

April 22, 2019

The Common Council met with Mayor William McKean for a regular meeting on Monday, April 22, 2019 at 7:30 p.m. in Council Chambers at City Hall according to the posted notice. Councilmen Gregg Sprunger, Curtis Wurster, Ron Dull, Mark Wynn and Philip Provost were present, along with City Attorney Dave Baumgartner and Clerk-Treasurer Gwen Maller.

Councilman Gregg Sprunger opened the meeting with the pledge of allegiance and Mayor McKean gave the invocation.

Minutes

On a motion by Mark Wynn and a second by Gregg Sprunger, the minutes of the April 8, 2019 meeting were unanimously approved.

Claims

On a motion by Phil Provost and a second by Curtis Wurster, the claims were unanimously approved for payment.

Annual CF-1 Approval FCC Adams

FCC Adams submitted their Annual CF-1 Forms for eight real and personal property tax abatements to Council for their consideration. Ms. Sandra Affolder, FCC Adams representative was present to answer any questions. She stated that their most recent project is progressing and that they are always looking for new employees. Ron Dull made a motion to find FCC Adams in substantial compliance and have Mayor McKean sign the CF-1 forms. Mark Wynn made the second and the motion was unanimously passed.

Annual CF-1 Approval EP Graphics

EP Graphics submitted two Annual CF-1 forms for Council approval. Mr. Tyler Kitt, EP Graphics representative was present to answer any questions. He stated that they are also looking for good employees. Gregg Sprunger made a motion to find EP Graphics in substantial compliance and have Mayor McKean sign their CF-1 forms. Curtis Wurster made the second and the motion was unanimously passed.

E.P. Graphics Declaratory Resolution 2019-4-1

Mr. Tyler Kitt informed the Council that E.P. Graphics purchased another printing company in Wichita KS, and they are in the process of moving the operation to Berne. He stated that part of the purchase included a large printing press that is compatible with their other digital press. They estimate that this could double their sales and they have already increased their hourly wages by 60%. To accommodate such a large press, E.P. Graphics must pour foundation pads and also modify the roof in order to move the press into the building. The estimated investment is 5.5 million dollars.

Declaratory Resolution 2019-4-1 was presented for Council approval. This resolution establishes an economic revitalization area for tax parcel 01-11-04-100-036.000-018, waives noncompliance and grants a tax abatement for new manufacturing equipment. Gregg Sprunger made a motion to approve Resolution 2019-4-1. Ron Dull made the second and the motion was unanimously passed. The resolution is as follows:

RESOLUTION 2019-4-1

**A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF BERNE
(1) ESTABLISHING AN ECONOMIC REVITALIZATION AREA FOR
TAX PARCEL 01-11-04-100-036.000-018,
(2) WAIVING NONCOMPLIANCE, AND
(3) GRANTING TAX ABATEMENT FOR NEW MANUFACTURING EQUIPMENT**

WHEREAS, the Applicant, EP GRAPHICS, INC., has prepared and filed a Designation and Deduction Application with the Common Council of City of Berne, the fiscal body of Berne, Indiana for a designation about whether the particular area, as more particularly described in Exhibit A, should be designated as an economic revitalization area, whether a deduction provided by I.C. 6-1.1-12.1-4.5 for new manufacturing and information technology equipment pursuant to the definition provided therefore by I.C.6-1.1-12.1-1(3) should be approved and whether an alternative abatement schedule as provided by I.C. 6-1.1-12.1-17 should be approved and has submitted with its application a Statement of Benefits Form SB-1/PP;

AND WHEREAS, the area's location is annexed in the City of Berne, Adams County, Indiana and which mailing address 169 S. Jefferson Street, Berne, IN 46711;

AND WHEREAS, the Common Council of the City of Berne has considered the area described in Exhibit "A" attached hereto and made a part hereof as an area which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired or prevent a normal development of property or use of property, or an area where a facility or a group of facilities are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues, and

AND WHEREAS, the new manufacturing equipment investment at the Property and location of production operations of the Applicant at this location will result in an addition to the area's overall assessed value within an accelerated time period; the Project represents a superior use for the site; the Project is consistent with similar land uses on adjacent properties.

AND WHEREAS, the area described in Exhibit "A" attached hereto is within the City of Berne, Adams County, Indiana.

AND WHEREAS, the applicant desires to obtain a deduction under Section 4.5 of I.C. 6-1.1-12.1.

AND WHEREAS, whether an alternative abatement schedule as provided by I.C. 6-1.1-12.1-17 should be approved;

AND WHEREAS, the Common Council may consider adopting a waiver pursuant to I.C. 6-1.1-12.1-11.3 waiving by resolution noncompliance with the following:

1. The failure to provide the completed statement of benefits form to the designating body before the hearing required by I.C. 6-1.1-12.1-2.5;

2. The failure to submit the completed statement of benefits form to the designating body before the installation of the new manufacturing equipment for which the person desires to claim a deduction;

3. The failure to designate an area as an Economic Revitalization Area before the installation of the new manufacturing equipment;

4. The failure to make the required findings of fact before designating an area as an economic revitalization area.

5. The failure to file a timely or complete deduction application under I.C.6-1.1-12.1-5 or I.C. 6-1.1-12.1-5.4.

BE IT RESOLVED, that the Common Council of the City of Berne hereby:

1. Declares and makes the following findings after review of the Statement of Benefits Form SB-1/PP as submitted by the applicant:

(a) The estimate of the cost of the new manufacturing and information technology equipment is reasonable for equipment of that type.

(b) The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing and information technology equipment.

(c) The estimate of the annual salaries of those individuals who will be employed can be reasonably expected to result from the proposed installation of the new manufacturing and information technology equipment.

(d) Other benefits about which information was requested are benefits that can be reasonably expected to result from the installation of the new manufacturing and information technology equipment.

(e) The totality of benefits is sufficient to justify the deduction.

2. Finds and declares the area legally described in Exhibit "A" attached hereto and made a part hereof is an Economic Revitalization Area as defined in I.C. 6-1.1-12.1-1(1) for the purpose of a deduction from the assessed value of new manufacturing equipment placed and located within the area pursuant to I.C. 6-1.1-12.1-4.5.

3. To the extent the Applicant may have acquired equipment prior to the final designation of the ERA, said activities will not result in any reduction to the benefits otherwise approved herein.

4. Hereby determines that the deduction provided in I.C. 6-1.1-12.1-4.5 for said area as an Economic Revitalization Area shall be for a period of Ten (10) years pursuant to I.C. 6-1.1-12.1-4.5(h). The deduction provided in I.C. 6-1.1-12.1-4.5 may be modified at the confirming resolution public hearing by the grant of an alternative abatement schedule pursuant to I.C. 6-1.1-12.1-17 in the event applicant qualifies for such alternative abatement schedule pursuant to City of Berne Tax Phase-In Policies.

5. That the Applicant, to obtain the deductions provided by I.C. 6-1.1-12.1-4.5 shall file certified deduction applications on forms prescribed by the State Board of Tax Commissioners with the Adams County Auditor in accordance with I.C. 6-1.1-12.1-5.4.

BE IT FURTHER RESOLVED, that the County Auditor is hereby authorized and directed to file a copy of this Resolution with the Adams County Assessor.

BE IT FURTHER RESOLVED, that the Common Council of the City of Berne hereby sets May 13, 2019, 7:40 P.M. as the date, and City Hall, 158 Franklin St., Berne, IN 46711, as the place

where the Common Council will receive and hear all remonstrances and objections from interested persons on the adoption of said Resolution.

BE IT FURTHER RESOLVED, that the Clerk-Treasurer of the City of Berne is hereby authorized and directed to publish a notice of the adoption and substance of this Resolution adopted here in accordance with I.C. 5-3-1. Said notice shall state that a description of the affected area is available and can be inspected in the County Assessor's office and the date of the hearing on remonstrances and objections.

BE IT FURTHER RESOLVED that the notice shall further state that the City of Berne shall conduct a public hearing on the waivers of the following requirements pursuant to I.C. 6-1.1-12.1-11.3, to wit: the failure, if any, to provide the Statement of Benefits Form SB-1/PP to the designating body before the hearing required by I.C. 6-1.1-12.1-2.5; the failure, if any, to submit the completed Statement of Benefits Form SB-1/PP to the designating body before the installation of new manufacturing and information technology equipment for which the person desires to claim a deduction; the failure, if any, to designate an area as an Economic Revitalization Area before the installation of new manufacturing and information technology equipment; the failure, if any, to make the required findings of fact before designating an area as an economic revitalization area or authorizing a deduction under I.C. 6-1.1-12.1-4.5 or alternatively, under I.C. 6-1-1-12-1-17;; the failure, if any, to make the required findings of fact before designating an area as an economic revitalization area; the failure, if any, to file a timely or complete deduction applications under I.C. 6-1.1-12.1-5 or I.C. 6-1.1-12.1-5.4. ADOPTED by the Common Council of the City of Berne, State of Indiana, on April 22, 2019

Public Hearing-Additional Appropriation

The regular Council meeting was recessed at 7:45 for a public hearing.

A public hearing was held at 7:45 p.m., as advertised to receive public comments on an additional appropriation in excess of the budget for the current year.

The additional appropriation of \$125,000.00 for capital outlays in the Local Road and Bridge matching Grant Fund and \$289,660.00 for capital outlays in the Community Crossing Grant Fund are necessary due to the City receiving the INDOT Community Crossing Grant.

No one from the general public raised any objections or made any comments.

The public hearing was closed, and the regular council meeting was reconvened.

Gregg Sprunger made a motion to approve Ordinance #714 which provides for an additional appropriation in the Local Road and Bridge Matching Grant Fund and the Community Crossing Grant Fund. Curtis Wurster made the second and Ordinance #714 was unanimously passed.

LTCP Phase 1 Update

Mr. Ben Adams, Commonwealth Engineering representative was present to give more information on the upcoming projects of the city's updated Long-Term Control Plan (LTCP). He stated that originally Phase 1 of the project was to separate the combined sewer line running the length of Water Street from US Highway 27 going East to the end of the street and also separating combined sewers that run behind the buildings south of Main Street in the three-block downtown area. Once all the testing and televising was completed, it was determined that the Water street project was virtually unchanged, but the scope of the project South of Main Street needed to be enlarged due to the poor condition of the sewer line running from the downtown area to the east edge of the City. That entire sewer system needs to be replaced and upsized to add additional capacity. Included in the project are all new lateral connections to each property as well as new pavement due to the major disruption of the streets. The conservative estimate of the project is \$ 4.1 million dollars plus soft costs which could increase it to \$4.8 million dollars. Ben stated that he would like to submit a PER in June in order to apply for a SRF loan and then have the plans ready for bid in late December with construction beginning in 2020, which would be in accordance with the approved LTCP. He suggested that the City hire a financial advisor to determine what the rates will need to be in order to support the project. The Council was in agreement that Mr. Jeff Rowe of Baker Tilly Municipal Advisors (formerly Umbaugh's) be contracted to begin the financial process.

Mayor Comments

Mayor McKean invited all councilmen to City Hall on May 2, 2019 to meet a delegation from India that the Berne Rotary Club is sponsoring. The meet and greet will be from 9:30 – 10:15 a.m. in Council Chambers.

Mayor McKean also reported that Street Superintendent Gary Nussbaum has been out sweeping the streets getting them ready for spring and summer.

Mayor McKean reported that the stormwater project on Center and Nussbaum is completed.

Council Comments

Councilman Ron Dull asked how the issues with the dumpsters on the east side of the City garage were going. Mayor McKean reported that the cameras needed a little more adjustment which was done today, and the first fine has been sent out to someone who was disposing tires.

There being no other business to come before the Council and upon a motion duly made to adjourn by Ron Dull and seconded by Mark Wynn, adjournment followed.

William F. McKean, Mayor

ATTEST:

Gwen Maller, Clerk-Treasurer