a minimal one just from turnover throughout the County. We have no appropriations from the General Fund this month and this was the last month for General Fund appropriations. The amount left for appropriation of \$1.2 million, I expect to roll to January of 2015.

Darren Vogt: Great. Council, are there any questions? Councilman Buskirk.

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Roy Buskirk: I have one and it is concerning the license branches and the possibility of the County having to reimburse people that paid too much. I believe it was excise tax.

Tera Klutz: Yes. I can give you an update on that. We found out that the BMV had overcharged some taxpayers for some vehicle class types because of an input error into their new software system. They are requiring the Counties to reimburse and fully fund that refund back to the taxpayers. Allen County's was about \$861,000 and of that the County amount was about \$166,000. This morning we are hearing reports that the BMV has miscalculated that refund and that they have given too much money back to the taxpayers. As funny as that may be, it really makes me sick to my stomach and saddens me because it makes us all look bad. We cannot rely on the information that we are getting from the BMV and therefore the public will start mistrusting everything that comes from local government or State government. We try really hard to get it right the first time. I think we are going to have to meet with the BMV and get into the details of their calculations.

Roy Buskirk: I understood that it was something like 60,000 Statewide that they had reimbursed in excess of what they should have been.

Nick Jordan: I am not sure.

Tera Klutz: Nick said that he had heard 200,000 floated out this morning on local radio. I am not sure.

Roy Buskirk: I thought their approach was that they were going to send out letters to the people and ask them to not cash the checks that they had received.

Tera Klutz: One person got a letter saying that they owed the BMV \$860 back. That seems like a pretty significant amount of money.

Roy Buskirk: So your suggestion is to stay tuned?

Tera Klutz: I guess we all are staying tuned.

Darren Vogt: Larry.

Larry Brown: Tera, would it be your Auditor's Association that might be meeting with the BMV? Do you know?

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Tera Klutz: Yes. Not only the Auditor's Association but the Association of Indiana Counties has been an integral part of the meeting process so far. They are the ones who have met and determined how these deductions would be taken. They would be taking three percent of every single excise distribution and we get excise distribution almost daily. The original amount would have been paid back in two or three years. We don't know what the revised number is yet but the Association of Indiana Counties was able to delay the amount that they would take back until next year just because we are already in this budget year.

Roy Buskirk: Thank you. Do you think there would be a possibility through legislation that the State could pick up this cost? What you were saying, 861,000 for Allen County but only 166,000, and I use the term only loosely, is the County's share and so obviously you have over 660,000 which is the City of Fort Wayne and all of the different small municipalities.

Tera Klutz: The City of Fort Wayne is over 200,000 and the bulk of the remaining amount is from the four schools.

Roy Buskirk: I forgot about the school corporations.

Darren Vogt: Every taxing unit, right?

Tera Klutz: Yes.

Darren Vogt: Are there any other questions on that matter? I have one on the Child Support IV-D. That is a little under and we should be on track. Have you had any conversation on that at all?

Tera Klutz: The only thing I can mention is that we got two distributions in this last week. I feel that they are just catching up on August and September.

Darren Vogt: Okay. Are there any other questions?

Tom Harris: Yes, you mentioned a minimal rollover. What might that be? Is there any ballpark number that you can give us?

Tera Klutz: \$1.2 million. That is based upon the financial statements today.

Tom Harris: Okay.

Darren Vogt: Are there any other questions?

Roy Buskirk: I will make a motion to accept the financial report.

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Larry Brown: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next is the unemployment rate, Nick.

Nick Jordan: Good morning, Council. On your agenda you see the August and September non-seasonally adjusted rate. October has since been released. Allen County went from 4.7% to 4.9%. Indiana went from 5.1% to 5.3%. Illinois remained at 6.2%. Michigan went from 6.7% to 6.4%. Ohio went from 5.0% to 4.6%. National went from 5.7% to 5.5%.

Darren Vogt: I will make one quick comment on that from an economic development standpoint. One thing that we have to be very concerned about is that anything under five percent is considered full employment. It goes to quality of workforce and making sure that we have quality people for folks to hire. That is a good thing, in a way, but when you are trying to grow your business.

Tom Harris: Unfortunately we can probably flip the argument and then begin to ask if 4.7% is accurate.

Darren Vogt: Yes. Are there any questions on that? Thank you, Nick.

Roy Buskirk: A further comment is the fact that usually we have a spike going up because of construction slowing down in the wintertime but that is a little early for construction, also.

Nick Jordan: Without digging into the details, I am not sure if that is due to construction slowing down or since this is non-seasonally adjusted, you will have your seasonal retail workers also.

Darren Vogt: Council, are there any other questions on that? Today we have a total appropriation request in other funds of \$1.9 million and change. First on the agenda will be the Allen County-Fort Wayne Capital Improvement Board, dba Grand Wayne Center, budget for 2015.

Doug Johnston: Good morning, Council. My name is Doug Johnston and I am an attorney for the Capital Improvement Board. With me today is our Executive Director Bart Shaw and our Board President Nancy Jordan. We also, pursuant to statute, bring Visit Fort Wayne who is here as Dan O'Connell the Executive Director and Gary Shearer as Board President. Pursuant to Indiana Statute, we are required to come before the City and County Councils to present our annual budget. I believe those have been

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circulated previously. The President and Executive Director are here to answer any questions.

Darren Vogt: Go ahead.

Nancy Jordan: I think this story is a good one and it's about consistency that the Grand Wayne Center had another great year. We continue to be very consistent on the number of conventions and different bookings that we get even though some of those come only every other year. I think, for the lack of a better term, it is in its groove and it is working very well. You will see that the budget numbers are very consistent with past numbers. We are essentially close to \$5 million on revenue and \$5 million on expenses, rounding here and there. The Innkeepers Tax is very important to us and Visit Fort Wayne and we really appreciate Tera and Nick's assistance as we work with the State and try to get a little more transparency into those numbers. One thing that I think we are proud of and continue to strive for is that if you take away the \$250,000 a year that the Grand Wayne Center pays to City Redevelopment for the Harrison Square Project, based on the Innkeepers Tax and the operating revenue, we actually do make a little bit of a profit. It is about \$130,000 in the 2015 budget and so some of that profit goes to fund that \$250,000 as well as a little bit of a dip into our cash reserves. We try to keep adequate cash reserves for any unforeseen issues that would come up. As Board President, my job is made easy by people like Bart and Marcy McKinley, who does the sales. The Center runs very, very smoothly. Are there any questions on the Grand Wayne Center?

Darren Vogt: Councilman Buskirk.

Roy Buskirk: I know that a few years ago there was some difficulty on the Innkeepers Tax collection. Has that improved or are we still having a problem?

Nancy Jordan: I would say that it is still a challenge. It tends to come in uneven allocations. I'll put it that way and Nick and Tera can nod. With Dan O'Connell's help and a lot of good collaboration and we see what the room rentals are, we expect a month or two delay for when the Innkeeper's Tax comes in and those numbers don't always match. We were running quite a bit behind this year and a number of conversations with the State, we had a miracle of getting a big check in. I am not sure what happened but when you look at all of the taxes, there was a study done in 2012 that looked at all of the different State taxes and how they flow back to the Counties. It made me feel a little bit better that we are in a good company. It is not just the Innkeeper's Tax but a complex system of collections and disbursements. We are not, at this point, satisfied with the information that we get and put our

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good fiduciary hats on and say that we know we are collecting the money that we should. I think you are going to see, in 2015, a lot of good continued collaboration between the Grand Wayne Center, Visit Fort Wayne and Tera and Nick and the State to try to figure out if there is a better way. Did that answer your question?

Roy Buskirk: Yes. I am disappointed. Tera, weren't you working on a State committee to improve that?

Tera Klutz: Yes, we were trying to improve transparency in the process and have had conversations with Bart recently and we feel that in light of the BMV error and in light of the income tax revenue errors that we see every three or four years, we just don't think that the State's system is completely adequate for the processes that they need. The backup is that we want to get a game plan because we also feel that there is no enforcement right now. They have been cutting staff and this is probably the time that they need to beef up staff. Either legislatively or through meetings and communication, we want to figure out a way that we feel that we can get it enforced. Maybe it is three random audits and providing information on those audits every year or something that will help us feel confident that the people that are supposed to be paying the taxes are paying the correct amount.

Roy Buskirk: From what I understand in the past, the checks and balance system is very lacking with the number of rooms that are actually being rented out and the collections that are being sent to the State.

Tera Klutz: I cannot answer that because I was speaking with Bart the other day and it is self-reporting that they are using to report room numbers that are not tied to their internal books, in my opinion. An audit would be the only way to determine if people are paying what they are supposed to pay and not a survey versus collections. I feel that there can be just as many problems with surveys as there can be with the Department of Revenue collections.

Darren Vogt: That audit needs to come through the actual business. As someone who has a rental property and collects those taxes in another State, it is total self-reporting and there is no way for them to know how many people are renting and when and where and what. It is on me and them to audit me to see if I am telling the truth or not. That is the hard part. In order to do that auditing, you have to have manpower.

Tera Klutz: And we have to have some way to make sure that it is getting done because right now we all feel that it is not being done because of the lack of resources. The State gets to prioritize things and I am not sure that hotel and motel tax is up there. So, what can we do about that?

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Nancy Jordan: As the Grand Wayne Center and I will speak for Visit Fort Wayne and if Dan falls off his chair I will stop speaking, I think it is in our interest and would be allowed we would be interested in hiring our own auditor to go out and check a number of the hotels and do our own audit. That way we could see if these numbers are reasonable and if we can feel good about it or do we truly have a broken system that we need to do something about. I don't know that we have that option.

Tera Klutz: Legislatively we could get that option.

Darren Vogt: It would give true home rule to the tax and not cost the State any money if Counties did it locally.

Roy Buskirk: Thank you.

Darren Vogt: Councilman Brown.

Larry Brown: I guess I will preface this by saying that I may be confused with my position in the past on the CIB Board but I thought in past years that we received more detail that three or four line items for the CIB budget. As that amount increases...

Nancy Jordan: Did you get the second page?

Larry Brown: Okay. I don't have that.

Nancy Jordan: Oh, I'm sorry, the food and beverage side. Is that correct?

Tera Klutz: We got more detail. We got a booklet.

Larry Brown: That is the Grand Wayne Center and I am talking about the CIB.

Darren Vogt: Oh, okay.

Nancy Jordan: The Capital Improvement Board is the umbrella over all of it and so we wear two hats, the Grand Wayne Center and the Food and Beverage Tax. Is it the Food and Beverage Tax side?

Larry Brown: Yeah.

Roy Buskirk: Correct, we have the Grand Wayne.

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Larry Brown: We have the Grand Wayne in detail. I guess I was interested in receiving a little more detail.

Nancy Jordan: We can do that. As an informational and education type process, I have been able to meet with most of the City Council members. We have a nice kind of diagram of how the money flows through the Grand Wayne Center hat and the Food and Beverage hat and a schedule of our projected cash flows. I would be more than happy to spend some time with you and share that. Basically, with the Food and Beverage side of the house, right now collections excess is in the range of \$3 to \$4 million. The entire Food and Beverage Tax goes into a bucket. The first order is to pay the Coliseum and the second order is this excess amount which stays in reserve for a year in case it is needed for the Coliseum. After a year that is freed up for the Food and Beverage Tax under the CIB. You were part of the formation of that and so we have proceeded very thoughtfully and cautiously. This is a large amount of money but is also a great resource for our community as we are trying to keep the momentum going that we have. We have been really proud to be able to participate in two significant opportunities this year, BAE retaining 1,000 jobs and helping them with their new building. We have committed \$2.5 million to that. For the Ash National Headquarters project, the Civic Parking that is going underneath that is a bigger chunk for us at \$10.5 million. Four million dollars is expected to be paid in 2014 to get the giant hole that you see and the footings and everything to help with that. We are committing \$6.5 million over ten years, starting in 2015 or 2016, depending on how the bond works out for the bond for that. What pleases us with that project and fits well with the spirit of the legislation around that is that it is not only retaining good jobs but is retaining a national headquarters here in Fort Wayne. That is really important and is helping them grow. Also, by building that parking garage larger than what is needed for the Ash Project, it gives us parking for a lot of other economic development in downtown Fort Wayne. That is a critical thing we hear from other communities. Where we are at now is that we have about \$2 million that would be available and we don't want to go any lower than that. We think that is a really important amount to keep. Nick has helped us and we have scheduled that out over what we think we will see.

Darren Vogt: That \$2 million, is that annually?

Nancy Jordan: No that is what is left in the checking account. That is what we have right now. There is about \$3.8 million, which is the number that you see here, sitting in reserve and will be freed up for 2015. We are working with Nick and there is \$3.9 million that we project will come into that reserve account in 2015 but will sit there until 2016.

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Roy Buskirk: So it is running around the \$3.8 million per year.

Tom Harris: I would agree with Larry that having a little bit more explanation of those projects and how they are coming to be would be helpful.

Nancy Jordan: Okay. Again, I met with City Council one or two at a time just so you would have a chance to really ask questions and understand it. If any of you are interested at all, we will set that up.

Darren Vogt: I think I would set that up with all Council members. I think it is a good idea. They can make sure that they are on the same page, philosophically, as you are on the projects. If there are some projects that you have turned away, you can say why you didn't like it so that it sets a feel for what the Board is thinking.

Nancy Jordan: One thing, given your scope of the County, this is a County opportunity. The two big projects that we have done so far, BAE was in the city limits and Ash is obviously a downtown project but we have had very good exploratory conversations with Mayor McDonald of New Haven and Kent Castleman of the East Allen Alliance. We are trying to understand those communities' needs and their capital projections going forward. We will continue to have conversations with them. The guiding principles of that Food and Beverage side, we are looking for large transformational projects and you can see the kinds of dollars that we are talking about here. In a community the size of Monroeville, \$200,000 might be transformational. As a Board, we understand that the philosophy and definition of transformational might be relative depending on the part of the County that we are talking to.

Tom Harris: I applaud you for doing that. Grabill comes to mind and they had some interest and yet they found that your requirements were far beyond what they needed and therefore they couldn't even be considered.

Nancy Jordan: Part of it with Grabill is that we would have to have a lot more money saved in the checking account. If this ever builds up and you start to look further out on the bull's eye of what we have been looking at, Grabill and Cedarville have been interested in some streetscape and planters and things like that. While that is important to a community, it is indirectly related to jobs. Our first order of business is how we help create and retain jobs so that those unemployment rates that we have been talking about here stay where we want them. Projects like streetscape and everything, what I would rather do for Grabill is to look at everything else they are funding, other capital types of things like the industrial park that they are working on and are closely tied to actual jobs that we could participate in.

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Darren Vogt: Councilman Brown.

Larry Brown: This is just a suggestion and maybe you are already doing it but Greater Fort Wayne might be the arm to reach out to for these smaller communities. It could be their perception, Tom, that they don't meet those guiding principles when in fact it may be that they do. I know that the wording might scare some people off and that is not the intent.

Tom Harris: Exactly, the wording, but I think they may have been told that.

Nancy Jordan: I spoke with them and it wasn't the amount but the nature of the project.

Tom Harris: Sure and the challenge and Visit Fort Wayne was kind of encouraging the idea that if we can turn Grabill more into an environment where people can come and tourism could increase but whether that is direct enough or indirect enough, going down that path to explore it makes sense.

Nancy Jordan: We do partner very closely with Greater Fort Wayne. Even though there is a process to apply for CIB money on our website, the leads are all coordinated through Greater Fort Wayne and the City and the County.

Larry Brown: My point was that all of these communities, Monroeville, Grabill or whatever, have industrial parks. That is where this is headed.

Darren Vogt: Are there any other questions on the Grand Wayne Center?

Roy Buskirk: I have one more. I was thinking as far as promotional items for the different communities. Do you see the possibility of funding some of that on the marketing side?

Nancy Jordan: Through the Food and Beverage Tax? By legislation, we can only fund capital. It has to be bricks and mortar. It is a capital budget.

Roy Buskirk: Okay, thank you.

Darren Vogt: I will go back to the Grand Wayne Center. It looks like you have raises built in for staff. What percentage is that?

Nancy Jordan: Two percent.

Darren Vogt: Okay.

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Nancy Jordan: We have two percent for staff and budgeted a twelve percent increase in healthcare. That is a little bit of a wild card, as we all know. Last year, we experienced the same thing with utilities that everybody else did. It was a long, cold winter and we had higher utility costs and we put a little more in this year based on the Farmer's Almanac.

Darren Vogt: Are there any other questions, Council?

Roy Buskirk: I just noticed here that you have a considerable jump in postage.

Darren Vogt: Hang on that is Visit Fort Wayne.

Roy Buskirk: Oh, okay.

Darren Vogt: We do need a motion to approve the budget.

Tom Harris: I will make a motion to approve the Allen County-Fort Wayne Capital Improvement Board budget.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.

Nancy Jordan: Thank you and I will set up some time with all of you.

Darren Vogt: Thank you. Dan, if you want to come on up now. We have the Visit Fort Wayne 2015 budget.

Gary Shearer: Good morning, I am Gary Shearer, Board President of Visit Fort Wayne. This is Dan O'Connell, President and CEO. Michael Sperry is our Treasurer. I want to thank you for giving us some time on your agenda today to kind of recap 2014 and look at our 2015 budget. In the essence of time, we are going to summarize things here. Dan is going to have a handout that is really our report to the community for 2014 and 2015. This is to recap all of the positive things that happened to Visit Fort Wayne for 2014 and give you some insight into what we are planning for 2015. The main thing that we wanted to focus on today though is just the budget. Dan, do you want to start running us through the numbers on the budget?

Dan O'Connell: As reported earlier, we work closely with the Grand Wayne Center and we get two percent of the seven percent levy on the hotel tax by State statute. We have anticipated in 2015 that it would be \$2.5 million. We

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get other revenue from advertising and joint programs that we do for our industry partners and hospitality industry for a total revenue of expected \$1,531,496. Personnel expenses are about \$732,000 and represents just over 50% of our budget. We have eleven staff people and they work in marketing, group sales and in our visitor center to serve the guests that come into our community. Our promotional budget is the biggest part that we are working on. It is \$636,000 and that is for production of guides, a lot of social media, digital media and advertising campaign that brings people into our community. I heard a question from Councilman Buskirk about the large increase in postage and that is a good thing. We have had a 140% increase in our advertising responses this year requiring us to fulfill a lot more requests with guides and brochures. Our postage has gone up significantly. I think that contributes to the reason that the Zoo reported a six percent increase this year and Science Central reported a nine percent increase. The Tin Caps were at a four percent increase. We had a very good summer across the County in terms of attractions. As you heard, the Capital Improvement Board has been busy and of course Randy Brown has been busy. We all work together to try to bring more guests into our City. The total expenses for the year of 2015 are projected to be \$1.6 million. We anticipate keeping the aggressive marketing program that paid off for those large increases next year, running a little bit of a deficit there but that deficit could be made up by the surplus that we anticipate for this year. Some of the funds that we have in reserves will be used and put into that because our Board and the Capital Improvement Board passed this budget feeling that they want to stay aggressive in the marketplace to attract people into our City. I would be happy to answer any questions. The booklet that went around outlines all of the different levels of programming that we do.

Darren Vogt: So you are basically going to use rollover from this year to next year to make up the negative balance.

Dan O'Connell: Right and we do have some in reserve. We have a fiscal policy of keeping cash reserves of three to six months and we are six months now. We feel comfortable, if need be, allocating some of those funds for that.

Gary Shearer: I think the other thing worth pointing out there is that we were fairly conservative in the estimate of the room tax for 2015. It is the same budget number from 2014 just because of some of the problems that have been going on there. We didn't feel comfortable budgeting an increase.

Darren Vogt: Okay. Council, are there any other questions? I have one on the event hosting fees. Can you explain what that is? It is going down quite a bit and I just wanted to figure out what that actual fee means.

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Dan O'Connell: Event hosting fees are when we are negotiating them coming to our community. Sometimes we are up against another community. What we do is try to work out an incentive package to get them to come here. Sometimes those fees are like paying for rentals, the cost of officials or something like that. This particular one is related to an event at the Memorial Coliseum, NUWAY Wrestling. They are coming into our community and we are giving them something to help pay for the Coliseum rental in order to bring the 9,500 wrestlers that they are bringing into our City. That is an event hosting fee. It is a little bit less because we haven't made that many deals for next year. When they come up, there will be an increase in that.

Darren Vogt: The actual, at the end of 2015, could be much more significant if deals come by and we need to help bring them in.

Dan O'Connell: Correct.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: I am curious, Dan, on 9,500 wrestlers, what kind of a nationwide program is this? It's not high school or college?

Dan O'Connell: It's called NUWAY Wrestling, National United Wrestling Association. It is a couple of gentlemen out of Michigan who have organized nationwide a tournament that combines both high school and college wrestlers. This is an invitational tournament. It has been growing in Michigan to the fact that it is outgrowing and this is the first time that they are putting high school and college in the same environment. It was approved by the NCAA a year ago so that they could do that. This is going to become a very profile event and we hope to have it here for a long time. It is an inaugural event and is in a very needy period in the Coliseum's calendar in January. It is in the dead of winter where we can use both of those visitors' hotel rooms as well as the use of our biggest facility.

Roy Buskirk: Thank you.

Darren Vogt: Councilman Harris.

Tom Harris: Two questions. One might be as an organization, what is your biggest challenge that you face? Secondly, in terms of promoting Fort Wayne and this area, what is your major objective?

Dan O'Connell: I think our biggest challenge is that there is a lot of competition these days to get people to take their discretionary income and

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take some leisure time and do this. There is a lot of competition from Michigan and a lot of competition from larger cities like Indianapolis and Chicago. We always have to compete pretty hard and present fun things for families to do in a competitive priced environment. We excel in having great buildings. The Memorial Coliseum, the Grand Wayne Center and the active downtown we have now is really a winning package for us. Our sports venues are huge. They are excellent, the three-sheeted ice arena and the soccer fields, we really excel in those areas. Those are not a challenge but an asset. The other great challenge that we see and kind of fiscally you talked about earlier is getting money back in from the State correctly. We see numbers in other cities that are increasing and ours are not increasing. The delay sometimes causes us a problem and cutting in marketing. We had to cut some marketing this year because the money wasn't there in our walking orders from the Board. That is a challenge and I appreciate Tera and Nick's help on that. If we can get over that we will be in a really good position.

Tera Klutz: I try to remind them that we are always in the same boat because a lot more of our revenue, not 100%, comes from the State. Working with the State sometimes is very challenging. I kind of giggle because they keep saying that this is not okay and if this was the private sector, this would never have been acceptable. We just work through that together.

Dan O'Connell: Just to add information to the earlier discussion, there are Counties that do their own audits.

Tera Klutz: Yes.

Dan O'Connell: Of the hotel tax. There are about 60 Counties that have the hotel tax in the State of Indiana. Only five still have the State do the collections for them.

Darren Vogt: Is it the same tax but is collected locally versus...

Dan O'Connell: Correct and in that way there is much more monitoring of the receipts that are coming in. In some of the local ordinances, they require random audits. Hendricks County does ten percent every year and in a ten-year time they have covered everybody. It's that oversight and supervision that keeps everybody in check. But the system now can't say that the people are paying the right amount, I don't want to put that on the hotel community. It's just we don't know why our receipts are less than somebody else's. It could be misallocation of receipts by the State. It could be change of ownership that the State didn't know. It could be a delay in collections or a whole bunch of things. It would be helpful to do a little more investigation of the whole system to figure out where the issue is.

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Darren Vogt: You have raised my curiosity if those folks from other Counties are doing it and what are they doing differently.

Tera Klutz: It is an option. The large Counties choose the State because it is a very expensive and the last time we looked at them paying the cost of us providing that service here, all of a sudden you become an enforcer and the Treasurer has to do the enforcing. Our last study showed that we felt it was still cheaper to go this way. I feel that we will explore all of these options in the coming months again to see if it still makes sense to have the State collect ours. I definitely feel that I could do a better job but at what cost.

Dan O'Connell: If that isn't the ultimate solution then maybe something in between. An occasional audit done to verify that the State is getting the correct information.

Tera Klutz: I already have to sign a confidentiality agreement and so we are privy to some information and so maybe it wouldn't be that much of a stretch to ask the State to allow us to have access to a few to do a random audit. It wouldn't cost them anything and we would be willing to take that on.

Darren Vogt: Councilman Brown.

Bill Brown: I think they just answered my question. Did you say that the County would be willing to take that on? I believe in 2010 the Treasurer's Office was approached and there was a cost associated and that was the barrier at that time.

Tera Klutz: That will still be a barrier for sure. If we can somehow have the State collect it, they have the collection module and they collect income tax and sales tax and this is just a form of sales tax. We do not have a module and we do not have a system in the County. One thing that we could do and absorb is random audits. Maybe if we would be permitted to randomly select a few from the information that we get, we could go down to the State and do our own audit.

Bill Brown: A random audit versus no audit is a giant step forward.

Tera Klutz: Supposedly, through conversations, the State is supposed to pick a couple a year. We just don't know if they are doing that because of the lack of resources.

Darren Vogt: We would know if we asked for the audit and they don't provide the audit.

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Roy Buskirk: So would we need additional legislation to be able to do that?

Tera Klutz: Yes.

Darren Vogt: Dan, raises are two percent?

Dan O'Connell: Three percent.

Darren Vogt: Council, are there any further questions?

Tom Harris: If not, I will move for approval of the Visit Fort Wayne budget for 2015.

Bill Brown: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Thanks, gentlemen. Next we have an update on the financing of the remodel of the Expo Center.

Randy Brown: Good morning, I am Randy Brown, Executive Vice President and General Manager of the Memorial Coliseum.

Bill Fishering: Bill Fishering, County Attorney.

Randy Brown: We are here today to give you an update on the project. I am happy to say that we are on our way. We have moved 200 truckloads of dirt and there are 800 more to go and they hope to have that done by the weekend. Just a brief update before I hand this over to Mr. Fishering. We bid the project and had five competitive bids that were turned in. Weigand Construction was the low and best bidder. The bid amount for Weigand that you see there is \$13,637,300. The construction contingency is an additional \$300,122. Soft costs which are architectural, soil testing and what have you is \$1,098,110. Of our General Contractor, who is from the Fort Wayne area, we have 27 sub-contractors of which 25 are Allen County based. We are providing a lot of jobs. It has been estimated that for the fourteen months of the construction time period, there will be 100 construction jobs created with this and having said that I will let Bill talk about the bonding.

Bill Fishering: The total bond issue was \$15,595,000. The interest rate finally determined was 3.835%. It's payable over twenty years and was approved by the State Budget Agency. The last payment will be December of 2034. We anticipate that there are adequate funds in the Sports Development Zone to make all payments however the bonds are backed by property taxes should that fall short. You also have CEDIT available. At the current time you are

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generating \$2.6 million in the Sports Development Zone which we generally we are coming to by about October each year. That means that we are paying 1.13 so we currently have a surplus in the Sports Development Zone for uses with other projects should they come up during the period of time. I would be happy to answer any questions about the bond issue, if you have them.

Darren Vogt: Councilman Brown.

Larry Brown: Bill, can you give us some feel about the 3.83%?

Bill Fishering: We went to Moody's and got rated to triple A or something and we bought bond insurance to get up to double A. What you do is weigh the cost of insurance against the interest savings over the period of time. They decided to go ahead and buy the insurance and we very happy with 3.8%. They did feel, and I think it has been evident, the market is starting to move away with higher interest rates over the long terms. The actual bonds have an interest rate, the net of 3.835 but they run from two percent in the early, fives in the middle and back to threes at the end. It is sort of a strange process but that is how it ended up with a bond premium which is why the actual bond issue is less than the cost of the project. People paid a premium to buy some of these bonds generating additional funds.

Larry Brown: Thank you.

Tom Harris: The project is to be completed in about one year and I think you mentioned that there are some potential sales already in January of 2016.

Randy Brown: More than potential. We have commitments in place from the Farm Show to the wrestling event that Dan O'Connell mentioned earlier. We look at use days one use is one space, as our barometer and we have 200 plus use days already committed for 2016.

Tom Harris: The chances of this running over budget and behind are very slim to none.

Randy Brown: We have a contingency built in for the unknowns. We have a good architect and a very good contractor and good subs. We have every reason to be optimistic.

Larry Brown: Randy, does the design include adequate exhaust?

Randy Brown: It does include exhaust but we will not be doing motor sports events in this space. So that everyone understands what we are talking about, with everything that we build anymore, we build as multiuse

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components. This is exhibit space, meeting room space and athletic space. We have commitments from volleyball as well as wrestling that they will use this new space in addition to all of the other spaces that they are using. It's good.

Larry Brown: I think it is good to emphasize the design makes it totally independent, in other words it can be sectioned off for multiple tenants or events.

Randy Brown: Sure and that is a good point. It is contiguous with the Expo Center. There are four big doors that can be opened so that it has the feel of being seamless for things like the Farm Show or the Home Show. With dropping those doors and air walls, we can turn the 27,000 square feet into five smaller spaces. We have some events that have frankly outgrown us. As some of you have seen over the years some of the food shows that we have done and we are in discussion with some major clients that will bring some of those back to Fort Wayne by the nature of having the additional breakout space. That was our shortage before. Again, the key is really multiuse.

Darren Vogt: I want to ask one question. I want to make sure that everyone understands that the backup to the current funding, if something happens, is CEDIT and property tax. Is that correct?

Bill Fishering: Yes.

Darren Vogt: In that order or is it up to Council?

Bill Fishering: It's up to Council to determine. They only pledge is to property taxes. CEDIT is not technically pledged but we have said that we would dedicate CEDIT should it be needed. My thought would be that the Council would choose to use CEDIT before using property taxes.

Darren Vogt: That is correct but I wanted to make sure that everyone understood that. Are there any other questions for Mr. Brown or Mr. Fishering? Do you need an official motion?

Bill Fishering: No, this was just for information.

Randy Brown: One last detail, if you are looking for something to do tonight, you may have heard that we have WWE in the building. This will be internationally televised. It is another one of those events that is not only using the arena but is taking all of our exhibit space also. This is a large event turning the Coliseum into a television studio.

Darren Vogt: Can you explain to some of us that don't know what WWE is?

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Randy Brown: Wrestling. In the old days we would have said Hulk Hogan.

Darren Vogt: Dick the Bruiser.

Randy Brown: And Jake the Snake and Miss Elizabeth. It's a great event and anytime that we can say "Live from Fort Wayne, Indiana", it's a very good thing.

Darren Vogt: How is the attendance at it?

Randy Brown: It is about an average size. This has been a pretty amazing week. Earlier this week was Slip Knot and that was a great crowd. Next week we have the Trans-Siberian Orchestra which has the potential to be a sellout. We also have the Gaither Homecoming. Kind of an interesting point with the Gaither Concert, with this performance they will have the record of the most performances at the Coliseum, twenty shows.

Darren Vogt: Great. Thank you. With that we are on to Economic Development. We have consideration of a resolution for D & W Fine Pack.

Nikki Liter: Good morning, Council. I am Nikki Liter with the Department of Planning and I have Matt Hansel with D & W and Mark Rittenhouse with Baden Gage. This morning we come to you with D & W Fine Pack which you may or may not know produces polypropylene and polystyrene rigid container products for the food packing industry. They would like to bring in some more equipment of about \$11,250,000. Part of that \$2.7 million is going to be special tooling. What we are requesting today is a ten-year tax phase-in on the \$8.55 million equipment and one-year special tooling for the \$2.7 million. Currently, D & W has 358 employees which are just under \$12 million in annual salaries. With the new equipment they would like to bring in an additional 18 employees which could bring in another \$450,000 in salaries. Just a projection for the tax phase-in, they are looking to save about \$325,000 in personal property taxes. With that I am going to let Matt speak on behalf of the company and talk about the project.

Matt Hansel: Good morning. D & W has the opportunity to expand the polypropylene. The food industry is moving away from the polystyrene and moving to a more environmentally conscious polypropylene. We are currently a polypropylene and polystyrene operation. We want to expand the polypropylene product to our customers and move some of our national accounts out of polystyrene. The main focus is to retain the current employees. Those polystyrene lines will quit making that and start with new equipment to make polypropylene. I am here to answer any questions.

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Darren Vogt: Council, are there any questions? Are you expanding the building at all or is this just all internally?

Matt Hansel: Right now it is all internally. We are expanding thermal forming operations and one extruding operation. We will be able to extrude more polypropylene sheets and bring in more lines to thermal form those into the finished goods.

Darren Vogt: Who are your big customers?

Matt Hansel: We have very large national accounts like Chick-fil-A, Panda Express and Moe's and those customers that you all have here locally. We also do Meijer and Marsh. We do groceries as well as the end users and those kinds of customers. While our goal is to expand some of those national accounts, in some State the polystyrene is now banned.

Tom Harris: So nationally, customers throughout the Country or do you focus regionally or nationwide?

Matt Hansel: All of those customers, we ship nationally.

Tom Harris: The eighteen employees, is there a rough idea in the terms of the expansion in the next year or next two or three years?

Matt Hansel: We are going to move one line by the end of February. Hopefully we will then be doing an expansion of an extruder and two more lines. Right now we are hoping to retain fifteen employees this year. The following year, retain twenty-one and the following year, retain twenty-seven total. We can't really expand because it would be converting. We are not going to bring lots of employees in but we will bring in some. Mainly it is to retain what we have currently.

Darren Vogt: Council, are there any further questions?

Tom Harris: I will move for consideration of a resolution approving a Statement of Benefits for D & W Fine Pack LLC located at 7707 Vicksburg Pike.

Roy Buskirk: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Thank you and good luck. Nikki, you are going to give us an update on phase-ins for 2013 pay 2014.

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Nikki Liter: That is correct and I am just going to cover some of the highlights of the report that I do annually. Tax phase-in used to be considered tax abatement and we changed that. It is just the phasing in of the taxes to a company over a certain period of time. You guys do a designated schedule. We started this program back in 1982 and as of December of 2013, we have granted 305 tax phase-ins. That doesn't necessarily mean that the projects all go forward. Over \$3.24 billion in investment dollars have been committed by companies since then. Tax phase-in is generally our only form of assistance that we provide to local businesses residing in unincorporated Allen County. This report also covers not just the Allen County tax phase-ins but also New Haven, Grabill, Woodburn, Monroeville and Huntertown. If you look at a couple of the tables that are published in there, one table is looking at tax deductions compared to what is going on in the rest of the County. The tax phase-ins this past year accounts for only two percent of all total deductions. In 2013 we had fifteen companies file for tax deductions and that was almost double from the previous year. We were looking at \$53.3 million in real improvements and over \$128 million in equipment investments. We had one approved in Huntertown last year and four in New Haven. The other ten were approved by this Council. One kind of note with the Fed Ex Project in New Haven that the four accounted for about \$20.6 million of the investments last year. As far as jobs go in 2013 the fifteen companies that applied pledged to retain 5,158 jobs in our community and to create 543 jobs. In Allen County we still do what we call the Tax Abatement Development Fund. This fund was established in 1992 and is strictly voluntary on the company's part. They can volunteer to pay back either five or ten percent of their savings and we do have some companies that decide that they want to do that. Eighteen companies that received their tax phase-in this last year wanted to contribute back. Of those eighteen, we actually had thirteen that sent in their contributions. That was a little bit better than the previous year. Those contributions totaled \$62,381 back into our fund. As of November 13th, our Tax Abatement Development Fund is \$188,981.57. Again, we use that fund for economic development projects. Over the last year, those fifteen companies that applied and we had five who continued to elect to contribute to the fund and so when those tax phase-ins kick in we will be invoicing those. With that if you have any questions, I will be happy to answer them.

Darren Vogt: Council, are there any questions for Nikki?

Tom Harris: I was just going to make a comment that this is a great report. It has a lot of information about economic development. I am appreciative of the amount of work that you put into it.

Nikki Liter: Thank you.

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Darren Vogt: Does this report go on Council's website?

Nikki Liter: It has not.

Darren Vogt: Will it go up on that? I think it is important to put that on there.

Nikki Liter: We can do that.

Darren Vogt: We get a lot of questions on phase-ins, how they work and what happens and this report is a vital piece to that.

Roy Buskirk: You said that there were fifteen companies to participate in the economic development program and only thirteen participated.

Nikki Liter: Eighteen have said that they were going to participate. I send out a friendly reminder every year with what their contribution would be. Of those eighteen, we had thirteen respond.

Roy Buskirk: Is there any follow-up after that or when is it due?

Nikki Liter: I usually send them out in August and I give them thirty days to respond.

Roy Buskirk: And then is there any follow-up with it?

Nikki Liter: No because it is strictly voluntary on their part.

Roy Buskirk: Okay, thank you.

Darren Vogt: Thanks, Nikki, appreciate it. Next is the Sheriff's Department for a transfer in County General.

Nick Cripe: Good morning, Council, Nick Cripe, Finance Director of the Sheriff's Department.

Josh Lumpcik: Josh Lumpcik, Sergeant with CID and IT Assets.

Nick Cripe: We come before you this morning to ask for a transfer within our County General Fund in order to purchase some equipment that we have been kind of doing without for the past few years. We have been doing well in our Automotive Equipment fund this year and so I thought it would be appropriate to come and ask for those couple of items that we need. Basically there are three items that make up the bulk of the request. I don't know how

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much detail you want to go into but two of the items belong to the Jail kitchen. They have preparatory freezers and refrigerators down there that the workers use to prepare the meals. Those are no longer in service because they cannot be repaired any longer. It is causing some inefficiency for them because they have to go back and forth from the main units on the outer walls. These would allow them to bring food items into their preparation area and it is a little handier for them. Those two items are approximately \$6,300. I had Purchasing find competitive quotes on several different brands and the warranties. The other item that makes up the bulk of the request is a forensic computer for cell phones that our Detective Bureau uses. I am not privy to all of the details on that and that is why I brought the Detective with me today.

Darren Vogt: Why don't you go ahead and tell us what that is.

Josh Lumpcik: It is a forensic imaging machine. It can take computer hard drives, tablets like you use here or the cell phones and cell phones are becoming computers with hard drives and those sorts of things. We had one that was working up until last year and it is about ten years old. The hardware has failed in it and is non-operational right now. We need it to make the digital images that the Courts require for cases.

Darren Vogt: What does it actually do?

Josh Lumpcik: You take and plug it in and it has a write protector so that it doesn't change any information so that when you present it in Court you can prove that it hasn't been altered. It processed through our other computer and breaks everything down to show the evidence or whatever the case involves.

Roy Buskirk: You said this broke down last year?

Josh Lumpcik: Yes, we had the one that has been there before I was on the department and was about eight to ten years old. We put some band-aids on it and had it running a little longer. The motherboard and the series of hard drives that make it work have all had hardware failures. To repair it would cost about as much as to buy a new one.

Roy Buskirk: Okay, so my question is that since it broke down and you haven't been able to use it, what have you been doing?

Josh Lumpcik: At this point we can go to the City or the State, which we have been doing but it takes six months to a year turnaround. They have their own backlog.

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Darren Vogt: So we are borrowing, as needed. I am sure that this isn't something that you use on a daily basis.

Josh Lumpcik: The cell phone part of it if we have to buy external hard drives, it is going to be more expensive. In the long run, this is the cheaper way to go because it is all self-contained.

Roy Buskirk: I am not questioning the need of it or anything. What I am questioning is how long you have been without the service and why you never came before the Council before now to be able to replace this. To me, it sounds like a very vital part of evidence collecting in Court procedures.

Josh Lumpcik: To be honest with you, I am new to this position but we have been making do with pieces and parts.

Darren Vogt: My question is related to the automotive equipment. What are you purchasing out of that line and why is there money in there is we are always talking about cars.

Nick Cripe: The automotive equipment would be anything that we would need to outfit a vehicle for any number of different areas within the Sheriff's Department. It would include radios, console systems, lighting packages for the vehicles, shotgun mounts, sirens, radars and camera systems that we have in each vehicle. We try to reuse as much as we can and that are going to be reliable. If they can be used in new vehicles, we try to do that. This year was a little bit better year than other years.

Darren Vogt: Flipping from vehicle type to vehicle type would make a big difference if we went from Chargers to Malibus. That could be a problem because now the equipment doesn't fit into the other one.

Nick Cripe: That is correct, especially the consoles which may not fit from year to year models. You can have differences in the ways that the cars are formed. The Service Department does a great job of trying to adapt those as well as they can and to make them useful.

Darren Vogt: Something to think of long-term is what is the likelihood that the model is going to change? Councilman Buskirk.

Roy Buskirk: I have one more question. It used to be, and this is for the Auditor, the Sheriff profited from the meals being served to the inmates. Is that currently still being done?

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Tera Klutz: That happens in every County with the exception of four Counties, the larger Counties, Marion, Allen, Vanderburgh, St. Joe and Lake. It may just be St. Joe, Lake and Marion.

Roy Buskirk: Okay. I knew there was a reimbursement from the State on that.

Darren Vogt: Are there any further questions on that Council?

Tom Harris: I will make a motion to transfer from Automotive Equipment, \$20,000 to Miscellaneous Equipment, \$10,000 and Computer Hardware, \$10,000.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. You also have a grant.

Nick Cripe: I wasn't actually prepared to present that. I just assumed that was part of a normal approval that we do every year. It is a grant that we apply for every year.

Tera Klutz: I believe we have the checklist.

Darren Vogt: Yes, we have the checklist and it is one that they have done every year.

Tom Harris: I will make a motion to approve the request to apply for a Justice Grant through the Criminal Justice Institute.

Roy Buskirk: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. With that we are on to the Surveyor's Office with a transfer in County General from Hydrologist to Contractual.

Al Frisinger: Good morning, Al Frisinger, Allen County Surveyor. Thank you for hearing my proposal today. I have asked for a transfer from Hydrologist to Contractual. As I saw this money available to do a study that would facilitate potentially relieving flooding in a neighborhood situation, Hacienda Village. Councilman Vogt asked me why now and why Hacienda. In the last year we had an event out there where I think there were 39 homes that we actually impacted from the flood event that occurred last summer. These are homes

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that are fairly expansive, ranch-style and pretty nice homes. One of the problems that have come forward since they were built in 1959 is that they are built in a floodway. There is development that has occurred upstream along the Bullerman Drain and over the last fifty years that increases the amount of flow and runoff from these areas. When you begin to look at storm water and how it acts in a specific channel or conduit like the Bullerman Drain, it's one of those things that you can only hold so much water in a channel. If you don't build high enough you are going to impact by getting flooded. A couple of things have happened federally where the flood insurance limits have been raised and it creates an encumbrance on people whose flood insurance was subsidized until last year. As of, I believe, March it actually went to an actuarial scale that said it won't be subsidized. In one case, a gentleman's insurance went from \$1,600 a year to \$4,600 a year on a single-family home.

Darren Vogt: Let me just interrupt that real quick. That is not necessarily the actual case of what is happening. As long as it is the primary residence that is not what is happening. The secondary residence is making that jump.

Al Frisinger: These are primary.

Darren Vogt: That is not necessarily accurate as to what is happening. I do this for a living and it goes up 25% a year if it is a secondary residence. The primary residence got delayed.

Al Frisinger: Got delayed, yes. There were two separate acts that came forward and there was such an outcry, Councilman Vogt is correct, but the delay isn't a permanent issue at all. It is one of those things where these homes are going to be encumbered. I met with one lady out there who told me that she had spent \$55,000 to recover her losses in her home because she didn't carry flood insurance. She is 82-years-old and she did a little bit of a study on what she and her husband would have paid in insurance over the years if they had an event and they had the event and it cost them \$55,000. My efforts here would be to do an analysis not of just the floodway and floodplain areas but to try to come up with a determination of how we could best route the water away from the site and come up with a solution or at least a proposal that could be brought forward to the residents in the watershed. The look at any assessments for development of drainage work goes to the watershed. This would include everything upstream and downstream of Hacienda Village. You have a large group of homeowners and business owners who would be encumbered with a specific amount of assessment for the work that would need to be done. What I would like to accomplish with this study would be to say we can reroute the water from upstream of Hacienda to downstream. What is the cost and is that even

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possible? There is some potential there but when we begin to look at utilities, street crossings, sizing, property acquisitions, the benefits and damages may not come out very well. My numbers look more around \$4 to \$5 million. That is a pretty big assessment for a watershed to tell a single property owner that they are going to have to encumber because of 39 homes. The other option is less palatable, probably for those 39 homes, because we look at buyouts. In that light, if it were feasible to acquire a federal grant and look at doing buyouts. We have already broached that subject through the Maumee River Basin Commission and are working toward that to see if we can even get that done. The analysis that we would be looking at would at least put us in a position to say that it is not feasible to do a reroute or an upgrade. The Bullerman Drain, if you are familiar, has branches that come right down through and connect at the southern portion of Hacienda. Part of the look that I have heard is if you de-brush it, work on the channel or bottom-dip it, things will be better. Unfortunately that is not the case. The homes have been built well within the statutory 75 foot easement area. There are pools, fences, houses at an elevation that doesn't suitably fit that channel. Work on the channel would facilitate better drainage but would not take them out of the floodplain and would not stop them from being flooded. What we would end up with is a nice looking proposal but wouldn't necessarily do much. It comes down to how do we go about doing something different? What would happen differently to make this happen? I think that this transfer of money would give me the opportunity to have a consultant go through and give me the hard nuts and bolts and be able to move forward.

Darren Vogt: Councilman Harris.

Tom Harris: The flooding has been going on since the beginning of the neighborhood or is this something that has just started happening?

Al Frisinger: Great question. I went to a neighborhood association meeting at the St. Joe Township Fire Station. That is three hours of my life that I will never get back. We had me, Kim Bowman from DPS and Matthew Wirtz from the City of Fort Wayne. The emotions are pretty high on this issue. One lady brought out pictures showing flooding from 1960's, 1970's, 1980's and 1990's. We realize that it has happened. In the late 1960's and early 1970's, my predecessor, Bill Sweet, did an analysis and this is pre-firm flood insurance rate maps. He did a little hydraulic study and said that this was not a good idea to build here. Not a good idea unless you raise the site and improve the Bullerman Drain. What we had back then was less regulatory elements that allowed for government to say don't do that. There was more of the Caveat Emptor type of statement. Let it go and buyer beware. It's not really a good way to do business. I have people today that say "Why did you let us get a permit?" There are people that have lived there this whole time. I wasn't

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there and I didn't do that. It is a good question on permitting. In the 50's, 60's and 70's came in to get a permit, they got a building permit. There wasn't a big look as to whether they would be impacted by floodwater or if they had to build a house to a specific elevation. It was just not a good idea at the time. We did a project maybe ten or fifteen years ago on the Durnell Drain when I69 was being widened. What we did was lower the pond in Inverness Hills. That was by 9/10's of a foot and redid the channel and took 30 plus homes out of the floodway. I did that with money acquired from the State. Those come by not that often. This one is a little tougher because I don't know where we would come up with the money except for assessments and the only way that I can validate the need is if we do the study.

Bill Brown: I would like to make a motion.

Roy Buskirk: I have some more questions.

Darren Vogt: You can make a motion and if there is a second, we can still have discussion.

Bill Brown: Sure. I will make a motion to transfer \$50,000 from Hydrologist to Contractual.

Tom Harris: Second.

Darren Vogt: We have a motion and a second. Is there further discussion?
Councilman Buskirk.

Roy Buskirk: The one question is why is there \$50,000 in this line item?

Al Frisinger: I haven't filled that position this year for the lack of an appropriate candidate.

Roy Buskirk: Hasn't that vacancy been there for a while?

Al Frisinger: Yes, for a year-and-a-half. The economy has taken a nice turn and the pool of applicants, as I heard discussed earlier, gets smaller. As your unemployment drops, the pool of applicants gets different.

Roy Buskirk: I understand that but what I am trying to get at is what can Council do because that is a pretty important position?

Al Frisinger: Very much so. That is one of those things that I am going through right now. I think I am going to have some proposals to go back through HR to come to Council. I had two positions this year, the Hydrologist

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and an Inspector. I hired an Inspector and thought I had really hit a homerun here. This young man was a college graduate and was versed in a lot of the areas that we deal in. He stayed for two months and went back to his original employer because he had a better offer. That is one of those things that is tough to compete with. As you know, I only have a certain amount to offer and that's it. It wasn't that he was unhappy with the position or the job. I really felt that it was great and you would like to bring people in that are going to benefit the operation, the County, my office and the overall functionality of business in Allen County.

Roy Buskirk: Going back to the flooding problem that you have now. If that was being constructed now, would some of the upstream development of retaining ponds being used more now than they were back in the 60's, 70's and 80's possibly be a solution?

Al Frisinger: If you are familiar with the area, there are areas that got fully developed with no detention. It is interesting that this site, when we met with them, pointed at a small 20 acre development on the opposite side of the Bullerman Drain but immediately adjacent to their site and said there is the problem. They actually put in two storm water management basins on their site and discharged to the Bullerman Drain and control their onsite runoff to the drain. In theory, the runoff from their site during a storm water event is no greater than it was when it was a farm field. It is the unmanaged areas that probably created the issue. That happened from the 1960's on until we got a good ordinance that allowed for not only storm water management control from a quantity standpoint but also from a water quality standpoint.

Darren Vogt: I want to focus on a couple of different things. I have concerns about it because I want to be sure that when we spend money there can be an outcome that would even be feasible. I am concerned that we spend \$50,000 but yet we can't do anything about it other than we have a study. The number you threw out was \$4 to \$5 million and that is for possible solutions?

Al Frisinger: Probably no.

Darren Vogt: And so to pay for that you have to find County money which we know that is probably not an option. The other option would be for the water shed folks to pay for it themselves.

Al Frisinger: Right.

Darren Vogt: What kind of assessment do you see that being to those property owners? Do you have any idea of ball parking that number? I know that is a swag.

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Al Frisinger: Yeah that is a real swag.

Darren Vogt: I am just trying to see if that is feasible because if it is not feasible then why are we wasting the money? This is a floodplain.

Al Frisinger: Oh, it's feasible.

Roy Buskirk: Would it include more than just the 39 homes?

Al Frisinger: Oh yes there would probably be a few thousand. That is part of the other thing, Roy, is that when we look at that on a buyout standpoint, is it better off to buy the homes out under a grant process if that is feasible and take them out of the flooding element. Understand that buyouts of residential properties are not a forced element. It is voluntary. We could have all of the grant money in the world but if the property owner doesn't agree, you can't buy it. If you do a buyout and the property would revert back to the City of Fort Wayne then it would become parkland. That's a long stretch to get there but it is something that is done regularly throughout the United States and is one of the best mitigation efforts that are done on flooding. Flooding is the largest damaging element that we experience across the world. Mitigation is generally buyouts as opposed to doing anything else. This would give us the ability to show it is either feasible or not feasible. I get a lot of calls from the property owners about what the drain looked like forty years ago, fifty years ago and today. I can give them all of the answers in the world and sometimes I look like I know what I am talking about. I think this would give us a better way to do business.

Darren Vogt: When you are talking thousands...

Al Frisinger: Think of where Hacienda Village is and the tributaries for that go clear up north of Rothman Road.

Darren Vogt: Okay.

Al Frisinger: Anything in that area, residential housing, apartments and businesses and all roads that come to that point.

Darren Vogt: If it is 2,000 it's \$2,500 per parcel and I am struggling with that as an outcome for benefit of people who have been in a floodplain and can buy flood insurance to take care of their homes when it does happen. That is where I struggle with the long-term effect of spending County dollars on this project when there might be something else that we can spend this money on and might make a better priority.

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Roy Buskirk: Would that take them out of the floodplain so they wouldn't have to buy flood insurance?

Al Frisinger: If we did the reconstruction.

Roy Buskirk: You are only talking about a couple of years of flood insurance before the assessment. There would be a lot of them in that area that would not be required to carry flood insurance.

Darren Vogt: Most of the people that are in that water shed are not in the floodplain. They are downstream. That is the area and south.

Roy Buskirk: But the trouble is with the development and stuff of these other areas that even though they are not in the floodplain. The house roof does not absorb as much rain as what the ground does. Obviously it is putting more water into the ditch.

Darren Vogt: Council, are there any further questions? We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion carries 6-1 (Vogt).

Al Frisinger: Thank you very much. I will do my best to keep you apprised of our progress.

Roy Buskirk: Before you leave, I would like to have a little update as far as the Permitting Board working with the Surveyor's Office and the Accela Program that you are now working with. How soon do you think the Accela Program will be done with your office to make it easier for developers to work with your office electronically on submitting plans and everything?

Al Frisinger: That is a big leap from where you started there. We are currently finishing up the pond permit status which is only one element of what we look at getting as permits in our office. I think the next one is ILP's and then move on from there.

Roy Buskirk: ILP's?

Al Frisinger: Improvement Location Permits. We get electronic submittals now from DPS on certain issues. There are some that I don't know we are ever going to get. We looked at Drainage Board activities. They amount to a very complex network of timelines for anything. I don't know how all of those are going to fit inside the Accela. When we ran that out, I think it is going to be a little more complex than what we want to do. The submittal type issues that would happen, within the next year we should be up and running.

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Roy Buskirk: Thank you.

Darren Vogt: With that we are onto the County Assessor with a transfer in Reassessment Fund 261.

Stacey O'Day: Good morning, Council members. Stacey O'Day, Allen County Assessor. I am here today to transfer some funds from some vacated line items to Consulting Services. It just so happens that we have two appeals, simultaneously, and they having a lot of action right now.

Roy Buskirk: Commercial?

Stacey O'Day: Yes.

Darren Vogt: Council, are there any questions on this transfer? These positions are open?

Stacey O'Day: No, they were vacated.

Bob Armstrong: Is the attorney for these appeals Fishing or is it somebody outside?

Stacey O'Day: The two specific ones that I am asking for are for Haller and Colvin.

Darren Vogt: Council, any further questions on this?

Roy Buskirk: So primarily your Consulting Services are attorney fees and appraisals?

Stacey O'Day: At this time, yes. It varies back and forth between appraisal fees and attorney fees.

Roy Buskirk: I will make a motion for the transfer from Sales and Market Analyst at \$35,000 and Senior Sales Disclosure Analyst at \$8,541 to Consulting Services of \$43,541.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Now we are on to the Building Department.

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Dave Fuller: Dave Fuller, Allen County Building Commissioner. We unfortunately had an at-fault accident which was a three vehicle accident. Two of the vehicles were totaled including ours. We are incurring some expenses related to that in the Liability Fund and we had not budgeted for it. We have some extra money in Gas and Oil and I am guessing that you are asking why we have extra money in that line. Over the last few years we have gone to some higher mileage vehicles. What we anticipated in the summer of 2013, when we budgeted for the amount of gas and oil, we have not used that much. We are about 130 gallons a month less than what we had anticipated. We are in better shape with that. Unfortunately the one that we totaled was one of our hybrids that we have been keeping even though it has 140,000 miles on it. We were keeping it because it was totally trouble-free and we were kind of experimenting on how long we could make hybrids last and if we could get to the point of break even or beyond to see if it was worth purchasing those. That is the bad news. We will have to try another vehicle now. The good news is that it was a hybrid. Surprisingly we got a check for \$15,700 for salvage value and it was only a \$27,000 almost five years ago. They seem to be holding their value, from that standpoint. That money went into the General Fund and will offset some of the cost of a new vehicle. We are not asking for a new vehicle, at this point. We will wait until spring when we had anticipated get two or three new vehicles and we are using our one spare currently.

Darren Vogt: Council, are there any questions for Mr. Fuller?

Roy Buskirk: Have you noticed any impact on the recent reduction in gasoline prices?

Dave Fuller: It looks like we are only a few cents difference and it only amounts to hundred of dollars a year, in the neighborhood of \$500 to \$600 a year in savings on actual gas. The higher miles per gallon have really been the big factor for us.

Larry Brown: I will call for a motion to approve the transfer in County General from Gasoline, Oil and Lube in the amount of \$9,000 to Auto Liability.

Roy Buskirk: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Now we are on to DPS with a transfer in Fund 337.

Kim Bowman: Kim Bowman, Department of Planning Services.

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Paul Blisk: Paul Blisk, Department of Planning.

Kim Bowman: We are here to request a transfer of \$5,320 into Office and Computer Equipment in the DPS 337 Fund. The purpose of this is to purchase a Scan Pro 3000. It is a microfilm, microfiche reader. DPS has about 175 rolls of archived documents in film and we have about 11,000 of these sheets. These are archived documents that range from 1960 until early 1990. The State Archivist only recognizes filmed documents as a permanent record and has not yet recognized scanning as a permanent record. We have a reader that we purchased in the mid-90's and it is at the point now where the quality of image is poor. Paul is passing out some samples of the images. The machine is getting difficult and expensive to maintain it. The Scan Pro 3000 hooks into our computer and will allow us to adjust contrast, focusing and we can crop images. For the half million images that we have on film, we will actually be able to read those. That will be an advantage in our business. Another advantage of the Scan Pro 3000 is that we will be able to create PDF's. With that I can answer any questions.

Roy Buskirk: In your beginning speech, are you talking to the State to accept more scanning? You need some legislation changes or what is the problem here?

Kim Bowman: I think it is a County-wide issue with all of the departments. Currently we have close to 1,000 banker boxes full of paper. What we have been doing to address the issue is not address it. We just keep collections of paper to the point where now we have to get into our records and get things destroyed. Unfortunately, because scanning is not recognized, there is a destruction schedule. For example, our permits only have to be retained for three years and after that we can destroy those. There will be no permanent record of those because of the State not recognizing an alternative to film. I know that with personnel records, the Auditor's Office, we all hold onto paper because we don't have an alternative.

Roy Buskirk: This has to be with other Counties too.

Kim Bowman: Oh, definitely.

Roy Buskirk: We are very fortunate to have a young lady sitting at the table that is on or is President of the AIC Legislative Committee. I think the AIC would be encouraging legislation to be changed. We were talking about the fact of having items scanned instead of filmed and the savings it would involve for Counties State-wide if legislation would change that. That's right?

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Kim Bowman: Yes that is our current means of keeping a record. We have City Board meeting minutes that go back to 1930. Currently, the Indiana Commission on Public Records only allows those records to be microfilmed. So you either film them or you keep them and we have kept them.

Roy Buskirk: Tera, do you know if there is anything on the radar at all with the AIC?

Tera Klutz: I believe they are not discussing that. We can bring it up.

Roy Buskirk: Appreciate it.

Darren Vogt: Councilman Harris.

Tom Harris: It looks like, and I might be misunderstanding this, the cost of that machine is \$13,900 but you are only asking for \$5,320. That means that you had some money set aside to do this anyway. Was that the plan to do it this year? You mentioned earlier that you just weren't dealing with it but did you have a plan?

Kim Bowman: No, I didn't have a plan and with the timing of everything, a copier was purchased out of the fund and we overestimated the cost of the copier and so there is some money left over and with the transfer, if approved, is enough money for us to get this machine.

Tom Harris: We appreciate the Department of Planning, planning. With that I will make a motion to transfer \$3,000 in Consulting Services and \$2,320 in Travel to Office and Computer Equipment for a total of \$5,320.

Kevin Howell: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. With that we are onto IT, Information Technology with an appropriation in the Internet Access Fund 318.

Ed Steenman: Ed Steenman, IT Director. Earlier this year we were notified that the universal power supply that feeds the power to our data center has reached its end of life. It was installed in the mid-90's and has worked just fine but it is a critical piece of the infrastructure. It is the power that powers all servers which is everything in the data center. All of the power goes through the UPS before it gets to the power supplies in those devices. It filters the power and overcomes any spikes that come through the utility power. Its other main purpose is that if there is a loss of power at the main

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utility, it spans the gap until the generator kicks in. The five seconds before the generator kicks in is long enough to kill every server in the environment and we can't have that. Being end of life means that the ability to get replacement parts if something were to fail is at risk. Based on the dependency of the entire environment on the data center, this is a critical piece. This request is to appropriate \$40,000. The total cost of the replacement is about \$79,000 and the additional funds will come from my General Fund budget so that we can pay for the entire project. We started out researching possibilities through QPA and GSA and those didn't pan out. We did an RFP. We got two responsible bids and have selected Votaw Electric to do this work. I will answer any questions.

Darren Vogt: Council, do you have some questions?

Tom Harris: Was this on the radar that it was coming up?

Ed Steenman: Actually, no it wasn't. We didn't know it was going end of life until earlier this year.

Tom Harris: In the world that you live in, I suspect there are thousands of pieces of machinery and equipment. Do you have some kind of a checklist or process or strategy to identify ones that are going to be showing up on the radar? Why would this be a surprise, I guess?

Ed Steenman: It is one of those pieces that predates all of us.

Tom Harris: Which would mean that it should show up on radar as a potential that it could be going out, right?

Ed Steenman: It is one of those things that falls between IT and Building Management. It is a piece of electrical equipment and not electronic equipment.

Tom Harris: In other words it might not show up on yours because it falls more into the power source and not the Information Technology.

Ed Steenman: Right.

Larry Brown: So, take that a step further, why are you here instead of Building Maintenance?

Ed Steenman: I am the one that gets the downstream effect of it.

Larry Brown: Say no more, I'm a plumber.

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Darren Vogt: Okay, are there any other questions?

Bill Brown: I will make a motion to approve \$40,000 for Office Computer Equipment in the Internet Access Fund 318.

Kevin Howell: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. ACJC is next.

Judge Heath: I am Judge Dan Heath from the Allen Superior Court Family Relations Division, ACJC.

Dave Korus: I am Dave Korus, Budget Analyst with ACJC.

Judge Heath: We are here this morning on a couple of matters. I sent you some fairly extensive emails about our troubles with communication and safety equipment. We did get the final numbers in which I followed up to you in a second email about the communications equipment, bi-directional amplifier and the antenna system. The final low quote was \$28,823. We are asking, in case there are some contingencies uncovered while we install all of this equipment. The total cost of that is \$31,705 as a final figure. As I mentioned in the emails, none of this is new money, it's transfer. I gave an extensive history on the problems with our equipment and it dates back to the building of the building itself. I can't answer why a thorough and good communication system was not originally installed. 9/11 occurred several years before that which first responders noted the difficulty of communicating out of that building, the World Trade Center. Anytime you have a dense, concrete building, you need to have a good amplification system within the building so that you can communicate inside and out of the building. Our biggest problem has been gradually the degradation of the ability to communicate between our own safety personnel within the building. It has gotten to a point now where it is unsafe. That is the best way to put it. I regret that we weren't here before but there was a series of events that occurred. We are not radio specialists and we are not communication specialists. We brought some people in and they had difficulty discerning what happened. The real origin of the problem dates back to the building of the building and what happened there. Our Probation Officer, Steve Doster, is here to answer any questions about the evolution of what we learned and why and when and so forth. He can certainly apprise you of all of that. It can get more detailed, if you wish but he is here to do that, if you need. Essentially, we need to buy a new bi-directional amplifier and install some cable throughout our building. We need to do it right is what I am saying. We need to get it done properly so that it is not a problem for our security

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personnel in the building or if first responders are called into our building. If you want me to go into more detail, I certainly can but I sent a lot of information to you.

Darren Vogt: Councilman Harris.

Tom Harris: A quick comment and question, the Guardian Ad Litem account has extra funds and whenever the Courts can tell us that you have extra funds in that account, I am impressed and pleased. Thank you. That said, did you happen to reduce that for this next year's budget or is it the same amount?

Judge Heath: It's reduced and I will tell you this, when I came in there, it was heavily used. Too heavily used, in my mind. There are times when you need that to be used for the protection of children. Two couples that are really going at it and you feel like there may be some problems for that child because of that you appoint a Guardian Ad Litem to do an investigation outside of that courtroom. They need to be the Judge's eyes and ears and find out what is going on. It was overused. You can get a lot of that information through evidence that you have at the hearing. We will be using some of the money for hearings conducted for arbitration between couples. That is so we can get them into a situation much more quickly than we have in the past. The other problem with the system is that we are making people who are at odds with each other wait far too long to get into the courtroom. Our calendars are too crowded. This past week or so, we trained a number of lawyers to become capable arbitrators and mediators. This next year, we will be calling in couples much more quickly, getting them to an arbitrator, getting their problems resolved so that it doesn't lead to domestic battery or calls for two responders of police or so on. That is where we are using what was Guardian Ad Litem.

Tom Harris: Just a comment, and Judge I have probably shared this before. I applaud you in doing what you are doing, improving security and the systems and processes and efficiencies. The challenge to be thinking about is as you have rightfully strategized to reduce the number of youths that are staying there. We are building more and more infrastructure at the same time. At some point, do we start slowing that infrastructure down on the basis that there will be less youth using those beds every night? Just some thoughts there.

Judge Heath: Whether you house fifty kids or eighty kids, you still need staff. I hope we can reduce our staff a little. We have talked about repurposing things to fight crime at its roots so that they don't become adult offenders. You still have the need, whether you have fifty or eighty, to have radio

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communication, to have the Stanley Security to open and close cells and those costs are never going to go away. We will cut down food cost. We will cut or repurpose some Youth Care Workers that have degrees and make them Probation Officers. We will repurpose it more efficiently and get the taxpayer more bang for his buck. Some costs involved in a structure like a maximum security facility like ACJC, you are just going to have and we are doing our best to cut those as well. This is something that we really can't cut. For example, I am in Courtroom One and there is no radio communication in my courtroom. There is one security person in that room and if things go crazy that person has to step out and either yell or get to a zone where he can pick up some cells and use his radio. That is just not acceptable.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: Councilman Harris' concerns on the expense side, you have some reduction on some of the expenses but you are also using some of that money to be able to promote programs that cause the reduction of juveniles being housed in your facility. That is something that needs to be recognized with the current programs that you are involved with and some that are barely getting started but will have an impact on the entire community with juvenile delinquency.

Judge Heath: I certainly hope so. Ed Steenman was just here and you may have seen last week where we had opened a really significant computer lab. Without County cooperation that would have cost a lot of money but we were able to put together a computer lab for about \$5,000. One of our people got onto Craigslist and another room that we had turned into a cafeteria because the old cafeteria was wired for computers from the inception of the building and should have been used for reading improvements. This room was narrow and he found foldout tables and chairs from North Manchester High School that someone had bought at an auction. We got 48 chairs and tables that fold out perfectly for \$227. Meanwhile we wired up our computer room with perfectly good computers for about \$4,000 and some. If we keep doing things like that and channel kids in there to get their reading and recovery up, you may see them a little more marketable in the job market. We are going to work on those programs until the cows come home.

Roy Buskirk: The other thing, the Guardian Ad Litem amount that you are transferring here of \$10,637 that is generated from fees, correct?

Judge Heath: I am not sure. David, do you know for sure?

Dave Korus: Guardian Ad Litem is a budget item.

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Judge Heath: I think you are thinking of the Per Diem Fund, Roy. That pays for the amp and so forth.

Roy Buskirk: Right.

Judge Heath: That is collected fees, yes.

Roy Buskirk: I know Councilman Harris, I admire him for doing this but he is always asking about the fees and can the fees be raised and everything but it is one thing that the out-of-County juveniles that we house, the fee is limited as far as possibly raising it. There are other facilities in the State that these Counties that do not have facilities could be sending them to instead of ours if we get that fee too high. I think you have raised the local fees for families that can financially pay the fees.

Judge Heath: We did raise that and we do get considerable out-of-County fees. We investigated other facilities and I do feel that if we raised it above the \$150, we will lose some accounts. What was going on is that some Counties were paying \$150 and some weren't and so I sent them all a letter saying you are all paying \$150. Everybody that sends to us pays \$150 and that generates a considerable amount. David, did you have something to say?

David Korus: Yes, we have the second highest per diem fees in the State for out-of-County holds. The only County that is more expensive than ours is in Vanderburgh and they are somewhat geographically isolated and don't have a great deal of competition. In addition, we are probably the only juvenile center that does not offer transportation services. When you factor that in, we could argue that our fees are just as high as Vanderburgh's. We have a nice book of business and we feel that if we raised the rate, we will lose some business.

Judge Heath: We raised the local per diem from \$25 to \$50, per your instructions.

Darren Vogt: Councilman Howell, you have a question?

Kevin Howell: This is a statement. First of all, congratulations on the computer room. I was at the opening of it and I worked at ACJC back in the 80's and it was a swamp and a mess. It was an animal house for those of us at a certain date of our age here. It is much better now. First and foremost is the safety of the kids. There is no question about that. We are all parents around here. No matter what other enhancements you have, if there is chaos going on in one room and you can't communicate to the other room that there is chaos going on, we have a problem, a major problem. I don't really see this,

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in terms of the equipment that they need, to be out of line. Thanks to the Judge and his staff, he is bringing this center into the 21st century. I am also a military man, both Roy and I are, and you have to have security. These kids have to be protected 24/7. If this is the amount that they are asking for brings them a step closer to that then so be it.

Darren Vogt: Judge, do we need to make the Furniture and Fixtures \$31,705?

Dave Korus: That is correct.

Darren Vogt: Okay.

Judge Heath: What happened was that we a real disparity in the bids and so we required a walk-through just to make sure that something wasn't amiss here. When we had the walk-through, the figures got much more precise and so we were able to come back with much better figures.

Tom Harris: With that I will make a motion for a transfer in County General from Guardian Ad Litem to Communication in the amount of \$10,637 and also, the appropriation in the Per Diem Fees Fund 738 for Furniture and Fixtures in the amount of \$31,705.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. Is there any further discussion? All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.

Judge Heath: Thank you.

Darren Vogt: Thanks, Judge.

Judge Heath: We also have the JDAI Programming Grant and that is for continuation of our Programmer. She is here today if you have any questions. She is doing a fabulous job and they call her an All-Star Program Coordinator. There are eleven Counties doing this right now and the whole flight of Counties going through JDAI right now, I am told that our Program Coordinator is an All-Star.

Roy Buskirk: I have the privilege of serving on the committee and there is competition among the eleven Counties for the State funding. How much do you see this grant possibly amounting to?

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Judge Heath: Fifty would be for the Program Coordinator. Fifty-five is offered to us if we can come up with the program that they will approve it. That is not a given but they have said here is fifty-five for you. Prove to us what you can do with it and that is what we will allocate. Last year they gave us \$42,400 for our Check and Connect Program. What happened with that was that they threw this at us very suddenly and a lot of Counties didn't have any programs prepared. We already had our Check and Connect Program up and running and some Counties called me to tell them about our Check and Connect Program because they wanted to start it in their County. So many Counties turned to that and it is not really a detention alternative program directly which is what JDAI is really looking for. It is looking for alternatives to detention type programming. Check and Connect is really prevention. They finally figured out that they made truancy on the list of detention alternative programs but the way we were using it was more preventative than what they were used to. They don't allow requests for truancy funds this year. They give you a list and one of them is what is commonly known in the business is evening reporting. We have wanted one for a long time in this community. Me as a Judge, sitting on a bench and I have a kid there. I could put him in a cell because he is not going to school. Moms have told me to keep him at the detention center because that is the only way that he is going to get an education. That is really not a good way to educate a kid. It is very expensive to the taxpayer. What we could have is an evening reporting program, after school reporting program, where he is done with school and now I am ordering him to come into that computer lab or he can get small group reading with college students from Saint Francis or he is getting mentoring. It keeps him away from crime during that timeframe, which is another high crime time period. It gets him into a classroom or into counseling. We are taking that fifty-five and designing a program and it is logistically difficult with 400 kids on some form of probation and 70 to 80 in secured detention. Getting them into different rooms at different times with different types of programs is logistically difficult. What we will do with the fifty-five is have a part-time Program Coordinator that will take care of all of the logistics. The other person, we are still working on the details, will be a reading professional that really knows how to get a kid from third grade reading level to ninth grade reading level and get his courses back on track. What is left will be used for some transportation problems. You always have transportation problems when you are dealing with juveniles and some supply issues. That is roughly speaking as to how the \$55,000 would be used to start an evening reporting program. One other thing, real quick, we got our determination letter this week from the IRS for our 501C3 foundation. We are making requests for funds from Waterfield for Check and Connect. They have already offered some funds to us but that foundation will allow us to reach out to the community for more funding for these programs and less money from Per Diem funds or Probation User Fees or the General Fund.

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Roy Buskirk: The Judge has started, and with staff help, a lot of very good programs and Check and Connect is one of them. There have been individuals and corporations within the community that can see the benefit of this program. The one problem that was brought up last week is transportation of getting the youth to the facilities. There is a lot of involvement from other organizations, even the Youth for Christ, have assisted in setting up the computers.

Judge Heath: Youth for Christ came in and looked up 500 and some books for the Lexile level that is an indicator of how well a kid reads. If his Lexile level is low, you want to give them a book that pushes that Lexile level up. You have to discern where that book that you want to give that kid lays in that Lexile level. They came in and did the tedious work of going online for each book and finding that Lexile level for several hours. I have kids at Indiana Wesleyan in Marion that are waiting to come up next semester and mentor or work with our kids in small group readings like Saint Francis kids are. That is a transportation issue. How do you get them up here? Do they pay their own transportation cost to come up here? Those are issues that we can hopefully take to the foundation and get some funding for those kinds of things.

Tom Harris: Mr. President, I will move for approval for permission for ACJC to apply for the JDAI Programming Grant.

Roy Buskirk: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.

Dave Korus: Thank you, Council. I would like to make this body aware of one other grant opportunity that recently fell into our lap. Earlier this month we were contacted by the Indiana Criminal Justice Institute. They had \$4,623.50 available in a juvenile accountability block grant. They asked us if we were interested and we said we would be. They said they needed the answer right now and we said okay. We recently found out that we will be receiving these funds. We apologize but through no fault of our own we are a little behind on the paperwork here. We intend to submit this tomorrow for the December meeting with our appropriation request as well for student assessment and testing materials.

Darren Vogt: Will we be able to appropriate next month?

Tera Klutz: In what fund?

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Dave Korus: We were going to go with the Probation User Fees Fund.

Tera Klutz: That's fine.

Roy Buskirk: Do they need approval to apply for the grant that they already have? We have done that before on some other ones.

Tom Harris: So you will be bringing it to us in December?

Dave Korus: Yes.

Darren Vogt: They can come back in December with all of the details and everything.

Judge Heath: What really happened was JBAG money and Judge Pratt applies for it every year for Great Kids Great Communities. I backed away from it and was not going to compete with my own fellow Judge for those funds. They allocated the money and when they had allocated all of the money at the State level, they ended up with \$11,000 left over. They ship out this email asking if anybody wanted some of this \$11,000. You have to do it right now. I am sitting at my computer and I am going to get money wherever I can get money. I don't think you want me to say no. I said that we could use this money right now and it fit into such a narrow timeframe that here we are.

Darren Vogt: I understand.

Judge Heath: Our share ended up being \$4,000.

Darren Vogt: I appreciate it. With that we have Department 61, Circuit Court with several transfers.

Eric Zimmerman: Good morning, Council. Eric Zimmerman, Director of Court Services for Allen Circuit Court. I am here to move some money in our line items. Most of these, if not all of them, are variable costs that we try to budget for every year. Sometimes our costs are a little more in some areas and sometimes they are a little less. In Supplies and Stationery, we are down in cost this year however we have a maintenance agreement coming due for our security equipment that we use in the Courthouse and we share that agreement between the Sheriff's Department and Superior Court and Circuit Court. We would like to take care of that. We also have some additional cost in Schools and Seminars for our Judicial Officers. We have one Magistrate that is going into her second year on the bench and there is quite a bit of training cost that goes into that. As we move down, we have realized some

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savings as it relates to other Supplies and Stationery. We also saved about \$2,000 on a copy machine purchase that we budgeted for but it came in less expensive than what we had planned and so there is money there. Postage went up and File Storage went up by \$500 roughly. As Judge Heath alluded to, our Arbitrators, we are spending more money to move the process through the Court system much quicker. I would be happy to answer any questions that you may have.

Darren Vogt: Council, are there any questions on these transfers?

Roy Buskirk: I have one. I'm not picking on the Courts and I should have asked this earlier. You are transferring to Maintenance Agreements and Schools and Seminars. Are they taking the schooling yet this year?

Eric Zimmerman: Some of it is for schooling that will be yet this year and some is for schooling that they have already had and we are kind of pushing off bills.

Roy Buskirk: I guess my question is also for some of the other departments that are transferring money today, it's the yearend and if you didn't have the funds in Supplies and Stationery, how would those items be paid for?

Eric Zimmerman: We would probably be here asking for additional funds. Looking at our budget over the course of time, we would identify areas where our variable costs are down and we would seek to transfer those funds sooner.

Roy Buskirk: So you would be asking for additional appropriations.

Eric Zimmerman: We do our best not to do that.

Tom Harris: I got a chance to meet with Eric over this as well as the overall budget and with that I will make a motion for transfer within County General for Supplies of \$2,200 and Stationery of \$3,000 to Maintenance Agreements for \$2,200 and Schools and Seminars for \$3,000. And also from Supplies for \$150 and Stationery for \$420 and Office and Computer Equipment for \$2,000 to Postage, \$150, File Storage, \$420 and Contractual at \$2,000.

Roy Buskirk: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. We are on the last page and the Highway Department with an appropriation in CEDIT and one in the Rainy Day Fund.

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Chris Cloud: While you are waiting for people that know what you are talking about to come back into the room, to add to what Councilmen Harris and Brown were talking about with the CIB, the Commissioners recognize the issue that there doesn't seem to be the same outreach level in unincorporated as with the City of Fort Wayne. That is mainly due to the fact that there aren't million dollar projects out there. We have already met with the CIB and instructed them to think creatively as to how to incorporate the smaller communities into the process and they understood that. We asked them to plug into the East Allen Alliance which is the Chamber for the smaller communities. They are doing that. Thank you for expressing that same concern to them because we have hit them on that as well.

Tera Klutz: Also, while we are waiting, can you give us an update on the new 457 benefit plan?

Chris Cloud: I wish I could. It is in the process of being done with whatever he does to it but I have not been as involved in that as the Commissioners have.

Tera Klutz: All right but you do not foresee an issue with an employee that starts January 2nd?

Chris Cloud: No, to my knowledge there has not been a concern expressed that we will not have it in place by then.

Tera Klutz: Okay, perfect.

Bill Hartman: Good morning, Bill Hartman, Allen County Highway. I thought I had time for one more phone call. The last item looked like it might have been a little lengthy. We are here to appropriate some money from some reimbursements to put back into Bass Road at \$213,386. That has been a combination of reimbursements from four or five different sources.

Kim Yagodinski: Gump Road, Flutter Road and Bass Road, we had reimbursements come back and this is just re-appropriating those dollars to the next phase of Bass.

Darren Vogt: Are there any questions, Council?

Bob Armstrong: I will make a motion to approve the appropriation from County CREDIT in the amount of \$213,386.

Kevin Howell: Second.

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Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Now, let's discuss the appropriation from the Rainy Day Fund of \$1.7 million for equipment.

Bill Hartman: It has been five years since we bought ten trucks. It hasn't been quite five years but it takes almost a year to get them built and get everything together. We wanted to try to get the money in place because we have to have money in the line item before we can bid. The bidding process takes a while and the actual manufacturing takes a while and we were hoping to start this process now so that by November or December of next year, when winter hits again, we would have the new trucks ready to go. That was the idea of the timing of this. We just handed a sheet around that shows the ten trucks that we want to remove from the fleet and how many miles are on them. Also, the repair and maintenance cost for the past four years. You can see that we have put \$321,602 in repairs on these ten trucks. That is nearly enough to buy a truck and a half. Those costs are only going to go up as these trucks get older and have more wear and tear on them. We were hoping to appropriate the money out of the Rainy Day Fund. We show \$1.7 million however, if we could get \$1.15 million, that would allow us to bid the cabin chassis. The rest of the money is for the beds, hydraulics and those kinds of things that we could put off until a little later and still have the trucks ready for next winter. We can reduce that amount and still achieve our goal. I will open it up for questions.

Bob Armstrong: What was the number to what?

Bill Hartman: From \$1.7 million to \$1.15 million.

Darren Vogt: That is chassis only.

Bill Hartman: Cabin chassis, yes.

Kim Yagodinski: If Council remembers, the last time we bid the trucks we did it in two separate bids. The truck chassis were first and once those were received we did the bidding of the dump beds.

Darren Vogt: That is what makes the total price \$1.6 million.

Roy Buskirk: So, you don't use any of the beds off the current trucks?

Bill Hartman: I will let Ed answer that.

Ed Neal: The current trucks that we have right now have the beds falling off of them. We have one that we are patching together to hopefully get it

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through another year. Once we get through this cycle of the second phase then we can reuse beds. We never had beds that were stainless steel until the last new ten trucks. Everything is stainless steel on those. We hope to recycle everything on those when they get to their cycle time.

Bill Hartman: I think Ed is hoping that those will outlast two or three trucks but all of the beds before are a mild steel and is very susceptible to rust. That is what was in the industry when they were bought. We are trying to move ahead and have better and save money in the long run.

Roy Buskirk: I notice that this unit #139 has only 111,000 miles on it. Are there problems with that?

Ed Neal: No, basically years ago we had a lot of small subdivisions and they bought a lot of single axle trucks. They are very good for getting around in cul-de-sacs and stuff but putting them out in God's Country, as I call it, where there are big snowdrifts, they are worthless. They won't go anywhere.

Kim Yagodinski: They are leftover from the Aboite Annexation.

Ed Neal: They were bought for the Aboite area and we just don't use them that much.

Darren Vogt: They'll have better value, in theory, when it comes to resale.

Ed Neal: For resale, yes.

Kim Yagodinski: We would sell all of these at auction and try to get as much money as we could back from those.

Tom Harris: What is an estimate on what you get back on those?

Ed Neal: Some of them we did well on. We sold a bunch of single axles.

Tom Harris: Just a ballpark.

Ed Neal: Probably 18 to 35.

Larry Brown: Hundred?

Ed Neal: Thousand.

Darren Vogt: Larry, you had a question?

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Larry Brown: Yes. It may be too early to tell but I am looking for an indication that these ten or whatever it amounts to on any kind of a feel the maintenance running better than the previous cycle of new trucks?

Bill Hartman: There is a total here of \$73,000.

Larry Brown: Those are brand new. When these others were brand new, is there any kind of a feel there?

Bill Hartman: Oh, I see a comparison of the first five years for the older trucks. We did not analyze that.

Tom Harris: That \$73,000 is over two years, right?

Kim Yagodinski: That is correct.

Darren Vogt: You have oil changes and everything in there. That is where I struggle sometimes in what we call Repair and Maintenance. I would prefer Maintenance in one category and Repair as another because they all have maintenance. They all have brakes, they all need tires, lube, oil and filters and all of those kinds of things. They are separate on every ongoing maintenance compared to the bed is rusted out or somebody hit a pothole.

Kim Yagodinski: A lot of this is just our general maintenance because everything else is under warranty right now. We are lucky there if we have any issues because we can get that repaired. It is a seven-year warranty, right Ed?

Ed Neal: That is correct. The higher numbers that you see in here are some of the problems that we had with those plows that you let me buy, from frame damage by hitting guardrails, trees, utility poles and railroad tracks. That is why you see a higher cost here because if you look at the mileage that we put on these new trucks, we have put a lot of miles on them since we got them. We have been using them more than our older trucks because they are reliable and you can't stop them. They are a good truck.

Darren Vogt: Councilman Harris.

Tom Harris: Probably two questions or one comment that was made on the first page that is a four-year repair and maintenance cost, right?

Kim Yagodinski: That is correct.

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Tom Harris: That is \$320,000 divided by four is \$80,000 for maintenance and repair compared to the other one that is \$73,000 but then it is probably half of that, right? The other piece is where do we stand on the payback of the other one?

Kim Yagodinski: Our final payment will be made in January of 2015. That will complete our five payments.

Tom Harris: You are asking for more before you pay off the last one.

Kim Yagodinski: We need to get the trucks built. It takes about a year to build those. To stay on our cycle of every five years, it would be time to approach you for funds to be able to do that. The trucks would be built in 2015 and our first repayment would be in 2016.

Darren Vogt: Tera, help me understand when we look at the request that may be \$1.15 million versus \$1.7 million. We have used the Rainy Day Fund every year so that we don't have to do tax anticipation warrants. How does the \$1.15 million compare to the \$1.7 million in using the Rainy Day Fund?

Tera Klutz: Nick and I have had a lot of conversations about the use of the Rainy Day Fund and also to loan it out. I am going to let him discuss it because he has been doing most of the work.

Nick Jordan: When we initially got the request. I reached out to Kim and Chris and if you think back to the prior years, the Rainy Day Fund loan was \$7 million or \$8 million. Then this year it is \$10.5 million and that is because the General Fund cash balance has gone down. What used to be \$10 million is \$6 million at the end of 2013 and therefore we had to take more from the Rainy Day Fund. If you correlate that with looking at some of our special revenue funds, their balances are also going down. In the future, if those programs come to the General Fund to look for appropriations in order to fund them or we cut those types of programs, we don't know what is going to happen but that is out there. Until the beginning of 2015, we aren't going to know if we will need \$10.5 million again or if we are going to need \$11 million or \$8 million. All we know is that right now is the Rainy Day Fund balance is close to \$3 million. On the contrary, what I did bring to light is why don't we look at the CREDIT Fund? The CREDIT Fund has \$14 million and has grown from \$7 million in 2009 to where it is today. It also has some placeholders in there for economic development as well as backup for bonds. Those bond payments have already been paid for GM TIF area where we could use those dollars. If you look at the financial that is in your packet, for CREDIT, you will see there is a breakdown in the budgets and you can see what has actually been spent as well as what is left for appropriation. I am just going to pick

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out the Commissioners' one because it has economic development as well as TIF backup payment in there and they have budgeted \$3.8 million. They have only spent close to \$500,000. That fund, right now, is in a better financial position with a little bit less uncertainty and works better with the timeline that Kim is proposing for the beginning of next year to make this loan. I'm not saying that the Rainy Day Fund couldn't do it but it may be February or March before we can see what is available in the Rainy Day Fund keeping in mind that the Rainy Day Fund is being used as a cash flow loan otherwise we would have to use tax anticipation warrants or cutting expenses, which still may have to happen. The cash fund balance in the General Fund has gone down. For an eight month window, we really only have a Rainy Day Fund of \$2 to \$3 million.

Tom Harris: And potentially we have a GM opportunity out there too, right, that could come through sometime next year?

Darren Vogt: No, not from the Rainy Day Fund.

Tom Harris: Out of CEDIT?

Roy Buskirk: Chris, do you know what the Commissioners are looking at for the GM funding?

Chris Cloud: I don't think a lot of County money is going to have to go into that.

Darren Vogt: Yes, there isn't any County dollars.

Chris Cloud: I think the State stepped up to the plate. We thought we were going to have a large outlay but the State stepped up.

Roy Buskirk: It was down to 20% but do you even think the 20% is even...

Chris Cloud: I don't think that.

Darren Vogt: It is not down to 20%. The State is picking up the tab.

Chris Cloud: The reason CEDIT is so healthy is because we have done a really good job of managing CEDIT. The cash balance is so big mainly because it is carrying the cost of a couple of large Highway projects. It is not like we can give a five-year loan for Bass Road because we are in the middle of doing an eight-phase project for Bass Road. That is part of why the cash balance is so high as they came to you today for reimbursement that is their line item for a lot of things. If you want to look at the Commissioners' side of

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CREDIT, which is really where more of the liquid cash is, we do have unappropriated money but we do know that \$2.3 million is going to be our half of the Diebold Road project that we are doing with the City next year. The Commissioners are also looking at concrete repairs in some subdivisions which are going to be a pricey ticket item. Highway is gathering estimated costs for repairs. We have been patching and it is just not cutting it anymore. These subdivisions are about twenty to twenty-five years old and the concrete is deteriorating enough where we have to do some significant repairs. We just did an RFP bid for one subdivision and it was \$700,000 and we have probably four or five more. We know that there is going to be a significant cost that it probably going to have to be done over a couple of years.

Darren Vogt: Is that shared with the subdivision at all?

Chris Cloud: This is not our typical 60/40 replacement cost because we are not actually replacing. This is truly repair work. Concrete repair is significantly more expensive.

Darren Vogt: How do we relate that to asphalt resurfacing that we do for a subdivision and the subdivision has to pay a portion of that?

Bill Hartman: The idea is to bring these subdivisions up to a certain standard and from then on go to a 60/40 program. The decision was made to get them to a reasonable standard and we are working on the estimate at this point.

Darren Vogt: I guess I don't see the difference between a reasonable standard for resurfacing someone's deteriorating asphalt and someone's deteriorating concrete road.

Bill Hartman: When you resurface, you do the whole surface of the whole subdivision and when we do repairs, we might repair twenty to thirty percent of the streets.

Darren Vogt: Because that is all that is needed.

Bill Hartman: Right.

Darren Vogt: It was the decision of the developer to put concrete streets in as opposed to putting asphalt streets in, right? The developer would have controlled that.

Bill Hartman: Yes.

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Roy Buskirk: You said to bring it up to standard. In other words, when the County accepted the subdivision streets and stuff, they were not up to standards?

Bill Hartman: Reasonable standard in not breaking up and having holes. They were built to a standard, were inspected and accepted. They were a minimum of six inches thick and proper subgrade treatment when they were built originally.

Roy Buskirk: Have the standards changed.

Bill Hartman: No they have not. They are 25 to 30 years old if not older. It has been that long since anyone has put concrete streets in a subdivision. They have converted to concrete curb and asphalt streets now. That has been the standard for many years now.

Darren Vogt: My personal opinion is that I don't see the difference between the two based on that's how you repair a concrete street and there is a difference between asphalt and concrete and how you repair them. Why are we penalizing, in theory, the asphalt folks in subdivisions that need their streets done and letting the concrete folks get theirs done free and clear versus 60/40?

Chris Cloud: The point being that \$700,000, the 60/40 on that is going to be well more than my neighborhood association would ever raise from anyone. It is just not going to get raised. Asphalt is way cheaper. To do patchwork in asphalt is regular routine stuff but to do a full-on resurfacing, 60/40 is way cheaper. We wouldn't even begin to do a concrete replacement in a subdivision. That would be astronomical. This is truly repair work.

Darren Vogt: Because you wouldn't need to. That is the point of asphalt. You just do patch repair on concrete.

Chris Cloud: There are probably five additions and they are 25 to 30 year old additions. They are the isolated little pockets of things that we ever have this problem with. Most of the additions in the County are asphalt.

Darren Vogt: So, if you have five subdivisions at \$700,000...

Chris Cloud: That is just for Oak Pointe. Highway is going to the other ones and saying...

Bill Hartman: They are not all that expensive.

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Darren Vogt: That is the worst of them, probably. We can belabor the point later but it is one where I see a difference in how you repair something versus the asphalt side of things and you are repairing the concrete to make it last longer. You don't have to do the whole street because it doesn't need it. If you didn't need to do the whole asphalt street, you wouldn't because you could just repair it. Repair cost is irrelevant because it is what it is based on the type of street it was. It was allowed to be a concrete street back 25 years ago.

Bill Hartman: And an asphalt street has failures here and there and we do go in and repair the same way. When the subdivision wants the whole street redone that is when we do 60/40. If the garbage trucks go around the corner and take out part of the curb, we will go in and repair that and we don't charge the subdivision. We make minor repairs to asphalt in the same manner. It's just that concrete is a lot more expensive. The decision was made, above my head, and once we get through this process then we will put the concrete subdivisions on the same program.

Darren Vogt: You may have hit the nail on the head right there. You will do the same thing with an asphalt street as you go forward with just minimal repairs. The example of the garbage truck is different to me and I appreciate that. It clarifies to me a little bit differently as to what you were saying.

Chris Cloud: I don't think that the repairs that are being done in Oak Pointe are drastic. They really are minimal repairs and it is a big concrete neighborhood.

Larry Brown: I am curious, is that a formal agreement back to the subdivisions?

Kim Yagodinski: The 60/40?

Larry Brown: Yes.

Kim Yagodinski: Yes. They have to hold the money in escrow.

Bill Hartman: We establish an escrow account and it is a signed agreement between us and the subdivision.

Chris Cloud: We have talked to DPS about when they approve new subdivisions and incorporating this idea into the neighborhood covenants so that they are aware that in the future, they want to do this and it is a 60/40 method to do a complete job. It shouldn't be a surprise for new additions, 20 years down the road.

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Larry Brown: To that point, I have heard that covenants are only as good as the attorney on hand, at the time.

Chris Cloud: That is absolutely correct.

Darren Vogt: The better way to do it is through the neighborhood association. My specific neighborhood, we started setting money aside every year as part of our budget to resurface our streets 20 years from now so that we are not hit with a big bill. I think the key thing is getting it out to the neighborhoods that if they are going to want to have their streets done, they better start collecting money now.

Larry Brown: That is fine but I can tell you for a fact that my neighborhood has the exact opposite approach with how cheap can the dues be and we run out of snow removal money every year. It is a different approach and I am saying is there some more legal way of forcing compliance rather than a passive approach?

Roy Buskirk: I was just going to say that from the real estate side that I doubt very many realtors explain to the homeowner that they are going to have this cost on replacing the streets when they want them replaced. I agree with you, Larry, there needs to be some way and I know the Realtors Association has worked on some of these issues by having a checklist where the current owner has to point out some of these hidden expenses that arise.

Darren Vogt: I got us a little sidetracked and I apologize because I didn't mean to get us totally off the subject. The question we have now is the financing of the \$1.15 million.

Roy Buskirk: I personally think that with the current standing of the Rainy Day Fund and not knowing how much we are going to need, I suggest that it be split between the Rainy Day Fund and CEDIT. A question that I do have is how soon do you think the additional \$600,000 would be needed?

Darren Vogt: You have to have the money appropriated...

Chris Cloud: For what?

Roy Buskirk: For the beds.

Kim Yagodinski: I would say the May timeframe. We would base it on what we did in the past. The last time we bought the trucks, we did the bid in December and we were ready for the dump beds in May.

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Roy Buskirk: By that time we would have a better understanding as far as what the Rainy Day Fund would look like.

Chris Cloud: If it is anything like this year, you are not going to get the money back in May. The \$10.5 million loan is being paid back in December and they are carrying that loan the entire year. You will know better but I don't know that the money is going to be there.

Tera Klutz: We will know how much we will need to borrow and there may be some left in the fund.

Chris Cloud: I am just saying don't bank on a repayment being made.

Darren Vogt: That part, we get.

Larry Brown: He is talking about our financial position.

Darren Vogt: Cash balance. When will we know the cash balance, February?

Tera Klutz: Jackie usually does our cash flow in January or February. We will know what kind of cash we will have. The rollover depends on a lot too.

Darren Vogt: We know that we have \$1.2 million.

Tera Klutz: Right.

Roy Buskirk: Part of my concern is that I have always tried to keep the Rainy Day Fund for if we have a disaster or something. I always look at it if an employer needs extension of utilities or road work, to land that for additional jobs for the community. We need to have some money that we can relatively go to and be able to support those funds. I know that Chris is thinking that part of that would come out of CEDIT.

Chris Cloud: That is exactly what that is for.

Roy Buskirk: I know but you are saying that it is not there.

Chris Cloud: No, it is there. The unappropriated is accounted for but there is money in CEDIT right now and that is why we keep a cash balance in CEDIT for appropriating.

Nick Jordan: If you look at CEDIT and there is \$14 million in there today and you spend \$2 million for the rest of the year. You end with \$12 million and you get another \$6 million next year that is \$18 million. The 2015 budget is

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for \$10.1 million. Even if you did the full \$10 million plus another \$6 million, you would fully exhaust CEDIT otherwise you are going to roll forward another \$10 million in CEDIT. The money is there in CEDIT.

Tera Klutz: To borrow.

Darren Vogt: Yes, to borrow. Are the Commissioners not comfortable with that?

Chris Cloud: Not from the Highway side. Once we have a project going on with Highway, I am uncomfortable messing with that.

Nick Jordan: The GM Bond Fund.

Chris Cloud: The GM Bond is on the books until 2020. We don't know what the property tax will be so we have to budget that line every year.

Nick Jordan: You have to budget it but you will know after the spring installment that half of it is paid and the past history.

Chris Cloud: I am not arguing with you on that. I am just saying that the money that we have available for what Roy is talking about is the lines of CEDIT that we budget every year. That is where the money comes from. I don't think anyone wants to bank on using Rainy Day for economic development.

Tera Klutz: No.

Chris Cloud: If it was a huge thing, we might have to but I think it is the Commissioners' thinking that this is what CEDIT is for.

Tera Klutz: The Auditor too. The Rainy Day Fund is a stabilization fund and not an economic development fund.

Larry Brown: Exactly.

Chris Cloud: Just to clarify, when they did this a couple of years ago, the whole reason they came to you was just to avoid financing charges.

Darren Vogt: Right.

Chris Cloud: It is not the issue that we are never going to buy trucks again. It is that no one wanted to pay financing charges. At the time, it made sense.

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Darren Vogt: And in theory it still does. Let me throw the question this way, if we delay this for 60 days or more like 90 days, in theory, it doesn't throw your schedule off that much, does it? You tell me. You have tight windows to get them ready for the following snow season.

Kim Yagodinski: We may not make the 2016 snow season. The last time, we did the bid in December and the bid for the dump bodies in May. We took delivery in October. We were really pushing it. If you push that back three months then you are talking January and we miss the 2016 – 2017 January snow season.

Darren Vogt: You took delivery in October, right?

Kim Yagodinski: Yes.

Darren Vogt: So yeah.

Roy Buskirk: Is it the truck or the beds that caused the later delivery?

Kim Yagodinski: That is just how long it takes to manufacture the trucks. You have the bidding process too.

Roy Buskirk: You have two different things.

Bob Armstrong: The chassis will take a year. Once the chassis rolls off the line, you have to put the under blade on and the hydraulics on. You are talking about an actual year to get that truck from zero to the barn.

Kim Yagodinski: Especially if you include the time for bid.

Bob Armstrong: Right.

Tera Klutz: I am not a fan of using the Rainy Day Fund because if we are trying to avoid finance charges and yet we have to take out Tax Anticipation Warrants and pay interest, it just doesn't make sense.

Bob Armstrong: It defeats the purpose.

Darren Vogt: Right. It appears that CEDIT would be a better choice.

Tera Klutz: If that is what the Commissioners and Highway want to do. I am willing to let them review it.

Chris Cloud: I can't obligate the Commissioners to CEDIT.

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Darren Vogt: I understand that. I struggle with that as well. I don't want us to go to Tax Anticipation Warrants when there is a flow available within CEDIT that might be a little better. Now, that said, can we not use CEDIT money for County General expenses instead of Tax Anticipation Warrants?

Tera Klutz: If you look at the CEDIT financial statement, a majority of their money is already budgeted and encumbered and rolled forward. We are allowed to use money free and clear that is not designated or assigned to another task.

Darren Vogt: Okay, I knew there was a reason but couldn't think of it.

Roy Buskirk: A lot of it is rollover from the road projects.

Tera Klutz: And that is budgeted.

Roy Buskirk: You have to pay for it and get reimbursed from the Feds or State and it goes back in there and you use it for the next phase.

Bill Hartman: Right now we are carrying \$67.2 million worth of Federal aid and our 20% match of that is \$13.4 million that we are moving back and forth and rolling over in CEDIT. That gives you a good idea of where the Highway portion of CEDIT is committed. We sign contracts with INDOT and consultants and the contractor for the design. We need \$13.4 million in operating capital to finance \$67.2 million worth of road projects.

Tera Klutz: You are saying that you are not allowed to be creative or use creative accounting.

Bill Hartman: No, it is encumbered just to keep this program going. That should help explain where these millions of dollars in CEDIT are. The upside of that is that it leverages 80% money, we get that money back. We are getting \$53 million back into our economy by doing it this way.

Nick Jordan: If you take out the encumbrances that Bill is talking about, you still have about \$3.3 million left over per the financial statement that is in your packet.

Darren Vogt: Council, what is the pleasure? I will tell you where I stand. I would rather see the Commissioners go to the CEDIT dollars at this particular time than Rainy Day Fund. If and when, in February and March, we need to work with them to reallocate something and we have enough cash flow, then maybe you can make that work. Councilman Armstrong.

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Bob Armstrong: I don't disagree with you. My point is do we give Highway the green light to go ahead and start bidding and moving this process forward? We are going to do this? It is a year so do we sit out and play the gamble 90 days out?

Darren Vogt: They have to have the money appropriated in order to put the bid out.

Nick Jordan: The GM Bond line, I think it has \$800,000 in it. I think you guys transferred some to a different project. It could be transferred to a different line for this payment and that is said and done. The GM Bond is not needed for this year. Those dollars could be used.

Chris Cloud: I cannot and will not commit to the Commissioners spending this money. You can't green light it because the Commissioners have already talked to Highway and said no, you can't have CEDIT. We had that discussion on Friday and the Commissioners told them no.

Tera Klutz: So, now we know.

Chris Cloud: And that is why we can't advertise because we had the conversation and know that CEDIT is not a widely popular option among my bosses.

Tera Klutz: They must be weighing the fact if they pay interest, it must be more important to pay that than to have this pot of money for employers to come down. I am willing to let them make that decision.

Darren Vogt: Have you looked at the interest rate and what that would be?

Chris Cloud: We haven't even started that process.

Nick Jordan: It just seems insane to incur outside financing when we are earning less than one percent on our deposits. To incur financing for anything above that seems like we are taking a step backwards.

Bill Brown: I agree with what Nick just said. The dollars that could be needed, the Tax Warrants, what would that projected to cost?

Tera Klutz: I don't know.

Bill Brown: I know that is tough to come up with that off the top of your head. I do like the idea of using these funds that are making almost no money, for offsetting financing. I think that was pretty creative for the

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Highway, Commissioners and Council. It is getting us better product and sooner.

Darren Vogt: The other option is, if you want to use Rainy Day Fund, I think you are hearing from this Council that you are going to have to wait to make sure that there is enough dollars and cents set aside and not do Tax Anticipation Warrants and that it won't be until the February timeframe. Is that fair to say? Maybe that is something that you put into the RFP, these trucks need to be done by December 1 or work it backwards, as far as the chassis part of it. Maybe you don't get them until January and you missed the December snow, knock on wood that we don't have any of it. Council is willing to hear that and take the risk to delay you a little bit if you want to go back to the Commissioners, we would strongly encourage that is you want to do it in a better timeframe. Did I sum up that conversation pretty well?

Bill Hartman: Does February work for you, Nick and Tera?

Nick Jordan: I think so.

Bill Hartman: I would be glad to come back in February.

Darren Vogt: All right, there we go. Thank you very much.

Tom Harris: I do have one question from the Flutter fans. How are we doing?

Bill Hartman: They are putting curb down and we are anticipating getting some asphalt in on the Wheelock intersection so that we can get that back open for the rest of the winter. We are doing everything we can with what Mother Nature is throwing at us.

Tom Harris: I saw the piece where the ground was not as it should have been.

Bill Hartman: Yes, we had some nasty subgrade out there. There was like flowing sand that we ran into underneath the old road. We had to mitigate that and it was quite expensive. It is good now and will be a fine road.

Larry Brown: Is the asphalt plant still open?

Bill Hartman: We are planning on paving Coverdale Road next week.

Roy Buskirk: They moved in some of the equipment yesterday.

Bill Hartman: Yes.

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Darren Vogt: Thank you very much. With that we will move to Discussion and Other Business to Come before Council. We have the 2015 Council meeting dates for 2015.

Tera Klutz: The top date, January 8th, is the organization meeting where you elect officers. We just want to double check if you want this on January 8th or January 2nd.

Darren Vogt: What is the pleasure of Council?

Larry Brown: The second is okay with me.

Tom Harris: The second or the eighth?

Darren Vogt: The second is just after the holiday and some people may still be out then. I think that was the original thinking.

Tera Klutz: The original thinking is that there was a meeting on Tuesday of one of the appointments and that they would like to have a representative. If you've got that covered, then it really doesn't matter.

Tom Harris: Stay with the eighth.

Roy Buskirk: Which department is that?

Tera Klutz: You usually bring that up.

Roy Buskirk: I know and I am trying to think.

Darren Vogt: I don't know if it is any one of them but in general.

Tera Klutz: It is one that meets the first Tuesday of every month.

Roy Buskirk: Oh that is UTAB.

Darren Vogt: So the dates are set for the 2015 Council meetings.

Larry Brown: I have a conflict with March 19th. Don't reschedule just for me. I am just bringing it up that I won't be here March 19th.

Bob Armstrong: We are only going to be missing one. Let's go ahead and hold the date.

Darren Vogt: Let's move on to approval of the...

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Roy Buskirk: Do we need a motion to approve the dates?

Darren Vogt: I don't know, do we? We have Board appointments. You'll note that there was a change on one of those where the Regional Sewer District is going to be Adam Day. I am going on the Redevelopment Commission with Roy. We are going to replace Aaron Knight and that one will take effect immediately.

Bob Armstrong: Is that the Sewer District?

Darren Vogt: Yes.

Bob Armstrong: Knight is out and Day is in?

Darren Vogt: Yes.

Tera Klutz: This is effective now. They all say that.

Darren Vogt: They all say effective now?

Tera Klutz: Yes.

Darren Vogt: The only one that is change is Adam and me.

Larry Brown: Before you leave all of this, we have discussed in the past having a yearly report from all of these appointments.

Darren Vogt: We were doing that and they didn't report anything. They really didn't know what we wanted. Without being more specific, it might be better to just come up with some specific questions of what you want them to answer before we have them come before us.

Tom Harris: They need direction.

Darren Vogt: Direction and understanding of what you are looking for. Maybe it is just so much that we get a copy of their agenda so that we know what is going on in those specific committees.

Bill Brown: For example, the Library Board hired a new Executive Director this year and there are some things that are taking place there.

Roy Buskirk: I think we need to know also some of their budgets. The Library Board definitely has an impact on the property tax rate. I guess that is the

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only one that would. I like the approach of seeing the agendas. We would have a better idea of what is going on.

Bill Brown: The Library came and gave their presentation so we already know what is going on.

Roy Buskirk: That is almost an after effect when they come to us.

Larry Brown: Maybe we can work on a more detailed letter of direction asking for a yearly report.

Darren Vogt: With that we need a motion to approve those Board appointments listed on our agenda.

Bill Brown: So moved.

Roy Buskirk: Second.

Darren Vogt: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Are there any recent or upcoming meetings or events? Are there any liaison reports?

Roy Buskirk: I would like to bring you up to date on the Permitting Board and what we are doing. In the next month or so, we want to have individuals here who have been success stories. I know one thing is that First Source Bank is a good example in which they were looking at building three branches in Allen County and they ran into some difficulty. They threw up their hands and were willing to go to zero and not build any more branches. The Ombudsman got involved with it and two of the three branches are being built. That will add some additional jobs and assessed value. That is the reason I was asking the Surveyor since he is one of the last departments that we are working with for the Accela program so that you can apply for permits electronically. The other thing is that we are now going into a phase where we need to do some marketing. We are having difficulty in reaching out to some contractors and builders and architects that don't belong to their trade associations. We've emphasized and tried to reach out to the alphabet soup, as I call them, the ABC which is the Association of Builders and Contractors and the...

Larry Brown: BCA which is the Building Contractors Association and HBA, Home Builders Association.

Roy Buskirk: That is three of the organizations that we have gone to and done presentations on how the program works but there are some contractors

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that don't belong to those associations that we need to reach out to. We are looking at retaining a marketing company to come in and do some marketing. Most of it is to address to these individuals but a portion of their expenses will be to let the general public know that there are things happening in Allen County. We are reaching out and trying to attract new jobs. All of this is part of the program in order to improve our economic development outreach.

Tom Harris: I would like to add one comment on the Surveyor, hats off to that role because it is a tough position. We've had some challenges and I have worked with him and some neighborhoods. While the neighborhoods and different folks asking for permitting and his services are upset either because of the due diligence that his office does or the decision making that his office does. Today is a great example that you don't want to rush those kinds of decisions. We are dealing with something that was done in the 50's or 60's and somebody might have shot gunned a decision and people's lives and everything is being affected. On one hand we try to speed up government services but there is one that probably has to make sure that he makes great decisions.

Larry Brown: Another thing that I think has been lost, and Hacienda Village is a prime example, is that over the life of the late 50's to current, the population of this County has changed drastically and so has the storm water requirements that we currently have to deal with. Back then there was probably little to none, I don't know for sure, but very little requirements. When that was built, I am pretty sure it was outside the City limits and also there was a City Building Department, at that time and not a County-wide Building Department. All of those things factored into why and how that situation exists today.

Darren Vogt: It has been a floodplain forever.

Larry Brown: Who managed it and who monitored it? Who said no to a permit?

Bill Brown: That would have been the Surveyor's Office and Drainage Board back then.

Darren Vogt: That is different between building a home or subdivision within a floodplain.

Roy Buskirk: I don't think it was in a floodplain, I think it was in a floodway and there is a definite difference between the two.

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Tom Harris: My only comment to that is while in the permitting process we are trying to speed up the efficiencies of government, there is an example of making sure that we make good decisions. Maybe that particular office is justified in some ways to say “slow down”, we need to make a good decision here.

Roy Buskirk: The one thing, hitching onto that is the fact that so many people don't realize is that you can be way out here and the flooding is down here but because of building and a roof does not absorb any rain like the ground does. Shopping centers and parking lots, we had the problem out at the Airport with Kitty Hawk. There were several acres going under a roof and there was a lot of runoff that Kitty Hawk was causing.

Larry Brown: Roy, when you bring that up, don't forget that currently all of those projects have to have storm water management. That could be detention or retention ponds so that the effect on the tributary that takes that storm water, the change is zero from grass to asphalt. They have to manage and control that water runoff.

Roy Buskirk: Right.

Larry Brown: Those requirements didn't exist back in the 60's.

Roy Buskirk: Correct. That is the reason I asked him about a retention pond.

Bill Brown: To that point, I think the pendulum has swung too far the other way with retention and some of the silt fence et cetera.

Larry Brown: The next time we get a three inch rain, I am going to invite you to my house to look out my back door. You might think it is not so severe.

Bill Brown: The research that I have done, it is. You have a situation that is unpleasant, I am sure, but there are a lot of those out there.

Tom Harris: Approval to waive the reading on any matter approved today for which it may be deemed necessary for the County Council meeting of November 25, 2015.

Bob Armstrong: Second.

Darren Vogt : All in favor please signify by saying aye. The motion passes 7-0.

Bob Armstrong: Move to adjourn.

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Bill Brown: Second.

Darren Vogt : All in favor please signify by saying aye. Opposed like sign. The motion carries 7-0. There being no further business the meeting was adjourned at 11:46.