

REGULAR MEETING OF THE MISHAWAKA COMMON COUNCIL

December 21, 2020

Be it remembered that the Common Council of the City of Mishawaka, Indiana met in the Council Chambers of the Mishawaka City Hall and via telephone on Monday, December 21, 2020 at 7:00PM. The meeting was called to order by President Gregg Hixenbaugh. All were asked to stand for the Pledge of Allegiance, followed by a moment of silence to remember the lives lost due to COVID-19.



Roll Call.

Present: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh.

Others Present: Mike Trippel, Council Attorney and Clerk Block

Minutes for the Regular meeting of December 7, 2020 were approved and received from the Clerk's Office.

Clerk Block read letters from the Board of Zoning Appeals and the City Plan Commission regarding their recommendations from their December 8, 2020 meetings.

Clerk Block read the following proposed ordinances by title and assigned committee.

PROPOSED ORDINANCE NO. 2020-47

AN ORDINANCE AMENDING CHAPTER 137 OF THE MUNICIPAL CODE OF THE CITY OF MISHAWAKA, INDIANA, AS FROM TIME TO TIME AMENDED, COMMONLY KNOWN AS "THE ZONING ORDINANCE OF 1966" OF THE CITY OF MISHAWAKA, INDIANA.

Rezone from C-1 District to C-10 District to allow convenience store with gas pumps – Part of 2754 Lincoln way East existing parking area for Mishawaka INN – Petitioner Requesting Withdrawal

Mr. Hixenbaugh made a motion to approve the petitioner's request to withdraw **PROPOSED ORDINANCE 2020-47**, with a second from Mrs. Voelker. The motion carried and a roll call vote was conducted.



Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).

Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh.

PROPOSED ORDINANCE NO. 2020-48

**AN ORDINANCE AMENDING ORDINANCE 5680 AS AMENDED FIXING THE
SALARIES OF ALL EMPLOYEES OF THE CITY OF MISHAWAKA EXCEPT
MISHAWAKA PARKS DEPARTMENT, ELECTED OFFICIALS, AND THE
MISHAWAKA UTILITIES FOR THE CITY OF MISHAWAKA, INDIANA FOR THE
YEAR BEGINNING JANUARY 1, 2020
Amendment to the 2020 Civil City Salary Ordinance
Requesting Second Reading**

Mr. Hixenbaugh made a motion to waive standing council rules and hold first and second reading on PROPOSED ORDINANCE NO. 2020-48 that evening, with a second from Mrs. Voelker. The motion carried and a roll call vote was conducted.



**Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).
Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh.**

Mayor Wood spoke in favor of PROPOSED ORDINANCE NO. 2020-48. Mayor Wood stated he was requesting a specialty pay for staff members who answered the call, stepped up, went above and beyond and took on job functions that exceeded their job descriptions. Mayor Wood stated they did it because they have a love and passion to serve their fellow citizens and he was able to see it because they never closed. Mayor Wood stated the public servants of Mishawaka delivered services and stepped up in a big way and he was very proud. Mayor Wood concluded the specialty pay would include \$750 for public safety, \$600 for central services employees and members of the sewer department and \$500 for all the other full-time staff members who showed up and worked during the pandemic. Mayor Wood stated he appreciated this and no one had asked for this, but it seemed right to him to do it. Mayor Wood stated they are dipping into the 2020 budget from savings they were able to achieve, predominately from their travel and training budgets, to supply this pay. Mayor Wood stated they were able to pay for this without an additional budget. Mayor Wood concluded stating this excluded part-time workers and elected officials and stated his appreciation for everyone serving Mishawaka during this time. Mayor Wood also apologized on the late notice on this ordinance, but they could not forecast this happening months or even weeks ago. Mayor Wood expressed his gratitude, pride, and genuine affection for public servants.

Mr. Compton thanked Mayor Wood for bringing this to the council and stated it would be appreciated by the employees. Mr. Compton stated they are ecstatic, had no clue it was coming and are very appreciative.

Mr. Emmons stated he felt this was an excellent to-do and believed every one of the employees are deserving of this. Mr. Emmons stated he endorsed this and thanked the Mayor for doing this for the employees.

Mr. Mammolenti thanked Mayor Wood and his staff along with Ms. Miller for finding wiggle room in the budget to take care of those on the frontline and put their lives at risk every day for taking care of the city.

Mr. Hixenbaugh appreciated the initiative shown by Mayor Wood and the administration for bringing this to the council. Mr. Hixenbaugh stated this is what they should do to make sure it happens and gets out to the deserving employees as quick as possible. Mr. Hixenbaugh stated they are blessed to have wonderful people working for the city of Mishawaka and it has never been more evident than during this year, which he believed has been the most difficult year experienced as a community. Mr. Hixenbaugh stated people have risen to the occasion and done their job. Mr. Hixenbaugh stated it is easy to recognize the work of public safety employees and others who the citizens see on a regular basis, who do a great job, but sometimes the unsung heroes are the ones working in City Hall who may or may not have as much contact with the public. Mr. Hixenbaugh stated they have showed up every day and worked very hard to provide quality service. Mr. Hixenbaugh believed this would be a good first step and certainly supported it. Mr. Hixenbaugh concluded stating he hoped when moving into the new year, they could continue to look at opportunities to continue to appropriately compensate employees, because they are unfortunately not through this tough time yet.

Question was called for at 7:23PM for **PROPOSED ORDINANCE NO. 2020-48**  **Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. Thus, it became **ORDINANCE NO. 5722.**

PROPOSED ORDINANCE NO. 2020-49

AMENDMENT TO THE 2020 CIVIL CITY SALARY ORDINANCE Requesting Second Reading

Rebecca Miller, City Controller, spoke in favor of **PROPOSED ORDINANCE NO. 2020-48**. Ms. Miller stated they need to move funds around to allow for the stipend and the majority of all departments have funds available. Ms. Miller stated Fire, Police, Central Services and Street were able to use their personal services and benefits line. Ms. Miller stated this ordinance is for the transfer of the departments in the general fund that need to transfer from their travel and training lines and two departments are using services and charges and subscriptions.

Mr. Hixenbaugh asked Ms. Miller to pass along the council's appreciation to those who have done the heavy lifting to make sure this money ends up in the employee paychecks before the year's end.

Mayor Wood briefly stated the wage for Central Services was \$625 instead of the originally announced \$750. Mayor Wood also stated he wanted to thank the Controller's Office for coming up with a great strategy to get this done.

Mr. Hixenbaugh asked Mr. Trippel what his opinion would be on if they could proceed and allow Mr. Hazen's votes to count toward the record of the proceedings as he was able to communicate via text. Mr. Trippel stated that would be fine if he was still present in the meeting.

Question was called for at 7:30PM for **PROPOSED ORDINANCE NO. 2020-48**  **Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. Thus, it became **ORDINANCE NO. 5723.**

Clerk Block read the following resolutions by title and opened the public hearing.

RESOLUTION R2020-25

A RESOLUTION APPROVING RENEWAL OF A WASTE REMOVAL CONTRACT

Mr. Hixenbaugh stated the council received communication from Mr. Hinkle advising them of an amendment to this resolution as originally proposed that had been acted upon by the Board of Public Works at their last meeting on Tuesday. The chair entertained a motion to delete the proposed resolution as previously submitted and substitute in the amended resolution. The motion was moved by Mr. Compton and seconded by Mr. Bellovich and the council conducted a vote.

The vote was conducted at 7:32PM for **RESOLUTION R2020-25 AS AMENDED**  **Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh.

Tim Ryan, Director of Central Services, spoke in favor of **RESOLUTION R2020-25**. Mr. Ryan stated he had the honor of being selected to negotiate for the administration with Republic Services and it was about a 9-month process. Mr. Ryan stated at this time, he would recommend their favorable vote on this resolution.

Mr. Hixenbaugh asked Mr. Ryan to speak to the amendment they approved and summarize what it was that took place for the record. Mr. Ryan stated the amendment came on December 11 and he did not have any knowledge of it until he received it from Republic Services. Mr. Ryan stated it was another reduction from the original amendment in the pricing for trash services and it reduced it over 4 years for 11 and a half cents on average. Mr. Ryan stated it was anywhere between 11 and 12 cents and 7 and 8 cents.

Mrs. Voelker asked if the recycling will continue to be picked up weekly. Mr. Ryan stated all their services would stay the same and recycling is not going the way it used to in years past. Mr. Ryan stated they consider themselves lucky to continue it weekly.

Coby Humphrey, GM for Republic Services, began by thanking the citizens of Mishawaka, all city staff members, and the council for allowing them to be their partner. Mr. Humphrey stated the council had been very professional throughout the process and he highlighted how they got to where they are. Mr. Humphrey stated they took the council's input and truly listened and came back with this proposal. Mr. Humphrey again thanked each council member and stated he hoped they could continue this partnership in the future.

Mrs. Voelker thanked Mr. Humphrey for the continuation of weekly recycling.

Mr. Emmons asked Mr. Humphrey to give the 2020 rate for regular and senior current rates. Mr. Humphrey stated it was \$13.86 for regular and \$11.09 for senior. Mr. Emmons also asked for the 2021 rate for regular and senior. Mr. Humphrey stated it would be \$14.66 for regular and \$11.74 for senior. Mr. Humphrey stated they had done several years without an increase and they typically frontload the contract. Mr. Humphrey stated with the nature of their business, that was what they felt needed to continue to offer a reliable service.

Mr. Compton stated his company provides a good service for the city of Mishawaka. He appreciated what Mr. Humphrey does and his drivers are attentive. Mr. Compton stated city government giving a contract to a vendor as long as they have had it is not good policy and it would not look good if they were on the outside looking in. Mr. Compton stated one of the main concerns that he has heard they would not do this because they will not get as good of a rate as they do now and that disturbed him. Mr. Compton stated despite all of that he will support this, because he is not sure what would happen with trash if he did not. Mr. Compton stated he would tell the administration he would not support this if he is on the council in 4 years. Mr. Compton believed the council should have been involved in this sooner and had more say-so in it. Mr. Compton asked the administration to remember his claims.

Mr. Hixenbaugh asked if it were a fair statement that the prior 4-year agreement was an agreement negotiated with the city and there was not a unilateral price increase that was built

into the agreement on the part of the city. Mr. Humphrey stated that was true. Mr. Hixenbaugh also asked if he happened to recall what the proposed rate increase was that was suggested for the 1-year extension. Mr. Humphrey stated he did not have that information, but he thought Mr. Hixenbaugh did. Mr. Hixenbaugh stated it represented about a 12.77% increase and asked if Mr. Humphrey recognized that increase. Mr. Humphrey stated that sounded accurate and began explaining with a shorter term agreement, you have less time to cover your capital assets. Mr. Humphrey stated it was a larger percent for year one. Mr. Hixenbaugh asked if Mr. Humphrey would agree with him that the 12.77% increase is about half as much as where they are ending up with year one of the 4-year extension. Mr. Humphrey stated he would agree. Mr. Hixenbaugh stated he appreciated the information he has shared with them and also asked if under the 4-year agreement being proposed to the council if Republic will make profit on this contract. Mr. Humphrey stated they are a for-profit company and to make recycling sustainable for everyone, they need to make a profit. Mr. Hixenbaugh asked if it were a fair conclusion for the council to draw that Republic stands to enjoy greater than \$25,000 of gross revenue over the 4-year agreement. Mr. Humphrey stated it would go up by more than \$25,000. Mr. Hixenbaugh stated his appreciation for Mr. Humphrey's willingness to go over the prices and answer all of the council's questions.

Mr. Mammolenti thanked Mr. Humphrey, Mr. Ryan and the Board of Public Works for working so diligently on this behind the scenes. Mr. Mammolenti stated he believes Republic has done an outstanding job, despite a few minor hiccups. Mr. Mammolenti stated he understands how the market has flipped regarding recycling because of his day job and he is also subject to submit RFQ's to several of his customers and he knows he has to sharpen the pencil when receiving those. Mr. Mammolenti believed they need to put these contracts out to bid in the best interest of the ratepayers and citizens of Mishawaka. Mr. Mammolenti stated he knew there was a risk to that, but given the fact they extended this contract several years, it came down to perception and if they are doing the best for everyone. Mr. Mammolenti stated he will be voting in opposition to this extension.

Mr. Banicki echoed Mr. Compton and Mr. Mammolenti's comments to not put this out to bid and somebody dropped the ball. Mr. Banicki stated he will be supporting this, but if in 4 years he is still on the council he would vote no. Mr. Banicki stated if he is merely a citizen and not a councilman at that time, he would voice his opinion and say do not do this because it is not the right thing.

Mr. Emmons stated on this contract, he was one of the first to lobby for extending the contract. Mr. Emmons stated when he supported the 4-year extension, he believed there should not be a rate increase the first year for seniors and regular customers. Mr. Emmons stated he had a problem with the rate increase since that stipulation was not met. Mr. Emmons stated also with the pandemic, individuals are trying to make ends meet and he is concerned about them as well

in this case. Mr. Emmons stated he would not be able to support this and commended them for their service.

Mr. Hixenbaugh thanked Tim Ryan and Pat Hinkle for the work they have done on this. Mr. Hixenbaugh stated he is almost willing to assign a mulligan, because COVID really impacted the normal rhythm and felt that needed to be acknowledged. Mr. Hixenbaugh reiterated they are doing great work and does not receive complaints about trash and recycling. Mr. Hixenbaugh stated there are a lot of positive with regard to the outcome and what is in front of them. Mr. Hixenbaugh stated there are some negatives that are concerning. Mr. Hixenbaugh stated the sticking point in his mind was the dollar amount proposed by Republic for the one-year extension. Mr. Hixenbaugh stated the one-year proposal carried an increase that had no correlation to the costs proposed in the 4-year agreement. Mr. Hixenbaugh stated this was an act of corporate hard ball or bullying to try to preclude them as a community to be able to extend one year and go through a bidding process where Republic would have inside tracks since they are the current vendor. Mr. Hixenbaugh stated they have other vendors who have reached out and expressed interest and they as a community will never know if there was a better offer for them, because they have been denied the opportunity to extend and go through the bidding process, based upon proposals they have received from Republic. Mr. Hixenbaugh stated he could not conclude this was in the best interest of the city of Mishawaka. Mr. Hixenbaugh was forced to conclude that this was not good government and would be voting no on the matter.

Clerk Block stated there was a caller who requested to speak.

Kyle Woolsey, Director of Sales Borden Waste-A-Way, addressed the council. Mr. Woolsey stated they also have valued municipal contracts that under no circumstance if the valued customer wanted to go out for competitive bid and not extend a contract would they discontinue their service. Mr. Woolsey stated it is fair question for the incumbent to state whether or not they would discontinue service knowing it is such a hinging point on the decision. Mr. Woolsey stated they are a competitor and would be eager to provide a competitive proposal for their waste and recycling services. Mr. Woolsey stated they noted that the price residents of Mishawaka are paying currently was not in line with competitive rate. Mr. Woolsey stated they would provide a proposal with savings and after sending letters to the council, they wanted to make sure the council was confident that Borden Waste-A-Way would provide a four-year contract if it did go out for bid. Mr. Woolsey stated at \$13.86 they would lock that in for basic service, \$11.09 for senior residents and provide free service for police officers and firefighters. Mr. Woolsey stated they would save \$129,000 for their residents over the first year and \$1.2 million over the 4 years. Mr. Woolsey stated they are a competitor in the market and they can provide a proposal given the opportunity and hoped the incumbent would not leave trash on the curb if they are a valued partner in the community. Mr. Woolsey concluded hoping that was received well and stated all of this with all due respect.

Question was called for at 8:07PM for **RESOLUTION R2020-25 As Amended**  **Vote:**
Motion passed (summary: Yes = 6, No = 3, Abstain = 0).

Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Bellovich, Mr. Compton, Mrs. Voelker.
No: Mr. Mammolenti, Mr. Emmons, Mr. Hixenbaugh.

RESOLUTION R2020-26

**A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF MISHAWAKA,
INDIANA, APPROVING A PETITION OF THE MISHAWAKA BOARD OF ZONING
APPEALS FOR THE PROPERTY LOCATED AT: 823 E. Third Street
Use Variance to maintain 3-units in R-1 Single Family Residential District – 823 E. Third
St.**

Steve Van Damme, Owner of the property, spoke in favor of **RESOLUTION R2020-26**. Mr. Van Damme stated he purchased the property in 1981 and they have been 3 apartments since the early 1960s. Mr. Van Damme stated he was asking for a Use Variance so he can get the property up to date.

Mr. Compton asked if he owned the property and if he rented it out. Mr. Van Damme answered yes to both questions. Mr. Compton asked what the need for the variance at this moment is. Mr. Van Damme stated he was trying to get a loan and the property was not zoned properly. Mr. Compton thanked Mr. Van Damme for the information.

Mr. Hixenbaugh appreciated the work he did to solicit the letters from the surrounding neighbors and for his time doing that. Mr. Van Damme stated he had to pave the parking lot but he could not until April. Mr. Hixenbaugh asked if he had any objection to doing that when the weather breaks. Mr. Van Damme stated he had a contractor lined up to do it.

Question was called for at 8:13PM for **RESOLUTION R2020-26**  **Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).**

Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh.

Clerk Block read the following proposed ordinances by title and opened the public hearing.

PROPOSED ORDINANCE NO. 2020-45

**AN ORDINANCE DECLARING AN EMERGENCY IN TRANSFERRING AND
REAPPROPRIATING FUNDS WITHIN THE BUDGET ADOPTED FOR THE
CALENDAR YEAR ENDING DECEMBER 31, 2020
Transfer Funds – General Fund - \$50,000.00**

Mrs. Voelker reported the Committee of Budget and Finance recommended this proposed ordinance should be adopted. This was signed by the entire committee upon a second by Mr. Compton motion carried.

Mr. Hixenbaugh called for a roll call vote to pass the committee report.



Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).
Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The Committee Report passes.

Rebecca Miller, City Controller, spoke in favor of **PROPOSED ORDINANCE NO. 2020-45**. Ms. Miller had a transfer asking for approval for the insurance claim line because it went over budget. Ms. Miller stated this was due to worker's compensation going up and also insuring the new Liberty Mutual building. Ms. Miller stated they are transferring money from the health insurance line to the insurance and claims line.

Question was called for at 8:16PM for **PROPOSED ORDINANCE NO. 2020-45**  **Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. Thus, it became **ORDINANCE NO. 5724**.

PROPOSED ORDINANCE NO. 2020-46

**AN ORDINANCE AMENDING ORDINANCE 5712 FIXING THE SALARIES OF ALL
EMPLOYEES OF THE CITY OF MISHAWAKA EXCEPT MISHAWAKA PARKS
DEPARTMENT, ELECTED OFFICIALS AND MISHAWAKA UTILITES FOR THE
CITY OF MISHAWAKA, INDIANA FOR THE YEAR BEGINNING JANUARY 1, 2021
Amending the 2021 Civil City Salary Ordinance – Amendment Requested**

The chair entertained a motion to delete the original draft of PROPOSED ORDINANCE NO. 2020-46 as received and to substitute in the amended ordinance as received from the Clerk and the Controller. The motion was moved by Mrs. Voelker and seconded by Mr. Compton and a roll call vote was conducted.



Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).

Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The amendment passed.

Rebecca Miller, City Controller, spoke in favor of **PROPOSED ORDINANCE NO. 2020-46**. Ms. Miller stated this was an amendment to reflect what was agreed upon for police and one item for fire as well. Ms. Miller stated the negotiated package was 2.25% wage increase, 1% pension contribution decrease, one-time \$500 stipend, city residents on the police force get an addition \$750 stipend, additional rank pay has been added to the sergeant at \$750, the lieutenant \$1100, and the captain \$1500. Ms. Miller concluded stating a fire item that was negotiated was a first class firefighter in 2021 will have the same biweekly pay as a police officer.

Mr. Hixenbaugh thanked Ms. Miller for her assistance along with Mr. Hinkle throughout the negotiation process. Ms. Miller appreciated being included.

Mr. Hixenbaugh acknowledged the work done by the council bargaining team and he appreciated the work they all did. Mr. Hixenbaugh stated as with other bargains being involved with, he believed this to be a fair outcome and in the best interest of the community. Mr. Hixenbaugh concluded stating he would be voting in favor of this.

Question was called for at 8:22PM for **PROPOSED ORDINANCE NO. 2020-46 AA** 

Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).

Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. Thus, it became **ORDINANCE NO. 5725**.

UNFINISHED BUSINESS

PROPOSED ORDINANCE NO. 2020-39

A PROPOSED ORDINANCE FROM THE CITY OF MISHAWAKA AUTHORIZING THE ISSUANCE OF WATERWORKS REVENUE BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COST OF CERTAIN ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE MUNICIPAL WATERWORKS OF SAID CITY, PROVIDING FOR THE SAFEGUARDING OF THE INTERESTS OF THE OWNERS OF SAID BONDS, OTHER MATTERS CONNECTED THEREWITH, INCLUDING THE ISSUANCE OF NOTES IN ANTICIPATION OF BONDS, AND REPEALING ORDINANCES INCONSISTENT HEREWITH
Mishawaka Waterworks Bond Ordinance
Amendment Requested

The chair entertained a motion to delete PROPOSED ORDINANCE NO. 2020-39 as originally presented and substitute in the amendment as prepared by outside legal counsel and financial consultants and transmitted to them via the City Clerk's Office. The motion was moved by Mr. Compton and seconded by Mr. Bellovich and a roll call vote was conducted.



Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).

Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The amendment passed.

Mrs. Emmons reported the Committee of Budget and Finance recommended this proposed ordinance should be adopted. This was signed by the entire committee upon a second by Mr. Compton motion carried.

Mr. Hixenbaugh called for a roll call vote to pass the committee report.



Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).

Yes: Mrs. DeMaegd, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The Committee Report passes.

Mayor Wood spoke in favor of **PROPOSED ORDINANCE 2020-39** and he would also cover **2020-40** as well. Mayor Wood stated he wanted to talk about some of the world class service they provide. Mayor Wood stated an impressive team of people, great facilities and some substantial investments are made to ensure their water is clean and safe for the citizens. Mayor Wood stated it is one of the services provided that is a necessity of life. Mayor Wood stated it is here at the local level where they provide these services and they are not taken for granted. Mayor Wood stated a lot of extensive planning goes into the services they provide, especially the utilities. Mayor Wood stated this is not just a one off and they have been planning for this for 10 years plus. Mayor Wood stated of all of the things they plan and have control over, there is not much that keeps him up at night or would give him concern, because of the great people they have and the good plans they have in place. Mayor Wood stated one area they are potentially exposed and especially now during a pandemic is water on the Northside, specifically the pressure. Mayor Wood stated when they think about the critical infrastructure on the Northside, you think of the hospitals, VA clinics, health care campus and all of the uses in that area. Mayor Wood stated part of their planning was to better serve that growing part of town with water that is typically taken for granted. Mayor Wood stated they need the wellfields so they can supply the water towers, they need the wellfield so they can turn off the other wellfield and renovate it on the Southside while still supplying water to all citizens. Mayor Wood stated they still have some of the most competitive rates in the state and unfortunately they have to raise those from time to time to cover the expenses of maintaining their system. Mayor Wood stated they have the courage to do that, because they understand how vital these changes and investments are to their system. Mayor Wood stated they were asking the council to raise rates to accomplish the projects

necessary to provide uninterrupted service that citizens need for the long-term. Mayor Wood stated this is expensive and they have a list of projects needed to be accomplished. Mayor Wood stated one project would delay many and is asking for the council's support despite the big dollar amount. Mayor Wood stated they are able to offset some of the rate increase in water with a rate decrease in electric and that will be addressed later. Mayor Wood encouraged the council to support this and it takes courage along with vision to do so. Mayor Wood concluded stating this is where leadership counts.

Jim Schrader, General Manager of Mishawaka Utilities, spoke in favor of **PROPOSED ORDINANCE NO. 2020-39**. Mr. Schrader stated this has been a project that they have looked at for quite some time. Mr. Schrader stated they were negotiating a very good outcome on electric rates, but during the pandemic raising rates wasn't something they needed. Mr. Schrader stated it became apparent they could offset some of the water increases that needed to happen to improve their infrastructure and build a new wellfield. Mr. Schrader stated John Julian of Baker Tilly is present and he will be able to go over the financial analysis performed by them and he wanted Mayor Wood to touch on the projects so the council could get an understanding of what needed to happen.

John Julian, Partner with Baker Tilly, spoke in favor of **PROPOSED ORDINANCE NO. 2020-39**. Mr. Julian gave a brief recap of the financial plan and how the ordinances fit into the picture. Mr. Julian began stating the city had for the last decade, utilized a holistic approach to evaluating utilities. Mr. Julian stated the city provides critical services in a number of ways under the utility umbrella and through that philosophy they have looked at the needs of each departments individually and as all three of the departments in whole. Mr. Julian stated from that approach, there has been a financial plan put together that analyzed the needs in terms of operations, capital investments, and modifications rates and charges for those utilities all at the same time. Mr. Julian stated when they look at the sewage works, they identified the steps that were taken in the last financial plan for the utilities was adequate, as they expected to keep the sewage works functioning for the next several years. Mr. Julian stated the electric utility has a new development from when the last multi-year plan was developed. Mr. Julian stated it represents a 7% reduction effective in 2021 and a 7% reduction effective in 2022. Mr. Julian stated the water utility is at the point where several capital investments will be required. Mr. Julian stated it is the water utility's turn to make these significant capital investments and stated this ordinance under consideration now is the authorization to make roughly \$52 million worth of capital improvements. With that to be done, there would have to be raises in rates and charges. Mr. Julian stated to fund this and take care of the normal day to day operations, requires and increase and the way the increase is structured is a 16% across the board adjustment implemented in 2022. Mr. Julian stated that 16% is offset by the 7% electric reduction that is another part of the financial plan. Mr. Julian stated the next step the water utility needs is an increase in 2023 and they have developed two alternatives to address those needs. Mr. Julian stated the ordinance was

originally drafted to have a 14% adjustment in 2023 that translates into \$5.50 increase for the average homeowner. Mr. Julian stated that amount did two things; one being it finished up the financial needs that the utility faces for the \$52 million bond issue under consideration and also set in place a revenue strain that would help the water utility in 2025-2026 when the next round of significant capital projects are needed. Mr. Julian stated this is not the only financial plan possible and they constructed an alternative with the only difference being a reduction of the 14% increase in 2023 to a 6% increase. This modification would reduce the impact to the average residential bill by about half in 2023. Mr. Julian concluded stating there is no compromising on these matters and the only difference between the original and modified financial plan is the softening of the rate increase in 2023.

Mr. Hixenbaugh stated it is his understanding this is the last time Mr. Julian will be reporting before the council and wanted to thank him for the work he and all of the organizations he has worked for have done. Mr. Hixenbaugh wished Mr. Julian well in the next stages of his life.

Mrs. Voelker asked if Mr. Julian could explain a diagram he sent to the council. Mr. Julian stated it was a schedule distinguishing the difference between water rate adjustment initially proposed and the one that was then developed. Mr. Julian stated the only difference between the two proposals is how much accumulated cash would be available for major capital projects that are scheduled out in 2024, 2025, and 2026. Mrs. Voelker stated she wanted to make sure she understood it correctly.

Mr. Hixenbaugh asked if it were accurate that the total amount of the bond issuance would be approximately \$51 million. Mr. Julian stated \$51.6 million would be their working number. Mr. Hixenbaugh asked if the life of the bond would be a 10 year issuance. Mr. Julian stated it would be a 20 year issuance.

Dave Majewski, Mishawaka Utilities Water Division Manager, spoke in favor **PROPOSED ORDINANCE NO. 2020-39**. Mr. Majewski began by echoing Mr. Hixenbaugh's settlement toward Mr. Julian and he appreciated him very much throughout this project. Mr. Majewski thanked the council for their due diligence. Mr. Majewski stated it is an exciting time in Mishawaka and as development continues to grow, just as important as what you see above ground is the infrastructure you rarely see. Mr. Majewski stated on the Southside of the city their new 2 million gallon reservoir and booster station completed late last year and the rehab of their 3 million gallon reservoir on the same site will be complete in the next few weeks. Mr. Majewski stated on the North, the new proposed 1.5 million gallon water tower will provide greater pressure to the University Park district and provide service to medical, commercial and multi-family residential complexes along with more storage and greater fire protection capabilities. Mr. Majewski stated the new wellfield and treatment plant at Juday Creek will replace an aging facility at Gumwood. Mr. Majewski stated the new plant will also be able to service the central

pressure district. Mr. Majewski stated currently Gumwood was a backup and they had to move most of the water to the University Park district by way of the Fir Road booster station. Mr. Majewski stated he appreciated the support and partnership the council had given them to keep the water infrastructure strong for generations to come. Mr. Majewski stated this is their window and the right time to proceed and the need for water never stops, meaning they should not pause now. Mr. Majewski stated they are ready to go and the growth in the city has continued for decades without any improvements to the common well-field. Mr. Majewski stated as you go North in the pressure district, 32 psi is not much. Mr. Majewski stated growth continues, but they are in a bit of a pickle in that are. Unfortunately, the pandemic came along but the use of water never will stop. Mr. Majewski concluded stating he is passionate about what he does for the city of Mishawaka and he is very proud to work with everyone in his department and is proud to serve with everyone on the council and the Mayor.

Mr. Emmons asked if the orange and burgundy on his graph are Granger addresses. Mr. Majewski stated not all of them are and most of them have been annexed into the city. Mr. Majewski stated Mr. Prince could explain that better.

Ken Prince, City Planner, stated the district itself serves areas that are currently located in Granger that they believe will be in the city long-term. Mr. Prince stated there are areas that go outside their current city limits, but those reflect areas will grow and come into the city over time they believe. Mr. Emmons stated he had a couple constituents saying that Mishawaka is basically 46545 and 46544 and they were curious why they are providing water to Granger. Mr. Prince stated they are not providing utilities to Granger but if they ever needed water, a certain amount of capacity could come from the city of Mishawaka.

Mrs. Voelker thanked Mr. Majewski for his presentation and it made the concepts much easier to understand.

Mr. Compton asked if the booster station put into operation when the hospital was built will still be used after this is all complete and if it will become a backup. Mr. Majewski stated it would become a true backup instead of the primary source and the pumps will have to be upgraded as part of the process. Mr. Majewski also stated the pressure vaults at Edison Lakes Parkway and Main Street will be opened up to feed water back which will make it a true backup.

Jim Schrader pointed out that now they will have to boost everything going North and they will now have the opportunity to go the other direction but on a gravity basis and not have to spend the money to do it from a pumping standpoint.

The council recessed at 9:08 PM and reconvened at 9:18PM.

Mr. Mammolenti thanked Mayor Wood, Mr. Schrader and Mr. Majewski for all their work to prepare for this and also coming back to the table with a revised proposal. Mr. Mammolenti thanked Mr. Julian separately and thanked him for his many years of service and dedication to the city of Mishawaka. Mr. Mammolenti stated this was tough for him and he understood the needs and dominoes in order to take place for this long plan to come to fruition. Mr. Mammolenti stated the citizens will benefit from these services, however several years ago when they left the IURC, he made the promise to the public that he or the council would be the watchdog of such rate increases to make sure they are fair, justified, and needed. Mr. Mammolenti stated these services and needs are required, but he came back to the comment that Mr. Hixenbaugh made last meeting about if the IURC would approve this rate increase and Mr. Mammolenti did not think they would. Mr. Mammolenti stated that is where his battle is and meant these comments with no disrespect towards everyone involved. Mr. Mammolenti concluded stating he would have a hard time voting in favor of this.

Mr. Banicki stated while it is tough for the increases for the people of the Northside who have lower water pressures and being not only a homeowner but also a business owner, he believed it was important to put in good infrastructure and plan for the future. Mr. Banicki stated they need to have these future plans in place and this will help everybody. Mr. Banicki stated the dollars versus percentages are terrible and they are not going to see much of this increase for three years. Mr. Banicki concluded stating he had no problem supporting this currently.

Mr. Emmons thanked all involved and echoed Mr. Mammolenti's comments about the IURC. Mr. Emmons asked rhetorically if this rate increase would pass down state and the council is somewhat the watchdog. Mr. Emmons stated the 14% increase is a lot to ask for and would look for it to be scaled back a bit. Mr. Emmons believed they could not afford it and with the way it had been presented, he could not support this as stands.

Mr. Compton appreciated all of the work Mr. Julian has done for the city over time. Mr. Compton stated he thought about his mother who lives on social security and believed she could afford an increase along with himself. Mr. Compton believed they had come to this point and set the table and now here they are. Mr. Compton stated they need to do this and he thought about the IURC and the answer to the question is they would not have given the increases. Mr. Compton stated they would not have been the ones if something were to fail, with egg on their face. Mr. Compton stated it would be the council's responsibility. Mr. Compton stated if something fails on the Southside, they would have nothing and be in trouble. Mr. Compton stated they need this redundancy and he believed it comes at a terrible time but he would support this.

Mr. Hixenbaugh stated this is one of the rare occasions where he agreed with everyone who has spoken and everything that has been said. Mr. Hixenbaugh thanked the administration along with Mr. Julian. Mr. Hixenbaugh acknowledged there is a need here and he absolutely did not

question that. Mr. Hixenbaugh stated they are fortunate to have stable and reliable utility services they all can count on. Mr. Hixenbaugh stated there are clearly great reasons to vote in favor of the bond issuance and companion ordinance that will follow. Mr. Hixenbaugh associated himself with the comments of Mr. Emmons and Mr. Mammolenti in particular and expressed that he was conflicted about this. Mr. Hixenbaugh stated when you look at the dollar impact, it won't be a problem for many people but there were a couple things about that. Mr. Hixenbaugh stated when they look at their utility bill the citizens will see an increase in their trash rate and the total combined will reflect an increase. Mr. Hixenbaugh stated it was a fair point that it is a fairly low dollar amount, but in the midst of a pandemic for the person without a job looking for unemployment benefits and with the combined impact of water works and electric will deny every rate payer the opportunity to realize the great work done by the administration. Mr. Hixenbaugh stated any time they talk about double digit increases in utility rates, he believed it ought to be a really high standard that has to be met. Mr. Hixenbaugh stated his preference would always be to attack these projects in smaller chunks over the course of time. Mr. Hixenbaugh stated he struggled with the specter of increases at this time. Mr. Hixenbaugh stated while he did believe there is a need and while he did believe they would have to continue to reinvest in infrastructure, he was conflicted about this and fell on the side of voting no. Mr. Hixenbaugh stated if this passed, he wished the project well and was confident the money would be well spent.

Question was called for at 9:36PM for **PROPOSED ORDINANCE NO. 2020-39 As Amended.**
Vote: Motion passed (summary: Yes = 6, No = 3, Abstain = 0).

Yes: Mrs. DeMaged, Mr. Banicki, Mr. Hazen, Mr. Bellovich, Mr. Compton, Mrs. Voelker.
No: Mr. Mammolenti, Mr. Emmons, Mr. Hixenbaugh. Thus, it became **ORDINANCE NO. 5726.**

PROPOSED ORDINANCE NO. 2020-40

AN ORDINANCE ADOPTING REVISED RATES AND CHARGES FOR WATER SERVICES FURNISHED BY THE CITY OF MISHAWAKA'S MUNICIPAL WATER UTILITY

Mrs. Voelker reported the Committee of Budget and Finance recommended this proposed ordinance should be adopted. This was signed by the entire committee upon a second by Mr. Compton motion carried.

Mr. Hixenbaugh called for a roll call vote to pass the committee report.

Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).

Yes: Mrs. DeMaged, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The Committee Report passes.

Jim Schrader, General Manager of Mishawaka Utilities, supported **PROPOSED ORDINANCE NO. 2020-40** to go hand-in-hand with the previously approved bond issue, because those funds will follow the plan and timeline Mr. Majeski presented. Mr. Schrader stated the actual increase may be at a difficult time, but he believed all of this money will be for a good purpose and for ensuring they do not get that egg in their face.

Mr. Compton stated he would like to make a motion to take provisions A and B and replace them with the revised provisions A and B in the new proposal. With a second from Mrs. Voelker, this motion passed. Mr. Compton commented that voting on this for him personally would spread things out. Mr. Compton stated this may not get their support, but for him that helped him support this and he realized it may cost a little more in the long haul. Mr. Compton concluded stating he thought this was the appropriate way to look at this.

Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).

Yes: Mrs. DeMaged, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The amendment passed.

Question was called for at 9:45PM for **PROPOSED ORDINANCE 2020-40 As Amended.**

Vote: Motion passed (summary: Yes = 6, No = 3, Abstain = 0).

Yes: Mrs. DeMaged, Mr. Banicki, Mr. Hazen, Mr. Bellovich, Mr. Compton, Mrs. Voelker.
No: Mr. Mammolenti, Mr. Emmons, Mr. Hixenbaugh. Thus, it became **ORDINANCE NO. 5727.**

PROPOSED ORDINANCE NO. 2020-41

AN ORDINANCE OF THE CITY OF MISHAWAKA AUTHORIZING THE ISSUANCE OF ELECTRIC UTILITY REVENUE BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO APPLY ON THE COST OF THE CONSTRUCTION OF CERTAIN ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE MUNICIPAL ELECTRIC UTILITY OF SAID CITY AND IMPROVEMENTS TO BUILDING SPACE FOR THE UTILITY PROVIDING FOR THE SAFEGUARDING OF THE INTEREST OF THE OWNERS OF SAID BONDS OTHER MATTERS CONNECTED THEREWITH INCLUDING THE ISSUANCE OF NOTES IN ANTICIPATION OF BONDS AND REPEALING ORDINANCES INCONSISTENT HERewith

Mr. Emmons reported the Committee of Budget and Finance recommended this proposed ordinance should be adopted. This was signed by the entire committee upon a second by Mr. Compton motion carried.

Mr. Hixenbaugh called for a roll call vote to pass the committee report.

Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).
Yes: Mrs. DeMaged, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The Committee Report passes.

Mayor Wood supported **PROPOSED ORDINANCE NO. 2020-41** and **PROPOSED ORDINANCE NO. 2020-42** and wanted to cover both with one statement. Mayor Wood began stating this ordinance is pretty easy and they are coming before the council to ask to approve a rate reduction for the electric department. Mayor Wood stated in this case, they want to pass along some of the savings to their customers. Mayor Wood stated it happened starting about 5 to 6 years ago when they decided they might purchase power more reasonably than they were getting it in their contract with AEP. Mayor Wood stated they began down this journey to break the contract and also to negotiate through countless hours a better purchase power agreement. Mayor Wood stated they have realized a substantial amount of savings and they will now be able to pass along some of that to their customers of their nonprofit utility. Mayor Wood they also find themselves in a similar situation with water and they need to reinvest in some of their infrastructure. Mayor Wood stated the infrastructure on the Northside has been in good shape and upgraded with modern equipment. Mayor Wood stated on the Southside and downtown area, they have a pretty antiquated system. Mayor Wood stated Union Street has seen a large substation being built and that standard was important for them to get there. Mayor Wood stated if they do invest in the system and upgrade it, that will provide better stability and better long-term advantages. Mayor Wood stated they are fortunate to be in this and good planning over time allows them to be in this position where they can realize these savings, pass them along, and invest correctly. Mayor Wood stated these investments will benefit customers long-term and will put them in a good position as a city to compete strategically for economic development.

Jim Schrader, General Manager of Mishawaka Utilities, stated the opportunity to reducer electric rates and the \$10 million bond ordinance will allow them to replace old and antiquated infrastructure and upgrade indefinitely. Mr. Schrader stated the incorporation of the utilities offices, the new city hall and police station will be a big boost. Mr. Schrader concluded stating they will be able to manage one facility as opposed to three.

Mr. Hixenbaugh asked Mr. Julian if the bond is \$34 million dollars and asked what the term of this bond is. Mr. Julian stated that was correct and the term was 10 years. Mr. Hixenbaugh stated for clarification that \$20 million of the total would be marked for the move to the new city hall project with the remainder being marked for improvements in their electrical grid system. Mr. Julian stated that was correct. Mr. Hixenbaugh stated that just would be the contribution from the electric utility bond that will be supplemented by other revenue sources. Mr. Julian stated that was also correct. Mr. Hixenbaugh clarified if in terms of payment the other branches of the municipal utility family will be making repayments over time to the electric utility in a proportionate fashion to cover their share of the cost of the move into the new facility. Mr. Julian stated that was accurate and stated the civil contribution is an upfront cash versus financing.

Mr. Hixenbaugh thanked everyone for the hard work that went into this and believed this was an example of the strategic planning that should go into all work of this manner. Mr. Hixenbaugh firmly believed this would be a facility they can all be proud of. Mr. Hixenbaugh stated he will be voting in favor of this.

Question was called for at 10:05PM for **PROPOSED ORDINANCE NO. 2020-41** **Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaged, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. Thus, it became **ORDINANCE NO. 5728**

PROPOSED ORDINANCE NO. 2020-42

AN ORDINANCE ESTABLISHING A SCHEDULE OF RATES AND CHARGES FOR ELECTRIC ENERGY AND SERVICES RENDERED BY THE MISHAWAKA UTILITIES ELECTED DEPARTMENT

Mr. Emmons reported the Committee of Budget and Finance recommended this proposed ordinance should be adopted. This was signed by the entire committee upon a second by Mr. Compton motion carried.

Mr. Hixenbaugh called for a roll call vote to pass the committee report.

Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).
Yes: Mrs. DeMaged, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The Committee Report passes.

Jim Schrader, General Manager of Mishawaka Utilities, spoke in favor of **PROPOSED ORDINANCE NO. 2020-42**. Mr. Schrader believed this is one they are very proud of and hoped everyone around them would be as well. Mr. Schrader stated to do a rate reduction in this day in age is not heard very often and they are proud to present this and hope for the council's support.

Mr. Compton thanked Mr. Schrader, his staff, and all involved to make this happen because this is big. Mr. Compton stated it is a big move for the city of Mishawaka and appreciated all the work that got them to this point.

Mr. Emmons thanked everyone for their input and hard work on this. Mr. Emmons expressed his appreciation in the rate reduction and the labor that went into securing it. Mr. Emmons stated he liked the idea of how the new city hall will be financed and it will be a benefit to all of the departments and the constituents of Mishawaka. Mr. Emmons stated he would support this proposed ordinance.

Mr. Mammolenti thanked Mr. Schrader, Mr. Julian, Mayor Wood and his administration for their foresight and the efforts to think down the road to put them in this position. Mr. Mammolenti stated he was super proud of their utilities and loved the fact they have clean drinking water. Mr. Mammolenti stated he would be in support of this proposed ordinance.

Question was called four at 10:12PM for **PROPOSED ORDINANCE NO. 2020-42 Vote: Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaged, Mr. Banicki, Mr. Hazen, Mr. Mammolenti, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. Thus, it became **ORDINANCE NO. 5729.**

Mr. Hixenbaugh wished everyone a safe and Merry Christmas along with a Happy New Year.

ADJOURNMENT: 10:13PM

Deborah S. Block /s/
Deborah S. Block, IAMC, MMC, City Clerk

Gregg A. Hixenbaugh /s/
Gregg A. Hixenbaugh, President