

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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Local Government Tax Control Board Meeting Minutes March 27, 2008

Call to Order: The monthly meeting of the Local Government Tax Control Board was held on Thursday, March 27, 2008. The meeting was held in the Indiana Government Center South, Conference Center Room A, 302 West Washington Street, Indianapolis, IN 46204. Those in attendance were Dan Jones, Ken Kobe, John Stafford, Ken Giffin, Mike Bozyski, Dave Christian (via telephone conference), Chuck McLean (Administrative Officer), and Linette Pedigo (Administrative Secretary).

Minutes and Discussion: Mr. Kobe began by saying that because the Chairman of the Board, Dave Christian, is present by telephone, he will facilitate the meeting by chairing in Mr. Christian's physical absence. Mr. Kobe stated that it has been requested that they postpone consideration of the minutes from the February 26, 2008 meeting until the April 24, 2008 meeting. Mr. Kobe called for any objections, and hearing none, he stated that the minutes will be considered at the next meeting.

Salt Creek Township, Monroe County: Emergency Fire Loan: The unit is requesting approval to obtain a loan in the amount of \$100,694 for a term of one (1) year to have the funds to cover the cost of fire protection.

Project Costs: \$100,694
Amount applied to debt: \$100,694
Annual Payment: \$103,691

	2008
Emergency Loan Calculation:	proposed
Certified Property Taxes	\$23,000
Certified Misc. Revenue	\$1,697
Jan. 1st Cash Balance (June 30)	\$2,374
Total Funds Available	\$27,071
Less: Prior Year Encumbrances	\$0
Less: Estimated Expenses	\$120,694
Funds Remaining (Needed)	(\$93,623)

Advertised Budget	\$20,000
Adopted Budget	\$20,000
Advertised/Adopted Budget	Not
Less Certified Budget	Available
Budget cut by DLGF	Yet

Tax Rate Impact:

2007 AV	\$135,406,280
Levy Needed	\$103,691
Est. Tax Rate	\$.07655

Meeting and Publication Dates:

Date of publication for a public hearing	Submitted but illegible, publishers affidavit missing
Date of public hearing	Submitted but illegible, publishers affidavit missing
Resolution/Ordinance adopted	02/18/2008 Submitted but not acceptable
Notice of Determination	Submitted but illegible, publishers affidavit missing

Auditor’s Certificate of No Remonstrance: Missing

Missing Information: Auditor’s Certificate

Publishers Affidavits for Public Hearing and Notice of Determination

Note: Since this unit does not have a certified budget for 2008, it is not possible to determine their actual need yet. Any motion should state not to exceed some amount, not an actual amount. The emergency was caused by an increase in contract payments to the City of Bloomington.

Present for the hearing: David Lane, Trustee

Comments: Mr. David Lane began by stating that he is allotted \$47,000 for fire protection, which covers the cost of the fire truck which his predecessor bought from the City of Bloomington. The predecessor signed a contract with the City that they would buy the truck for five years of service. At the end of the five years the fire truck reverts back to Bloomington, but he will still have to make payments on it because the predecessor set it up on a 10-year note instead of a five-year note. Mr. Lane added that he will still be paying on this truck for the next six years. He said that he talked to the City at the end of last year (2007) and they want \$100,694 for fire coverage this year, and he has \$0.

Mr. Kobe asked what the contract was last year, and Mr. Lane said it was just the \$47,000 truck. He added that his predecessor made a contract for five years to buy the truck that the City wanted. He said that he believes the reason the predecessor did this was because he had \$47,000 in the fund, and he set it up on a 10-year note because he knew he would not have to come in here and do this. Mr. Lane added that Bob Purlee, Monroe County’s budget field representative from the Department of Local Government Finance, stated that he advised the predecessor not to do it, but he did it anyway. Mr. Kobe wanted to confirm that the predecessor entered into a lease

or a lease purchase agreement with the City of Bloomington. Mr. Lane said that the fire truck lease is from Old National down in Evansville for ten years. The predecessor signed the fire contract with Bloomington. The contract states that after the contract is finished, the truck goes to Bloomington even though payments are still being made on it. Mr. Kobe asked if those were the only payments that the Township was making to the City, so the payments to buy the truck were in some sense in lieu of some other circumstance, not the contract payments for service. Mr. Lane said yes. Mr. Kobe wanted to confirm that that \$47,000 obligation will continue, and Mr. Lane said it will for another six years. Mr. Kobe then wanted to confirm that their total obligation to the City of Bloomington for 2008 is roughly \$150,000. Mr. Lane said that was correct, but that the City is not guaranteeing that the contract will not go up for next year.

Mr. Stafford stated that when Salt Creek Township was at the previous hearing, there was some question about how many members of their Board had executed the request for the loan. He added that now they have a copy of the contract with Bloomington in which only one of the Board members has signed it. Mr. Lane stated that Don Hall (on the Township Board) is okay with it. He added that everything he needed to have two or three signatures on they have all agreed on. Mr. Stafford again stated that at the previous hearing, there was some question about only one of the three Trustees had executed the Resolution to incur the debt. Mr. Lane said that two of the Board members say yes, and one, who is the son of the predecessor, says no. Mr. Jones then asked if they have a copy of a 2-1 Resolution that is signed, and Mr. Chuck McLean, Administrative Officer for the Board, said that they do but it is not a formal Resolution; it is more like a letter. Mr. Stafford wanted to confirm that at the meeting the vote was 1-1, and then Mr. Lane went back and got the letter from two of the Board members that said they do approve the Resolution. Mr. Lane said that at the first meeting, two of the Board members approved it and one did not, so he went back after talking to his lawyer, and all of them do have three signatures on them besides his. Mr. Stafford then wanted to make the situation clear to Mr. Kobe, who was not present at the prior hearing. He stated that at the prior hearing, there were two outstanding questions; one was if the current Board was in support of the \$100,000 loan and the second was how the contract got entered into by both parties if the Township did not have the financial means to enter into it. Mr. Stafford asked Mr. Lane if he was in office at the time this contract was signed and Mr. Lane said he was. He stated that he was called in December by the City, and his attorney said to tell them that in all good faith that he would sign the contract so it would be extended with the condition that he would get this money. If he did not get this money, the contract would be nullified and they would not have fire service.

Mr. Kobe asked if this is the first year for this fire service contract, and Mr. Lane said it is. He then asked what the basis for the \$100,000 increase is. Mr. Lane stated they did it because they could. He then said that if his predecessor would have set the fire truck payment up on a five-year note, it would have roughly worked out to roughly \$94,000 a year, so there would have only been a \$6000 increase this year. Mr. Lane reiterated his prior point that Bob Purlee told his predecessor to do the five-year note; someone should not sign a five-year contract with the City and a 10-year lease on a truck.

Mr. Stafford wanted to confirm that prior to this year, the City of Bloomington had access to and ownership of a truck that they were not paying on. So whether it was a five-year note or a 20-year note, they have access to a truck at no cost to them. He added that they do not only have

access to this truck, but they will ultimately have ownership of it as well. Mr. Lane said that is correct. Mr. Stafford then wanted to confirm that Bloomington thought all of that was not enough, so they came back and wanted \$100,000 a year on top of that to provide them with fire service. Again, Mr. Lane said that was correct. He added that the original contract that the predecessor set up with the City was that they would buy the fire truck and Bloomington would provide the fire service. Mr. Kobe wanted to know when the contract expires, and Mr. Lane said in December of 2007. Mr. Lane stated that the contract that the predecessor signed states that the truck goes to Bloomington; it is their truck even though it is not yet paid for. Mr. Kobe then wanted to confirm that what brings Salt Creek Township to the Control Board is that the contract expired last year and the City said that if they want to continue their fire service, the cost is \$100,000 a year. The City does not care about their obligations to buy the truck. Mr. Lane confirmed that and said that the City has a relatively new truck that he is still paying for, for another six years. Mr. Kobe wanted to confirm that the ongoing obligations of the Township for fire services will be \$47,000 for another five years, and \$100,000-plus indefinitely going forward. Mr. Lane said that was correct.

Mr. Kobe asked if Bloomington was requesting another five-year contract, and Mr. Lane said no, and that the fire contract he gave to the Control Board is only good for 2008. Mr. Kobe said that they will want to renegotiate again, and Mr. Lane said they will in December when this contract is up. Mr. Kobe asked if Mr. Lane had talked to Bloomington about a longer contract, and Mr. Lane said no. Mr. Lane said he would be interested in doing that, because he has to do something, but the City told him they would contact him at the end of the year.

Mr. Jones asked if there are any nearby townships, and Mr. Lane said no. Mr. Jones asked if Bloomington then provides fire service for all the other townships, and Mr. Lane said no. He said there are a couple that have their own voluntary units, but they are not close enough. The Bloomington station that services Salt Creek Township is on E. 3rd Street, which is about five minutes away. He added that the next closest one is out in Unionville, which is 15-20 minutes away, and it is a volunteer unit. The Township south of him, across Lake Monroe, says they are paying roughly \$30,000 a year to the City even though there is only a slim chance they can possibly get out there; it is an insurance thing. He said his Township is only five minutes away from town, which is closer.

Mr. Bozyski asked what the population of Salt Creek Township is, and Mr. Lane did not know.

Mr. Jones then asked Mr. Lane if he knew how the City came up with \$100,694 for the fire contract. Mr. Lane said they told him that they are making roughly 45-47 runs per year out there, and they charging \$2000-\$2300 per run.

Mr. Christian asked about the missing information, and Mr. Kobe stated that they are missing an Auditor's Certificate and Publishers Affidavits. Mr. McLean stated that everything has been received. Mr. Christian then asked about the Resolution/Ordinance and why it is listed as unacceptable, and Mr. McLean stated it was unacceptable because the copy they originally had was signed by one person. He added that they then received a letter which said essentially the same thing; it was not in the form of a Resolution, however it is signed by two Board members. Mr. Christian asked if that is acceptable, and Mr. McLean said they would request that they go

back and get a formal Resolution done. Mr. Christian stated that any determination they make would have to be subject to them getting a formal Resolution, and Mr. McLean concurred.

Mr. Kobe stated that the request is for \$100,694, the amount of the contract, but they have concluded that they only need \$93,623. Mr. Stafford said that Salt Creek Township plans to raise \$20,000 in the Fire Fund and \$27,000 in the Cumulative Fund. That \$47,000 covers the payment for the fire truck, but leaves nothing for the fire contract with Bloomington; hence this request. Mr. Stafford added that from a rate standpoint, fire protection has been costing the residents about three cents for \$100,000 assessed valuation. With this loan, the rate will go up to about 10 cents per \$100,000 assessed valuation. Mr. Stafford stated that the real question is whether a \$100,000 contract is reasonable for fire service to this Township, recognizing that they really have no other option for fire protection in 2008. Mr. Kobe added that under the agreement, which refers to the remote locations of certain areas in Salt Creek Township, the City may not be able to save the property anyway.

Mr. Lane stated that his attorney told him that he has the option of going to the City and telling them that all he would want is fire protection and to exclude car and boating accidents, but Mr. Lane said he does not feel that is even an option because they have to do what Bloomington says. Mr. Kobe asked if Lake Monroe is located solely in Salt Creek Township, and Mr. Lane said that the majority is in their Township. He added that there are a lot of wrecks every year from the reservoir down in to Bloomington.

Mr. Lane then stated that one his Board members is a professor at Ivy Tech and he said that about seven years ago he believed the City was only charging them roughly \$9000. He said his Board member was told by the Fire Chief that the City can say whatever they want to say, and if anyone would have a problem with that they would need to speak with the Legislature.

Mr. Kobe then asked what Mr. Lane thought about the \$100,000. Mr. Lane said it is outrageous. He said their tax rate is lower than anyone's and the majority is not poor. He said that he does not believe it is an unreasonable request to raise the tax rate.

Mr. Bozyski inquired next about the duration of the fire contract and why it is listed as December 21, 2008 and not December 31, 2008. Mr. Lane said they probably really mean December 21 because this past year he was called a couple weeks before the end of the year.

Mr. Kobe then asked if Mr. Lane anticipates entering another contract with Bloomington. Mr. Lane said that he does.

Mr. Jones asked if they have a copy of the Resolution with three signatures on it, and Mr. Lane said that they should have because he has a copy in front of him. Mr. McLean stated that he does not have a copy of that but that he will get a copy of it. He said that Mr. Lane has a properly signed Resolution.

Mr. Giffin commented that the degree of hardball tossed to them by the City of Bloomington seems unusual with neighboring political subdivisions. The Legislature could be a last resort for

an oversight of some kind, or a remedy, but in the interim, someone with a broad jurisdiction over Bloomington and Salt Creek Township should be able to provide some relief.

Mr. Kobe next tried to see Bloomington's point of view. He said they are probably a multi-million dollar fire department and they extend services to a relatively large geographic area. Their view is probably that \$100,000, given all their overhead and such, is not an unreasonable amount.

Mr. Stafford then wanted to wrap up what he felt was happening, which is that the first five years on the truck expired so Bloomington thought that , for the past five years, they gave what would have equated to about \$100,000 a year of service for a truck. The fact that Mr. Lane's predecessor chose to finance the truck over 10 years instead of 5 years really was immaterial to Bloomington, but that was the way he chose to do it. For five years, the Township was getting fire protection for what was probably around \$100,000 year, even though it only cost the Township \$47,000 a year because of the method of financing. Now the five years is over and the truck is paid off. They now want cash for a contract to provide service, not dissimilar to the amount that they thought the advertised value of the truck would have been.

Motion: Mr. Stafford motioned to recommend approval of an emergency fire loan in the amount of \$100,694. Mr. Giffin seconded the motion. Mr. Jones asked that this be subject to receiving a Resolution that is signed by the majority of the Board members, and there were no objections. The motion passed by a vote of 6-0.

Pleasant Township, Wabash County: Fire Loan: This unit is requesting to obtain a loan in the amount of \$140,000 for a term of five (5) years for the purchase a new fire rescue truck to replace a fire rescue truck destroyed in an accident.

Project Costs: \$140,000
Amount applied to debt: \$140,000
Annual Payment: \$27,860

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:
2008 AV (est) \$103,900,000
Levy Needed \$25761
Est. Tax Rate .0247

Meeting and Publication Dates:	
Date of publication for a public hearing	07/05/2007
Date of public hearing	07/17/2007
Resolution/Ordinance adopted	07/17/2007
Notice of Determination	07/17/2007

Auditor's Certificate of No Remonstrance: 09/07/2007

Common Construction Wage: N/A

Fire Marshall Office's response: N/A.

Missing Information: None

Present for the hearing: Kent Trickle, Fire Chief; and Stan Begley, Board Secretary

Comments: Mr. Stan Begley began stating that they are requesting a loan to pay for replacement of a wrecked vehicle. The insurance settlement was no where near what they need to replace the truck adequately. Mr. Kent Trickle took the floor next and said that he wrecked the vehicle a year ago on February 21 and spent eight days in the hospital. The truck was a 1986 model coming up for replacement about this time, but the need came just a little bit sooner because of the accident.

Mr. Stafford asked what they have been doing for a vehicle since the accident. Mr. Trickle said they have taken the equipment off of the truck and spread it out amongst the rest of their fleet, which means a single-vehicle response now requires two or possibly three vehicles because of the equipment being spread around. Mr. Begley added that sometimes they have to send somebody back to the station to pick something up.

Mr. Kobe wanted to confirm that the purchase price of the new truck is \$210,000. Mr. Trickle said that their actual budget for this truck is \$225,000 and they are requesting a loan for \$140,000. Mr. Kobe asked if they got an insurance settlement, and Mr. Trickle said they did and it took in excess of three months to get it. He added that the original settlement was approximately \$25,000, but in the end they got \$62,000. So they have \$62,000 there and they are using \$22,000 - \$23,000 from their Cumulative Fund. He said they are using this for their down payment and are requesting to finance the balance.

Mr. Kobe asked if the rate impact will be 2.5 cents, and Mr. Trickle said that is right but they are just coming off of a debt fund that was paid on January 1, 2008 of one cent, so the increase will only be 1.5 cents.

Mr. Kobe then asked what part of the county is Pleasant Township. Mr. Trickle answered that it is located in northern Wabash County. They cover 56 square miles and have three state highways running through it.

Mr. Giffin asked how many firefighters the Township has, and Mr. Trickle said that he is the full-time, paid employee, and they have 17 other firefighters and medics.

Mr. Bozyski asked is this new truck is the same size as the truck they are replacing. Mr. Trickle stated that it is not; this new truck is larger because they were overloaded on the previous

truck. Mr. Jones then asked if the truck will fit in to their garage, and Mr. Trickle said that it would.

Motion: Mr. Giffin motioned to recommend approval of a Fire Loan in the amount of \$140,000. Mr. Stafford seconded and the motioned carried by a vote of 6-0.

Additional Comments: Mr. Begley asked with the tax reform they are getting from the Governor and Congress, is there any way they will come up short on funds and not be able to pay for this truck. Mr. Jones said there are many complicating factors here, the first being that this is debt and debt has priority funding. If there were any shortfalls due to Circuit Breakers in their taxes, it would come from other funds; it would be subtracted from the Operating Fund first.

Tri-Township Fire Protection District, Clark County: Fire Loan: The unit is requesting approval to obtain a loan in the amount of \$650,000 for a term of six (6) years for the purpose of purchasing a fire truck to replace out dated equipment.

Project Costs: \$650,000
Amount applied to debt: \$650,000
Annual Payment: \$127,570

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:
2007 AV \$857,460,155
Levy Needed \$113,537.50
Est. Tax Rate .0132

Meeting and Publication Dates:
Date of publication for a public hearing 08/02/2007
Date of public hearing 08/14/2007
Resolution/Ordinance adopted 08/14/2007
Notice of Determination 08/14/2007

Auditor's Certificate of No Remonstrance: 08/21/2007

Common Construction Wage: N/A

Fire Marshall Office's response: N/A

Missing Information: None

Present for the hearing: Mark Ball, President of Volunteer Fire Corporation; and Mr. Collier, Fire Board member

Comments: Mr. Ball began by saying they are attempting to replace two older trucks: a 1968 model ladder truck and a 1980 model pumper with one unit. He said they are in an area on the north side of Jeffersonville, Clarksville, and New Albany, and growth is coming their way and they are expanding. They need ladder equipment that they can get in to a subdivision, and overall they just need equipment to replace their continuing needs.

Mr. Kobe asked if there are any appropriated areas in any of their townships, and Mr. Ball said Sellersburg.

Mr. Jones asked what they are going to do with the equipment that they are replacing, and Mr. Ball said it has already been scrapped and traded off for other equipment. He added that they had been fortunate in the past to be able to pay as they went with their Operating Fund, but this time they are up against a wall because they have already reached their maximum levy.

Mr. Jones then asked what their population is, and Mr. Ball said about 17,500. He then asked about their financial data, and Mr. Ball said they have no General Fund, no Poor Relief Fund, and their Fire Fund is basically a service contract with Tri-Township and the Sellersburg Fire Department, which is around \$1,068,000. Mr. Jones asked if they have a rate and a property tax levy for that, and Mr. Ball said they do. Mr. Jones asked next if they have a Cumulative Fire Fund, to which Mr. Ball stated that they do and they have been picking up small equipment with it. Mr. Jones asked if they have a debt service tax rate, and Mr. Ball said they do not but with this application they are requesting one.

Mr. Kobe asked if Sellersburg provides fire services to the District, and Mr. Ball said it's the Sellersburg Volunteer Fire Department, which is a non-profit corporation, and they contract with the District itself to provide protection for the three surround townships and the town of Sellersburg. He added that Sellersburg opted to go in to the District rather than have their own department. Mr. Kobe wanted to confirm that Sellersburg is part of the District, and Mr. Ball confirmed that. Mr. Kobe then asked Mr. Ball when he says "we" contract with the town of Sellersburg, who "we" is Mr. Ball stated that there is no contract with the town of Sellersburg; the Sellersburg Volunteer Fire Department contracts with the Tri-Township Fire Protection District to provide contract fire protection for the three townships and the town of Sellersburg. Mr. Kobe said that there are then four participants in the District, and Mr. Ball said that is correct.

Mr. Stafford asked if they purchase this vehicle, when they expect to have to purchase the next vehicle. Mr. Kobe wanted to confirm that they are wanting to purchase two vehicles, and Mr. Ball said no; they are wanting a combination vehicle to replace two. Mr. Ball said next that this new vehicle's life expectancy should be about 20 years, so their next vehicle purchase should be about six to eight years down the road. They are in pretty fair shape other than ladder equipment in one area. He added that they are trying to stay within what the Insurance Service Organization allows so they can give the best benefit to the taxpayers as far as insurance rates.

Mr. Stafford asked how much shopping around they did for the truck. Mr. Ball said they advertised in the evening news and the New Albany Courier. Eleven companies picked up specifications for the vehicle, but only one returned a bid. He added that this one bid was a better price than a truck that Mr. Ball himself personally looked at. Mr. Kobe asked if there was something unique about the vehicle. Mr. Ball said that the 75 foot ladder truck they are looking for is in real demand right now. The delivery date of a year or less may have been a problem for some people.

Mr. Bozyski asked how much the District's annual contract is with the volunteer fire department, to which Mr. Ball said it is \$1,068,000. Mr. Bozyski asked if they purchased any equipment out of that, and Mr. Ball said they had.

Motion: Mr. Stafford motioned to recommend approval of a six-year loan to purchase a fire truck in an amount not to exceed \$650,000, and Mr. Bozyski seconded. Mr. Jones added that this needs to be contingent upon receiving the missing information on page three of the Hearing Information Sheet. Mr. Kobe said they are missing an Auditor's Certificate of No Remonstrance, and Mr. McLean said that has arrived. Mr. Kobe said they still need the current year's financial data; the rates, levies, and operating balances for each of the funds. The motion passed by a vote of 6-0.

Noble Township, Noble County: Fire Loan: The unit is requesting approval to obtain a loan in the amount of \$200,000 for a term of fifteen (15) years for the purpose of constructing a new fire station. (The township has received a \$500,000 grant, will be liquidating assets, spending general funds and the loan will be used for the final construction costs.)

Project Costs: \$200,000
Amount applied to debt: \$200,000
Annual Payment: **\$36,000**

Controlled or uncontrolled: uncontrolled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:
2007 AV \$128,391,191
Levy Needed **\$18,000**
Est. Tax Rate **.0140**

Meeting and Publication Dates:
Date of publication for a public hearing 12/20/2007
Date of public hearing 12/31/2007
Resolution/Ordinance adopted 12/31/2007
Notice of Determination 01/09/2008

Auditor's Certificate of No Remonstrance: 11/29/2007

Common Construction Wage: Missing

Missing Information: Common Construction Wage

Note: The unit does not qualify for a fifteen year term – see IC 36-8-13-5

Purchase of firefighting apparatus and equipment; installment contracts

Sec. 5. After a sufficient appropriation has been made and approved and is available for the purchase of firefighting apparatus and equipment, including housing, the township executive, with the approval of the township legislative body, may purchase it for the township on an installment conditional sale or mortgage contract running for a period not exceeding:

(1) six (6) years; or

(2) fifteen (15) years for a township that:

(A) has a total assessed value of sixty million dollars (\$60,000,000) or less, as determined by the department of local government finance; and

(B) is purchasing the firefighting equipment with funding from the:

(i) state or its instrumentalities; or

(ii) federal government or its instrumentalities.

The purchase shall be amortized in equal or approximately equal installments payable on January 1 and July 1 each year.

The trustee will bring the CCW to hearing if he does not get it to us sooner. He is now aware they may only finance for 6 years, and the new levy calculation.

Present for the hearing: Ira F. Schlotterback, Trustee

Comments: Mr. Schlotterback began and said that they are building a new fire station, and they are replacing two old ones that are 50 years old. They applied for a federal grant which they received last year for \$500,000, they had about \$200,000 of their own money, and now they are asking for \$200,000 today. They hadn't had an EMS service in their township for several years, and they will be re-establishing that with the new station.

Mr. Stafford asked where the two stations are located, and Mr. Schlotterback said one is located in Big Lake and the other at Wolf Lake; they are about five miles apart. The new station will be in the middle of the Township. In Noble Township, they have 22 lakes that people live on and with their new expansion, they now have about 30 lakes. Their area serves about 6000-6500 people.

Mr. Kobe asked what the source of the grant money is, and Mr. Schlotterback said it was a community-focused grant. Mr. Kobe asked who administers it, and Mr. Schlotterback said it is administered out of Indianapolis.

Mr. Jones asked if the total cost of the project is \$891,000, and Mr. Schlotterback said that is correct. Mr. Jones then asked how much are they requesting per year. Mr. Schlotterback said around \$20,000. Mr. Stafford asked if that is on a six-year schedule, and Mr. Schlotterback confirmed. Mr. Kobe then pointed out that his information says 15 years. Mr. Schlotterback said he applied for 15 years, but they reduced it to six because of Noble Township's financial situation; they are indebted about one-quarter of what they are entitled to. Mr. Kobe then said

that \$20,000 for six years will not get it done, and Mr. Schlotterback apologized and said that it is \$40,000; \$20,000 per payment at two payments per year. Mr. Kobe asked if he is borrowing this money from a bank and if he has made a commitment yet, and Mr. Schlotterback said yes.

Mr. Stafford asked if they anticipate having to incur any other debt for fire equipment or facilities, and Mr. Schlotterback said no. Mr. Stafford then asked how he pays for his fire equipment, and Mr. Schlotterback answered that he is asking for another grant for a new fire truck, but right now they are in good shape. He said they have a 1999 and a 2003 and Emergency Management gave them a 9000 gallon tanker last year, so they are good for at least the next couple years. He added that he should have an excess of \$125,000 to \$130,000 available at the end of year, so financially they are in good shape.

Mr. Stafford wanted to confirm that they are 90% done with the building, and Mr. Schlotterback confirmed. He said that this process took a while to get done, plus he had some misconceptions because the State Board of Accounts told him that he does not need the DLGF'S approval to borrow money. He said he later realized that approval is needed if there is no way to pay back the borrowed money.

Mr. Christian asked how big the building is, and Mr. Schlotterback stated it is 7600 square feet, and it has a second story of about 3000 square feet. Mr. Kobe said it has around 10,600 square feet total then. Mr. Christian then asked if there is any debt left on their current fire truck. Mr. Schlotterback said about \$40,000.

Mr. McLean then brought to the Board's attention that the DLGF needs some guidance on this matter. The total construction project is \$800,000 and State Law dictates that if a project is over \$150,000 that a Common Wage Hearing be held in a municipality. The Trustee's business manager informed him that that was not necessary under the Davis-Bacon Act. He added that the DLGF attorneys researched the Davis-Bacon act and they concluded that the Act does not hold in this particular case; it mandates that all construction projects pay at the prevailing wage in the municipality or the area where work is being done on federal projects. Mr. McLean said that to the DLGF's thinking, the Common Wage Hearing has to be held in order for this to be allowed to occur under the State's law. Mr. Stafford stated the Davis-Bacon act will supersede State law in this case because federal dollars are involved. Mr. Kobe asked what the Davis-Bacon requirements are and if there are similar hearing requirements. Mr. Stafford said there is not a hearing. Mr. Schlotterback stated they have become a targeted project through the Indiana and Illinois UAW Union. Mr. McLean wanted to confirm that it is the Board's observation that, because of the Davis-Bacon Act, the federal government will set the prevailing wage and therefore a Common Wage Hearing does not need to be held. Mr. Stafford then commented that this happens all the time to community-focused grants. He asked Mr. Schlotterback if he went through the Office of Community and Rural Affairs (OCRA) for the grant, and he said yes. Mr. Christian stated they do not need a Common Construction Wage. Mr. McLean said they know that a common wage needs to be set, but the question is whether it needs to be set by the federal government under the authority of the Davis-Bacon Act, or is it set by a Common Wage Hearing which is the DLGF's interpretation of Indiana law. Mr. Kobe asked if they can approve this matter subject to a determination about whether a Common Construction Wage Hearing or the Davis-Bacon act prevails, and Mr. McLean said yes.

Mr. Christian then wanted to confirm that this is for six years, not fifteen, and Mr. Kobe confirmed that and added that it is an annual debt service of \$40,000 a year.

Motion: Mr. Giffin motioned to recommend approval of a \$200,000 loan subject to determination of whether the Davis-Bacon Act or the Common Construction Wage is appropriate. Mr. Stafford seconded and the motion carried by a vote of 6-0.

Westfield Washington Public Library, Hamilton County: General Obligation

Bonds: The unit is requesting approval to issue General Obligation bonds in the amount of \$16,900,000 for a term of twenty-one (21) years for the purpose of constructing a new Library.

Project Costs: \$16,900,000
Amount applied to debt: \$16,900,000
Annual Payment: \$1,506,000

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:
2007 AV \$2,476,815,601
Levy Needed \$1,355,400
Est. Tax Rate .0547

Meeting and Publication Dates:
Date of publication for a public hearing 03/16/2007
Date of public hearing 03/28/2007
Resolution/Ordinance adopted 02/13/2008
Notice of Determination 04/06/2007

Auditor's Certificate of No Remonstrance: 12/27/2007

Common Construction Wage: 02/28/2008

Missing Information: None

Present for the hearing: Ken Kingshill, City Council President and Remonstrator; Emil Engelbrecht, Remonstrator Committee Chair; Mic Mead, Grand Junction Task Group; Sheryl Sollars, Library Director; Mike Thomas, Vice President of Library Board; Illona Lipovsky, Taxpayer; Colette Irwin – Knott, Financial Advisor; Ryan Fetters, Financial Advisor; Ronald Wright, Library Board; Skip Keltner, Construction Manager; Mike Halstead, Architect; Sam Mishelow, Construction Manager; Steve Reitmeyer, Library Board Member; Paul Catlin, Library Board Member; Jane Herndon, Bond Counsel from Ice Miller; Jill Mead, Community; Jose Beyer, Remonstrator; Robert J. Smith, Resident and City Council; Robert L. Horkay, Vice

President Westfield City Council; Melody Sweat, Westfield City Council; Sandra M. Rowland, Resident and Library Employee; John Dippel, Resident and Council; Bob Richardson, Resident and Library; Carolyn Wheeler, Resident and Library Board; Dan Carrington, Resident; and Larry Snap, Resident.

Comments: Mr. Kobe began by stating that the Library Board is an independent taxing authority in Hamilton County.

Ms. Sheryl Sollars, Library Director, said that the Library Board has seven appointees; three of those are from the Westfield-Washington School Corporation, one is from the Hamilton County Commissioners, one is from the city of Westfield, one is from the Hamilton County Council, and the final one is from the Washington Township Trustee. She added that Washington Township is 56 square miles in Hamilton County, north of Carmel. Mr. Steve Reitmeyer, Library Board Member, said the library serves all of Washington Township. Mr. Kobe wanted to confirm that the boundaries of the Township and the Library District are the same, and Ms. Sollars confirmed.

Ms. Sollars then took the floor and stated that Westfield Washington Library Board of Trustees first began discussing the need to expand the current library in 2001. In 2003 the Library Board convened a community planning committee which included Library Board members, Library staff and various community leaders to develop the Library's long-range plan. The Library Board was very cognizant of the rapidly growing library service district and knew something needed to be done to offer quality library services to their rapidly growing community. She then said that the Library's service district is Washington Township in Hamilton County, which includes the city of Westfield and the villages of Eagletown, Joiletville, and Hortonville. Ms. Sollars continued and stated that from 1994, which was when the Library last expanded, the population of Washington Township has increased 107%, from approximately 14,000 to 29,000 residents. Due to this growth, she said, all library services and patrons continue to increase annually. In 2007 57% of their population had library cards, and an average of 150 new library cards are issued every month. Public access computer usage has increased by over 27% in 2007, and 420,000 materials were circulated in 2007. Library programming continues to increase, but programming areas have not increased since 1994 and have actually decreased due to the fact that the 1994 planned meeting room space had to be eliminated.

Ms. Sollars then stated that currently there are wait lines to use public access computers and the computers are housed in the center of the adult reading area. There are numerous requests from their patrons for a quiet place to work or study and this is virtually impossible in the current facility. She added that the young adult/teen area is a small space carved out in the adult area, which is overcrowded and unable to meet the needs of the library clientele.

Ms. Sollars went on to say that in 2004 work began on an expansion plan for the current facility, and it soon became apparent that this would be a short-term fix. She said some of the issues that were brought to the Library Board's attention were:

- At the present location the Library is landlocked with 2.63 acres owned by the Library, and all of the surrounding land is owned by the School Corporation. Later on in the process it was asked why they couldn't move in to the park, and the then Town Manager

said that bonds had just been issued for \$750,000 to refurbish the park, so that was not an option.

- Lack of space for increased parking. They do not currently have enough parking and there is a question if the Library would be able to obtain building permits for an addition without adequate parking.
- Drainage issues could be accommodated but would involve a significant cost increase due to the need for underground drainage.
- Replacement of the HVAC system.
- Suspension of some services due to construction.
- An expansion would only accommodate the Library's needs for 10 years.

Ms. Sollars stated that the Library Board developed a consensus that a new facility would eliminate these problems and best service the community's long-term needs. She said that she along with another Library Board member met with the then Town Manager and the Community Development Director to discuss the growth of the Township and where an appropriate location for the Library might be. During that discussion it was suggested that the Library look at sites on the west side of US 31. A realtor was contacted and asked to look for possible sites within the Township to relocate the new Library. She said the Library reviewed seven different sites around the Township and four sites suggested by the schools. The current Library's proximity to the middle and high school made the School Corporation a likely candidate to buy the current Library. Considering the School Corporation's need for more classroom space, the Library Board hoped that an agreement with the school officials would help resolve both entities' space needs. Ms. Sollars then said that in July of 2005, the School Board proposed the property on 196th and Tomlinson. Based on land costs, infrastructure costs, its location in the library service area, and the amount of land available, the Library Board decided that that location would be the most responsible choice. The Library Board and the School Board then entered into an inter-local agreement in August of 2006. After receiving public input in October of 2006, the Library Board had a site analysis done by Meyer Najem on six different sites and their conclusion was that the Tomlinson Road site was the best choice; all other sites would have cost the taxpayers five to ten times as much. She added that during the design development process the Library Board was very cognizant of the cost of the facility. Initially they had planned for a 97,000 square foot building at an estimated total cost at approximately \$20 million. The Board decided it needed to scale back the project and concentrate on the needs at hand and what would be necessary to provide quality library service for the next 20 years.

Ms. Sollars continued and said that since 2003, the Library Board's meeting agendas have included either the expansion project or the new library project. There was a public input meeting in April of 2006 on the 80 acre complex along the Monon Trail which includes the Monon Trail Elementary School, a proposed YMCA, and the 10 acre site of the new Library. In July of 2006 the Library Board held a public meeting to discuss the relocation of the Library, and in March of 2007 they held the Preliminary Determination Hearing where there was no opposition. She then stated that in May of 2007 a remonstrance against the new Library was begun with just 102 certified signatures. In the fall of 2007, the Board felt the merits of the projects were then justified to be taken to the taxpayers to decide, and they agreed that the most democratic process would be to enter the petition/remonstrance process. She said that over 100 individuals volunteered to carry petitions in support of the project. Over 4400 taxpayers weighed

in on the issue and 2448 signed in support of the new Library at the Tomlinson Road site. Ms. Sollars then finalized her comments by stating that after this process was complete, the Library Board felt the public clearly supported this project.

Mr. Steve Reitmeyer, a member of the Library Board, took the floor next. He stated that he has been on the Board since 1995, and in 2000 he served as the Board's President during which time they had a mold issue and closed the library for eight months. He said his time on the Board has given him a good understanding of the building issues at the Library. He is also a member of the Grand Junction Task Group, a committee created by the Westfield Town Council that reports to the Westfield City Council and the Mayor. This task group is in the process of recommending a design to redevelop downtown Westfield. He said that funding was not an issue; he as a Grand Junction Task Group member and downtown business owner would support building the new library downtown. Mr. Reitmeyer went on to say that the issue of the remonstrance of the bonds was primarily about the location. He said he has discussed the issue with a number of residents, and most everyone agrees that they need additional space. He added that the groups against the bond issue do not like the location next to the new elementary school and a possible YMCA. He said the groups themselves do not even agree on a location; some think it should be moved downtown while others think it should stay at its current location next to the main campus of the school.

Mr. Reitmeyer said next that as to a downtown location, they asked at the public meeting for suggestions, and the only site that was suggested was a property we had already considered. The cost for that site to us was \$1,700,000 and according to their architect, it would require at least another \$1,000,000 for infrastructure. The estimated final cost for the library at that location would be at least five times the cost of the current location, next to the new school.

Mr. Reitmeyer then stated that the Board, in trying to design an addition to the current library, realized there was not enough land to continue to expand the library for the long-term needs of the Township. Since 1975 they have doubled the size of the library every 10 to 15 years; they built the current building in 1983 and then doubled it in 1994. He added that during their planning they realized they did not want to assume so much additional debt that it put the next Board in a very difficult position for expansion. They have a plan to expand the current library from 25,000 square feet to about 55,000 square feet. But because of drainage and parking issues this could be very expensive, and that would be the last expansion on the current property.

Mr. Reitmeyer stated next that their surrounding communities of Carmel, Noblesville, and Fishers all have recently expanded their libraries to about 110,000 square feet. He said he has done an analysis of adding 20,000 square feet to the existing library as a short-term solution until the downtown area is completed and under way, which would provide up to 10 years of additional use at the existing location. For comparison purposes, he estimated a 60,000 square foot building to be constructed downtown in 10 years, and the pay back of the bonds for both projects would occur over 20 years; the same as the current proposal. The estimate for the cost of the addition to the existing building and a new building downtown is about \$40,000,000, and the total payback of the proposal today is about \$29,000,000. Mr. Reitmeyer summarized then that there would be an additional \$10,000,000 charged to the taxpayers for looking at this new solution. Their project manager, Mr. Meyer Najem estimated that in the last eleven months the

building cost has increased \$624,000 for the current proposal, and the longer they continue to delay the project the more it costs taxpayers.

Mr. Stafford asked about the Library Board agreeing to go through the petition-remonstrance process, and Ms. Sollars stated that they did that instead of stopping the project. Mr. Reitmeyer added that there was some question whether there were other legal issues that they might go through instead of the remonstrance process; they tried to look at all the avenues that were available to the Board to try and make the right decision. Mr. Kobe wanted to clarify that there were 4400 petition signatures in which a little over 2400 were in favor and less than 2000 were opposed, and Mr. Sollars said that was correct.

Mr. Stafford then asked if there would be someone to go over the financing documents, and Ms. Sollars said there is. Mr. Kobe said that they have a lot of questions about the financing and the project costs. Mr. Christian asked next about the minutes from the Common Construction Wage Hearing and why they say that the estimated cost of the project is \$10,920,000. Ms. Jane Herndon, Bond Counsel from Ice Miller, stated that that amount is reflecting the estimate at the time of the hard construction dollars because what they were writing at is the common wage for the construction, and that would be used by bidders and not for any other costs that are associated with the total project cost. Mr. Kobe wanted to clarify then that that number compares with the \$9.9 million that is on the Hearing Information Sheet, and Ms. Herndon said yes. Ms. Collette Irwin-Knott, from Umbaugh, stated along with the \$9.9 million in construction costs and construction-related expenditures relating to contingencies and construction management fees, there is a \$322,000 in the "Other" category. This amount represents utility connection fees, pre-construction costs, relocation costs, document printing fees, and fees and permits of \$180,000. The professional fees are \$625,000, and for land, building and equipment the cost is \$1,291,000. Mr. Christian asked what the \$30,000 in local funds in the "Other" category are for, and Ms. Irwin-Knott said that number represents the preliminary costs already dispersed by the Library. She then continued what she was saying prior and added that under the category of land, building and equipment, \$1,291,000 represents site construction and an allowance of \$500,000 for loose equipment. Mr. Kobe then asked if that is for both the cost of acquisition and site improvements, to which Ms. Irwin-Knott said that it is for site improvements only; it does not include land acquisition.

Mr. Kobe wanted to clarify then that the land was either sold or donated by the School Corporation, and Ms. Sollars said it was sold, contingent on their agreement that the Library will purchase the 10 acres from the School Corporation for \$30,000 an acre, for a total cost of \$300,000. She added that it will go off of the purchase price of the current library that the School will purchase. Mr. Kobe wanted to confirm that the total then nets out to zero, and Mr. Sollars said no; there will be a cash payout of \$1,050,000 for the current facility. Mr. Kobe asked who will pay who, and Ms. Sollars said the School will pay the Library. Mr. Kobe then wanted to confirm that the School is acquiring the existing Library, and the Library is getting 10 acres of land and \$1,050,000, and Ms. Sollars confirmed. Mr. Kobe wanted to know what the \$1,050,000 will be used for, and Ms. Sollars said that it will most likely be used to pay off the \$16.9 million, but they could not use it in their bond issue because they do not have it yet. Mr. Kobe asked then if it will reduce the size of the bond issue, and Mr. Reitmeyer clarified that it will be used to reduce the existing debt they have on the building. Mr. Jones stated that they still have roughly

\$1,900,000 they owe on existing bonds, and they are selling the building for \$1,050,000. He asked if that was correct, and Mr. Reitmeyer said that the \$1,050,000 is just the cash payout, so a lot more will go in to the transaction. Mr. Christian asked if the existing building is rolled in to the bonds, and Ms. Irwin-Knott said that is correct. She stated under the "Other" category in the "Cost of Financing," the \$1,439,000 is the repayment of the existing debt on the existing library. Mr. Christian asked if the \$1,050,000 from the School is going to be used to offset that, and Ms. Irwin-Knott said a portion of it is. She added that the \$1,439,000 provides for the payment of the principal of the outstanding bonds, but for reduction in the premium and interest as well. Mr. Stafford wanted to know why they are rolling existing debt in to this issue, and Ms. Irwin-Knott said it becomes a necessity in light of the fact of some of the legal requirements. Ms. Herndon added that the Library cannot transfer the property to the School Corporation, or to anybody else, until the old debt is paid off. Mr. Stafford then asked what kind of portion they are planning on putting towards paying off the debt, and Ms. Irwin-Knott said \$178,164 will be going toward the bricks and mortar of the building, and the remaining money will be going towards paying off the existing debt. Mr. Kobe asked if there will be any of the \$1,050,000 in cash left after the project is complete; does it become a cash balance for operations. Ms. Irwin-Knott said that is possible. Mr. Kobe wanted to clarify then that all but \$178,000 would be available for that, and Ms. Irwin-Knott said no because some of the additional dollars would be required for payments of upcoming debt service. Mr. Reitmeyer summarized that all of the \$1,050,000 is either going towards repaying the debt or towards the new building project; he does not think there will be any money left over for operations. Mr. Kobe stated that if this matter goes to the Commissioner, she will need more information on this.

Mr. Christian asked if they said they cut this project by roughly \$3 million; from 97,000 square feet down to 60,000 square feet. Mr. Reitmeyer confirmed that, but then added that part of the 97,000 square feet was unfinished for future expansion. He said they had the architect redesign the building to make it have less space but also to make future expansion easier. Mr. Christian stated that in doing a comparison of cost per square foot of the total project, the cost went up. Mr. Reitmeyer said that is because there is more finished space and there is no unfinished space in the new project. Mr. Kobe said this project is roughly \$300 per square foot, and then asked how that compares to other similar projects. Ms. Irwin-Knott stated that with the total project cost divided by square footage the number comes to \$294 per square foot. But, she added, when the construction costs only are used, the cost per square foot becomes \$165. They have compared their cost with others that have become before the Board, and their project is within the same parameters.

Mr. Kobe then asked if this project were to proceed after June 30 of this year, what would be the steps required for this bond issue after that time. Ms. Herndon said there is a grandfathering in House Bill 1001 for anyone who adopted a Preliminary Determination by June 30, 2008. So any of the changes with regards to a referendum or a petition/remonstrance would be grandfathered in with regards to that process. She added there is a requirement that for a bond, after June 30, will need to be approved by some other Board, and in this case it would be the County Council. Mr. Kobe wanted to confirm that if this project was delayed until after July 1, approval by the County Council would be required, and Ms. Herndon said yes if the lease was not executed by that time.

Mr. Stafford stated next that he still had a question about the proceeds from the sale of the existing facility. He wanted to clarify that right now they have a little over \$2.1 million in outstanding principal and interest left to be paid on the existing building, and Mr. Reitmeyer said the first item is not being paid off. The GO Bond is not part of the building; it is not attached to the building so it is going to continue to be paid. Mr. Stafford said that will leave \$1.9 million in debt then. He added that they are going to get the site for \$300,000. He then asked how much were they getting from the School Corporation, and Ms. Sollars said approximately \$1.7 million is what they are paying. Mr. Reitmeyer added that the \$300,000 comes out of that number. Mr. Stafford said they will be getting about \$1.4 million in a cash payment then, and Mr. Reitmeyer stated that there are other services that are part of that whole deal, but that is where the \$1,050,000 comes in. He said they are providing service to us, but it is not all cash. Mr. Ron Wright, attorney for the Library, stated that when they negotiated the inter-local agreement, the first thing they did was get appraisals on the buildings so they could determine what would be a proper agreement in regards to this transaction. In addition to the \$300,000 that is paid and the other services, the school system is putting in the elementary school and there will be a YMCA as well; so they had certain accommodations there plus there were no realtor fees. He said all of this was taken into consideration so there are certain things, like snow removal, under this inter-local agreement that the school system will provide to us if they utilize this particular site.

Mr. Jones stated he had some questions about the tax impact. He said that last year there was an annexation proposal by the town of Westfield and there was an agreement with the then town of Westfield and the School Corporation about keeping the tax rates flat for several years. Mr. Jones wondered how this will affect that agreement because with this project, the debt service alone will be about 5.5 cents, which comes to about a 2% increase in the total tax rate. He added that with regards to their operating costs, they will go up by about 13% percent to their annual budget or a 37% increase to their annual levy. Mr. Jones then asked how this will impact the agreement between the town of Westfield and the School Corporation, and also how will they cover their operating costs of this new facility. Ms. Sollars said she had no knowledge of the agreement about the tax rate. She did say that they are not adding anymore staff, but the electricity usage will definitely go up. Mr. Reitmeyer added that the heating and cooling is going to be more efficient. Ms. Sollars said that there will be some savings on the operational side until they move in to the new Library because the School Corporation, as part of the inter-local agreement, will be taking over maintenance of the building. There are also savings on landscape maintenance and parking lot maintenance, because the School Corporation is taking over that as well. Mr. Nick Ferkhoff, Director of Business for the School Corporation, stated that there is no official agreement; the goal was to keep a flat tax. He said they are looking at consolidating project services so they do not duplicate taxes. Mr. Giffin said that the concern would be placing some reliance on the testimony last fall about the agreement being operable. Mr. Ferkhoff stated again that the goal was to keep the tax flat or to have it go down. Mr. Reitmeyer commented that Ms. Sollars and him met with the Mayor and the Town Manager the week prior to discuss the tax impact and they felt that with some of the things going on between the Town and the School over the next couple years, the tax rate is actually going to go down with the legislation that was just passed. He said when their tax rate comes on, it will have a very minimal, or even a negative impact.

Mr. Robert J. Smith, a resident and member of the City Council, took the floor and stated that they appoint people to the Library Board. The Board has followed all of the procedures and has made a decision, and he supports them for doing the job they were supposed to do. As a resident, he believes the kids deserve the best library they can get. They have had a tremendous amount of growth within the past few years, and they need a library to keep up with it. He added that as the economy gets back to normal, they have projects on the Board to make the AV go up and the cost of the Library will go down.

Mr. John Dippel, a resident and member of the City Council, took the floor next and stated that they are a fast growing community and they need a new library. A lot of the arguments center around the location, but he said it's not the location but rather the economics and quality of life issues. He stated that at the current library it is hard to find parking. Because of their growth, the demands of the daily circumstances in Westfield are such that there are agreements to improve what is going on in the community. This project needs to go forward, because any more delay will increase the tax base of the residents. He said he supports the fact that some want to build a new downtown, but he does not want to wait until 2010 or 2012 for that to happen because that will cost a lot more money.

Mr. Dan Carrington, a resident, then took the floor and said that the opposition to this project only occurred in the very late stages. The residents were in favor of this project, and the major reason is because the longer it is stalled and debated, the cost goes up. He said he understands the complications in this issue, but it needs to move forward.

Next was Mr. Larry Snap, a resident, who stated that the longer they wait, the more money it will cost. He said that location seems to be a problem; the majority of people will not walk to the Library. In a car, the new location is just an additional 2.5 minute drive. He added that \$30,000 an acre in Hamilton County is just unheard of. If they pass on this project with the school, they will not buy the existing library. The school needs that room and they will be adding on to the existing high school to replace the room that they will not be getting from the Library, which is an additional tax increase. Right now it is a win-win situation for everybody.

Mr. Bob Richardson, another resident, was next to speak and he said that this is an opportunity for the residents and the children because they need a new library. He is afraid that if they do not approve this project that they will have some very unhappy people in Washington Township.

Mr. Ken Kingshill, President of the City Council and a remonstrator, took the floor next. He said there is one flaw in the "longer we wait" argument. He said it has been heard that the AV is going up. The Council is trying to lower taxes by bringing in a commercial base so as to diversify the taxes. The fiscal plan that the Mayor and the Town Council last year approved, assumed that the City would go forward with a 7% annual increase in assessed value. So as AV goes up, tax rates tend to go down. He added that it may cost more in pure numbers, but it will cost less for a taxpayer because of the assessed value going up and the tax rate going down.

Mr. Kingshill said next that the Grand Junction Task Group is a group of local citizens and elected officials that have been tasked with revitalizing downtown. He said in the two letters he gave to the Control Board earlier, the first one is from the Grand Junction Task Group to the

Library Board, and it is asking them to come to a solution together that is acceptable to everyone. The second letter is from the Grand Junction Task Group to the Control Board and the Commissioner of the DLGF stating their opposition to the Library because of the location. He said they would love to have the Library be a part of the revitalized downtown.

Mr. Jones asked if there is suitable land and space downtown that is suitable for the Library, and Mr. Kingshill said not right now, but there is land that is available and the City would have to buy it. The City is willing to do that and work with the Library and come up a deal where they get as good a deal as they are getting right now from the School; or perhaps the City may even donate the land. He said there are options, and it could be done through a redevelopment area with a TIF. Mr. Stafford then asked Mr. Kingshill if he would be willing to use power of eminent domain to acquire land, and Mr. Kingshill said he does not want to, but eventually yes because this is an issue that is important enough.

Mr. Kingshill continued his speech and stated that there was a remonstrance of which over 2000 citizens signed. He said the opposition felt there was a dual standard in place because the School is on the side of the Library. The Library Board solicited signatures on school property though they were not allowed to. He felt that if this were a level playing field, the outcome might be different. He added that this issue has divided the community straight down the middle. Mr. Kobe then asked if this divide was geographical. Mr. Kingshill said no.

Mr. Kingshill went on to say that the current location of the Library is where the population is. The new site is two to three miles north of the population. He added that the daily trend of Westfield travelers is to go south because that is where everything is. Mr. Stafford asked which direction is development taking, and Mr. Kingshill said north and west. Mr. Mike Thomas, Vice President of the Library Board, said that development is heading where the proposed Library will be.

Next Mr. Kingshill said that they want the Library downtown; it will be beneficial to Westfield and to the Library. Experts have told him that libraries are analogous to an anchor store in a mall. He continued and said that Westfield is growing. Their population exploded from over 9000 to over 24,000 over night because of an annexation within the current library district. They agree that they need a new library, but it is a matter of when and where.

Mr. Kingshill then said that, with regards to cost per square footage, the DLGF has published construction guidelines for schools for 2008. Those guidelines start with a low of \$157 per square foot for an elementary school, and go up to \$187 per square foot for a high school. He asked why this proposed library is at almost \$300 per square foot.

Mr. Kingshill spoke next about House Bill 1001 and its many unanswered questions, such as how the Circuit Breaker will affect this financing. He said that the AV will fall by 15% initially due to an increase in Homestead Deductions. Another question he asked was where the increase in tax rates and operating costs come from. He said it will be shared by all the taxing authorities within the area. He said that now is not the time to sell Westfield a new tax increase, and they will be much better able to absorb this tax in four to five years.

Mr. Kingshill commented next about the Elkhart Library project that was recently denied by the Commissioner of the DLGF. That project had no remonstrance and no opposition at the hearing. He said there are more reasons to deny this project than that one.

Mr. Kingshill continued and said that the Library Board is not an elected body. He is an elected official, and most of the officials that are accountable to taxpayers, including four officials from the current City Council and the President of the County Council, do not want this project right now; they want it later. He said the Library has the finest legal representation and financial consultants working for them, but he asked who is paying for them. He then went on to say that they, the remonstrators, are individual citizens that have tried to oppose this project. Everything they have done has been at their own expense; any legal representation that has been needed has been done on a pro-bono basis. They (the taxpayers) cannot afford to pay for excellent representation for both sides.

Mr. Kingshill said that the State now says that local governments must now control spending, so he asked why they are even there.

Mr. Kingshill then summarized that with the passage of House Bill 1001, there is a greater need for cooperation between all governmental units to best utilize the limited revenue that is now available. As proposed, this project will result in reduced property tax revenue for the City, to the School, and to the Township. It is important that these groups work together to maximize the uses of the limited revenue available. He said he wants the Library, but he does not want it now.

Mr. Stafford stated that four of the seven Council members are in opposition, but because of the petition/remonstrance process that happened, the issue went one step beyond elected officials. Of all the citizens that participated in the process, more signed up for the project than against it. He asked Mr. Kingshill how he could go beyond that as an expression of the will of the populace. Mr. Kingshill said that he felt it was not a fair process, as he stated earlier. He added that if there were a referendum, the results may have been different.

Mr. Jones asked in regards to Mr. Kingshill's mentioning of allocating a TIF district for Westfield if he thinks there is enough support on the Council to possibly contribute to the library project from the TIF allocation area. Mr. Kingshill said yes.

Mr. Kobe asked if Mr. Kingshill agrees with the legal opinion that if this issue would be reviewed after July 1, 2008, if it would be heard by the County Council. Mr. Kingshill said he would defer it to the legal opinion.

Mr. Robert L. Horkay, Vice President of the Westfield City Council, took the floor and stated that he wanted to weigh in his support of denying this project.

Ms. Melody Sweat, a member of the City Council opposed to the project, spoke next and said that their largest platform was to help lower the tax rates for the citizens of Westfield. She said they have one of the largest tax rates in Hamilton County, though most of that is because of the school rate. The elected officials are doing their best to do what they can to lower what they can affect, which is the city rate. She stated that she agrees with Mr. Kingshill that the economic

climate of Westfield will be changing in the future, which will make this project a lot more affordable. They have in place a TIF designated area for downtown. She said she also sits on the Grand Junction Task Group and they are working extremely hard on the redevelopment of their downtown.

Mr. Mic Mead, a member of the Grand Junction Task Group that is also opposed to this project, took the floor next and said that he was at the very first public hearing where nine people spoke against the project before they were cut off; only one spoke in favor.

Mr. Snap, a supporter of the project, took the floor again and said that it does not make sense to spend more money later to get the Library. If less money is spent now, they are still going to get the increase in funds to pay that money later. Now there are lesser funds that will be borrowed and more money to pay it back; that is how the economy works.

Ms. Sandra Rowland, a Library employee in support of the bond issue, spoke next and said the Library needs a new library this year. They are out of space for their books and computers; they have no workspaces. There are only two spaces for meetings, and one of those will be gone because they have to bring in more shelving because there is not enough room for their books. They have an employee that has to work in a closet because there is no space. Mr. Kobe asked Ms. Rowland as a Library professional, how she feels about the new location. She said it is fine; there will be room for now and to expand in the future. Mr. Kobe said he meant in terms of who she serves. She said that in terms of the whole Township, this is necessary. The downtown location will be good for the City of Westfield, but it does not address the whole Township, which is the library's service area. She said that she understands that 62% of the population is on the west side of 31, and the Grand Junction Task Group is asking for the Library to be on the east side.

Mr. Reitmeyer wanted to speak again in response to Mr. Kingshill's comments. He said that the growth that he was referring to earlier was not caused by the annexation, but rather the Township size, which was at 107%. He also stated that in regards to Mr. Kingshill saying that the remonstrance was not fair, the instructions were the same for both groups that they were not allowed to go on school property.

Mr. Stafford asked the Library Board if the City of Westfield came to the Library in the next 30 days with a concrete proposal with a downtown location, if they would consider it. Mr. Reitmeyer said it would be considered, but there are a lot of other issues to consider besides just cost. Mr. Reitmeyer then said that his question is that they had a remonstrance where over 2400 people said they wanted the Library to be on the west side of 31, so is it fair to change locations. Mr. Stafford asked if the petition was about the bonds or the location, and Mr. Reitmeyer said it was about the bonds. Mr. Reitmeyer then said that if the City would donate land, as was in Mr. Kingshill's proposal, they would certainly consider that as an option.

Mr. Ronald A. Wright, a Library Board member, said they have never been able to get any site, any proposal or any indication of willingness to create a TIF district. Some of the things being offered today have never been offered before. He added that they have looked in to location after location. Some locations in that downtown area pertain to access off of State Road 32, but it is

incredibly difficult to just get through 31 and 32 during rush hour. At the intersection of 31 and 32, one of the major considerations is, especially if it goes to a limited access off of 31, is the convenience to people accessing the facility. He said they are signing up 150 people a month to that facility, and the parking area is inadequate. In regards to a downtown site, he said that he would be willing to look at anything, but nothing concrete has ever been advanced.

Mr. Kobe stated that it is difficult for them (the Control Board) to not take into account significant opposition by elected officials in the Township.

Motion: Mr. Christian motioned to recommend to the Commissioner that the project be denied, and Mr. Jones seconded. Mr. Jones then explained why he seconded the motion. He said this project, on a medium per-square-foot basis, is over three times larger than other libraries they have considered. It is 83% higher in cost-per-square-foot than other libraries over the past 2.5 years, and the average amount itself is 1.5 times what they have considered. He said it would be more logical to have two slightly smaller, separate branches, one north and one south. He said it is also because of the amount of the opposition, and the opposition of elected officials. Mr. Christian also wanted to explain why he made the motion. He said the tax increase is too high and at the wrong time. He said the square foot cost is astronomical, and the opposition of the elected officials helped him with his decision also. Mr. Kobe then stated that the Control Board's authority, with respect to recommendations to the Commissioner terminates on June 30, 2008. Regardless of the decision by the Commissioner, there is still an opportunity, under the new rules, to carry the project further. The motion carried by a vote of 4-1, with Mr. Stafford casting the dissenting vote. Mr. Giffin was not present for this vote.