

March 11, 2015

BARTHOLOMEW COUNTY COUNCIL
Special Meeting
February 23, 2015

Name:	Representing:	Title:	Present:
Evelyn Strietelmeier Pence	At Large	President	Present
Bill Lentz	At Large	Pro-Tem	Present
Jim Reed	At Large		Present
Chris Ogle	District 1		Not - Present
Laura DeDomenic	District 2		Present
Mark Gorbett	District 3		Present
Jorge Morales	District 4		Present
Chris Monroe	- -	Attorney	Present
Barb Hackman	Auditor	Secretary	Present

The Bartholomew County Council met for a Special Meeting on February 23, 2015 at 5:00 p.m. in the County Council Chambers of the Governmental Office Building, 440 Third Street, Columbus, Indiana.

President Pence called the meeting to order. She gave the invocation and led the Pledge of Allegiance.

The only item on the agenda was the Consideration of Funding for the County Annex Building Project. President Pence asked if anyone in the audience had any comments to make.

Mike Lovelace of 2711 Taylor Road – Mr. Lovelace stated that he wants the Council to build a suitable and sizable building for the Annex.

Hearing no other comments, she closed the public hearing portion.

Mark Gorbett stated that we had built the jail and because it was built too small, we had to come back and add to it with another bond issue. He asked the Commissioners

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if they have a final figure. Commissioner Chairman Larry Kleinhenz stated that they need a twenty-two-thousand to twenty-five-thousand (22,000 – 25,000) square foot building. Bids will of course have to be let. They feel the final number would be between five-million (\$5,000,000) and five-million five-hundred-thousand (\$5,500,000) dollars. Whether that would be raised by bond or using our reserves is up to the Council. If it is decided that we use the reserves, then they (*the Commissioners*) would participate in that as they could. Commissioner Carl Lienhoop stated that Mark Gorbett had brought up future concerns of the Highway Garage. He stated that Auditor Hackman as well as our Financial Consultant Dan Eggermann has stated that we need to bond to protect our reserve funds. He believes that they can handle the Highway Garage internally if our reserves are not depleted. He had received two (2) letters last week. One was very critical of the work of the Commissioners and was not signed. The other letter he received at home had expressed concerns. The letter noted the ten-thousand dollars (\$10,000) in cuts from the non-for-profit funding. The writer stated that relative to the total County budget, ten-thousand dollars (\$10,000) was a rounding error. The writer went on to calculate that bonding five-million dollars (\$5,000,000) would cost County residents about sixty-two dollars (\$62) per year. The writer stated that they needed to do this project and should get on with it. He stated that it took less time to build the Empire State Building and we have yet to even turn a spade of dirt.

Jorge Morales wanted to have the letters as part of the record. Attorney Monroe stated that the letter addressed to both bodies could be made part of the public record, but

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the letter sent to the Commissioners would be up to the Commissioners if they wanted to make it public. Mr. Morales also wanted to point out that they had increased twenty-thousand dollars (\$20,000) for CASA during the budget session for 2015.

Bill Lentz thanked all three County Commissioners for their work on this project. He explained that we had received several additional revenue amounts over the last several years.

Mark Gorbett asked if we needed to look at this as two parts; one as to whether we bond or not and the other as to how much?

Jorge Morales stated that he had heard from several members from the Community. He views it as the building and how we fund it. He was very critical that once the new jail was built, it was obsolete. He has also been very critical of the E911 Center and the fact that it has no room for expansion. He stated that we have been working on this project for two years, when we should have immediately taken care of getting the people out of the current building and then worried about building a new facility. As far as the funding, the Council has previously granted three-million two-hundred-fifty-thousand dollars (\$3,250,000) based on eighteen-thousand (18,000) square feet. (*Chris Ogle joined the meeting*). Mr. Morales also stated that he had heard that the Cummins provided architects sometimes add about fifty dollars (\$50) more per square foot. He is willing to go to four-million dollars (\$4,000,000) but feels that we should bond no more than one-million dollars (\$1,000,000). He feels that we should spend the

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money as broken down during the budget session last year. He also feels that the employees should pay more for their insurance.

President Pence asked if there were any motions. Mark Gorbett would like to hear from more of the Council members as he is really concerned long term about our financial health.

Laura DeDomenic has had a lot of input from citizens. She has heard that they do not want us to bond, but rather they would prefer we spend within our means.

Chris Ogle stated that he is not in favor of tying up our cash. He also does not want to build a building that will squeak out only the room that we need for right now and not look to the future. He wants to build an adequate building and bond the entire project.

Auditor Hackman stated that the Council knows how she feels. As the Financial Officer of the County, she is afraid that constituents hear the word bond and fear their property taxes will go up. This would be paid back from the CEDIT Plan and will not affect property taxes. They would still have funding for road repairs and public safety within the CEDIT Funds. There should be no difficulty in repaying a 15 or 20 year bond with CEDIT Funds. We should be receiving an increase in our CEDIT funds for 2016 due to the economic growth in the County. She does not see any future down turn in CEDIT Funds. She agrees with Chris Ogle that they should not piecemeal it with different funding sources. She also agrees with Mark Gorbett that we have already dipped into the funds that were appropriated for this project to help shore up the

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insurance fund. DLZ came back with the study and has shown what size building was needed. She feels the Council should be respectful of the people who have come before them stating that we need to keep our reserves and bond the building. With the refinancing of the Jail bond, we should have another one-hundred and fifty-thousand dollars (\$150,000) a year for budget purposes.

Treasurer Pia O'Connor stated that if we bond then we increase our debt and we lower our bond rating. It costs the County two-hundred-thousand dollars (\$200,000) each time we bond. She has talked to bonding officials today. Auditor Hackman stated that if we bond, we will not be placing a debt service tax rate on the property tax, at which time Treasurer O'Connor did agree with that statement.

Commissioner Chairman Kleinhenz stated that the Commissioners have eight-hundred-thousand dollars (\$800,000) in the Telecommunications fund that everyone has tried to spend over the past twenty (20) years. They have been very frugal with that fund and are the only unit with money in the fund. He also feels that voting on a motion that throws any overages on the Commissioners is not a good idea as the Commissioners have very little funding that they control. He stated that they need a twenty thousand to twenty-two thousand (20,000 – 22,000) square foot building to work. Chris Ogle asked if he meant that it would work or that it would just be enough for now. Commissioner Chairman Kleinhenz stated that they have worked with Kris Medic as far as storage space and have even considered building a basement. He believes that they could be between four-million five-hundred-thousand dollars (\$4,500,000) and five-million dollars

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(\$5,000,000) to build a good building. He is against taking on most debt, but he considers this to be like a mortgage and in this instance he is okay with it. Jorge Morales had stated that the E911 Center is a tight space. They built it tight to keep people out of it such as police officers. But he agrees that they should have built it about twenty-five percent (25%) bigger. If they spend between four-million dollars (\$4,500,000) and five-million dollars (\$5,000,000) then they can build what they need. If they spend only three-million two-hundred-fifty-thousand dollars (\$3,250,000) then it will end up undersized like the E911 Center.

Bill Lentz stated it is a tough decision. If we bond they may have to cut expenses. So might they if they use all the cash.

Jim Reed made a motion to move the amount to four-million dollars (\$4,000,000) and to bond the full amount. That will protect our reserves and get the building built. We are refinancing the jail at a tick over two percent (2%). The four-million dollars (\$4,000,000) would include all costs, including soft costs. **The motion died for lack of a second.**

Mark Gorbett asked again if we are doing this in two parts. He is in favor of bonding and would like to hear from the other Council members.

Chris Ogle stated that four-million dollars (\$4,000,000) does not include the demolition of the current structure.

Jorge Morales asked if the County would do the demolition of the building. Chris Ogle stated they could not due to the asbestos issue. Commissioner Chairman Kleinhenz

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stated they had a soft quote from a contractor for demolitions for around two-hundred-fifty-thousand dollars (\$250,000). There is asbestos to deal with. He is also concerned that our personnel are not trained to demolish buildings.

Jorge Morales asked if we should break this down as to the amount of square footage and then the cost.

Council Attorney Chris Monroe stated that the Council does not have the authority to set the amount of square footage. The Council can only determine how much money they will appropriate and where that money will come from.

Jim Reed asked why there was not a second on his motion. Mark Gorbett stated he agrees with bonding but believes they need more than four-million dollars (\$4,000,000).

Commissioner Rick Flohr stated that they need five-million dollars (\$5,000,000). Commissioner Chairman Kleinhenz stated that they could bond the four-million dollars (\$4,000,000) and then use cash if it goes up to five-million dollars (\$5,000,000).

Mike Meyer (*in the audience*) stated that you don't sell the bonds until you have received the bids.

Chris Ogle stated that if we were building a house, we would give them a set of prints and ask for bids. He believes we are speculating and Commissioner Kleinhenz agrees.

Mike Lovelace would like to see them do the five-million dollars (\$5,000,000) and bond it. He appreciates the Council being tight, but they need to build the building.

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President Pence asked for a motion. Mark Gorbett would like to explore what Commissioner Kleinhenz had stated about bonding four-million dollars (\$4,000,000) and funding any overage using cash.

Chris Ogle would not mind tying up five-hundred-thousand dollars (\$500,000) and bonding four-million five-hundred-thousand dollars (\$4,500,000). He just doesn't want to tie up one-million dollars (\$1,000,000) from our reserves.

Chris Ogle made a motion to bond four-million five-hundred-thousand dollars (\$4,500,000) with any overage coming out of Rainy Day or the Telecommunication funds. He clarified that he would like to keep it under five-million dollars (\$5,000,000) for the total project but we have to build what we need. **Mark Gorbett seconded the motion.** Attorney Monroe clarified that they could not command the Commissioners to spend the Telecommunication fund. **The motion was clarified to remove the Telecommunications Fund. The vote was called for and failed by a vote of two (2) in favor (Chris Ogle & Mark Gorbett) to five (5) against.**

President Pence called for another motion.

Bill Lentz made a motion not to bond, to stay at the three-million two-hundred-fifty-thousand dollars (\$3,250,000) as approved and that the cost of demolition was not included in this amount; it would come from other funds. Laura DeDomenic seconded the motion. The vote was four (4) in favor of and three (3) against (Chris Ogle, Mark Gorbett and Jim Reed) and carried.

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Chris Ogle motioned to adjourn. Jim Reed seconded the motion which passed unanimously.

BARTHOLOMEW COUNTY COUNCIL

By: _____
Evelyn Strietelmeier Pence, President

By: _____
Bill Lentz, Pro-Tem

By: _____
Chris Ogle, Member

By: _____
Laura DeDomenic, Member

By: _____
Jorge Morales, Member

By: _____
Mark Gorbett, Member

By: _____
Jim Reed, Member

ATTEST: _____
Barbara J. Hackman, Auditor
Bartholomew County