

Executive Session
Corydon Town Council
October 7, 2019

The Corydon Town Council met in Executive Session on Monday, October 7, 2019. Members present were Mark Parks Roger McGraw, Rachel Baelz, Treggie King, and Town Attorney Chris Byrd. Town Manager Rand Heazlitt, Attorney Chris Janek of Bose McKinney, John Seever and Jessica Lynch from Baker-Tilley also were in attendance.

The meeting was called to order at 7:00 pm by President Eva North.

A discussion was held to discuss personnel issues pursuant to IC 5-14-1.5-6.1

October 7, 2019

The Town Council of the Town of Corydon, Indiana, met in the Town Hall, 219 North Capitol Av, Corydon, Indiana on the 7th day of October 2019 at the hour of 7:30 p.m., in a special called meeting pursuant to call in accordance with the rules of the Council.

The meeting was called to order by President Eva North, who presided and the Pledge of Allegiance to the Flag was led by the Council. President Eva North welcomed attendees for the public hearing on Water and Sewer Rate Ordinances.

On call of the roll, the members of the Council were shown to be present or absent as follows:

Present:	Absent:
Eva North	Chris Mattingly
Roger L. McGraw	
Mark Parks	
Rachel Baelz	

Town Attorney Chris Byrd provided the attendees of the meeting with instruction that each individual who has signed in would be given 3 minutes to take the podium and make their comments. He further explained the meeting would not be a question and answer session; each individual would be free to make their comments and the Council would take the matter of the water and sewer rates under advisement.

Town Manager Rand Heazlitt distributed information to the group what was comprised of an outline of commonly asked questions and answers, a brief overview of the number of projects that needed to be recognized and the ramifications from IDEM of specific issues within the facilities if corrective actions were not taken. He also reported on specific projects that had been completed due to failing equipment of the lift station that needs to be refurbished. The operating fund, he explained, would not support the needs that Midwestern advised in order to take care of priorities and support the needs of the public expanding usage. An asset management plan is in the process of being implemented so the rates in the future would be modest. He said there is no cheap project and unfortunately the Town had not been proactive and had waited too long for improvement and this caused the need for a significant rate increase at the present time.

Since bonds will be a major discussion point of this rate increase, he gave the example of the recent Community Crossing Grant that the Town was able to receive from INDOT which allowed the Town to repave 32 streets within the Town limits at a savings of 80 cents on each dollar spent. By using money from the bonds and a nearly historic low rate of interest, it would provide the Town to make the significant repairs necessary and be proactive.

Clint Roos of Midwestern Engineers reported that a lot of the lines are at the end of a useful life and need to be replaced to prevent pipe bursting and in order to maintain a reliable system for all users. He cautioned what an IDEM fine could cost the town if it were out of compliance. Due to the stringent laws, fines are incredibly high and the problem would still have to be resolved; therefore, it is advisable to address the defined issues and the present time. Mr. Heazlitt interjected that he wants to stay ahead of the IDEM violations. Jeffersonville, IN is paying \$1,000,000.00 at the present time due to an IDEM sewer violation. He said he wants to make the Town proactive instead of reactive.

John Seever from Baker-Tilley provided a brief overview of why bonds would be useful. He said it is a legal mechanism to provide bonds because it will not impact the tax rate of residents and it finances improvements that the Town will gain in long term benefits. He said interest rates are at a historic low, the water rates have not changed for 22 years and the sewer rate has not been changed for 10 years. Even with the rate increase, Corydon's water/sewer rates are still below average.

At this time President North welcomed public comments from individuals who had asked to speak.

1. Charles Gordon, a local business owner who lives in Elizabeth and has several enterprises said it was inevitable that a rate increase would have to happen. He reported the Elizabeth rates are triple those of Corydon and the quality water in Corydon was good. He thought residents would react by a few life style changes and if 60%-75% of the residents watch their consumption it would help save equipment.
2. Adam Freiberger asked about the clay pipes in Town and wanted to know if they would be phased out. Clint Roos from Midwestern answered that annual dollars would be set aside for that project. The first ones to be replaces will be to replace the clay pipes under the roads.
3. Jessica Jenkins, a local business owner, asked who came up with the percentage of surcharge for out of Town residents and businesses. From a business standpoint it will affect rentals, leases, and other contracts for the upcoming business year since most budgets have already been set.
4. Steve Haggard asked if the bonds would be available to the public since they typically pay a higher rate of interest. Being a resident of Walnut Street he asked if the repairs will help his low water pressure.
5. Nellouise Baker said her question had been answered
6. Tyson Uhl, the new Council member that will be on the 2020 Council asked if a third party assessment has been done. He said that an engineering company with a financial stake in the project recommending renovations is like a car salesman saying you need a new car. He commented that bonds never last longer than the life of the project. Currently his water bill runs approximately \$60-\$70 and the new rate will increase his bill to over \$100.00 monthly for a family of 5.
7. Trish Bizzell, Mike Marshall, and Frank Boris said their comments had already been made.
8. Rick Pflanz asked why the bond amount had to be so much and asked if the money would just be laying around 3-4 years waiting for the next project. He also inquired if the cash reserves would get spent for something else. He stated that emergencies should be paid for out of the Riverboat.
9. Sandy Marquette was a former water clerk for two years in Cheyenne, Wyoming commented that the residents should not be punished for the lack of Council inaction in the past. She said the rates will increase costs to the YMCA, Jay C store, and other businesses and those costs will be passed on to residents. She said stair steps increases should be considered over the next 5 years.
10. Kevin Burch asked if a cost of service survey had been conducted and stated before rates were raised he urged that this take place and be answered in a public forum.
11. Barbara Best said her comment had already been made.

12. Pastor Tim Williams had no argument about the rates, but his Church is outside Town limits and not only would his rate raise, but he had an additional 15% and recommended that it be equitable across the board.
13. Annette Miller said it was not fair to those who are on Social Security or Disability and asked why the band aid had to be ripped off at once. She asked if the rate was solely based on usage.
14. Jim Tyler has a business and is a business owner I three other locations. He said his Corydon water rate was the cheapest of all locations and as a CPA he can understand the bonds and surcharge. He said businesses have established their fees up front asked if the rate could be fully funded over a period of time.
15. Matthew Hill said he moved to Corydon because of cheap taxes and cheap water and now they both have been raised. He believes this will run people out of town.
16. Paul Arnold, a resident for 11 years, said he is a landlord who takes care of the water & sewer bills for residents who have fixed incomes. He said stair step rates are necessary because the charges will need to be passed on.
17. Donnie Brown said he also has tenants on fixed incomes living at near poverty level and stated now he will have to pass the price increase to them and raise their rent. He said it will cost him approximately \$800 more a month for 29 apartments. He requested baby steps with the increase and asked the Council not to borrow ten million dollars. He reminded the Council that the Town had been run by people without uptown lawyers and said he was speaking on behalf of the poor and elderly people.

President North thanked the audience for attending the meeting and stated that the comments would be taken into consideration before the next meeting, Monday, October 14, 2019.

Rachel Baelz made a motion to adjourn the meeting and Mark Parks seconded the motion; the public meeting on Water and Sewer Rate Ordinances meeting of the Corydon Town Council was adjourned.

DATED: *Oct 14, 2019*

SIGNED: *E. Wadsworth*

ATTEST: *P.M. King*

*The public hearing according to the September 23, 2019 Council meeting minuet was scheduled at 7:00 & 7:45 and was advertised. A corrected advertisement ran again moving the time to 7:30pm and was posted on the front and back doors of the Town Hall.