

THE MORGAN COUNTY COUNCIL MET ON MONDAY, MARCH 7, 2022 AT 6:30 P.M.

MEMBERS PRESENT: KIM MERIDETH, VICKIE KIVETT, TROY SPRINKLE, KELLY ALCALA, JASON MAXWELL, CHIP KELLER AND MELISSA GREENE. ALSO PRESENT WERE; DEB VERLEY, EXECUTIVE ASSISTANT; DAN BASTIN, MORGAN COUNTY AUDITOR; JOSH MESSMER, COUNTY ADMINISTRATOR; AND JIM WISCO, COUNTY ATTORNEY.

PLEDGE OF ALLEGIANCE

PRAYER (*Vickie Kivett*)

Minutes

Chip Keller made a motion to approve the February 7, 2022 minutes as presented. Motion seconded by Melissa Greene. Motion carried 7-0.

Additional Appropriations:

- *Commissioners*

Kim Merideth noted that the \$10,800 appropriation listed for COVID testing supplies was not advertised in the correct fund and will need to be re-advertised. Vickie Kivett made a motion to table the request until April. Motion seconded by Jason Maxwell. Motion carried 7-0.

- *Health Department*

Jeanne LaFary, Morgan County Health Department, was present to request approval of an additional appropriation of \$27,956 from the County Health Fund (1159) into Acct #1159.111400.000.0000 (Administrative Assistant). Ms. LaFary stated that she would like to retire at the end of the year and this amount would be used to hire someone and work with them through the next eight months to take over her job. If this work well, Ms. LaFary will be glad to leave early. She would like to train someone through the budget preparation, quarterly board meetings, and annual reports. They will also be hiring and training a new vital records clerk. Ms. LaFary stated that COVID has increased the work and grants in the office. Ms. LaFary stated that some Local Health Maintenance and trust account money has rolled over through the years and if the Council would support the request, she would ask the state to use these funds for the training. There is approximately \$200,000 in these accounts. Chip Keller stated that since this is a one-time use and not an on-going expense, it would be a good use of the funds. Kim Merideth asked that benefits be included in the request as well. Chip Keller made a motion to table the request. Motion seconded by Melissa Greene. Motion carried 7-0.

Resolution Authorizing Transfer of \$1,000,000 to Rainy Day Fund

Dan Bastin stated that the Council voted to transfer \$1,000,000 from the General Fund (1000) into the Rainy Day Fund (1186) at the February meeting. The resolution just needs signatures of the Council.

Ordinance 2022-5 Amending EMS Comp Time

Daree Fry, HR Director, stated that this ordinance was approve by the Board of Commissioners and raised the comp time that EMS employees are allowed to accumulate to 240 hours. Keenan Blair, EMS Director, stated that they decreased the amount of PTO, but bumped the comp time. This has worked in lowering the payroll by employees picking up overtime and banking it as comp time. Kelly Alcala made a motion to approve Ordinance 2022-5. Motion seconded by Troy Sprinkle. Motion carried 7-0.

Ordinance 2022-6 Amending PTO

Ms. Fry stated that the Employee Handbook had a formula to figure PTO time, depending on hours worked times days, but the formula for the Sheriff's Department and EMS has changed so they are striking that paragraph from the handbook because it is no longer necessary. Kelly Alcala made a motion to approve the ordinance. Motion seconded by Jason Maxwell. Motion carried 7-0.

Salary Ordinance Amendment - EMS

Keenan Blair, EMS Director, stated that when they restructured the pay matrix, they went from years of experience to years of service. Mr. Bastin has options to update the matrix and the option Mr. Blair would be in favor of is adopting the date of hire as this encompasses all the employees. Currently, there are two employees that fall just shy of having a fourth year of service. Dan Bastin presented a memo containing three options. The salary ordinance

previously read years of experience and needs to be years of service. The first tier description needs changed from one (1) to 0-1 and the definition of when an employee moves to the next tier needs to be added. Option 1 – at the anniversary date at the beginning of the years of service; Option 2 – at the anniversary date at the completion of the years of service; Option 3 – at the first of the year based on the full years of service completed at the end of the year just ended. Mr. Blair requested that the Council adopt Option 1 as this will cover all employees. Dan Bastin stated that Option 3 is what the Jail, Sheriff's Department and Dispatch use. Mr. Blair stated that he proposed Option 1 because that is what the surrounding EMS departments do. Vickie Kivett made a motion to change it to the option that the jail, Sheriff's Department, and Dispatch are currently doing so there is uniformity throughout the county for the merit employees, Kim Merideth clarified that it would change to years of service like the other departments use. Motion seconded by Troy Sprinkle. Motion carried 7-0.

Assistant Highway Superintendent

Grant Collinsworth stated that this item was mentioned in a previous meeting and the Council asked him to request an opinion from WIS. Daree Fry stated that the Salary Ordinance was adjusted in December because there was a crew boss that was not getting a vehicle; however the crew boss supervisor is making the same pay rate as the crew bosses he is supervising. The Council requested an updated job description and WIS has placed this position in a salaried exempt PAT 3 position because over 80% of the duties are supervisory and changed the title to Assistant Highway Superintendent. Ms. Fry asked that this be effective for the next pay period. Grant Collinsworth stated that this individual has really stepped up to the plate. Vickie Kivett stated that the job study committee met prior to the meeting and approved the changes. Vickie Kivett made a motion to approve the job reclassification and salary for the Assistant Highway Superintendent as presented. Motion seconded by Kelly Alcala. Motion carried 7-0.

Recess

Troy Sprinkle made a motion to recess the meeting. Motion seconded by Kim Merideth. Motion carried 7-0.

Vickie Kivett made a motion to open the public hearing. Motion seconded by Melissa Greene. Motion carried 7-0.

Public Hearing – Preliminary Determination to Issue Bonds for a Public Works Project

Josh Messmer introduced Zach Klutz, Taft Law, and Jason Semler, Baker Tilly. Mr. Klutz stated that he serves as bond counsel for the proposed general obligation bonds that the county intends to issue. This hearing is the first step of the bond process and is required because the project is intended to be supported by property tax revenue and is over the \$5 million threshold. There will be a special meeting on March 21st at 6 pm for a second public hearing on the Preliminary Determination and the Council may adopt a Preliminary Determination Resolution at this hearing. If the resolution is passed, there will be a notice published that a preliminary determination to issue bonds has been made and it opens it up to a 30-day period where people can submit a petition for remonstrance. If that does not happen, the next step is a bond ordinance that sets forth all the financial terms. They would work with Baker Tilly on the process of selling the bonds through a competitive bid process to get the lowest net interest cost for the county. Once a purchaser has been secured, approximately the end of May, they will close on the bonds and the county would receive the funding to pay for the project. There will be one more meeting for the public hearing and one or two meetings for passage of the bond ordinance. Mr. Klutz stated that this Preliminary Determination Resolution is the resolution that will be considered at the next meeting and sets forth the terms of the bond and, if adopted, will contain a lot of the information that is contained in the public notice that will be published after adoption. The bond will not exceed \$16 million and the interest rate cannot exceed 5%, although they are estimating bonds of \$14,915,000 and an interest rate between 1.25% and 2.55%. If the interest rates come in where they think and bonds are issued for \$14.9 million, the total estimated interest cost to the county would be \$1,670,000 with an annual estimated debt service of \$1.6 million. The bond ordinance will set forth the financial terms that the purchaser of the bonds will be interested in.

Jason Semler stated that he serves as municipal advisor for the project. The project is still under design, but the estimated costs are \$14,565,000 with \$111,863 for underwriting, \$238,137 bond issuance costs for a total of \$14,915,000. This amount will be known when the design is completed, but will not exceed \$16 million. Mr. Semler presented a 10-year payment plan. Vickie Kivett asked if there is a penalty to pay it off early. Mr. Semler stated that people who purchase the bonds want to know that they will be outstanding for eight to ten years. If it's structured to pay off earlier than that, the interest rate will probably be higher. Mr. Semler noted that rates are going up, but they are lower than they were several years ago. The annual payment

is approximately \$1.6 million and the tax levy is .04 per \$100 of assessed value. The first payment will be paid from cash on hand. If the Council wishes to levy money from an additional fund so they don't have to levy 100% from property taxes, they can do that and it is an annual decision. If the Council uses property taxes to pay the debt, a home with a gross assessed value of \$100,000 will have a property tax increase of \$9.08; a home with \$160,700 value would have a \$20.00 increase; a commercial facility with a \$100,000 assessment would see an increase of \$29.36; and 100 acres of agriculture land would have an increase of \$44.00. Mr. Semler outlined the sale process for the bonds. Dan Bastin noted that there are three more bond payments for the Dispatch Center.

Don Adams, Morgan County Commissioner, stated that for everyone under 50, Morgan County has doubled in population since they were born. They performed a space needs study and come up with some plans. The BOT (Build Operate Transfer) process helps in funding the project without change orders. Mr. Adams stated that they have direction and a process to address the needs.

Kenny Hale, Morgan County Commissioner, stated that they did the space needs study in 2019 and worked with every department in the county to determine needs and come up with a plan using the BOT process. Phase I is the security vestibule and parking lot (if not a parking lot, then parking garage) and new facility at fairgrounds. They are planning 20 to 40 years out and not just looking at immediate needs. Vickie Kivett stated that the Council voted to fund the cost for the parking garage, but if they come to terms with property owners and build a parking lot, then they would reduce the amount of the bonds. Mr. Hale stated that it would depend on how quickly they can come to an agreement with the property owners. They will only request what they need.

Cecilia Krefft, Martinsville resident, noted that EMS did a fabulous job when she had occasion to call 911, including Bryan Collier and Daniel Elliott. Ms. Krefft stated that she will remonstrate.

Chip Keller stated that he met with a group of neighbors to discuss the overall project and thanked them for their questions. Mr. Keller also encouraged people to meet with their Commissioners. Vickie Kivett stated that in an age of social media, sometimes they can't talk about some things until the proper time, but wanted people to know that they are approachable and here to serve the community.

Close Public Hearing for Preliminary Determination to Issue Bonds

Troy Sprinkle made a motion to close the public hearing. Motion seconded by Jason Maxwell. Motion carried 7-0.

Public Hearing Proposed Ordinance to Modify Local Income Tax Rates

Vickie Kivett made a motion to open the public hearing. Motion seconded by Kelly Alcala. Motion carried 7-0.

When Cecilia Krefft asked for an explanation of this item, Dan Bastin stated that Morgan County has a local income tax and what is known as Certified Shares (\$1.00) that are distributed to the county and all the other taxing units in the county. There is a rate referred to as a Levy Freeze (.268) and the money from that rate is set aside to assist with any shortfall as a result of the county freezing property taxes on operating funds. What would have been allowed as allowable increases in levies for those funds was paid with income tax rather than property tax. The county ended that and the state ended that type of income tax rate, but the county is grandfathered in. The county has a Public Safety rate of .25 that is distributed between the county and the cities and towns and can be used for public safety purposes. The county utilizes this money to supplement the Sheriff's budget, jail budget, and PSAP budget. Other rates included in this category include: Economic Development .20 and Property Tax Relief 1.002 for a total income tax rate of 2.72%. This helps to reduce property tax rates. The money collected and distributed for the Levy Freeze is in excess of what the county needs to pay to all the units for replacement of the property tax levies. Currently, the rate is bringing in \$1 million more than what the county needs. These funds cannot be spent on anything else but the levy replacement. The county can decrease the rate and there is a need for more money for public safety. The proposal reduces the Levy Freeze rate by .05 and adding that to the current .25 Public Safety rate so the total Public Safety Rate would be .3% and they can further dedicate that .05 to be used for Dispatch services. The rate reduction is estimated to be \$900,000 to \$950,000. Mr. Bastin has proposed this to the DLGF (Department of Local Government Finance) because it is required by statute that they review any proposed changes. Mr. Bastin and DLGF both believe there will be no risk to the other taxing units. The overall rate would not change.

Close Public Hearing for Proposed Ordinance to Modify Local Income Tax Rates

Vickie Kivett made a motion to close the public hearing. Motion seconded by Kim Merideth. Motion carried 7-0.

Ordinance 2022-8 – Modify Local Income Tax Rates

Chip Keller made a motion to approve Ordinance 2022-8 to Modify Local Income Tax Rates as presented. Motion seconded by Jason Maxwell. Motion carried 7-0.

Raindrop LLC Real Property Tax Abatement – Declaratory Resolution

Mike Dellinger, Morgan County Economic Development Corporation Director, introduced Alexis Sowder with KSM and Ryan Gallmeyer, Ambrose Property Group. Mr. Dellinger stated that they were present on behalf of the petitioner Raindrop LLC to request a tax abatement on a \$41.2 million spec building proposed in Morgan County in Westpoint Business Park. The property is in a TIF area. Ms. Sowder stated that Westpoint is a 550 acre class A business park with buildings ranging anywhere from 200,000 to 1,000,000 plus square feet and contain distribution, assembly and manufacturing businesses. Building #5 will be 750,000 sq ft expandable to 1,000,000 sq ft. Total capital investment is \$41.25 million and the timing of the project depends upon approval by the RDC (Redevelopment Commission) a second public hearing for the preliminary resolution and a public hearing for the confirmatory resolution. The building should be complete by year end 2023. The benefit passes through to the end user and employers are looking for complete buildings, fully abated in this market. Ryan Gallmeyer stated that the number of employees could range from one employee per 20,000 sq ft to one employee for every 2,000 sq ft. Mike Dellinger stated that this site pulls employees from at least five counties. It is hard to commit that jobs will be created for people in Morgan County when housing is lacking for people to move into the county. Jim Wisco stated that this hearing is the first step in the process. There will be another public hearing at a future date for a Confirmatory Resolution. Kenny Hale noted that the county has been working towards getting this area developed since 2005. Mr. Dellinger stated that when the property was developed as a TIF area, it was decided that the TIF revenues would be managed by Hendricks County because the majority of the acreage is in Hendricks County. Jason Semler stated that Hendricks County issued bonds for the infrastructure when the property was first acquired and the TIF revenues are pledged towards the bonds, which are still outstanding. Troy Sprinkle stated that this is exciting and made a motion to approve Resolution 2022-3-7B. Motion seconded by Kelly Alcala. Motion carried 7-0.

Adjournment

Vickie Kivett made a motion to adjourn the meeting. Motion seconded by Melissa Greene. Motion carried 7-0.

MORGAN COUNTY COUNCIL

Kim Merideth

Vickie Kivett

Kelly Alcala

Troy Sprinkle

Jason Maxwell

Chip Keller

ATTEST:

Dan Bastin, Morgan Co. Auditor

Melissa Greene