

In the Council Chambers of the Municipal Building held on Wednesday, May 2, 1990 at 7:30 P.M. with Council President Kiesling presiding over a Regular Session of the Common Council.

COMMON COUNCIL  
REGULAR SESSION  
MAY 2, 1990

Kiesling gave the agenda summation.

AGENDA SUMMATION

Roll Call: Register, Hitchcox, Foley, Olcott, Kiesling, White, Fernandez, Hogan. Absent: Service.

ROLL CALL

The minutes of April 18, 1990 were approved by a voice vote.

APPROVAL OF  
MINUTES

Hogan urged everyone to participate in the primary election to be held on Tuesday, May 8, 1990. White congratulated Indiana University students who will be graduating on Saturday, May 5, 1990 and leaving our community.

MESSAGES FROM  
COUNCILMEMBERS

Kiesling congratulated the Greek groups that are organizing recycling programs in their houses on campus.

Mayor Allison reminded everyone about the Task Force for the Schools (educations task force) meeting this week at the courthouse and urged parents and students alike to join together with employers to discuss the programs.

MESSAGES FROM  
THE MAYOR

Allison introduced members of the community active in Barriers Awareness Week, the pairing of handicapped and community persons to further understand the problems and concerns of the handicapped. Larry Hall, of Hall Signs, has donated 50 handicapped signs for parking for local businesses. Contact department is the Human Resources for businesses interested in acquiring such signs. Karen Willison/Linda Lysher, Byron Smith/Iris Kiesling, Aaron Lamb/Gus Nelson, Janet Carter/Tony Mains, Dick Cochrun/Mayor Allison, Tammy Mansch/Malcom Houten(sp), are the pairs that will participate in this program. Allison then read the proclamation for Barriers Awareness Week.

It was moved and seconded that Ordinance 90-18 be introduced and read by title only. Clerk Williams read the ordinance by title.

LEGISLATION FOR  
SECOND READING  
ORD.90-18

It was moved and seconded that Ordinance 90-18 be adopted. The committee report of 6-0 was given.

Tim Mueller provided a brief description of the tract. This ordinance rezones two acres of property located at 4420 W. Woodyard Rd from RE to RS. The area has various zoning designations but is predominantly residential. RS would enable the maximum development of 6 lots fronting on Smith Pike.

Because of the Ellettsville sewer coming down Smith Pike, residential development is possible now just to the north of the property, thus the rezone request for just the north half. Smaller lot sizes are actually desirable and more compatible with the sewer situation. Right of way dedication, sidewalk consideration are all part of a subdivision plan approval. Mueller, in response to an earlier question from Steve Hogan, discussed PUD designations vs RS. In the Gentry Estates consideration the PUD could require that the new development be consistent with the existing Gentry development.

On Sare Rd. it was a density consideration and a PUD controlled that development/size/population.

Mr. Byers was available for questions.

The ordinance received a roll call vote of Ayes:8, Nays:0.

It was moved and seconded that Resolution 90-12 be introduced and read by title only. Clerk Williams read the resolution. RES. 90-12

It was moved and seconded that Resolution 90-12 be adopted. The committee report was 6-1.

Linda Runkle said the establishment of the not for profit holding corporation is the typical vehicle used by governmental entities in order to build governmental facilities or parking facilities enabling the parties to build a facility for lease back to the governmental entity with tax exempt bond issues to keep the interest rates down. This resolution simply establishes the legal mechanism to do this. The projects will be done in phases with the first project being the 4th and Lincoln Fire Station with construction in July/August. The holding corporation is composed of 5 members, two of whom are appointed by the Council, 2 by the Mayor and one by the Board of Public Works. The holding corporation is subject to all the Indiana Code open door laws and so their meetings are duly advertised and are public meetings. Prior to the execution of a lease for Phase I there would be public hearings before the Board of Public Works, there would be council hearings to pledge the COIT revenues and the approval of the State Board of Tax Commissioners in a public hearing. So the first step is getting the corporation up and running.

Chuck Ruckman responded to COIT questions. By pledging future COIT revenues we can avoid a tax increase (property). Last year, when we requested an increase in COIT, one of the reasons was to deal with the large unfunded pension liability we were facing in the police and fire pension funds. After the increase was approved, we retained an actuarial firm to do some long-range projections to give us some better numbers on the pension fund and to provide some alternative funding mechanisms in order to manage these problems. The plan requires us to set aside more money now and used with the accumulated interest fund will enable us to offset future growth in those pension funds. We can now smooth out the pension costs thru 2002. The interest earnings will approximate about 1.1 million dollars during the next 10 years, coupled with state lottery proceeds will add up to \$750,000. This enables us to identify COIT revenues that can be used for infrastructure improvements. The cost of issuance is reduced as projects are combined and there is maximum flexibility in terms of structuring the maturity and repayment schedules.

Hogan asked what would happen if we had a major recession in the county. Ruckman said that past adjusted gross income numbers are solid and there has not been a decrease in the COIT income.

Hitchcox asked how the lottery proceeds will be distributed. Ruckman said that it is estimated that over the next 10 years we would get about 3/4 million dollars.

Fernandez asked about the sanitation facility. A 4 yr. lease purchase would cost how much. Ruckman said about \$50-60,000 in yearly payments.

With a lease purchase agreement thru the holding corporation do we do those same kind of agreements (even principal payments). Ruckman said yes we could. The only difference has to do with the use of COIT. With the street bond funded by the property tax, in theory, the Council has to determine how much to set aside for repayment. Using COIT, that amount is fixed and so we look for the most aggressive repayment plan

we can within that fixed amount of revenue. Fernandez said that with such a small purchase why do we have to debt finance it at all. Ruckman said that again, our capital funds are not that large and this would more than use up our entire capital improvement fund.

Hogan said that we are not using the COIT monies this spring, the way we overfunded it last spring. By maximizing what we could to fund the COIT last year to fund pensions, now we have a million dollars left over. Ruckman said that we set aside \$400,000 for police/fire pension funds from COIT. We are trying to use COIT for long range problems and this is a very complimentary proposal from our consultants. Olcott said that entire COIT fund was never intended for just police and fire pension funds. Fernandez asked about repayment schedules and Ruckman said that all those issues that would come back to the council on a regular bond issue would also come back to the council with the holding corporation.

Runkle asked that the corporation members be appointed by May 16, 1990, the first meeting could take place on May 29 and directors and officers could be elected and the necessary papers submitted to the Secretary of State. The bonds would be issued in late July or early August.

This would happen along with other board and council public hearings.

Before any monies can be issued to the holding corporation it has to be approved by the Council. And of course any discussion regarding a City Hall would continue as planned. Numerous opportunities for public input will exist.

Hogan was still against the resolution: we are railroading the city hall through the process and cutting the public out of any opportunity to remonstrate against the bond and a 7 million dollar city hall is jumping the gun on a city hall when they probably think that all the other city needs have been taken care of.

Foley disagreed with Hogan, saying that the entire issue has been before the public for a long time. The holding corporation formation does not automatically put a city hall in place. This is a mechanism to facilitate something if it is in the best interests of the community. Hogan disagreed. The resolution very clearly states the need for a city hall, that we are going to empower a holding corporation to get the job done and that we have the right to pick a site and that we will pursue the project.

Foley said that item 6 in the resolution said IF we decide to build the new hall.

Runkle corrected Hogan's comment about remonstrance. She said that taxpayers can object with the county auditor and the state tax commissioners come down before the lease is actually executed.

Tim Ellis voiced his objection to a new city hall. Other priorities exist and COIT could be used to address them. He suggested that we address just what is at hand today (the fire station). Fernandez said that these are our priorities and to exclude what has been a major concern of this administration and council, the space needs problem, does confuse the public and to omit it from the resolution would blindsides the public at a future date. These are top priorities. The public is better informed than we think and if there was clear

opposition we would see them here tonight.

Foley asked what a delay might cost in terms of money. There is an inflationary cost to construction as well as interest rate risks.

Hogan said that last year he agreed to support a road bond issue, it does not seem to be very high on a priority list and if we have a million dollars left in a fund why are we not taking care of the roads. Allison said that the street bonds have been delayed because of the county reassessment and the road work will be carefully scheduled so that every major street is not torn up at the same time So it isn't possible to speed up the process. Buying right of way is a time consuming process. The Mayor said that the council would receive a time table and priority schedule for the various projects. Ruckman reminded the council that one of the necessary documents is a certificate of the assessed valuation and that has been delayed due to the delays in the county assessment. We hope to sell the bonds in late June.

The resolution received a roll call vote of Ayes: 7, Nays:1 (Hogan).

It was moved and seconded that Resolution 90-15 be introduced and read by title only. Clerk Williams read the resolution by title. RES. 90-15  
It was moved and seconded that Resolution 90-15 be adopted. Williams noted that this was a legally advertised hearing for this resolution.

Linda Runkle explained the reconfirm process required by statute.

The resolution received a roll call vote of Ayes:8, Nays:0.

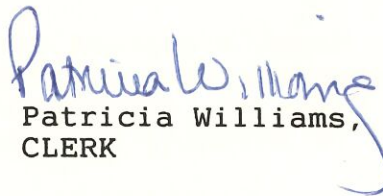
It was moved and seconded that the following ordinances be introduced and read by title only for first reading before the Bloomington Common Council. LEGISLATION FOR FIRST READING  
Ordinance 90-19 To Make Technical Corrections to ORD. 90-19  
Ordinance 89-48, the Street Improvement Bond Ordinance. ORD.90-48  
Ordinance 90-20 To Amend Title 2 and Title 15 of the ORD. 90-20  
Bloomington Municipal Code.

There were no petitions or communications. PETITIONS  
It was determined that the Council would not meet next week.

The meeting was adjourned at 8:50 P.M. ADJOURNMENT

APPROVE:

ATTEST:



Iris Kiesling, President  
Bloomington Common Council

Patricia Williams,  
CLERK