

GOSHEN REDEVELOPMENT COMMISSION

MINUTES OF THE REGULAR MEETING HELD JANUARY 10, 2012

CALL TO ORDER/ROLL CALL

The Goshen Redevelopment Commission met in a regular meeting on January 10, 2012 at 4:00 p.m. in the City Court Room/Council Chambers at the Goshen Police & Court Building, 111 East Jefferson Street, Goshen, Indiana.

The meeting was called to order by President Thomas Stump.

On call of the roll, the following members of the Goshen Redevelopment Commission were shown to be present or absent as follows:

Present: Laura Coyne, Cathie Cripe, Stephen Oyer, Thomas Stump, and Vince Turner

Absent: Jeremy Stutsman

OATHS OF OFFICE

Legal Compliance Administrator Shannon Marks announced that as long as she has all the necessary signatures on the Oaths of Office for the Commission members and the non-voting advisor, then the Commission may move on to the next agenda item to elect officers.

ELECTION OF OFFICERS

A motion was made by Commissioner Turner and seconded by Commissioner Coyne to nominate and elect Commissioner Thomas Stump as President of the Goshen Redevelopment Commission. The motion was adopted unanimously.

A motion was made by Commissioner Stump and seconded by Commissioner Turner to nominate and elect Commissioner Stephen Oyer as Vice President of the Goshen Redevelopment Commission. The motion was adopted unanimously.

A motion was made by Commissioner Oyer and seconded by Commissioner Coyne to nominate and elect Commissioner Jeremy Stutsman as Secretary of the Goshen Redevelopment Commission. The motion was adopted unanimously.

APPROVAL OF MINUTES

A motion was made by Commissioner Oyer and seconded by Commissioner Coyne to approve the minutes of the December 13, 2011 regular meeting.

A motion to amend the main motion was made by Commissioner Oyer and seconded by Commissioner Turner to change City Attorney Kolbus to City Attorney Barkes in the first line of the third paragraph on page 2. The motion to amend the main motion was adopted unanimously.

The motion to approve the minutes of the December 13, 2011 regular meeting, as amended, was adopted unanimously.

APPROVAL OF REGISTER OF CLAIMS

A motion was made by Commissioner Oyer and seconded by Commissioner Coyne approve the January 10, 2012 Register of Claims.

Legal Compliance Administrator Shannon Marks requested the Commission approve for payment one additional invoice from Environmental Systems Research Inst. for \$1,275. This is Redevelopment's share of the annual subscription for access to the GIS mapping and information that is used by Becky Hershberger. This would increase the total expenditures for the month on the Register of Claims to \$17,008.32.

A motion to amend the main motion was made by Commissioner Turner and seconded by Commissioner Oyer to approve payment of the invoice from Environmental Systems Research Inst. for \$1,275. The motion to amend the main motion was adopted unanimously.

The motion to approve payment of the January 10, 2012 Register of Claims, as amended, was adopted unanimously. The total expenditures for the month are \$17,008.32.

UNFINISHED BUSINESS

a. Resolution 01-2012 – Ratify Execution of an Agreement with Culver Construction, Inc. to Construct Temporary Support Structures at 214 West Jefferson Street

A motion was made by Commissioner Oyer and seconded by Commissioner Coyne to approve Resolution 01-2012. The motion was adopted unanimously.

b. Resolution 02-2012 – Declaratory Resolution for the Consolidated River Race/US 33 Economic Development Area

City Attorney Larry Barkes stated that this resolution is the first step in the process to consolidate the Downtown, River Race Corridor, and North US 33 Corridor economic development areas into a single economic development area to be known as the Consolidated River Race/US 33 Economic Development Area. The matter will also be presented to the Plan Commission and Common Council for approval, there are notification and publication requirements to be met, a public hearing will be held before the Commission, and then the Commission will consider a Confirmatory Resolution.

Commissioner Stump asked whether item (9) at the top of page 5 of the resolution pertaining to reimbursement for expenses incurred in training employees of industrial facilities had to be included in the resolution. City Attorney Barkes stated that this permitted use of allocation funds and it does not have to be included in the resolution, but it is a permitted use by state statute. Mr. Barkes explained that this provides authorization to use funds for this purpose; however, the Commission would have to further approve the funding to do so.

A motion was made by Commissioner Oyer and seconded by Commissioner Coyne to approve Resolution 02-2012. The motion was adopted unanimously.

NEW BUSINESS

a. Resolution 03-2012 – Authorize Request for Proposals to Lease or Purchase NIPSCo Building

Community Development Director Mark Brinson stated that he believes the Commission is in a good position to solicit proposals for the lease or purchase of the NIPSCo building based on the redevelopment that is planned and that has been completed in this area, and he indicated that there are two parties interested in renovating the building.

City Attorney Larry Barkes stated that as proposed, the proposals will not be due until the April meeting partly because the city is still waiting to receive the appraisals. If the Commission does not receive a qualified proposal in April, the RFP will be left open until June. If the Commission still does not receive a qualified proposal, then an offer can be made on the open market.

Commissioner Stump inquired exactly what area is being proposed to be sold and whether any of the parking lot is included. Mr. Brinson responded that it was the building and immediately surrounding area located on the southeast corner of the map, and that it does not include any of the new parking areas or drives.

Commissioner Turner asked if the city is stating a preference of what it would like done to the building. Commissioner Turner indicated that his first preference would be to preserve the building rather than see it demolished.

Mr. Brinson responded that the RFP is drafted in a way that is open ended because we did not want to rule any potential projects out. Mr. Barkes stated that it will be up to the Commission to decide whether to lease or sell the real estate after evaluating the proposals received. Mr. Barkes further stated that the Commission would not be bound by a qualifying proposal as the Commission still retains the right to reject all offers.

A motion was made by Commissioner Turner and seconded by Commissioner Coyne to approve Resolution 03-2012. The motion was adopted unanimously.

b. Request to Terminate Lease with Goshen Powerhouse, LLC

Tim Braun of Cassopolis, Michigan, and on behalf of Lucid Energy Technologies and Goshen Powerhouse, LLC stated that Goshen Powerhouse, LLC filed its declaration of intent for the proposed hydroelectric project with the Federal Energy Regulatory Commission (FERC) in February 2011, and was told that a decision would be made within 60-90 days. However, a decision was not made by FERC until September 8, 2011, and then the approval was only given for a period of 18 months rather than 5 years as originally requested by Goshen Powerhouse, LLC. Mr. Braun stated that the amended lease provides an out for Goshen Powerhouse, LLC if FERC does not grant approval. Although approval was given by FERC, it was not for the time frame originally requested and that the 18 month period is not viable to build, operate and tear down the project. Mr. Braun added that Goshen Powerhouse, LLC paid \$3,000 to the city upon execution of the lease in March of 2010, and Goshen Powerhouse, LLC has never occupied the powerhouse.

Commissioner Turner stated that \$3,600 in rental is due to the city (\$450 per month for eight months from June 1, 2011) and asked if there is an understanding that this amount is going to be paid? Mr. Braun responded that it is being requested to not pay anything further.

Commissioner Stump recollected that Commissioner Stutsman did not feel that \$450 per month was sufficient rent when the Commission originally discussed leasing the powerhouse.

Adviser Cripe stated that she thought if the Commission is going to forgive four years of the five year lease, then the city should be compensated the \$3,600 rental due.

Commissioner Stump stated that he thought if the city receives the \$3,600, then the city will let Goshen Powerhouse, LLC out of the lease.

City Attorney Barkes stated if that is what the Commission is proposing, he suggested that this be put in the form of a motion that would release Goshen Powerhouse, LLC from the remainder of the lease obligation upon payment of X Dollars.

Commissioner Turner stated that he does not want to hamper any future relationship with Lucid, but there is an inherent risk with investments. He does not want the Commission to set a precedent.

A motion was made by Commissioner Turner to table the discussion and allow the Commission staff and Lucid to discuss this matter further and come back to the Commission with a proposal. City Attorney Barkes clarified that he and Mark Brinson did just that last week when they met with Tim Braun. The motion died for lack of a second.

A motion was made by Commissioner Turner and seconded by Commissioner Stump to terminate the lease immediately upon the city's receipt of payment of \$3,600. Community Development Director Brinson asked if the intent is for the city to continue collecting rental. City Attorney Barkes suggested the motion be reworded to terminate the lease contingent upon payment of X Dollars.

After discussion, Commissioner Turner requested to withdraw the motion. There being no objection, the motion and the second were withdrawn by Commissioner Turner and Commissioner Stump, respectively.

City Attorney Barkes stated that as the lease amendment is drafted, if FERC would have denied approval, then Goshen Powerhouse, LLC would have been under no further obligation to the city for any payment.

Commissioner Turner reiterated that he did not want the Commission to set a precedent by waiving this because another entity could request the same thing down the road, but for a larger amount.

Commissioner Oyer stated that he understands where Goshen Powerhouse, LLC is coming from since FERC approved less than what was asked for. Goshen Powerhouse, LLC took a risk for a five year project, however, FERC only gave approval for 18 months. The city did not lose anything but time.

A motion was made by Commissioner Stump and seconded by Commissioner Turner to postpone discussion until Commissioner Stutsman is back. The motion was adopted unanimously.

c. Resolution 04-2012 – Award Bid and Authorize Execution of an Agreement with S & L Concrete and Excavating, Inc. for Brownfield Site Remediation Services at 315 West Washington Street

Brownfield Coordinator Becky Hershberger reported that eight bids were received and opened on behalf of the Commission on December 30, 2011 for the brownfield site remediation services project at 315 West Washington Street. After review of the bids, staff recommends that the Commission award the bid to S & L Concrete and Excavating, Inc. as the lowest responsible and responsive bidder, and further recommends that the Commission accept the following alternates:

Alternate 2, Option 1 – add \$4,000

Alternate 4 – deduct \$72,000

Alternate 6.1 – deduct \$24,476

Alternate 6.2 – add \$5,800

Alternate 6.3 – add \$150

The base bid and the above alternates would be a total cost not to exceed \$1,015,328.

Adviser Cripe asked if there are sufficient funds available for this project. Ms. Hershberger responded that the project is being funded from multiple sources, including the state revolving loan fund, a USEPA grant, a state matching grant, appropriated funds from the Commission, and funding from Interra Credit Union.

A representative from Interra Credit Union inquired what the difference was in the alternate bricks. Ms. Hershberger responded that the brick included in the base bid was a brushed finish and the brick in the alternate bid was a standard finish, but based on reviewing the samples there is not much difference other than cost.

Utilities Engineer Dustin Sailor wanted to bring to the Commission's attention that sanitary sewer is not currently available to the NIPSCO building. Thus, it will be necessary to either install a mini lift station with a low pressure sewer to Second Street or install a gravity sewer connecting to Interra's lift station prior to the construction of the parking lot.

A motion was made by Commissioner Oyer and seconded by Commissioner Coyne to approve Resolution 04-2012. The motion was adopted unanimously.

d. Resolution 05-2012 – Authorize the Negotiation and Execution of an Agreement with Schmucker Heating & Air Conditioning for the Installation of a Sump Pump at 315 West Washington Street

Community Development Director Mark Brinson reported that it has come to his attention that the basement of the NIPSCO building floods when the river level goes up. As a temporary solution, he solicited quotes from Schmucker Heating & Air Conditioning, Culver Construction, Inc., and Middlebury Electric to install a sump pump in the basement of the building which would include installing temporary electric service. Schmucker Heating & Air Conditioning's quote was the lowest for \$1,874.43.

A motion was made by Commissioner Turner and seconded by Commissioner Oyer to approve Resolution 05-2012. The motion was adopted unanimously.

e. Resolution 06-2012 – Authorize Funding to Update the South Goshen Service Area Sanitary Sewer Master Plan

Community Development Director Mark Brinson stated that this resolution was follow-up on the discussion at last month's meeting in which the sewer utility was requesting assistance to help fund the update of the sanitary sewer master plan for the south Goshen service area. This area includes the Keystone I, Keystone II and Century Drive economic development areas. The resolution is to authorize the contribution of \$10,000.

Utilities Engineer Dustin Sailor explained the need to update the sanitary sewer master plan for the south Goshen service area.

A motion was made by Commissioner Coyne and seconded by Commissioner Oyer to approve Resolution 06-2012. The motion was adopted unanimously.

f. Discussion on Phase 3 North US 33 Landscaping Project

Community Development Director Mark Brinson distributed cost estimates prepared by Wightman Petrie for the third and final phase of the North US 33 landscaping project. Mr. Brinson indicated that the project is designed and ready to go out to bid. He also reported that the North US 33 Corridor allocation fund has a balance of approximately \$1.8 million, and the Commission will receive approximately \$800,000 additional in 2012.

Chris Chockley of Wightman Petrie stated that the city would want to structure the bid so that ideally the planting is done either in the early spring or late fall.

Mr. Brinson asked if the Commission would like to put this project out for bid now.

Commissioner Turner asked if the city has been given any idea on when the railroad plans to do maintenance. Civil City Engineer Mary Cripe stated that she believes that the railroad has plans designed, but it does not have the funding to install the extra rail. Commissioner Turner stated that he would hate for the city to do this landscaping work and then have the railroad come in and disturb it when it does its project.

Commissioner Stump suggested that the city may want to delay bidding the project until fall.

Mr. Chockley stated that the landscaping plans were designed anticipating that a third rail would be installed. Thus, the plans are based on the trees and curbing being a certain distance from the rail line.

REPORTS

a. Request for Proposals for Assessment Grant -- Becky Hershberger, Brownfield Coordinator

Brownfield Coordinator Becky Hershberger reported that the city was informed in June that it was awarded a USEPA Brownfield Community-Wide Assessment Grant. A request for proposals to assist the city with the implementation of this grant was issued in December, and the proposals will be due January 16, 2012. A review committee will be set up to go over the proposals received, including scoring and interviewing some of the firms. The goal is to bring a recommendation to award a contract to the Commission in February.

b. Redevelopment Report – Mark Brinson, Community Development Director

Community Development Director Mark Brinson offered to answer any questions about the monthly report; however the Commission did not have any.

OPEN FORUM

No one from the Commission or the public spoke during the open forum.

ANNOUNCEMENTS

It was announced that the next regular meeting is scheduled for February 14, 2012 at 4:00 p.m.

ADJOURNMENT

The regular meeting was adjourned at 5:35 p.m.

APPROVED on February 16, 2012.

Goshen Redevelopment Commission

/s/ Thomas W. Stump

Thomas W. Stump, President

/s/ Jeremy P. Stutsman

Jeremy P. Stutsman, Secretary