

TOWN COUNCIL OF LEO-CEDARVILLE
MEETING MINUTES
MARCH 16, 2010

ATTENDANCE:

Paul Steffens – Council President
John Clendenen – Vice President
Michael Young
John Eastes
Gordon Liechty, Jr.
Pamela Spannuth – Clerk-Treasurer
Jim Lauer – Town Engineer
Cindy Kimm – Park Board President

7:00 – Council President Steffens opened the meeting with the Pledge of Allegiance.

AGENDA – The council unanimously accepted the March 16, 2010 agenda with flexibility.

DAN AVERY – NIRCC – Mr. Dan Avery, from the Northeastern Indiana Regional Coordinating Council, was present at the meeting. He discussed the operations and purpose of this organization. They are primarily responsible for allocating Federal Highway Administration and Federal Transit Administration transportation funds to improve all modes of surface transportation. They assist in developing and coordinating a comprehensive transportation plan for the Northeastern Indiana region. Funds available to them are for general highway improvement projects as well as enhancement funds, which can be used for improvements such as trails or historical restoration work. Highway Safety Improvement Program funds are also provided to them safety improvement projects. He stated that one of two air quality monitors within Allen County is located within the town of Leo-Cedarville. In addition to the transportation programs, he discussed several different programs that they receive federal allocations for including the Safe Routes to School Program. NIRCC solicits interest from eligible communities through their annual call for projects. He recommended that at least one representative from the town attend a training program hosted by INDOT in order to become the town's ERC (employee of responsible charge). He stated that a typical major federally funded project could take up to seven years from start to completion; stringent minimum federal guidelines need to be followed. Mr. Clendenen asked if any projects the town currently has planned would be eligible for any funds through NIRCC, or if all projects need to be considered federal projects. There are no current projects eligible although a complete upgrade of Amstutz Road may be a good project for seeking federal assistance. Mr. Clendenen further asked if there would be any funds available for assistance on the two stormwater drainage improvements that will need to be done as a result of the SR1/Amstutz Road realignment. Mr. Avery stated the need for right-of-way to be obtained prior to any drainage tiles are run in these areas. He will check into whether there are any funds available for these drainage projects, but feels that if INDOT has already taken a position on this issue it is unlikely that there will be any funding

assistance available. Another meeting will be scheduled with Mr. Avery to further discuss how to proceed with planning any projects that may be eligible for federal funds.

MARCH 2, 2010 MINUTES – The March 2, 2010 meeting minutes were approved with corrections.

MANNING STREET CHANGE ORDER 2 – Mr. Lauer presented the council with a final change order to the Manning Street project in Cedarville. The net total project cost increase is \$15,161.69. Mr. Steffens asked about the edges of the road along Black Street and Elsworth as there is no gravel. Mr. Lauer will check into this. Mr. Clendenen moved to accept Change Order 2. Mr. Eastes seconded; the motion passed unanimously.

2010 IMPROVEMENT PROJECTS – Mr. Lauer discussed how he plans to prepare the bids for the 2010 street improvement projects. Several projects will be bid together. Mr. Lauer discussed Amstutz Road and asked for guidance on how to proceed since the section that is the town boundary is half Allen County's responsibility. Mr. Clendenen feels the town should proceed to plan the improvement. Mr. Lauer stated that all of the projects previously approved for planning should be ready to be bid by the end of April.

N. LEO DRIVE – Mr. Lauer stated that it would be reasonable to add resurfacing the unimproved section on N. Leo Drive to the 2010 road improvement project. He provided a rough estimate of approximately \$2,000.00. The council agreed to include this in the 2010 road improvement project list.

HOSLER ROAD DRAINAGE REPAIR – Mr. Lauer stated that the Hosler Road storm drainage/sanitary line repair has been completed. Settlement in the area of the storm sewer line where it intersects the sanitary sewer line was the cause of the problem. A reoccurring sinkhole problem was also diagnosed and repaired during this process as well.

IVANS LANE – Mr. Lauer discussed the origination of the drainage problem in this area and the position that INDOT is taking regarding this issue; they refuse to work outside of state right-of-way leaving the town responsible for handling the increase in Stormwater runoff that will be caused by their realignment project. Ms. Kimm described the current problem with drainage in this area. The cost of this project is estimated to be \$85,000.00 including engineering and construction. The preliminary engineering work is completed for the Ivan's Lane storm drain although he recommends that the bid not be let until INDOT has completed the realignment; this is to ensure that the correct elevations are used in the final engineering plan.

Mr. Lauer also described the impact that INDOT's work will have along the Riverview/Riverdale area. The engineering work is not done for this project; a final Stormwater design has not yet been determined. Mr. Lauer stated that this project does not have to be completed this year.

SR1/AMSTUTZ ROAD INTERSECTION REALIGNMENT – The bid will be let for the SR1/Amstutz Realignment project on April 14th. Work is expected to begin in June and should be completed by the time school starts.

FINANCIAL REPORT – Ms. Spannuth presented the March 16, 2010 fund balance and appropriation report.

CAPITAL IMPROVEMENTS FINANCING – Mr. Eastes discussed the proposal to borrow money to fund the 2010 Road Improvement Project. He reviewed a document he prepared which specified the details of a proposed loan of \$850,000.00. The repayment of this loan would be from the town's CEDIT revenues. He feels that the construction costs saved by doing capital projects during the current market far exceeds the cost of interest on the loan. Mr. Eastes emphasized the importance of utilizing the town's CEDIT fund balance and revenue stream as the source for repayment of any loan to be used for the extensive road and storm sewer construction projects under consideration. By pledging CEDIT resource dollars, Mr. Eastes emphasized that the \$850,000 loan under consideration would not cause a property tax increase for Leo-Cedarville property owners. Mr. Eastes wants to make sure that everyone will view this as a cost saving and containment measure that contains no upside risk on property taxes.

Mr. Young expressed his strong opinion that the town does not undertake more projects than the budget allows. He stated that the town has stayed within its road improvement annual budget of \$300,000 to \$350,000 every year since he's been in office and does not feel that the town should be borrowing money to do improvement projects when it's not necessary. Discussion ensued regarding the theory of it being financially wise to borrow money during this time of low interest rates and low construction costs. The cost savings that could be realized by taking advantage of the currently low construction costs will likely exceed the cost of borrowing money. Mr. Clendenen stated that construction costs are coming in 30% to 40% lower than initially expected. He further stated that there is no risk involved in seeking bids for a loan as well as seeking bids for the proposed capital projects that are currently being engineered.

Mr. Liechty, Jr. agreed that construction prices are at record lows but also stated that he is cautious about debt. He does support that the town proceed to seek bids for construction costs as well as a loan as there is no risk involved. An informed decision cannot be made without actual bid results.

Mr. Eastes moved to advertise a notice of receiving bids for obtaining a loan of \$850,000.00. The proceeds from the loan would be placed into a temporary capital construction fund for the purpose of funding the 2010 Capital Improvement Projects. CEDIT funds would be pledged as the source of revenue for the loan payment. A compensating minimum balance of \$200,000.00 is to be maintained in the CEDIT fund throughout the duration of the loan. Prior to maturity, all or any of the amounts of the principal or accrued interest thereon may be prepaid without penalty. Each bid shall stipulate a fixed rate of interest to be charged. The term is to be 5 years with monthly payments. All bids must be made in full compliance with the law governing such matters; and, the town council reserves the right to reject any or all bids. Mr. Clendenen seconded the motion. The motion passed by a majority vote with Mr. Young voting against.

UNLIMITED GARBAGE PICK-UP DAY – The unlimited garbage pick-up day is scheduled for Saturday, May 8, 2010.

TOWN WIDE GARAGE SALE – The town wide garage sale is scheduled for May 20-22, 2010.

2010 GARBAGE SERVICE BID – Ms. Spannuth clarified several details with the council prior to preparing the advertisement for bids for the town’s residential garbage service. The public notice will be advertised and bids sought as soon as the documents are finalized.

VOUCHERS – The March 16, 2010 line item voucher form was approved.

APPROVED:

ATTEST:

PAUL STEFFENS
Council President

PAMELA SPANNUTH
Clerk-Treasurer