

Minutes and proceedings of the public hearing of the Town Council of the Town of Hope, Indiana.

Be it remembered that the Town Council of the Town of Hope, Indiana held a public hearing at the Hope Town Hall in said town at 5:30 p.m. on July 17, 2018.

The prayer was given by Pastor Ed Cottrell.

The meeting opened with the Pledge of Allegiance led by Ed Johnson.

WATER RATE PHASE II NOTICE

Buzz Kohn, O. W. Kohn and Associates, stated we were the financial advisors for the water project that was funded through a combination of resources, primarily through the State Revolving Fund. There is kind of good news and bad news. The good news is we get to reduce the rates we adopted about a year and a half ago. The bad news is it is still about 8 ½% higher than what the interim rate was but we looked at that interim rate for a long time. Now the project is completed. The project basically replaced 25% of existing water distribution system. Meter read upgrades are underway right now. We are hoping as a result of all of this we'll see better figures in line loss ratios, in pressure, in reliability, quality of service. All of those things. We originally thought we were going to have to finance 2.4 million dollars in bonds. We only bonded just under 1.4 million. That is the reason we can be thankful that we don't have to go to the full extent of the rates. Those rates had to be adopted prior to closing with the State Revolving Fund. We did notify them as a result of their grant. Buzz explained how we qualified for the Forgivable Bond and a grant through OCRA which totaled over a million dollars in grant funding. Buzz reviewed the factors determining their recommendation of phase 2 of the rate study. He stated the Town of Hope has not implemented a tracking factor which allows the increase to be automatically passed on to the customer. He discussed the impact of Eastern Bartholomew's rate increase. The first phase increase has already taken effect which is the biggest increase. The second phase takes effect January 1, 2019. Buzz stated effectively our rate right now will be that \$11.25 per thousand plus \$.91 tracking factor per thousand. We were projecting that rate to go to \$14.46 per thousand plus the \$.91 because that is a cost we don't control. Their rates are regulated by the RUIC and we follow the same wholesale water cost tracking procedure. Phase 2 is a preapproved rate. What would have been more like \$15.40 is only going to \$13.12. It's about an 8 1/2% overall increase from the interim rate that we are paying right now. That phase 2 rate could have been \$2.20 higher. The increase is going to be about \$6.00 a month for an average customer. It is a pretty significant amount. Buzz reviewed the revenue requirements set forth in Indiana Code. It's what you have to adhere to. Buzz explained that certain costs are mandatory. We're focused on top three; cash operating expenses, debt service and depreciation. Buzz explained we're not fully funding our depreciation but we are funding it enough to provide the coverage ratio necessary to qualify for the State Revolving Fund laws. If we don't have adequate working capital, you need to raise the rate to put working capital in there. If you don't have the debt service reserve that you need, you need to raise the rate to put that in there. You need additional funds to build up for your improvement fund for capital projects. The hope is that maybe our water costs will come down if we get our line loss lowered. We need to keep an eye on this going forward because we need to maintain those certain debt coverage ratios. Lu Kujawski asked how long will phase 2 water rates hold. Buzz answered that's a good question but that's a tough question to answer because it depends on a lot of variables. Number one any time Eastern Bartholomew changes

their rate that is an automatic pass though for our retail customers. Number two would be just the integrity of the rest of our distribution system and the water tower. You've replaced 25% of the distribution system. I'm sure that was prioritized as being one of the most needed areas to improve the system. Lu stated it cannot be indefinite. Buzz confirmed these rates will not be indefinite. Three to five years is the typical time frame. If you add a hundred new houses, these rates could last longer. I think having the infrastructure is important to be able to attack that hundred new homes. I think that is what the Council is trying to do. Mark Webber asked if the \$6 average increase is based on 4,000 gallons. Buzz confirmed. Buzz explained our initial rate increase for 4,000 gallons went to \$45 per month. Phase 2 increase was scheduled to be \$9.67 additional but we are able to knock \$6.31 off that number because of the additional grant. The \$3.66 is how much Eastern Bartholomew's water cost went up that affected our retail rates. We needed a modest phase 2. The reality of the ordinance tonight is that we are reducing the rate that was already preapproved before we did the bond issue. Nellie asked if it was factored in the money that we are saving from water loss that we had. That was a tremendous loss of water. Buzz confirmed. Buzz added I think the meter replacement is going to help on that as well. David stated meter replacement is at 65%. Buzz asked if SRF funds were used to purchase meters. David answered part of it. Our water tower was painted too. Buzz reviewed the Pro Forma Income Statement. This shows the impact of phase one rates, the wholesale cost tracking revenue and the phase two adjustment. We targeted about \$550,000 revenue stream. We will have about \$60,000 a year for bond coverage. You will have about \$50,000 a year to do capital projects. You are putting in about \$21,000 a year into a debt reserve fund. That leaves a little bit less for capital projects for the first five years. SRF requires that you build up a one year debt reserve in the first five years of the life of the loan. You have a very lean operation considering number of customers serving. The water costs is about a third of your total operation expenses. Buzz opened for questions. Mark Webber stated I know earlier increases in the water rate in 2016 a number of the Council had been voicing concerns that they had heard particularly from the lower income and from the elderly about how this is going to impact them. I was wondering if the current Council has been hearing those same concerns recently. The Council has not heard concerns. Early on they did.

The public hearing adjourned at 5:55.

Minutes and proceedings of the meeting of the Town Council of the Town of Hope, Indiana.

Be it remembered that the Town Council of the Town of Hope, Indiana held a called meeting at the Hope Town Hall in said town at 5:55 p.m. on July 17, 2018.

A quorum was declared present based on the presence of the following council members: Ed Johnson (President), Jerry Bragg (Vice-President), Clyde Compton, Ohmer Miller and Nellie Meek. Town Manager JT Doane and Clerk Treasurer Diane Burton was also present.

APPROVAL OF THE MINUTES

Minutes 4/17, 5/1

Clyde made a motion for the approval of the minutes. Jerry seconded. Motion carries 5/0.

APPROVAL OF THE CLAIMS

Diane stated I do have a correction to last month's claims. There was a check reissued because it was made payable to the incorrect vendor. Check #13683 was replaced check #13708 in the amount of \$20.74 payable to Hope Auto Parts. It was caught before the check was sent out.

Jerry made a motion for the approval of the claims. Nellie seconded. Motion carries 5/0.

OLD BUSINESS:

WATER RATE PHASE II (Ordinance 2018-02)

Clyde made a motion to approve the first reading of Ordinance 2018-02 for the Water Rate Phase 2. Ed seconded. Motion carries 5/0.

PROJECT UPDATES

MAIN STREET EVENT

Trena Carter stated I was out of town so I was unable to attend the Main Street Event. Two of our coworkers attended and stated they were surprised because there were people from all over the state. Kudos to the Town and Main Street.

WASHINGTON STREET STORM DRAINAGE PROJECT

Trena Carter stated I have a listing of firms for you to select from for the Washington Street Storm Drainage Project. If you can look those over at your leisure and just email me and then we will go ahead and prepare the letters. There are two sections there on that list. We need a minimum of three from the top section and two from the lower section.

MSRP GRANT

Trena Carter stated we are still working on the Downtown Revitalization Project. That's still moving forward for round one of next year.

COPS PROGRAM

Trena Carter stated there is not a notice of funding availability released yet.

OWNER OCCUPIED HOUSING REHAB

Trena Carter stated the approvals are planned to take place during the next Town Council Meeting. I spoke with Victoria Dake today who handles that program. She'll be sending those documents out via email about a week before. There are also some letters she needs to send to Green Tree which is the environmental firm that is subcontracting to the Indiana Housing and Community Development Authority. She will be preparing letters and we'll be in touch with you for those signatures. Once we get the environmental complete then we'll begin the bidding process. That is about thirty to forty-five days out. Note that they have fourteen months to get everything completed.

GOSHEN MEADOWS SANITARY PROJECT

JT Doane stated the smoke tests is the stage that we are in for the analysis on this infrastructure project. That is set to take place on Friday, July 20 with a rain date set on the 27th. There was a notice that I provided today to John Clark to share on HSJ Online. I will personally be hand delivering the flyers to the residents in those areas so they are alerted to what is going on and they don't get concerned when they

see potential smoke. This test will further conclude where this leak is and get this remedied. Steve Robertson added we have done this before in Town. It does cause a little bit of excitement. The pamphlet explains to each property owner what is going on and why. JT read the notice which states:

On July 20, 2018, inspection crews will be conducting a physical survey of the Town of Hope sewer system in the Goshen Meadows and Liberty Place neighborhoods. This study will involve the opening and inspecting of manholes in the streets and easements. An important task of the survey will be smoke testing of the sewer lines to find breaks and defects in the sewer system. The smoke that you will see coming from the vent stacks on houses or holes in the ground is non-toxic, non-staining, has little odor, white to gray in color, and creates no fire hazard. The smoke should not enter your home unless you have defective plumbing or dried up drain traps.

It is advisable for the home owner to pour a gallon of water into any floor drain prior to our testing. If smoke enters your home, there is a good reason to assume that potentially dangerous sewer gasses may also be entering your home or business. You should evacuate the premises and notify our work crews. If you are not home and discover smoke when you return, please call Town Hall at (812)546-0423.

Some sewer lines and manholes are located in the property easements and backyards. Whenever these lines require investigation, members of the inspection crew will need access to the easements for the sewer lines and manholes. Homeowners do not need to be present and the workers do not need to enter your home unless you have smoke coming into your house and would like them to enter.

Important! If there is any individual in your home or business who has respiratory problems and is immobile, please notify us at Town Hall, (812)546-0423, prior to testing.

If inclement weather occurs on July 20, smoke testing will not occur. The alternative date will be July 27, 2018.

Steve Robertson stated the gentleman that will be conducting the smoke test is Bruce Rape. He has been with Strand for twenty-five years. He has done a lot of these tests. A couple of utility guys are helping out so there will be a town presence there with Bruce. Ed asked Chad Emmitt if someone will be available that day. Chad confirmed.

GRASS CLIPPINGS (Chapter 6, Article 10: Weed Control)

JT Doane stated if you see someone blowing grass in the street, call down to the Town Hall. We do have an Ordinance, Ordinance 2016-16 that does not allow for you to blow your grass clippings into the road. It is a safety hazard for bike cyclist and motorcycles. It also gets into our storm sewers and can cause David and his team some havoc. It can cause some issues for us as a Town. Generally our policy has been to give them a copy of the ordinance, give them a warning on the first occasion. Then thereafter, ordinance does have language that went into effect back in 2016 on issuing a fine.

GARBAGE AND RUBBISH UPDATES (Chapter 6, Article 15: Garbage and Rubbish)

JT Doane stated we did have more homes that have been tagged. I want to compliment you. I know I received one from Council Member Meek last week. If you do happen to see one, again please call and

let me know. Last year we tagged seventy homes. So far this year we are seeing a decrease in the number of homes we are having to red tag. We have two given to Town Attorney Andrews both of which got letters. One that reached out to Scott and I have spoken with since. We are making some effort to see what specifically needs to be done to get into compliance. We have only had three out of the seventy that have been noncompliant. Nellie asked how do you decide what is more than too much that can be there in the yard. JT went through the list of what is considered to be noncompliant. There is not a degree in the ordinance of how much is too much. If you have that sitting around, you will get the ordinance.

TOWN OF HOPE BRUSH INITIATIVE

JT Doane stated we did put the brush initiative on the last utility bill. I have had some residents call of a result of that being on a bill that have been very excited that there is an option and a remedy. I plan on getting the date set. We will go to the homes that have called and load up the brush. I talked to David about a spot at the lagoons that he prefers for that to be placed. We will set a couple of other dates. Right now I have had six that have called and said they have some brush. Ed asked David if it is going to put a burden on you. David answered it will take somebody to unlock the gates out there. Whoever is doing rounds that day, will unlock it. Ed asked about getting help. JT stated I was not successful in getting a call back. I will personally help and I have talked to some officers about helping as well. Ed requested JT to call the county again for restitution help. Matt volunteered to call tomorrow.

TRASH CONTAINERS (Chapter 9, Article 4: Trash Pick Up Services)

JT Doane stated this was an issue where we had several residents coming by saying people were leaving the containers out all week. We sent out approximate 279 letters to residents just advising and sending a copy of the ordinance about trash containers. So far it looks like it has been very receptive. I have not seen near as many violations. If you do, let me know.

OLD MAPLE STREET WELLHOUSE PROPERTY

Tabled.

MAIN STREET OF HOPE UPDATES

Matt Tallent stated we are going to have a flyer out in the next couple of weeks for the Clean-up Day. The Clean-up Day is in September, the weekend before the Hope Ride.

NEW BUSINESS:

SAFE HAVEN SCHOOL SENIOR PROJECT

Tabled.

TRANSFER OF FUNDS (Resolution 2018-06)

Diane Burton stated this resolution is more of a formality that INDOT requires. They want all of the paving money to run through the same appropriation. The amounts have already been approved. I am just taking all of those amounts and putting them into the appropriation listed. Resolution 2018-06 reads as follows:

Be it ordained by the Council of the Town of Hope that the following transfer of funds be made:

From 201001461 MVH – Street Project \$25,336 to 258001441 Local Road Matching Grant Fund \$25,336

From 202001431 Local Roads & Streets; Streets Curbs Sidewalks \$25,000 to 258001441 Local Road Matching Grant Fund \$25,000

From 401001441 CCI; Streets Sidewalks Drains \$10,412.75 to 258001441 Local Road Matching Grant Fund \$10,412.75

The total match is \$60,748.75. **Ohmer made a motion to approve Resolution 2018-06. Jerry seconded. Motion carries 5/0.**

PERSONALIZED BRICKS BY HOPE CLOCK

JT Doane stated I spoke with Randy Sims. Forms are available to purchase a personalized brick. You can give those directly to Randy Sims, Michael Dean or bring it by Town Hall. Clyde asked where the bricks are going to be placed. JT answered the bricks that are there can be pulled out.

LIT PUBLIC SAFETY FUND COUNTY UPDATE

JT Doane stated I know there has been questions on the specifics on this. I along with Clerk Treasurer Diane Burton attended the Bartholomew County Council Meeting. There is a portion of a fund that will be going to the county towards jail rehab. The amount from Hope is coming from the new Public Safety Fund. It has not passed just for discussion. Their hearing is set for September to make that decision. JT went over the breakdown of what will be received from the county; 1.25 Certified Shares, .25 for Economic Development, Public Safety goes from .25 to .05. Clyde asked if this is coming from all towns. JT answered all of Bartholomew County. John Clark asked what amount the Town will be receiving. Diane answered this year we are receiving \$33,399. Next year we will be receiving around \$6,000. Clyde stated I would think the county would have done this years ago, put the money back to renovate the jail. I don't understand them taking the money from small towns.

TOWN REPORT

JT reviewed his Town Report as follows:

- Hope Wellness Pharmacy: Continue discussion in terms of NP clinic and home visit option; Further Discussion Week of July 9 in terms of options for initial funding;
- INDOT Community Crossing Matching Grant (CCMG): Follow up with O'Mara and Strand Associates regarding Liberty Place and Midway Court follow up work; further analysis in terms of 2018 CCMG Grants;
- Accepted invitation to serve on panel and presentation for the fall October Accelerate Indiana Municipalities Ideas Summit!!!!
- IMMA meeting scheduled for July 27; will be in attendance;
- Business meeting Special By Design on July 7th

- Garbage and Junk Red Tag Ordinance: additional homes red tagged; discussion with resident regarding Wintworth's home that received red tag; discussion with Mr. Baxter regarding letter received from attorney; planning visit to property;
- WCSI Radio Show: next radio show Thursday, August 2nd, 8:30 am; attended July 5th Radio Show;
- Goshen Meadow Sanitary Project: Smoke test set for Friday, July 20th, rain date set for July 27th; received notice to residents; will personally deliver on Monday, July 16th;
- Follow-up and discussion made with ARA regarding homes to receive work from the Homeowner Occupied Rehab Grant; will meet and discuss with residents once work completed;
- Attended July County Council meeting regarding lit discussion in terms of Jail Rehab funding;
- Appearance at Main Street Community Exchange at Willow Leaves;
- Planned drive to monitor follow up compliance with trash container on Monday, 7/16; mailed out to 279 letters of recent;
- Per request, accepted invitation to be in dunk tank at HVFD community event on July 21st;
- Attendance, Presentation & Organization efforts at July farmer's market; assist with vendor set up and tear down;
- Attendance and Presentation & Organization of surprise retirement celebration for Danny Burton and Sandy Griewe; initiated events/agenda: Hope Legion, National Anthem, God Bless America; plaque for Danny Burton; proclamation for Danny Burton and Sandy Griewe;
- Visit to property for complaint on grass on Jackson street;
- Visit to property for prospective red tag violation on Walnut Street;
- Conference call with Buzz Krohn, Clerk Treasurer Burton to discuss Water Rate Phase II; further discussion and public hearing set for July Town Council Meeting;
- Further detail finalized on Brush Initiative; received calls from residents from information contained in utility bill;
- Meeting and drive with prospective resident to visit homes available and lots; Mr. Cave purchased lots on union street to build home;
- Follow up with Town Marshal regarding complaint on barking dog on Washington; resolved accordingly; letter received at Town Hall in appreciation from Mrs. burton;
- Meeting requested to discuss outreach efforts/assistance with Root Beer Float stand; meeting set for Monday, July 16;

Ed asked if the low spot at Liberty Place has been addressed with O'Mara. Steve Robertson confirmed. There is also a concern in Goshen Meadows. Steve will have them look at it.

JT reminded the Council about the Community Event being put on by the Fire Department. Chad Emmitt shared their activities planned for the day. The event will be on Saturday from 12:00 p.m. to 4:00 p.m.

JT stated there was a surprise retirement celebration at the shelter house for Danny Burton after thirty-three years of service and Sandy Griewe after twenty-five years of service. Pictures of the party were shown.

JT stated yesterday I was approached by Whitney Budd and Stephanie Long. They wanted to set up fund here in Hope to help families that may need some assistance toward lunches, extracurricular activity participation, shoes, clothes and such. They have officially created this and they are going to call it "The Students Fund of Hope". They have an event on Sunday here on the square. They are going to serve Root Beer floats from 5:00 p.m. to 7:00 p.m. I encourage you to come out to that event. **Ed made a motion to approve park request. Ohmer seconded. Motion carries 5/0.** JT stated they are planning a family movie night in September as well. More details will follow.

QUESTIONS/COMMENTS ABOUT SUBMITTED REPORTS

*A Police, Animal Control, Utilities and Town Manager's report has been given to the council prior to the meeting to review and kept on file at the Clerk Treasurer's Office.

Ed Johnson stated Sam Meek did get appointed to the State team. He is getting an award Friday night at a banquet from the State for being on the State baseball team.

Ed Johnson stated because of the situation I'm in right now, I need to resign as President. I want to stay on the board. I don't feel like I'm doing the job I should be doing. My wife's in serious condition and it's going to be long term. My commitment is to her first. I move that you accept my resignation. I hate to do it. I've enjoyed it. I just have too many commitments to continue and do a good job. I don't feel like at this time I can do that. Ed gave a brief update on his wife's health. **Clyde regrettably made a motion to accept Ed's resignation as Council President. Ohmer seconded. Motion carries 5/0. Nellie made a motion to nominate Ohmer Miller as President. Ed seconded. Motion carries 3/2.**

Meeting adjourned at 6:36 p.m.

Attest











