

## SYRACUSE TOWN COUNCIL

### REGULAR MEETING

October 20, 2009

Cassie Cowan, President, called the Regular Meeting of the Syracuse Town Council to order at 7:00 p.m. Other council members present were Bill Musser, Larry Siegel, and Paul Stoelting. Town Manager Henry DeJulia, Town Attorney Mike Reed, and Clerk Treasurer Julie Kline were also present. Council member Brian Woody was absent.

The meeting opened with the Pledge of Allegiance.

Cassie asked for comments from the public on agenda items. There were no comments.

Paul moved to approve the minutes of the September 15, 2009 meeting; Larry seconded. Four voted for the motion; none against. The motion carried.

Paul moved to approve claims # 1097 through #1229 and SRF claim #80. Bill seconded. Three voted for the motion; Larry abstained. The motion carried.

Ordinance 09-08, An Ordinance Establishing Periods for Tax Abatement, was introduced. The ordinance changes the tax abatement period to match Indiana Code. Larry made a motion to adopt Ordinance 09-08; Paul seconded. Four voted for the motion; none against. The motion carried.

Confirmatory Resolution 09-03, Designating an Economic Revitalization Area and Adopting a Waiver, was presented. Paul made a motion to adopt Resolution 09-03; Larry seconded. A public hearing was held on the resolution; Cassie opened the floor to public comment. There was no public input. Cassie closed the public hearing. Four voted for the motion; none against. The motion carried.

Ken Jones, of Wightman Petrie, spoke to the council about the utility design for the North Industrial Park. He advised the design for the utilities is about 85% complete. He explained four options were considered, and those options were narrowed down to options #2 and #4. Mr. Jones went over a memo that was sent on September 25 with the various options. In that memo, Wightman Petrie recommended option #4. A meeting with town staff, Jeremy, Tom, and Henry, was held to discuss that memo and consider the two best alternates. The best alternates are: Option #2, which would put a pressure booster station in and control pressure and supply mechanically to the north industrial park, or Option #4, this option omits the pressure booster station and changes the entire system from a dual pressure zone to a single pressure zone. Comparisons were made between the two alternates. A significant difference of the two concepts is residual pressure at the site. This will be controlled mechanically with the pressure booster station concept and will require another building; that building will have two sets of pumps. Option 4 would not be able to provide pressure beyond 44 psi at the industrial park. The current system has two pressure zones, since we have two water towers at different elevations. The pressure is controlled with pressure reducing valves. Adding a booster pump station will add a third pressure zone. Under option 4, the whole town would have one pressure zone controlled by the south tower. Concerns about the Basis of Design were presented; we want to make sure that we don't conflict with what SRF has approved. For example, about \$70,000.00 was

spent for bypass check valves in the original project to separate the two zones. Also under the basis of design, we added an 8" line directly from the plant and the new well field to the north water tower at a cost of about \$327,000.00. Under Option #2, we would not be changing the basis of design. Option 4 would not use basis of design, however Ken Jones stated he feels SRF would have no problem. Larry asked for clarification on what the SRF issues might be under the basis of design. Ken said they may ask why we borrowed SRF money to include something that will not be used. Larry asked about the ramifications if the SRF feels differently. Ken stated they may ask us to repay the money. Backflow preventers are a concern of the operations staff. Under option #2, this would not be an issue; under option #4, new customers will need to be careful on how they install their backflow prevention if they have upper elevations. Larry clarified that under option #4, pressures would be lower. Ken advised boosters would be needed if there are two or three stories. The staff also had concerns with option #4 on pressure for fire protection.

The estimated cost for Option #2 is \$1,667,418.00; the estimated cost for Option #4 is \$1,597,390.00. In addition, with Option #2 the additional cost for power each year will be \$66,000.00 at full development. Ken Jones noted a concern expressed by Henry, Jeremy, and Tom. Since we will be in competition with other industrial parks, we don't want to tell a potential developer that a booster pump will be needed. Bill asked if the town is a single zone, would a problem in another area affect this. Ken Jones explained the computer model does not indicate pressure would drop below 41 psi. Right now there are two pressure zones; to add one more would be no big concern. Cassie asked if there was more psi, would there be greater wear and tear. Ken stated no; the system is designed to take more than that. Mr. Jones noted the operations staff feels more comfortable with option #2. Larry questioned if we could charge different utility rates for the industrial park; Mike Reed advised the rates would have to be the same for similar customers. Mr. Jones advised Wightman Petrie would like direction on which option the town would like. He noted the sooner we can get it out to bid, the better. He feels the stimulus money will eventually have an effect on the price of projects; if we bid up to March 2010, he feels we can get it at 2009 prices. Larry asked about the sewer. Henry advised the total project is estimated at \$3,000,000.00; the grant application is for \$2,100,000.00 with a \$900,000.00 town match. Larry asked if the properties on S.R. 13 will be able to hook on to sewer. Ken Jones answered there are several property owners on the west side that will have to provide easements to keep the cost of the sewer down. Ken Jones noted the \$1.6 million dollar figure does not include the \$209,000.00 gravity sewer on S.R. 13. \$1.6 million is only the service to the industrial park. Bill asked about the location of the lines; Ken provided more detail. Larry asked for a recommendation. Ken Jones advised he originally thought option #4, however, after meeting with the town staff, the staff likes option #2. Paul moved to finish the design as specified in option #2; Bill seconded. Larry asked Mr. Jones if Wightman Petrie would be able to complete the remainder of the design for the \$101,000.00 contract. Ken Jones stated the acquiring of easements is not included in that amount. Also, the gravity sewer design was not included in the original scope of services. Henry advised the amount for that was around \$8,800.00. Four voted for the motion; none against. The motion carried.

Mark Baumgartner, of the Save the Depot Committee, addressed the council. He presented drawings of the proposed site where the committee would like to move the depot. The Depot Committee has met with the Park Trails Committee and Park Foundation. He stated the depot will serve two purposes. The building will serve to replace the aging restrooms at Ward Park. The trail committee can make a trail head at the location since there will be restrooms there. Mr. Baumgartner discussed funding the project; he stated the committee doesn't want any weight on the town. Right now, we have to have transfer of ownership papers before we can move forward with anything else. Funding the project can be done two different ways. Grants can be used. Mr. Baumgartner stated he thinks everything can be done without a dime from the town. He noted the committee is also looking into moving the depot without the use of grant funds; he estimates it can be moved for \$137,000.00 if private money is used instead of grant money. That dollar figure does not include site work. Mr. Baumgartner estimates that for \$300,000.00 to \$350,000.00, the depot can be put on the site and renovated. If grant dollars are used, the cost would be more in the \$400,000.00 to \$500,000.00 range. What they are looking for is an owner of the building.

Todd Zeiger, of the Historic Landmarks Foundation, advised Bremen used TE (Transportation Enhancement) funds for their depot. He noted it will take longer to complete the project if grant money is used. Larry added there is also competition for the grants. Mr. Zeiger advised the trail head and DNR slip make it attractive as far as the state's priority and focus. The problem is that the building can not be repaired or stabilized because CSX still owns it. We need ownership to move forward. Mr. Zeiger discussed applying for a Community Planning Grant, but the town would have to own it in order to apply. Larry discussed forming a 501 (c) (3); we can go for funds that way. Discussion followed on raising funds. Martha Stoelting stated they have not gone after money yet. She added that for two years, it has been on the top ten list of endangered buildings. Martha explained they made a decision as a committee not to ask for money. Todd added the proposed site is on town property, and the building will be for park use. That is why the committee suggested the town as the owner. Mr. Zeiger added he is not opposed to forming a 501 (c) (3). Paul noted it makes sense that the town would own it if it is on town property.

Larry stated what concerns him is if the town has to support this. He asked who might need to get laid off in order to fund it. The last CSX agreement also said the town was going to do all these things in a certain period of time.

Cassie discussed Section 5 of the agreement that says it is contingent upon the following; the donee securing funding to perform the work, and the donee requesting up to five years to accomplish the work. Mike Reed stated they (CSX) are not going to give you closing or transfer of ownership until you sign an agreement that says you are going to take the building, and the town can't take the building without funding. We're in a catch 22. Mark Baumgartner stated the agreement with CSX is a generic agreement that can be changed. He would like the agreement to state we have five years to move the building and raise the funds or it goes back to CSX. Mike Reed stated that the transfer of ownership can not take place until the town meets the contingency. The way the document reads you have an agreement to transfer ownership in the future.

Paul asked if there is any way to take ownership with a reversionary clause. Mike advised if you think having the option is enough, then he is ok with the agreement. Larry asked if we can get a contract that allows us to strap and stabilize it. Discussion followed; Mike was asked if we would be allowed to stabilize the building. Mike stated it depends on what CSX allows. There is no actual responsibility to complete the task unless you get the funding. He looks at this as an option agreement. Paul asked if we were leasing with an option to buy, would that be enough to apply for grants. Todd Zeiger stated it would be a next step. Martha added they are grateful to Bremen; they shared what they went through. Martha provided information on a fundraising proposal that was received from Pat Appenzellar for framed prints. Larry asked if we can apply for assistance through the Harkless Foundation; Cassie advised if the town has an agreement, we can apply in the next cycle of grants.

Paul questioned if we are going to agree to some sort of option. Mike Reed stated if the agreement looks ok, we can send it on to CSX. Paul doesn't want to give encouragement to the committee, and then ultimately say we are not going to take it. Discussion followed. Mike Reed noted the tax deduction is important to CSX. Mike Reed asked what the committee wants of the council tonight. Mr. Baumgartner replied they want an agreement that once the transfer of ownership papers are up to speed, the council would be willing to sign it.

Mike Reed replied the agreement has been doctored up enough that it is truly just an option; it is apparently enough to satisfy the committee. If town is willing to take ownership if the committee raises the funds, the agreement has been modified enough that it would be acceptable to send on to CSX. Cassie asked if there is a consensus to accept this from the council members. Larry stated the committee needs to raise funds. More discussion followed. Larry clarified that the committee would like town support, knowing that the town can not commit any funds. We need to ask during option period if the town can stabilize it. It was the consensus of the council to move forward.

The Public Hearing and Adoption of the 2010 budget was held. Clerk Treasurer Julie Kline read the proposed 2010 budget. There were no comments from the public. Bill moved to adopt the 2010 budget as read; Paul seconded. Four voted for the motion; none against. The 2010 budget was adopted.

Ordinance 09-09, an Ordinance Rescinding Ordinance 01-27, was introduced. Paul moved to adopt Ordinance 09-09; Larry seconded. Three voted for the motion; Cassie voted against. The motion carried.

Ordinance 09-10, Salary and Compensation Ordinance for 2010, was presented. Larry made a motion to adopt Ordinance 09-10; Paul seconded. Four voted for the motion; none against. The motion carried.

## DEPARTMENT REPORTS

### TOWN MANAGER

Town Manager Henry DeJulia announced the storm sewer improvements on Hillview and Steele Dr. have been completed. Money was raised for snowflakes for the new decorative lights; about \$8,000.00 was raised.

Henry discussed the proposed new storage building. He estimates the cost would be about \$45,000.00, and the building would be used to store records, banners, snowflakes, etc. Henry advised we budgeted \$65,000.00 from CCD for Long Dr engineering; he suggested using that money for the building instead of doing the engineering. We could use \$45,000.00 from that line item for the storage building and part of the remaining amount for checking lines out.

Henry discussed the contract with H.O.W. to administer our grants; he would like to extend the agreement to December 31, 2010. Paul moved to extend the contract; Bill seconded. Four voted for the motion; none against. The motion carried.

Henry asked the council how they felt about using the \$65,000.00 toward the storage building and smoke testing lines. Jeremy estimates the cost to smoke test the lines would be \$5,000.00 to \$10,000.00. Cassie expressed concern that the mezzanine would not have enough room to stand in, and questioned if it is strong enough to hold records. Henry agreed to come back next month with more information. The council agreed to allow the CCD money for the building and smoke testing.

#### POLICE

Police Captain Cal Kline went over the police calls for the month of September. He announced the new ballistic vests have been purchased. The police department is in the process of making the change to the new in car computer system; the Cisco license has been purchased, and the air cards tested.

Cal presented an Interlocal Agreement with Kosciusko County for Terminal Services Data. Larry moved to adopt the Interlocal Agreement; Bill seconded. Four voted for the motion; none against. The motion carried.

Cal announced Trick or Treat will be on October 31<sup>st</sup> from 6:00 p.m. to 8:00 p.m.

#### PARK

Park Superintendent Chad Jonsson announced the Park Board would like the council to appoint Henry Kohl to the Park Board; Mr. Kohl will be filling the position of Nancy Picket (Duehmig), who has resigned. Paul moved to appoint Henry Kohl to the Syracuse Park Board; Larry seconded. Four voted for the motion; none against. The motion carried.

Chad announced upcoming events. The Fall Carnival will be held this Saturday and will also include a chili cook off. This annual event is held with the Lakeland Youth Center. The Haunted House will be open on October 29<sup>th</sup>, 30<sup>th</sup>, and 31<sup>st</sup>. Chad provided the hours for the haunted house.

The final Artisan and Farmer's Market was held on Saturday, October 17.

#### PUBLIC WORKS

Public Works Director Jeremy Sponseller presented a proposal from Ortman to inspect the new wells for \$900.00. Paul moved to approve Jeremy's request for

\$900.00; Larry seconded. Four voted for the motion; none against. The motion carried.

A quote from Cripe Excavating to chip the brush pile from this summer's pickup was presented. Paul moved to hire Cripe Excavating the chip the brush pile at a cost not to exceed \$2,850.00. Larry seconded. Four voted for the motion; none against.

Larry asked about sealing manhole covers. He was advised the cost is \$30.00 to \$50.00 each. Larry would like us to identify areas where they are needed.

CLERK TREASURER

Clerk Treasurer Julie Kline had nothing further to report.

TOWN ATTORNEY

Town Attorney Mike Reed discussed the \$12,500.00 promissory notes that were signed by the residents of Forest Park. He asked the council how they want us to handle this when the property is sold. One of the properties is being sold; he asked if the council wanted the balance of the note paid when the property is sold, or if they would like to allow the new owner to execute a new mortgage for the balance of the promissory note. Discussion followed. Bill made a motion to allow the new owner to execute a new mortgage for any sales in the future; Paul seconded. Larry questioned the risk involved if we allow this. Four voted for the motion; none against. The motion carried.

DISCUSSION FROM THE FLOOR

None.

OLD BUSINESS

Henry discussed the proposed new web site. He presented examples with various color combinations with the background and lettering. The council chose blue lettering.

NEW BUSINESS

None.

Paul moved to adjourn the meeting; Bill seconded. Four voted for the motion; none against.

The Syracuse Town Council adjourned at 9:19 p.m.

ATTEST:

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Cassandra Cowan, President

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Julie Kline, Clerk Treasurer