

December 12, 2016

The Ellettsville, Indiana, Town Council met for a regular meeting on Monday, December 12, 2016, at the Fire Department Training and Conference Room. Scott Oldham called the meeting to order at 6:30 p.m. Kevin Farris led the Pledge of Allegiance followed with a prayer by Scott Thomas.

Roll Call: Members present were Scott Oldham, President; Dianna S. Bastin, Vice President; Kevin Farris, Brian Mobley and Scott Thomas. Sandra Hash, Clerk-Treasurer; Darla Brown, Town Attorney; and Jim Davis, Town Manager; were also present.

Supervisors present were: Mike Cornman, Danny Stalcup, Jimmie Durnil, Kevin Tolloty, Jeff Farmer and Mike Farmer.

Approval of Minutes

Scott Oldham entertained a motion for approval of the minutes for the regular meeting on November 28, 2016. Kevin Farris so moved. Scott Thomas seconded. Motion carried.

Accounts Payable Vouchers

Scott Oldham entertained a motion for action to pay Accounts Payable Vouchers. Dianna S. Bastin so moved. Mr. Mobley asked questions on the claims which were answered by the supervisors. Kevin Farris seconded. Motion carried.

Resolutions

Resolution 25-2016 to Transfer Funds and Appropriations from the LOIT Special Distribution Fund to the Local Road and Bridge Matching Grant Fund

Sandra Hash, Clerk-Treasurer, explained the matching grant fund was created at the last meeting. The Indiana Department of Transportation (“INDOT”) was given money to do grants and it was a fast process. Originally, the state said the money had to go into a Local Option Income Tax (“LOIT”) fund. Now, it has to go into the Local Road and Bridge Matching Grant Fund. The money has to be moved to the matching grant fund to pay the payment for the roads that were paved. Mr. Oldham stated this money is for local roads and streets and not the special public safety fund.

Scott Oldham entertained a motion to adopt Resolution 25-2016 to transfer funds and appropriations from the LOIT Special Distribution Fund to the Local Road and Bridge Matching Grant Fund. Kevin Farris made a motion to adopt Resolution 25-2016 to transfer funds and appropriations from the LOIT Special Distribution Fund to the Local Road and Bridge Matching Grant Fund. Dianna S. Bastin seconded. Roll call vote: Scott Oldham – yes; Dianna S. Bastin – yes; Kevin Farris – yes; Brian Mobley – yes; and Scott Thomas – yes. Motion carried 5-0.

Ordinances on First Reading

Ordinance 2016-15 to Amend Section 36.220 of the Ellettsville Town Code Regarding Police Personnel Policies

Brian Mobley asked if shifts are being added. Marshal Durnil explained it allows sergeants to rotate their shift four hours so they can come in early to get their job done. It also rotates the midnight shift from 7 p.m. to 3:00 p.m.

Ordinance 2016-16 to Amend Appendix A to Chapter 152 of the Ellettsville Town Code Establishing Rates and Charges for the Use of and Services Rendered by the Municipal Sewage Works of the Town of Ellettsville

Darla Brown, Town Attorney, explained Doug Baldessari from H.J. Umbaugh & Associates attended the last Town Council meeting and presented results of the Cost of Service Rate Study. Before the sewer rates can be changed they’re required to hold a meeting and publish notice in the newspaper so customers have an opportunity to express their opinions with regard to the new rates. This ordinance incorporates Mr. Baldessari’s proposed rates. If the ordinance is passed, Appendix A currently in Town Code will be repealed and replaced with new rates. There will also be changes to \$152.112 with regard to the connection fee and \$152.114 with regard to charges for excessive strength surcharge. The monthly treatment rate flow charge per thousand gallons is going to increase for Ellettsville customers and Eastern Richland Sewer Corporation (“ERSC”). The monthly

treatment rate user charge for metered customers will decrease. The debt service payment has been eliminated but the utility has had increased costs in operating expenses, critical infrastructure protection standards and equipment replacement requirements. The last Cost of Service Rate Study was done in 2008. There will be a second and third reading in January.

Scott Oldham asked if a majority of customers will have a decrease in their sewer rate. Mike Farmer answered users up to 6,000 gallons will see a decrease. The 4,000 gallon a day user will have a decrease of \$5.39. The flow rate will increase due to the increased cost of treatment and high-end users will see an increase. Mr. Oldham asked what the average house uses. Mr. Farmer answered 4,500 gallons is the average. Ms. Brown advised a decision needs made as to hook-on fees. Currently, it is \$1,500 and she suggested \$2,000 for the hook-on charge. Mr. Farmer explained the determination from the rate study is a hook-on fee of \$2,764. There needs to be a discussion on the affect \$2,764 would have on local building and how it relates to other hook-on fees in the county. The state average is \$2,500. The sewer district hook-on is \$1,800. The Equivalent Dwelling Unit ("EDU") needs to include residential. As they get into commercial applications wherein they may use four times as much making it be four times the hook-on fee for EDUs. They need to stage their capacity hook-on fee in that manner. Mr. Farris asked if it would be \$8,000 for commercial. Mr. Farmer answered yes, if the usage warrants it. The cost will be related to the size of their meter. Mr. Brown asked for confirmation that the ordinance is to state a \$2,000 fee for an EDU or that it can increase annually. Mr. Oldham asked what the current hook-on fee is. Ms. Brown answered it is currently \$1,500. Mr. Farmer added using \$2,000 as a number is not necessarily what they want to agree on. Mr. Oldham asked how many hook-ons they have a year. Mr. Farmer replied this year there were 65 and other years as many as 170. They could easily reach 100 next year. Ms. Brown noted Mr. Baldessari calculated the maximum charge at \$2,764. Mr. Oldham asked how long it takes to recoup the financial investment for the hook-on. Jeff Farmer clarified the hook-on fee is actually a capacity fee. The monthly bill pays for the operations and maintenance of the current plan. The capacity fee pays for future growth. The Town and current customers have fulfilled the bill on the current plan. They have \$5,000,000 to be paid by future hook-ons. They have to decide whether or not they want to affect growth in Town. Currently, \$1,500 is a fair price. The impact fee will help but will not solve future problems. Lowering the impact fee will help future growth in Town.

Scott Thomas asked how this effects other corporations using Town services that eventually feed into the sewer plant. Mr. Farmer answered that will be the argument as ERSC will think they've paid for the capacity. Mr. Baldessari thinks in the future those homes should have to pay an impact fee to the Town. Mr. Thomas is concerned about others controlling the area around Town and not paying for future impact. It'll penalize people in Town but they want to build growth in their area and it doesn't seem right. If they do it for one they should do it for all. Mr. Oldham doesn't see a lot of area left in Town that is slated for expansion until they look at annexation and/or re-modernization of some areas. Mr. Farmer opined ERSC has quit paying their capacity fee but going forward they need to pay a hook-on fee. Mr. Thomas asked if the Town is aware of everyone added by ERSC because it does their billing. Mr. Farmer replied that is correct. Mr. Thomas suggested if the Town knows they're adding people shouldn't the Town charge a fee to prepare for the future. Mr. Farmer said they will if they're instructed to charge for every hook-on. The Town sets the water meter and if ERSC does not pay the fee they won't set it. Ms. Brown commented if the Town Council accepts the rate they can later change the hook-on fee and ordinance and it does not have to go through the Indiana Utilities Regulatory Commission ("IURC"). Mr. Farris asked how the fee was determined. Mr. Farmer answered Mr. Baldessari determined it. Mr. Oldham asked the usage of the current plant. Mr. Farmer replied they're about 50% or 1.1 million gallons per day. Ms. Brown advised the statute states the following for municipal sewage works "*after the hearing the municipal body shall adopt the ordinance establishing the fees either as originally introduced or as modified.*" The Town Council can decide a fee to be put in the ordinance for publication purposes. Then, if they're persuaded otherwise at the hearing it can be changed at that time. Mr. Oldham suggested leaving the hook-on fee the same and have staff do research of exactly what it will cost in five or ten years. Mr. Farmer reiterated a good point was made in that they may never see the hook-on fees due to IURC giving ERSC

so much territory around Town. The hook-on fee has not been increased for several years. Mike Farmer commented the capacity fee is also used to eliminate Inflow and Infiltration ("I & I"). Sometimes the money is used to stabilize capacity, reduce I & I and keep capacity at a constant level. Mr. Farris asked if the people paying Town hook-on fees live in Town limits. Mr. Farmer answered that's correct, only Ellettsville customers. Most of the development in the future will probably be in Ellettsville due to future annexations. Mr. Oldham reminded everyone that due to decisions in the 1970s and 1980s they have paid out thousands of dollars. They need to do the best they can without making the same mistakes. Mr. Thomas suggested adding the wording "all future users" to the ordinance or rather it's the Town, ERSC or any other group they may do business with in the future. Mr. Farmer stated ERSC does charge a hook-on fee for all new customers. All agreed to include the suggested wording by Mr. Thomas and to include a hook-on fee of \$2,000 in the ordinance.

Sandra Hash asked if future annexed property owners would be Town or ERSC customers. Mr. Farmer replied they would be Ellettsville customers. There would be no infrastructure on the property and it would be developed after annexation. The utility becomes the owner of the infrastructure and the customers. Ms. Brown noted the contract between the Town and ERSC states for new territory that's annexed the Town can purchase the infrastructure. However, if there isn't any infrastructure and the Town is going to install it her argument would be those people would be Town customers.

Ordinances on Second Reading

Ordinance 2016-14 Fixing of the Salaries for Budget Year 2017

Sandra Hash, Clerk-Treasurer, explained there are no changes in the top salary lines. There is a \$1,000 range in all of the full time lines from the starting to the maximum pay. It also states employees can be paid less than the starting pay. The word "base" was removed and now just states "pay". Mr. Oldham asked if there is wording under Police and Fire for base pay because the state has to know what it is as retirements are set on that amount. Mr. Davis answered retirement is not set on base pay for Ellettsville because they're not under police or fire pensions.

Scott Oldham entertained a motion to approve Ordinance 2016-14 Fixing of the Salaries for Budget Year 2017. Dianna S. Bastin made a motion to approve Ordinance 2016-14 Fixing of the Salaries for Budget Year 2017. Scott Thomas seconded. Roll call vote: Kevin Farris – yes; Brian Mobley – yes; Scott Thomas - yes; Dianna S. Bastin – yes; and Scott Oldham – yes. Motion carried 5-0.

Old Business

Flood Report

Brian Mobley met with Mr. Farmer at the Utility Building that gets runoff from an adjoining field. There is no ditch along the road and rain water floods the building. He hasn't heard from the Department of Natural Resources.

New Business

2017 Agreement Between the Town of Ellettsville and Richland Township for Fire Protection

Fire Chief Mike Cornman advised this is a supplemental fire service agreement. They have had a contract with Richland Township since 1955. For 2017, the Trustee has asked, due to their financial situation, that the Fire Department reduce their budget by \$100,000. The 2016 and 2015 contracts were the same. However, the agreement is for \$74,000 less than 2016. With \$90,000 anticipated to be received with the Public Safety Income Tax they will do an additional appropriation in March 2017 to put some of the money back into the Fire Department's budget. The verbiage in Section 2 is the same regarding assistance to help purchase their part of the rescue truck and the entirety of the water tanker truck. The Town is buying it back on paper. The Town Attorney has reviewed the agreement.

Scott Oldham asked if the \$74,000 is in addition to the \$100,000 that the tax council set aside. Chief Cornman answered no. The tax council set aside \$90,000 and the Trustee is going to pay only \$490,000 this year. Therefore, it has dropped by \$74,000 while his

budget reflects a \$100,000 reduction. Mr. Oldham asked if the shortage is \$174,000. Chief Cornman replied the shortage is approximately \$116,000. Mr. Oldham asked if \$90,000 had not been received from the Public Safety Income Tax Council, how short would the Trustee be. Chief Cornman answered approximately \$120,000. Ms. Brown advised it is the same as the contract last year with the exception of the amount.

Brian Mobley asked the average of the calls the Fire Department makes for the Township. Chief Cornman answered approximately half of the total calls. Mr. Farris asked if the budget is \$100,000 or \$74,000 less. Chief Cornman replied the Fire Department budget is actually \$100,000 less than 2016. The Trustee had anticipated he would have to cut \$100,000. The Townships Growth Quotient Factor (“GQF”) kicked in and the Department of Local Government Finance said it had to go to the Town and that is why the budget is \$74,000 short. Mr. Farris suggested doing a \$74,000 budget cut. The Clerk-Treasurer recommended waiting until funds from the LOIT come in and then readjust. Ms. Hash added if they’re going to ask to spend \$90,000 from the special LOIT the Town has to wait until it receives some of it. They can’t ask for more in an additional appropriation than they can show in new revenue at the time. So, it may have to be done twice. Mr. Oldham commented regardless of the amount they are not going to let someone’s house burn or not respond to a medical emergency. The Trustee is going to pay what he can when he can and the Town will continue to provide the same service. The Town needs to approve the agreement. The Township has always been an honest player with the Town and we need to help them through whatever they’re experiencing. Mr. Mobley disagreed and doesn’t understand why the Town has to use tax money when there isn’t any to pay for equipment and firemen. Chief Cornman noted in the cumulative funds the Trustee is doing more than his fair share or more than helping with equipment. Mr. Mobley asked if the Town has had this contract for 55 years why wasn’t it figured in. Mr. Oldham explained the Trustee hit a wall with his GQF. Mr. Mobley commented so has the Town because they haven’t been able to give officers a raise.

Scott Oldham entertained a motion to approve the 2017 agreement between the Town of Ellettsville and the Richland Township for Fire Protection. Dianna S. Bastin made a motion to approve the 2017 Agreement between the Town of Ellettsville and the Richland Township for Fire Protection. Scott Thomas seconded. Roll call vote: Dianna S. Bastin – yes; Kevin Farris – yes; Brian Mobley – no; Scott Thomas - yes; and Scott Oldham – yes. Motion carried 4-1.

2017 Agreement Between the Town of Ellettsville and IU Health Ambulance Service

Fire Chief Mike Cornman explained this is the same contract as previous years with a 2.5% increase from last year. IU Health provides one-half of a part-time firefighter at the station on Curry Pike and they give the Fire Department money to send people to training as required by the hospital. Mr. Farris asked the dollar amount of the contract. Chief Cornman answered the contract totals \$59,868.

Scott Oldham entertained a motion to approve the 2017 agreement between the Town of Ellettsville and IU Health Ambulance Service. Dianna S. Bastin made a motion to approve the 2017 Agreement between the Town of Ellettsville and IU Health Ambulance Service. Kevin Farris seconded. Roll call vote: Kevin Farris – yes; Brian Mobley – yes; Scott Thomas - yes; Scott Oldham – yes; and Dianna S. Bastin – yes. Motion carried 5-0.

Employee Transfer from Street Department to Utility Department – Mike Farmer

Mike Farmer, Ellettsville Utilities, had a resignation in their department and a current employee took over their duties leaving a vacant laborer position. The job was posted internally and they received an application which met their requirements. They are requesting to transfer Travis Richardson from the Street Department to Utilities with a starting pay of \$17.50 per hour. Mr. Richardson holds a provisional CDL and upon receiving a permanent CDL they will automatically move him to a wage of \$20.26 per hour. After six months his pay will move to \$20.50 after 12 months to full pay of \$20.74 per hour. Ms. Bastin asked when Mr. Richardson transfers will it be at 90% or with straight pay. Mr. Farmer answered he will get paid \$17.50 which is less than 90% and when he gets his CDL he will be moved to \$20.26, then after six months it will be increased to \$20.50 and then full pay of \$20.74 after 12 months. Mr. Thomas asked if he was a part-time or full

time employee. Mr. Farmer answered he was a part-time employee for the Street Department. There were no objections from the Town Council.

Council Comments

Brian Mobley thanked Smithville Telephone for their camera donation and being a community leader for Ellettsville, Bloomington and Monroe County.

Dianna S. Bastin reminded everyone there are new radar signs in Ellettsville. For the person who locked their brakes in front of the Police Department today it doesn't mean there is a police officer sitting there. It means they might be in the area so take that into account when you see them. Pay attention to your speed.

Town Manager Comments

Jim Davis, Town Manager, provided an update on new Town Hall. Tile flooring and carpeting is in, interior doors installed, electrical is being finished and gas is almost in.

Supervisors Comments

Mike Farmer, Ellettsville Utilities, explained they're about finished with purchasing the easements. They've advertised for material bids which will be opened at the December 27, 2016, meeting. If it stays dry they will start the project this winter, if not they'll start in the spring.

Town Marshal Jimmie Durnil agrees with Mr. Mobley in that Smithville has been very supportive of the Police Department with the cameras and provided the following updates: They've built a speed cart. The Street Department had the illumination sign and radar. The Police Department got the trailer and support for it so they have less than \$400 in it. He is going to order a \$33,280 Ford Interceptor. That comes out of the 2017 CCD fund.

Fire Chief Mike Cornman advised the Ellettsville Volunteer Fire Department, Inc. received a grant for \$27,000 from the Smithville Charitable Foundation to replace all of the Fire Department nozzles.

Privilege of the Floor

Kenny Williams has a trail coming in behind his office. He donated a piece of property to the Town and he thinks they want to put a pocket park on it. It is going to be a gravel trail. However, there aren't very many gravel trails in the county. He feels Ellettsville is receiving the last bit of money for trails. He would like for the Town Council to stand up and be recognized with the county to get the trail paved. Gravel will make it difficult for someone to push a stroller down the trail and when it gets wet it will be worse.

There are not any reflective markers when you come into Ellettsville at Arlington Road. There is going to be an accident because people can't see what lane they're in. He would like for the Town to get with the INDOT to get it reflected the way it should be or get some markers on the pavement.

Adjournment

Scott Oldham entertained a motion to adjourn. Dianna S. Bastin so moved. Kevin Farris seconded. Scott Oldham adjourned the meeting at 7:25 p.m.

Scott Oldham, President

Dianna S. Bastin, Vice-President

Scott Thomas

Kevin Farris

Brian Mobley

Sandra Hash, Clerk-Treasurer