

COMMON COUNCIL MEETING – SPECIAL
AUGUST 22, 2007
TIME: 6:00 P.M.

PRESENT: Mayor Frank Manus, Glenn Tebbe, Helen Gardner, Gary Herbert, Ken Dornich and Larry Bower.

RE: SRF Bond Continuation and Budget Work Session.

Pledge of Allegiance was recited.

Darren Burkhart of HNTB gave a projection update on current projects.

- A. Timeline schedule from beginning of Honda announcement of coming to Greensburg.
- B. Georgetown, Ky. – Marysville, Ohio – and Princeton, In. were the City's looked at for population projections.
- C. Phased Capacity needs being looked at.
- D. Current Completed Water projects.
- E. Proposed Water System Improvements Schematic.
- F. Flatrock Intake Facilities.
- G. New Groundwater Treatment Plant #3.
- H. Water Tower Construction.
- I. WasteWater Existing Condition.
- J. WasteWater Treatment Existing Projects.
- K. Current Completed Wastewater Projects.
- L. WasteWater Improvements.
- M. WasteWater Treatment Facility Proposed Site Plan.
- N. Future Projects.

John Julien and Dave Frederick of H.J. Umbaugh & Associates were present to propose the financing plan for all the projects Darren Burkhart of HNTB had presented.

- A. \$27,575,000 WasteWater Improvements and \$28,025,000 WaterWorks Improvements equal \$55,600,000 for Total Project Funding.
- B. Revenue stream being projected is Tax Increment Funds of County and City from the Honda (County) TIF.
- C. Projected cash flow and what the debt reserve account fund is were explained.
- D. Comparison of City TIF proceeds and the SRF Bonds expenditure.
- E. Comparison of County TIF proceeds and TIF Bonds expenditure.

Honda will purchase the County Bonds and payments go out about 25 years at 4.25% which is below current market cost. The two revenue streams of the County and the City are necessary to make both the Honda and SRF Bonds repayment all work. Further, Honda has guaranteed to purchase so much from Water and Wastewater to enable the water and sewer utilities to issue earlier revenue bonds as well.

Kimberly Blanchet of Barnes & Thornburg presented Ordinance 2007-08-21 Water and Ordinance 2007-08-22 WasteWater Series B Bonds with TIF revenue.

Glenn Tebbe explained for all of this to happen (and there will be a Trustee for all of this) several different entities are a part of this complete process. When the County and City, with the State, helped to bring in Honda, ninety percent of the TIF was designated as what would be needed to make this possible financially. What is being talked about tonight is the Honda TIF. When the City annexes Honda then there will be tax dollars for the City, which will go to pay off the SRF Bonds.

John Julien of H.J. Umbaugh & Associates clarified the schedule has a surplus margin above the TIF dollars to make that payment and anything unknown that might come up. Honda is buying a large portion of these bonds.

Glenn recommended only passing these two Ordinances on the first reading due to deadlines on project schedules and completions giving time for review of the Ordinances. The second and third readings could be done at our next meeting either August 29 or September 4.

City Attorney Steve Taylor advised Council that these Ordinances have an Agreement built into them that requires all parties to sign off on distribution of any proceeds from the Honda TIF area.

Motion by Ken Dornich and seconded by Glenn Tebbe to pass on 1st reading Ordinance 2007-08-21 authorizing the acquisition, construction and installation of certain improvements for the waterworks system of the City of Greensburg, the issuance of revenue bonds to provide the cost thereof, the collection, segregation and distribution of the revenues of such system: the pledge of tax increment collected in the Honda Economic Development Area, the safeguarding of the interests of the owners of such revenue bonds and other matters, connected therewith, including the issuance of notes in anticipation of such bonds, and repealing ordinances inconsistent herewith. All ayes. So passed.

Motion by Helen Gardner and seconded by Gary Herbert to pass on 1st reading Ordinance 2007-08-22 authorizing the acquisition, construction and installation of certain improvements for the sewage works system of the City of Greensburg, the issuance of revenue bonds to provide the cost thereof, the collection, segregation and distribution of the revenues of such system, the pledge of tax increment collected in the Honda Economic Development Area, the safeguarding of the interests of the owners of such revenue bonds and other matters connected therewith, including the issuance of notes in anticipation of such bonds, and repealing ordinances inconsistent herewith. All ayes. So passed.

Mayor is recommending a \$2000 raise for the exempted employees since they do not get overtime or longevity pay. This comes to a 4.2% to a 4.8%.

Council members discussed they were having raises figured on a 3% for employees and 6% for fire and police, but that cuts very little from the \$1.5 million budget, so not sure that would be workable.

Council looked at the budget with adding more personnel and without adding more personnel. In the past Council has requested the department heads to come back with where they can cut and how much.

Police Chief stated that he has 2-3 men that could retire. After the agility test he only had five applicants. He would like to attract more quality applicants.

Kathy Reynolds reported to Council that plans are in the works to annex the north of County Road 150 parallel with I-74 including the new interchange and stopping at the Honda property line before long.

Mayor stated that when Honda is annexed the Street Department will need two more personnel and a big truck. The department does not have the big heavy trucks to remove snow from the roads like the County Highway department has.

Fire Chief reported the Honda deal is still in the proposal but does not have any figures. It includes every expense and Honda would not be getting this for free.

Council asks to have salaries figured on a 2 ½% and 5%.

The next meeting will be August 29th at 6:00 P.M.

Meeting adjourned at 8:20 P.M.

PRESIDING OFFICER:

ATTEST: _____
Clerk-Treasurer