

MIDDLETOWN REDEVELOPMENT COMMISSION

MEETING MINUTES

October 7, 2019

The Middletown Redevelopment Commission met in the Public Meeting Room at 653 Locust Street, Middletown, Indiana at 7:00 P.M. Commission Members Kent Fletcher, Martha Minnick, Bonnie Garrett, David Wagner and Drew Cooper were present. Also present were Members of the Middletown Town Council; Dick Schwalm, Gary Kendall, Donita, Chambless and Dan Fountain. Joel Harvey, attorney for both entities, was also present.

1. Donita Chambless stated that Jake Smith, President of the Middletown Town Council, had asked her to conduct the Redevelopment Commission meeting in his absence.
2. Mrs. Chambless asked for a motion and a second to approve the September 17, 2019 meeting of the Middletown Redevelopment Commission. Dan Fountain of the Middletown Town Council moved to approve and Gary Kendall of the Middletown Town Council seconded. The Town Council approved the minutes of the Middletown Redevelopment Commission's September 17, 2019 meeting unanimously.
3. Mrs. Chambless declared this public hearing open to all interested persons wishing to speak or ask questions. She asked that all in attendance make sure to sign in. She asked that all persons who speak state their name and address and to keep comments to a 5 minute limit. She then asked if there was anyone who would like to speak. Brad Stewart asked if this was about the fire truck. Mrs. Chambless acknowledged that it was. Mr. Stewart asked if it was going to cost \$1,000,000.00. Mrs. Chambless replied that it was not. Mr. Stewart said that the newspaper had reported that it was. He asked how close to a million dollars it was after all is said and done. Dan Fountain replied \$750,000.00 is the cost of the truck. And if we buy the needed air packs with it, there would be an additional \$157,000.00. Colin Castevens interjected that the figures were incorrect. He stated that new figures are at \$675,000.00, including the air packs. Mr. Fountain asked for the price of the truck alone. Mr. Castevens replied that the equipped truck would be roughly \$520,000.00. Mr. Fountain acknowledged that the figures have changed since the last meeting. Mr. Fountain asked for the cost of the air packs. Mr. Castevens replied \$156,756.00. Mr. Stewart asked what an air pack does. Mrs. Chambless explained that it is a Self Contained Breathing Apparatus that a firefighter wears if going into a burning structure.
4. Mr. Fountain asked what the financing costs would be for the new figures. Emma Adlam of Bakertilly replied that the financing costs would be about \$150,000.00, including borrowing for the first interest payment and the cost of the Middletown bond issue cost would be \$75,000.00 + \$8,000.00 for capitalized interest. Her figures were based on \$750,000.00 and so with the revised costs these numbers will be a little bit lower. Mrs. Chambless stated that the exact costs won't be known until a bid is accepted. Mr. Stewart asked if there are used fire trucks available from, say, a big city where the truck has only been used a couple of years. He asked why the Town needs this particular fire truck. Mr. Castevens said the prospective truck is just a base model. The fire department is trying the best they can to save the town money. Right now the firemen deal with a lot of maintenance issue on the 25 year old truck they have. The new truck will be under warranty. He couldn't say how long the warranty was, but expressed confidence that it would be a long one. When asked if the Town had considered a used truck, Mr. Castevens said that it has. He

- continued that a used truck would cost less, but it will also come with an unknown amount of wear and tear which a new truck will not have. That would put the department in the same situation they have now, with constant maintenance, and upkeep. Mr. Stewart asked about the cost of keeping the existing truck going per year. Mr. Castevens explained that it is not just the cost; it is the down time. It has been down for as long as 2 ½ months for repairs. The truck has 11,371 miles on the odometer and 1,325 hours on the engine. Parts for a 1993 truck are hard to find if not non-existent. He elaborated on a list of minor repairs over a number of years. He went on to say that the fire department has not asked the town for money for a truck since 2008.
5. Mr. Stewart went on to say that there are many things in the Town of Middletown that need more attention than a fire truck. He cited the utility poles that need to be replaced.
 6. Mrs. Chambless asked if there were any other comments from the assemblage. An unidentified gentleman asked if the truck was going to be paid for by "house" taxes and how much is that going to increase? Emma Adlam responded that for a median house in Middletown, the tax would go up about \$24.00 per year. For businesses the annual tax could go up to about \$180.00 per \$100,000.00 of assessed value.
 7. David Wagner remembers that it took a couple of years to raise the money to purchase the "jaws of life." He pointed out that if the Town does not include the air packs in the financing agreement, that there would be only 2 years to raise 12 times the amount raised for the Jaws of Life. His concern is that if we do not capitalize the air packs with this opportunity, the Town may be faced with a fiscal crisis when the time comes when we must purchase the air packs. Colin Castevens noted that a grant writer has stated that since the fire department has already had one grant for air packs, the likelihood of getting another grant for the same items was slim to none.
 8. Donita Chambless reported that she and Jake Smith have met with First Merchant's Bank and that they are more than willing to buy the bonds. This would save approximately \$40,000.00 in financing costs.
 9. Colin Castevens reiterated that the plan is to pay for this truck in 6 years then rollover the bond issue to buy additional equipment. Mr. Stewart asked if the truck would be paid for in 6 years. When he was told yes, he asked if the tax rate would go down at that time. It was explained that the bond issue would be renewed to purchase another truck or equipment needed by the fire department at that time. Steve Holmes asked if the new bond issue proceeds would be dedicated for the fire department's use. Donita Chambless replied that she would assume so. Emma Adlam concurred.
 10. Mrs. Chambless asked if there was any further discussion. There being none, she called upon the Redevelopment Commission for how they would like to proceed. Joel Harvey said that this would be a decision regarding the resolution that they had to consider after the last meeting. The first thing to do is approve the Amending Declaratory Resolution of the Middletown Redevelopment Commission essentially changing the Area Resolution and the Original Plan to include the acquisition of fire and safety equipment. Dan Fountain asked if approving this resolution would finalize the decision to buy this fire truck. Joel Harvey replied that it is pretty close to finalization, but the absolute final will be when the Town and the Township accept the bid for the truck. This and the signing of the Lease will be the last steps for the Redevelopment Commission in the process.
 11. Dan Fountain said that he thinks this whole thing got on a _____start for the Town Council and the Redevelopment Commission. This is the third meeting on this. The

first meeting the truck was an estimated \$750,000.00. The second meeting, it was \$460,000.00, and now we're at \$520,000.00. The Council is supposed to be stewards of this community's money. And there is little evidence that the Council has done due diligence and a lot of the work moving forward on the finance part of it. He state that he is in no way saying that the fire department should not have a truck. There is no debate about that. In his eyes, the truck they have is not in terrible shape. The transmission got fixed; the horn got fixed; the battery got fixed; the air drier got fixed. Everyone in every vehicle has repairs. They're to be expected. We also that a lot of departments have trucks a lot older than ours. He suggested that the current proposal is pressuring the town to immediate action and asked if we can't extend the purchase another year so that we can examine every option available. Joel Harvey said that would entail starting the process over when we are ready. Mr. Fountain asked what the time frame is like if the RDC approves their resolution tonight. Mr. Harvey replied that if the resolution is approved tonight and the bids are due by October 21, 2019, and then there will need to be a Township action, so probably sometime early in November 2019 is when it would be finalized.

12. Donita Chambless asked; at this point will we have fees due to Bakertilly? Emma Adlam replied yes. Will we have fees due to Ice Miller that we will owe? Emma Adlam replied yes. Will we have fees due to Joel Harvey? He replied yes. Mrs. Chambless stated that we have already encumbered the town with these fees. Dan Fountain said he understood from Brain Rednour that the fire truck committee was just to establish the specs for the truck. He said he'd like to know who contacted Bakertilly and Ice Miler. No one answered and the room erupted into a shouting match of fire fighters accusing the Town Council of knowing what was going on. When the din subsided, Mr. Fountain said he just hates to see this thing rushed through. He does not feel that we can be good stewards of the money in a hurried situation without knowing all options.
13. Drew Cooper said he thinks it would be a shame to let this deal go by after all the work the committee has done. Jim Castevens stated that we need a new truck and that in 6 years the department will be asking for another one.
14. Donita Chambless stated that she is a little disappointed in the attitude that 1) I didn't know about it; and 2) I can do better and 3) that we would involve professionals. We can't proceed without having their input. She doesn't even understand how you could think that is logical.
15. Dan Fountain said it would have been nice if the Town Council was informed. Mrs. Chambless said she feels like they were. Dan Fountain continued that there are three Town Council members who have stated that they did not have regular reports from a fire truck committee. Mrs. Chambless stated that they had gone over it and over it, Dan. Mr. Fountain said, let's see what the bids are and decide then if we want to go through with the deal. He just feels like this has been ram-rodged through us up to this point.
16. Donita Chambless asked the attorney where the meeting should go from here. Joel Harvey replied that, if we are to go forward, the Redevelopment Commission would need to sign the Amending Declaratory Resolution of the Middletown Redevelopment Commission and the other would be the Lease Agreement between Middletown Redevelopment Authority Lessor and Middletown Redevelopment Commission Lessee. And then the Redevelopment Authority will have two different approvals tonight as well.
17. Drew Cooper moved to approve RDC Resolution 2019-9-1 and David Wagner seconded, and the motion passed unanimously.

18. Drew Cooper moved that the RDC enter into an agreement with the RDA for the leasing of specific fire equipment and Kent Fletcher seconded. The motion passed unanimously.
19. Donita Chambless asked for a motion to adjourn the Redevelopment Commission meeting. There was a motion and second and the Redevelopment Commission meeting was adjourned unanimously.
20. Joel Harvey asked that the Redevelopment Authority meeting be convened. That Authority, consisting of appointees Donita Chambless, Dick Schwalm and David Wagner was convened. Donita Chambless nominated Dick Schwalm to serve as President of the Redevelopment Authority. Dan Fountain seconded and the motion carried unanimously.
21. Dick Schwalm asked for nominations for Secretary/Treasurer with the requirement that the President and the Secretary/Treasurer must be available in November for the signing of documents. David Wagner was elected Vice President and Donita Chambless was elected Secretary/Treasurer.
22. Dick Schwalm established that the purpose of this meeting is to consider approval of the Lease Agreement between the Redevelopment Commission and the Redevelopment Authority for the purchase and use of a fire truck. David Wagner moved to approve the lease and Donita Chambless seconded. The motion carried unanimously.

There being no further business to bring before the Commission, the meeting was adjourned.

TOWN COUNCIL

Donita Chambless

John Anan

Richard Schwalm

REDEVELOPMENT COMMISSION

x Boni Bennett

Martha Minnick

J Kent Fletcher

REDEVELOPMENT AUTHORITY

Donita Chambless

Richard Schwalm

Steve Holman

Attest, Clerk-Treasurer