

**ANDREWS TOWN COUNCIL**  
**MINUTES OF PUBLIC MEETING HELD May 27, 2016**

A public meeting of the Town Council of the Town of Andrews, Indiana convened on May 27, 2016 at 6:00 p.m. in the Andrews Municipal Building in accordance with applicable law and pursuant to appropriate notice.

**ROLL CALL:**

Council Members John Harshbarger, Bonnie Walker and William Johnson were present. Clerk-Treasurer Laura Dillon declared a quorum was present and the meeting would continue.

**PUBLIC HEARING:**

Council President Harshbarger opened a public hearing on Ordinance 2016-3 An Ordinance Amending the Town Code of Andrews, Indiana to Modify Existing Rates and Charges For The Wastewater Department of Andrews. Town attorney Michael Hartburg discussed the substandard wastewater treatment plant and stated both the state and federal government enacted the Clean Water Act limiting how a municipality runs their wastewater treatment plant and stringent laws on how sewage must be treated. Failure to adhere to these laws means the State of Indiana will assess certain fees and violation orders. The Town of Andrews is not currently on an agreed order by the State of Indiana. Colin Bullock, Utility Superintendent explained how the treatment plant works, along with a 15 minute slide show of the plant. Many of the photos show the disrepair of the plant and on one slide residents could see syringes, wipes and many other items that cannot be processed. These items have to be manually removed every day. Harshbarger read the ordinance. Council member Johnson explained the increase to residents. Jim McNulty from Strand Associates spoke on the need for the new wastewater plant. Cathy Johnson commented she wished the entire town could see the slideshow that was presented so residents could understand the urgency for a new treatment plant.

Without any further comments, a motion was made to close the public hearing which was approved by a unanimous voice vote.

**NEW BUSINESS:**

Council President Harshbarger announced council would now consider Ordinance 2016-3 An Ordinance Amending the Town Code of Andrews, Indiana to Modify Existing Rates and Charges For The Wastewater Department of Andrews. William Johnson made the motion to accept Ordinance 2016-3 on the first read, seconded by Bonnie Walker. Motion passed unanimously. Motion by William Johnson to waive the rule and allow for a second reading, second by Bonnie Walker. Motion passed unanimously. Ordinance 2016-3 was read the second time. Johnson told residents the rate increase on Ordinance 2016-3 would allow the town to apply for the OCRA grant. Clerk-Treasurer Dillon asked when the new rate would start. Hartburg told council the new rates would start the first billing cycle after the ordinance was adopted. Dillon suggested to council to start the new rate with the billing cycle of July consumption, billed on August 1, 2016. Council agreed with the start date. William Johnson made a motion to adopt Ordinance 2016-3 on second read, second by Bonnie Walker. Motion passed unanimously. Johnson made a motion the new rates would go into effect with the July consumption billed on August 1, 2016, second by Walker.

Council met on May 24, 2016 in executive session to consider applicants for the new town deputy marshal position. Town Marshall Austin Bullock recommended council approve Matthew Farthing as the new deputy marshal. Johnson made a motion to accept the recommendation from Bullock and make Matthew Farthing the deputy marshal, second by Walker. Motion passed unanimously.

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Matt Brinkman of Region 3A appeared before council to conduct the Public Hearing for the application to the Indiana Office of Community and Rural Affairs for a grant from the State Community Development Block Grant Wastewater/Drinking Water Program. The funds will be used for a wastewater project within the Town of Andrews. Public Hearing minutes from Region 3A were as follows:

Public Hearing Opened at 6:30 P.M. at the Andrews Town Hall, 66 North Main Street, Andrews, Indiana 46702.

Those in Attendance:

Town Council: John Harshbarger (President), Bonnie Walker, & William "Bill" Johnson

Clerk-Treasurer: Laura Dillon

Deputy-Clerk: Laury Powell

Utility Manager: Colin Bullock

General Counsel: Mike Hartburg (DeLaney Hartburg Roth & Garrott LLP)

Region 3-A: Matt Brinkman & Shaun Tilghman

Engineer: James McNulty (Strand Associates, Inc.)

Audience Members: Cathy Johnson, David Walker, Bruce Piatt, & Austin Bullock

Matt Brinkman: I am Matt Brinkman and I am a grant administrator with Region 3-A. We are assisting the Town of Andrews with a Community Development Block Grant (CDBG). This grant is for a wastewater improvement project. On June 10, 2016 the Town of Andrews will be applying to the Indiana Office of Community and Rural Affairs (OCRA) for federal funding from Housing and Urban Development (HUD).

The town is applying for the maximum amount available which is \$600,000. Of this, \$312,600 will benefit low- and moderate-income persons. The maximum amount available is based on a sliding scale, which is determined based on sewer rates and the percentage of the town that is low- to moderate-income. We have completed our income survey and have received the results. The income survey found that 52.1% of the town is classified as low- to moderate-income.

The town anticipates providing an estimated \$4,180,000 in matching funds towards the project. The local match portion will be in the form of a State Revolving Fund (SRF) loan.

This is the second public hearing. The first public hearing took place ahead of the deadline for letters of intent, which was April 8, 2016.

I would like to give a brief overview of the project. The improvements are for a wastewater project that includes the construction of two new oxidation ditches, two new clarifiers, and a new disinfection structure. Also, there will be rehabilitation of the existing headworks, digester, and administration building.

Jim McNulty from Strand is the project manager, and he will provide additional information in a moment.

The project will occur along right-of-ways and property owned by the Town of Andrews at the wastewater treatment plant and an adjoining property. It is anticipated that no displacement of persons will occur. However, the town will provide a displacement plan.

Laura Dillon, have you received any written comments since the release of the legal notice?

Laura Dillon: We did receive one this week.

Matt Brinkman: Ok, we will make sure we include that into the minutes.

I would like to provide an overview of the grant scoring criteria. This is a competitive grant with a total possible 600 points available. We must achieve a minimum of 300 points to be eligible. Points are achieved in four categories: project design, distress score, local match, and gap score. The project design category is worth 300 points. The breakdown of this is 50 points for description of the project, 125 points for project need, and 125 for financial impact. One way to achieve a better score in this area is by evidence of need. I will be opening up for comments

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shortly and those will be a part of the meeting minutes that will be submitted with the application. We would also like to submit letters of support from residents affected by the project. If you would like to submit a letter, I ask that you email it to me by next Friday, June 3rd.

The distress score category has a maximum available of 175 points. This score is based on the distress score calculated by Indiana University for the town. There is nothing we can do to impact this score within the application. The factors that go into a community distress score are percentage of households with income under poverty level, median household income, percentage of housing units that are vacant, median home value, unemployment rate, and labor force participation. The distress score for the Town of Andrews is 115.26.

The local match area has a maximum available of 100 points. For each percent of the project that is funded through local match you get a point, up to 75 points. Our project would be funded at 87% local match. So we would max out at 75 points there.

The final category is gap score and 25 points are available in this area. This will be determined by OCRA. The calculation on this is related to the impact on sewer rates if the town gets the grant versus if we don't get the grant.

At this time, I would like to ask Jim McNulty from Strand to speak on the project. Jim, I gave a brief description on the project. Would you like to make any additions or corrections to what I said?

Jim McNulty: No, I think you described the project pretty well. Again, Jim McNulty with Strand Engineering, we did the preliminary engineering report actually almost a year ago at this point, through and OCRA Grant and planning study, so we looked at five options at that time and arrived at the alternate that was described to you - oxidation ditches. Basically, as you've heard before, the old oxidation ditches are unable to be cleaned; it's just one ditch, with no redundancy. So the new design would have two smaller ditches, that way you can rotate back and forth to have the ability to clean one then the other, and to maintain one. Also, two new clarifiers would take care of the problem of the inadequate clarification that currently exists. A new screening structure and the headworks would take out the fine material coming into the plant that Colin has shown earlier in the photography. So, that would eliminate some of that, so it's used in that regard. And then we'd have other improvements to the electrical in the buildings and the screening building itself and in the office building, the land building, and things like that. So that would be a fairly comprehensive rehabilitation of that plant and we'll basically end up with essentially a new plant that will go for many, many decades down the road that will serve better than the one you have right now. So that's what it's all about; we'll need to get started on the design if we're successful here really soon and then try to end the construction sometime in 2017 would be the goal if everything works out well. The town has applied for a State Revolving Loan Fund as well, as the grant itself is only a fraction of the cost of doing this plant. So there are two pieces to the funding and the schedules have to coordinate and we'll be working with Region 3-A and SRF in trying to get this process going. Any questions you have for me, feel free.

Matt Brinkman: Now, at this time we will open up for comments and questions. Does anybody have any comments or questions they'd like to ask?

Alright, one thing I'll mention is we did complete the income survey. We got 52.1%; I think the prior survey was around 57%, so from that standpoint fewer folks are low- to moderate-income. We do need to be 51% to be eligible, so we are eligible. I mentioned the sliding scale that we can apply for, and that's based on, like I said, the percentage that is low- to moderate-income, also how much your sewer rates are. The sliding scale, if you really want to see it I have it with me, but it allows us to apply for \$600,000, and that's what we are able to apply for.

Any other comments or concerns or questions?

Bonnie Walker: I guess I need your address so I can send the letters.

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Matt Brinkman: Oh email address, yes I can provide you with my card, it has it on there.

Bonnie Walker: Thank you. And you want those by Friday, is that correct?

Matt Brinkman: Next week by Friday, yes.

Laura Dillon: Ok, Bonnie has the same letter I have so...let's do that.

Matt Brinkman: Yeah, let's do that.

Alright, any other comments, questions, concerns? With that I'll...

Public Hearing Closed at 6:40 P.M.

Minutes submitted by:

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Matt Brinkman, Director of Housing  
Region 3-A Development & RPC

In other business, council questioned Jim McNulty about the proposal for engineering services for the wastewater project. McNulty explained due to the OCRA-required 18-month timeline for project completion, the project design phase will likely have to occur before SRF loan closing if the Town is awarded an OCRA grant in 2016. Hartburg explained McNulty's firm provides a service and there is no requirement to bid out services because of the procurement process. There are financing options that would allow the town to do a bond anticipation note that would be repaid when the SRF funding is completed. The subject is pending due to further review by council.

Motion by William Johnson to adjourn at 7:52, second by Bonnie Walker. Motion was unanimous.

Approved and adopted this 27<sup>th</sup> day of May, 2016

APPROVED BY \_\_\_\_\_ as  
JOHN HARSHBARGER      COUNCIL PRESIDENT

APPROVED BY \_\_\_\_\_ as  
BONNIE WALKER      COUNCIL MEMBER

APPROVED BY \_\_\_\_\_ as  
WILLIAM JOHNSON      COUNCIL MEMBER

ATTEST BY \_\_\_\_\_ as  
LAURA A DILLON      CLERK-TREASURER