COMMON COUNCIL

Regular Meeting November 5, 2012

The regular meeting of the Common Council of the City of Shelbyville, Indiana, was held in the Common Council Chambers of City Hall on Monday, November 5, 2012, at 7:00 P.M. Boy Scouts from Troop 203 opened with the Pledge of Allegiance and Councilman Hamilton followed with a prayer. Councilmen Fero and Asher were absent and Mayor DeBaun presided.

Councilman Nolley moved to approve the minutes of the previous meeting, October 15, 2012, and Councilman Hamilton seconded. There was no public comment. The motion was carried on a 5-0 voice vote.

Mayor DeBaun asked Lisa Carpenter, from CGS Services and the Shelby County Solid Waste Management District, to come forward so he could read and present her with a proclamation. The proclamation declared November 15, 2012 as "America Recycles Day" in the City of Shelbyville, encouraging citizens to learn more about recycling options and committing to recycle more materials.

Under old business, Councilman Nolley moved to approve the financial statements as presented, and Councilman Carmony seconded. There being no further discussion, the motion was carried on a 5-0 voice vote.

Mayor DeBaun said the Council previously received amendments proposed to the City's Employee Handbook, and earlier in the prelim meeting, he handed them some clarification that had been requested by his Department Heads. Hearing no further comments or questions, Councilman Nolley moved to approve the changes to the Employee Handbook, and Councilman Hamilton seconded. The motion was carried on a 5-0 voice vote.

On Ordinance No. 12-2704, concerning salaries for elected officials in 2013, Councilman Nolley moved to approve the request on second and final reading, and Councilman Brown seconded. Mayor DeBaun asked if there were any comments from the audience. Hearing none, the motion was carried on a 5-0 voice vote. There were no salary increases next year for elected officials.

Under new business, Councilman Nolley read Resolution No. 2012-31, transferring $993,564.00 from the Rainy Day Fund to the General Fund. Councilman Nolley moved to approve the transfer, and Councilman Brown seconded. Mayor DeBaun told the audience that monies were being moved from one account into another, and no additional monies are being spent that hasn't already been budgeted. There being no further discussion, the motion was carried on a 5-0 voice vote.

On Resolution No. 2012-27, an additional appropriation of $993,564.00 was requested to be spent in the General Fund, covering shortages that have occurred in the 2012 budget. Councilman Nolley moved to approve the request, and Councilman Phares seconded. There being no further discussion, the motion was carried on a 4-0-1 voice vote, with Councilman Brown abstaining.

On Resolution No. 2012-28, a transfer of funds was requested to be approved for the Clerk-Treasurer's office, totaling $1,250.00. Councilman Brown moved to approve the request, and Councilman Nolley seconded. The motion was carried on a 5-0 voice vote.

On Resolution No. 2012-29, Faeza Alloyers, U.S.A. and Airpark Development, LLC filed an application to designate 1300 Enterprise Drive, a 52.717 acre tract, as an economic revitalization area. Councilman Phares moved to approve the request, and Councilman Hamilton seconded. Under discussion, attorney Lee McNeely, from McNeely, Stephenson, Thopy and Harrold, representing Faeza Alloyers, U.S.A., said the company wants to construct a Plant on 10 of the 52 acres, which will employ around 47 individuals with various salary ranges. The salaries will range from $25,000.00 to $80,000.00 per year. Lee said this Plant will be a partner to and a supplement to Ryobi. Besides building on 10 acres, the company has an option to purchase an additional 10 acres if it's as successful as they think it's going to be, and there could be another expansion within the next year or two. Since this 52 acres needs to be designated an economic revitalization area before tax abatement can be offered, Lee said they got permission from the

current owners of the land to include all the area on this application. Then as they sell off lots to new corporations, they will avoid having to do this first step of designating it as an ERA. If this is approved tonight, Lee said he'll be coming back promptly asking approval for tax abatement. Councilman Phares asked why Shelbyville? Was it because of Ryobi? Lee said it primarily was Ryobi. He said that the Mayor, the past, and the current administrations worked very closely with the Indiana Economic Development Corporation, and that has been a partnership that has been pretty worthwhile these last few years. If the project fits into what the City wants in Shelbyville, then they can move forward. Lee said so much of our wealth and capital are flowing out of America into foreign countries, so it's nice seeing some capital coming back our direction. Mayor DeBaun said local contractors will be used breaking ground on this project. Councilman Phares asked if the company is moving an operation here, or is it a brand new operation. Lee said it's a new operation, and since they worked so well with Ryobi in Mexico, they were invited to come up here and be their supplier. Lee said it's a private ownership, that it's a private individual who owns it, and he and his family will be moving in this direction. Councilman Phares said he's asking these questions because he's wondering what more can be done to have things like this. Mayor DeBaun said he's working on things like this every day. There being no further discussion, the motion was carried to approve the ERA request on a 5-0 voice vote.

On Ordinance No. 12-2705, permitting the Indiana-American Water Co., Inc. to include certain charges in the basic rates of its customers, Councilman Phares moved to approve this on first reading, and Councilman Nolley seconded. Wade Amos, Operations Manager for Ind.-American Water Co. in central Indiana, said their company serves approximately 50 communities in Indiana, 9 of which pay for fire protection in the form of a fire hydrant charge, like Shelbyville. The other 40 plus communities have their customers pay for fire protection through the form of a surcharge that is an itemized portion of their bill. In order for the Water Co. to transition this from a fire hydrant charge to the City, the Council must adopt this ordinance so the Water Co. can take it to the Indiana Utility Regulatory Commission (IURC), and prove to them that this is a revenue neutral move so they can begin charging Shelbyville's customers a surcharge. Mayor DeBaun said he learned today that 64 households in Shelbyville have private wells. Wade said the prior fire hydrant rate increased from around $52.00 to $61.60, and he said there is only one fire hydrant at the entrance to Rolling Ridge Addition. Councilman Nolley asked if the Water Co. is trying to get the other 9 communities to have the bills charged to the ratepayers, and Wade said it's easier from a billing perspective to have everyone pay the same way. Councilman Hamilton said he didn't like the language in the Ordinance, saying the City won't be paying the bill next year, and that the Water Co. will have permission to go after the residents. He said he didn't like granting permission, he thought it was unwarranted and unjustified in these hard economic times, and he thought it was disturbing. Councilman Phares and Mayor DeBaun noted that taxpayers are currently paying for the fire hydrants in their taxes, but if it's changed to the ratepayers, much of the fire hydrant fee will be dropped off the tax rate. Wade said a fee cannot be charged to the customers until the Council passes this ordinance, and it's presented to the IURC for their approval. Todd Day and Gil Whitten, concerned citizens, said they felt the fire hydrant fee should not be charged to the customers. Todd thought it's possible the customers could be charged twice, on their property taxes and an addition on their water bill. Gil felt the customers don't have the extra money to pay an additional water fee, that times are tough enough on citizens. Councilmen Carmony and Phares felt we need to be looking out for the water customers and not bill them twice for this change. Councilman Hamilton said he felt the City has been good to the Water Co., and he was somewhat disappointed they were not inclined to compromise with the City when several meetings were held with them, and they were adamant and would not budge. Hearing no further discussion, the motion was carried on first reading on a 4-1 voice vote, with Councilman Hamilton voting no.

Mayor DeBaun asked each of the Scouts to stand and give their names, and the Mayor thanked them for leading us in the Pledge of Allegiance tonight. The Mayor also thanked a student in the audience for attending.

There being no further business, Councilman Carmony moved to adjourn, and Councilman Nolley seconded.

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Thomas D. DeBaun
Mayor

ATTEST:

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Frank M. Zerr
Clerk-Treasurer