



## ***Common Council Meeting – Minutes for March 18, 2024***

**Council Members in Attendance:** Ben Leavitt, Austin Yoder, Amy Rosa, Dustin Geyer, Kelbi Veenstra

**Also Present:** **Mayor** Phil Jenkins **City Attorney** Brian Hoffer, **Office Manager** Nikki Ramer **Guests:** 5 (IP), and two members of the press (IP) were in attendance.

- Call to Order: Mayor Jenkins called the meeting to order at 7:00 pm and led the Council in the Pledge of Allegiance. CM Geyer offered the opening prayer.
- Roll Call: Council members listed above were in attendance in person. Clerk-Treasurer Knight was unable to be in attendance.
- Approval of Minutes from the March 4, 2024, Council meeting: CM Geyer motioned to approve the minutes. CM Veenstra seconded. The minutes were approved unanimously by voice vote.
- There were no petitions or comments by citizens.
- Reports of Committees, Boards, or Commissions:
  - Clerk-Treasurer’s Report for 12/31/23: Office Manager Ramer informed the Council that the year is now closed after making final adjustments recommended by Baker Tilly. The January and February bank recs and CT Reports should be submitted in April. CM Geyer asked for a reminder on what was done with the Lake City Bank CD that matured in January. Mayor Jenkins replied that CT Knight reinvested the funds for two years with a rate just above 5%. He said that the updated investment report from Baker Tilly could be presented at the next Council meeting, or it could be put in Google Drive for their review. CM Rosa motioned to approve the report. CM Yoder seconded. The CT Report for 12/31/23 was approved unanimously by voice vote.
- There was no unfinished business.
- New Business
  - Quarterly Ambulance Billing Charge-offs: Mayor Jenkins presented the charge-offs totaling \$63,776.56. OM Ramer explained how the billing works and why there will always be charge-offs. CM Geyer asked if it is known ahead of time what Medicare/Medicaid will cover. OM Ramer said yes and that is one of the reasons the City keeps its billing amount at current levels. CM Geyer noted the charges are always over the threshold. OM Ramer said yes. Mayor Jenkins commented that the City tries to keep its billings in line with surrounding communities. Fire Chief Lehman used the analogy of going to the doctor’s office. The doctor will charge a certain amount and if it is over the limit of what insurance will pay, the doctor will write-off the remainder. CM Rosa asked if the billing statement comes directly from the Ambulance Billing Service. OM Ramer said yes. Mayor Jenkins interjected that before the City utilized Ambulance Billing Service, all of this had to be tracked internally. CM Geyer said this is always a frustrating issue to have to deal with but that the City is using the best practices it can. Mayor Jenkins agreed and added that Nappanee is in the same situation as other surrounding communities. CM Leavitt noted his appreciation that the City is not a health system having to deal with these billing issues. CM Geyer motioned to approve the charge-offs in the amount of \$63,776.56. CM Leavitt seconded. The charge-offs were approved unanimously by voice vote.



- Cancellation of Two-Year-Old Checks: Mayor Jenkins presented the request to cancel checks that are two years old or older but remain uncashed. These balances will then be returned back to the funds from which they were paid. CM Yoder motioned to approve the cancellation of the two-year-old checks. CM Veenstra seconded. Cancellation of the two-year-old checks was approved unanimously by voice vote.
- Resolution 777-24 – Establishment of Board of Trustees for Firefighter 1977 Plan: Mayor Jenkins presented the resolution. This initial board of trustees will be established pursuant to IC 36-8-8-3 and be made up of the City Executive, the Clerk-Treasurer, and the Fire Chief. According to the code, once there are enough firefighters and a retiree, the board of trustees will be transitioned over to them. Based upon a conversation City Attorney Hoffer had with INPRS, the language will be modified to clarify that the existing firefighters who are in PERF may remain there, but they only have one opportunity to make the decision to stay or join the 1977 Plan. Mayor Jenkins noted that while the City's portion of PERF is 11.2%, the City's portion for the 1977 Plan will be 19.1%. CT Knight did review the budget and the percentage used in the budget was 17.2% so the variance will be minimal and may be able to be covered by the existing Fire budget. CM Geyer asked if there would be any issues in converting firefighters from one plan to another or if the City would need any help from INPRS. Mayor Jenkins thought it would be smooth. OM Ramer made the comment that the people working for INPRS are very helpful. Chief Lehman told the Council that all four firefighters are currently in PERF and will have the option of staying or converting. CM Geyer motioned to approve Resolution 777-24 establishing a board of trustees for the firefighter 1977 Pension Plan. CM Yoder seconded. The resolution was approved unanimously by voice vote.
- Resolution 778-24 – Redevelopment Commission Amendment to Economic Development Plan. Mayor Jenkins presented the resolution. He discussed the background and what the plan is for the Redevelopment Commission. This amendment includes a loan program for downtown building development. The building currently under consideration is 106 S. Main St (formerly My Red Moon). The new owner is Ace Builders, and they would like to do renovations to the building. The Redevelopment Commission wants to put a program in place that will help with building façade/envelope improvements. The help would come in the form of a loan from the Economic Development Commission (EDC). The Council would then need to approve the funding. The developer would receive the loan and the City would then set the parameters for what needs to be done with the funds. For every dollar put in by the City, the dollar matched by the developer would be forgiven. The intent is to help increase the assessed values of the downtown properties. Mayor Jenkins walked through the various steps in the process. Mayor Jenkins showed the Amendatory Declaratory Resolution from the Redevelopment Commission for the Nappanee Consolidated TIF District. This document reflected all of the amendments that have impacted the economic development plan since inception. CM Leavitt asked if this is setting the framework for future use and that this is not a blanket program indicating what will be done in every single case. Mayor Jenkins said that is correct that each loan will be targeted specifically to the needs of that request. Each future request will have to go through a similar approval process to this. There is no blanket amount for the program. CM Rosa asked Planning Superintendent Nunemaker to explain how this takes the City out of being a developer. Planning Superintendent Nunemaker responded by saying that by doing this the City no longer needs to buy the building from the developer, get quotes, fix the building up, and then sell it back to the developer. In cases like this, it is better



for the City to be the “lender” instead of the developer. Mayor Jenkins noted that it has taken several years to get to this point and used the expertise of Baker Tilly, Ice Miller, and Yoder Ainlay to put this program together. CM Leavitt asked CM Rosa and CM Geyer (both part of the Planning Commission) if there was anything discussed there that needed to be brought up in this Council meeting. CM Geyer discussed his concern about this being more of an incentive for a developer to flip a building versus renovate and own. His thought was establish a length of time the developer had to own the building before they could turn around and sell it. City Attorney Hoffer thought CM Geyer made a good point and correlated that to the NSP3 program that had a purchase and hold term. Mayor Jenkins thought that was a valid consideration. CM Leavitt motioned to approve Resolution 778-24 as presented. CM Yoder seconded. Resolution 778-24 – Redevelopment Commission Amendment to Economic Development Plan was approved unanimously by voice vote.

- Approval of Accounts Payable Vouchers: City 2024 APV’s Totaling \$684,898.48: CM Rosa motioned to approve the APV’s. CM Veenstra seconded. The APV’s were approved unanimously by voice vote.
- Reports by City Officers:
  - Mayor Jenkins
    - Fire Station: Mayor Jenkins gave an update on the status of the new fire station process. He reviewed the entirety of the process to this point culminating with the just received Request for Proposals (RFP’s) that included both a Qualitative Proposal (design and construction process) and sealed Price Proposal. Planning Superintendent Nunemaker read the scoring and costs presented by each of the three groups. Majority Builders – Score of 63.8 and Cost of \$12,435,855; Performance Services – Score of 41.2 and Cost of \$13,260,145; Weigand Construction – Score 71.0 and Cost of \$11,804,851. Mayor Jenkins noted that there are some soft costs in these numbers. The directive to the teams was to come in with a construction cost of between \$9 million and \$10 million. Overall, the team feels good about what was received. He then discussed the various funding options and the positives and negatives of each. The proposed solution is a 15-year Lease Rental Bond comprised of \$2 million to \$3 million cash contribution from the General Fund Reserves, \$400,000 per year from Public Safety Lit, and \$500,000 per year from Redevelopment. There would be no tax increases for the residents of the City. At this point, Redevelopment needs to give their approval. This is still a conceptual proposal. Negotiations still need to be held with the winning design team and finalize the costs. CM Geyer asked if the highest qualitative score was also the lowest cost. Mayor Jenkins said yes. CM Geyer followed up by asking if the floor plan was acceptable to the Fire Department. Chief Lehman said yes. CM Leavitt asked if the residential neighbors have been, or will be, met with in order to hear their concerns of a two-story fire station overlooking their properties. Planning Superintendent Nunemaker responded that the immediately adjacent neighbors were met with and that the proposed station will be a one-story facility and not two-story. Mayor Jenkins noted that the process has been open to the public and that there may be another meeting with the neighbors to hear any issues they may have pertaining to sound and privacy. CM Leavitt asked about the impact on the Redevelopment budget with the impact of the just passed resolution and the master plan study. Mayor Jenkins opened the Baker Tilly fire station memo that discussed these issues. Over the next 15 years, the TIF areas will generate \$25 million in revenue for Redevelopment. Redevelopment currently has a significant amount of cash-on-hand. CM Leavitt was concerned about the Redevelopment Commission's being able to cover the costs of the projects coming in the future. Mayor Jenkins said that he has met with the Redevelopment Commission, and they have the funds to cover whatever



project they wish to pursue. CM Geyer asked if that meant more money should be requested of the Redevelopment Commission. Mayor Jenkins responded that it means more money needs to be invested in the TIF areas and programs like that proposed for the downtown area. The TIF revenues are a tool to use that should benefit all of the residents of the City.

- AIM Roundtable – April 10, 2024: This is available to the Council members if they wish to attend. Mayor Jenkins said he would get them signed up if they wished to go.
- OED Grant for Electric Vehicles: The Michiana Area Council of Governments worked with local municipalities with regard to a grant program through the Office of Energy Development for grant funds up to \$200,000 for electric vehicles. The City applied for four vehicles (2 Pickup Trucks and 2 SUV's). The City was notified last week that it was selected but only for one pickup truck and one SUV. These vehicles are 100% grant funded. The City will have to pay for the vehicles up front and then get reimbursed. There may need to be an additional appropriation if the vehicles arrive before year-end. The City was asked to adjust the application to reflect one pickup truck and one SUV. The grant will now be in the amount of up to \$127,225. CM Geyer asked if the vehicles were designated for any particular departments. These will both go to the Planning Department. The truck will be used by the Maintenance Manager and the SUV will be used by the Building Inspector. At this time, the electric vehicles do not have plowing capacity. Mayor Jenkins said that there may be one charging station at City Hall and another location yet to be determined. CM Rosa asked if the cost of the vehicles was inclusive of the charging station. Mayor Jenkins said yes. She then asked if the City will need to plan for battery replacement at some point. Mayor Jenkins said yes although he did not know what the life expectancy of these batteries was. She followed up by asking if the City would need to dispose of other vehicles. The Mayor answered no. CM Rosa asked if the City had any plans for servicing the vehicles. The Mayor said it would be done through McCormick Motors. They are set up for these vehicles. CM Yoder asked if this was a trial period of if the City owned them once they arrived. Mayor Jenkins said they are the City's.
- Fire: Chief Lehman submitted his monthly report for Council review.
- Adjournment: With no further business to discuss, CM Geyer motioned to adjourn the meeting and CM Veenstra Rosa seconded. The meeting was adjourned at 8:10 pm by unanimous voice vote.

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Phil Jenkins, Mayor

Attest: \_\_\_\_\_  
Jeff Knight, Clerk of the Council