

BROOKVILLE CITY COUNCIL
Special Council Meeting
March 24, 2016

The Special Council Meeting of the Brookville City Council was called to order by Mayor Seagraves at 6:30 p.m. on March 24, 2016 in the Brookville Council Chambers. The Pledge of Allegiance was recited. Members Apgar, Cantrell, Duncan, Henry, Kirklin, Letner; City Manager Burkholder, Finance Director Keaton, Clerk Wheeler and Law Director Stephan were present.

Roll Call by Clerk Wheeler.

Motion by Apgar, second by Kirklin to accept the Agenda as presented. All yeas, motion carried.

Mayor Seagraves stated No Old Business.

Mayor Seagraves informed in New Business, Proposed Resolution No. 16-06.

Motion by Duncan, second by Apgar to read Proposed Resolution No. 16-06. All yeas, motion carried.

Motion by Duncan, second by Apgar to accept the first reading and dispense with the second and third readings of Proposed Resolution No. 16-06 entitled "A RESOLUTION APPROVING AN ENTERPRISE ZONE AGREEMENT WITH GREEN TOKAI CO. LTD., AND DECLARING IT AN EMERGENCY." All yeas, motion carried.

Mayor Seagraves welcomed everyone and thanked the citizens and Firefighters for being present. He informed the presentation will be presented by Manager Burkholder, Fire Chief Fletcher and Finance Director Keaton. He asked everyone to hold their questions until the end of the presentation.

City Manager Burkholder also thanked everyone in attendance. He stated that in October 2015, Members of Council held a Strategic Visioning Work session and at that meeting priority projects were identified to help move the City forward. One of those projects identified was a new Firehouse. Rankings from Council members were compiled and it was decided that a Work Session Meeting was an appropriate way to update everyone on activities, expenditures and past efforts made in order to try to build a new Firehouse. Packets were given to Members of Council to follow along with the presentation and make notes or write questions. He stated this is only an informational meeting and no decisions or motions will be made. This will be the first of several meetings in order to get information out to everyone. His office will be taking ideas and recommendations for about the next month and then City Staff will make recommendations to City Council in mid to late April.

Fire Chief Fletcher presented Lt. Tyler Ullery with the 2015 Officer of year award. Lt. Ullery was unable to the attend meeting in May when the 2015 awards were presented. Chief Fletcher said Lt. Ullery is an excellent representative of the Officer Staff and personnel for the Fire Department.

Fire Chief Fletcher introduced former Fire Chiefs Ron Ullery and Jim Nickel in the audience. He thanked them for their past service and dedication to our community.

Fire Chief Fletcher presented a Power Point presentation on the current fire station and the need for a new facility.

Fire Chief Fletcher introduced Tim Bement, of App Architecture, to present the proposed building and site plan for a new firehouse.

The Council recessed for 10 minutes.

Finance Director Keaton presented expenditures to date on our current Firehouse, the new Firehouse project and possible financing options and funding sources. She explained the expenditures spent to date on renovations to the current Firehouses in effort to update the insides of the buildings. To date approximately \$303,455 has been spent on updates on our current firehouses for which included the cost associated with the new site.

Finance Director Keaton explained the option of issuing a General Obligation Bond (GO Bond) and listing our income tax as our revenue source. GO Bonds are long term and have a fixed finance rate. Annual debt payment for 25 years at a 3.5% interest rate would range from \$350,000 to \$375,000; 20 years at 3.5% interest rate would range from \$390,000 to \$425,000. She informed a GO Bond would require two interest payments and one principal payment each year. The City would have to obtain a Bond Rating before moving forward with a GO Bond.

Finance Director Keaton informed at the time of our last income tax rate increase to 2%, the City was not aware that Parker Hannifan and 3M were leaving Brookville. She reported Parker Hannifan had 160 employees in 2014 and 145 employees in 2015 and 3M had 99 employees in 2014 and 74 employees in 2015. The City is now losing approximately \$205,000 annually in income taxes from the loss of these two companies.

Finance Director Keaton explained another possible funding source could be to reduce or eliminate our income tax credit. A credit reduction of 1% would generate approximately \$784,500 annually and no credit would generate approximately \$1,569,000. She informed these numbers are based on our previous 1.75% income tax rate.

Finance Director Keaton informed there would also be some funding options by submitting for grants. The Local Government Safety Capital Grant Program has approximately ten million dollars available for the Fiscal Year 2016 and another ten million dollars available for 2017. She informed \$100,000 is the maximum grant for an individual political subdivision but if the City of Brookville submitted a grant along with Clay and Perry Townships, we could potentially receive a \$300,000 grant and the townships would be a collaborative partner.

Member Cantrell asked if we did a GO bond would the annual debt payment include the interest and the principal amounts in the payment.

Finance Director Keaton informed the Annual debt payment would include interest and the principal and it would also depend on where the current interest rates are at the time.

Member Cantrell asked if GO Bonds are done, would it affect any other potential borrowing for any equipment, etc. if needed.

Finance Director Keaton informed a GO Bond would not affect any future borrowing because it does not go against our direct debt.

Member Cantrell asked how hard it is to obtain a bond rating.

Finance Director Keaton stated it is not hard to obtain a bond rating, we have actually obtained a small rating in the past and she does not foresee any issues with obtaining a larger rating now.

Member Kirklin asked the approximate cost of obtaining a bond rating?

Finance Director Keaton informed the approximate cost to obtain a bond rating would be about \$13,500.

Member Duncan thanked the Fire Department personnel for their attendance and hard work, and Chief Fletcher and Tim Bement for their presentation.

Member Duncan asked if there would be room for expansion in the future in the new fire house.

Chief Fletcher informed the proposed design was intentionally designed based upon our City is a one Firehouse sized community. If there is ever a time the proposed station is not big enough it is because the town has grown too much, and then a small Firehouse on the opposite side of town would need to be added. ISO would penalize a town if it gets too big and only has one Firehouse location. Fire Chief Fletcher informed we need to invest in the area where the need is and if we continue to see the same amount of growth as seen over the last few decades, the new proposed building would be sufficient for many years to come.

Member Kirklin asked how many pieces of equipment could be stored at the new Firehouse.

Chief Fletcher stated the design for the new Firehouse would fit 12 emergency vehicles.

Member Kirklin asked if all of the bays would be filled right away.

Chief Fletcher stated the new Firehouse would be six bays double deep for a total of 12 full-size engines to fit and we would not be storing 12 full-size engines. The vehicles we have would easily fit.

Member Kirklin asked in the event we had a ladder truck, would it take up the entire space of a whole bay.

Chief Fletcher responded a ladder truck would be about 40 feet long which would still leave room for a second smaller vehicle to be stored with it. He informed there is enough space in the design for everything we currently have plus the addition of anything ISO would suggest we should have.

Member Duncan asked if there have been any estimates done to sell the 2 old buildings or any older equipment we no longer use.

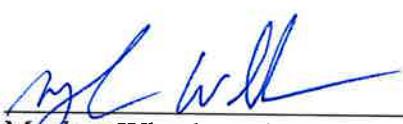
Chief Fletcher stated Station #1 is unique since it is across from the post office it could easily become a car repair business or a more modern post office. He thought that building should be a part of a downtown master plan.

Chief Fletcher recommended station #2 could be used for the Service Department vehicles that are currently parked outside, backup storage, or continue to store the extractor since there is no reason to relocate it. The building has a mezzanine which would be good for storage for other City departments. The building would make a great municipal facility.

Mayor Seagraves stated it was wonderful for everyone to be present for this meeting. He asked that Members of Council take some time to think over all of the information discussed, and to gather together their own thoughts and questions for the future as there is no decision to be made at this time.

Manager Burkholder thanked everyone for their dedication and interest. He also thanked Fire Chief Fletcher, Clerk Wheeler, Finance Director Keaton and Law Director Stephan for their work on tonight's presentation. Manager Burkholder stated if anyone has any questions to please give him a call. At the second meeting in April, Staff will provide a more detailed recommendation to Members of Council.

Motion to adjourn by Duncan, second by Kirklin. All yeas, motion carried.



Meghan Wheeler, Clerk



David E. Seagraves, Mayor