



REGULAR MEETING
 April 27, 2023

PLEDGE OF ALLEGIANCE: Led by Ralph Mundt

Commissioners Present: Mayor Lynch, Lach, Czilli, Ekdahl, Mundt

Commissioners Absent: Williams

APPROVAL OF MINUTES:

Commissioner Czilli made a motion to approve the minutes from the regular meeting of March 23, 2023. Commissioner Mundt seconded the motion.
 5 yes 0 nays

APPROVAL OF CLAIMS:

Commissioner Lach made a motion to approve the claims presented to the RDC on April 27, 2023. Commissioner Mundt seconded the motion.
 5 yes 0 nays

STAFF REPORTS:

Asst. Director Sandra McDaniel shared the staff report:

- **Marquette Greenway Trail (NPS Segment – Salt Creek).** The trail has received the final surface layer of asphalt. The contractor (Gariup Construction) is currently working on restoration. A Ribbon Cutting Ceremony has been scheduled for Wednesday, June 7th at 10:00am, on site.
- **Central Avenue Phase 1A West.** NIPSCO is onsite and are relocating their poles and overhead lines to be done by mid-May then NIPSCO Gas will be onsite relocating their lines. The plan is to be clear of utilities by mid-July. It is our hope that contractor (Dunnett Bay) will be able to get onsite and begin their work while NIPSCO is on-site.
- **Downtown Community Park Baseball Fields.** All the fields are in good working order. The contractor is currently doing touchups today and plan to be completed and ready for opening day on May 2nd.
- **Landscape Maintenance.** Lakeshore Landscaping has been doing spring cleanup at the sites and has applied their first application of fertilizer at Founders Square Plaza area and plan to begin mowing on May 1st.

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 Greg Lach

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 Ralph Mundt

School Board Liaison
 Dr. Shauna Finley

Director
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 Dan Whitten

Recording Secretary
 Sonya Lindgren

City Hall
 6070 Central Avenue
 Portage, IN 46368

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- **Portage Library Garden Project.** The project is currently out to bid. They will be opened at the Special Meeting on May 11th and hopefully awarded at the regular meeting on May 25th.

Bill Rathjen of McColly Bennett Real Estate:

- Mr. Rathjen stated that he has been in discussion with Attorney Whitten regarding some Non-Disclosure Agreements that pertain to the Northside Development parcels. He stated that he has been in discussion with a couple of developers who are interested and as they get into more details of their plans, they begin asking for Non-Disclosure Agreements, which is normal in the development world. Mr. Rathjen stated he has provided one to Attorney Whitten for review and is asking the Commission to authorize Mayor Lynch to sign this one and any future Non-Disclosure Agreements.

Commissioner Czilli made a motion to give authorization to Mayor Lynch to sign Non-Disclosure Agreements on behalf of the Commission subject to Attorney Whitten's review. Commissioner Mundt seconded the motion.

5 yes 0 nays

Attorney Whitten stated that this will help when looking at proposals provided. Discussion was held. Commissioner Czilli asked if it was a mutual non-disclosure. Attorney Whitten stated that it was.

OLD BUSINESS:

Holladay Properties Request for Payment for Salt Application from February 2022.

Toby Ernsberger, the Director of Facilities, was present on behalf of Holladay Properties. Commissioner Lach asked if the invoice is correct that seven (7) tons of salt were used in one month. Mr. Ernsberger stated that it was. Commissioner Czilli stated that 7 tons of salt for a parking lot seemed to be a lot for one month and stated the Commission has not seen a bill that high before. Discussion was held on costs of salt. Commissioner Czilli stated the concern was not the cost, but the amount used. Mr. Ernsberger stated that in the report given they show the snow conditions for each day and the total amount of salt they put down and feels it is well within reason for a normal application. Commissioner Ekdahl informed Mr. Ernsberger that the Commission had never been given the breakdown until now, which added to the confusion. Discussion was held.

Commission Czilli moved to approve the payment of salt as indicated. Commissioner Lach seconded the motion.

5 yes 0 nays

NEW BUSINESS:

Landscape Maintenance – City Hall

Asst. Director Sandy McDaniel reminded the Commission that the bid was opened a couple of meetings ago, and had been taken under advisement. She stated that the Street Department will be mowing the lot, but the contract is for the contractor to weed the plant beds, add mulch and plantings for the year. She stated that it is staff's recommendation if Attorney Whitten approves, to award the contract to Lakeshore Landscaping in the amount of \$5,142.12.

Attorney Whitten stated that it was his understanding that they were the lowest bid received. Ms. McDaniel stated that yes, they were the lowest of the ones they requested bids from. Colin Czilli moved to award the Landscape Maintenance for City Hall to Lakeshore Landscaping in the amount of \$5,142.12. Commissioner Lach seconded the motion.
5 yes 0 nays

Landscape Maintenance for Downtown Community Park.

Ms. McDaniel stated that like the previous contract. This contract was opened and taken under advisement. She stated it is staff's recommendation with Attorney Whitten's approval to award the contract to Lakeshore Landscaping in the amount of \$57,756.35. Attorney Whitten asked if this was again the lowest of the ones that requests were sent to, she stated they were.

Greg Lach moved to award the Landscape Maintenance for Downtown Community Park to Lakeshore Landscaping in the amount of \$57,756.35. Commissioner Mundt seconded the motion.
5 yes 0 nays

Marquette Greenway Interlocal Cooperation Agreement

Ms. McDaniel requested this be tabled until the special meeting on May 11th. Discussion was held.

Commissioner Czilli moved to table this to the special meeting on May 11th. Commissioner Lach seconded the motion.
5 yes 0 nays

Landscape Maintenance – 6100 Southport Road

Ms. McDaniel stated that Holladay Properties received quotes for landscape maintenance for 6100 Southport Road. They received two quotes, one from T & J Landscape Services and one from Lakeshore Landscaping. Holladay is requesting that the project be awarded to Lakeshore Landscaping.

Commissioner Czilli moved to approve the award to Lakeshore Landscaping in the amount of \$14,817.00. Commissioner Lach seconded the motion.
5 yes 0 nays

Mayor Lynch asked what recourse the City has if they do not maintain the property as expected. Attorney Whitten stated that if it is not being kept to the standards of the contract then we will contact our property manager to seek action.

RDC Funding Request – Police Department

Chief Candiano was present to discuss their request. He stated that even with the size of their building they have utilized all available offices. He further stated they are looking to hire a Police Social Worker in the building. He stated that they would like to close off the reception area upstairs to make it into an office. He stated they received a quote from Trout Glass, Lazzaro and BTL A-1 Construction to come up with a total of \$5,625 for the work to be done.

He further stated that they need 10 monitors as well for about \$2,500. Discussion was held. Greg Lach asked Andy Maletta who was present in the audience if the School Board could help him spec out what is needed. Mr. Maletta stated that they would be happy to help.

He further stated they need 20 new chairs in the amount to about \$4,800. He stated that the existing chairs were not made to accommodate all the gear they wear daily.

He also stated that they need to repair/upgrade their current Key Card Access System. He stated that currently the system they have is maxed out on number of people who can access the building, so new hires are not able to access via keycards but actual keys. He stated that they have looked into getting a new system versus repairing and found that they could be in the same boat years down the road either way. He suggested that cost effectiveness wise it is best to repair/upgrade the current system since it does work. This cost is about \$9,560.00.

Chief Candiano stated in all they are requesting approximately \$22,485.00, to cover all the needs as listed in their request.

Commission Czilli suggested making it an even \$25,000 in case of taxes or price changes. Commission Ekdahl stated this was being funded from the monies allocated to them in the 2023 budget.

Commission Czilli moved to approve up to \$25,000.00 for these items. Commissioner Mundt seconded the motion.

5 yes 0 nays

Additional Request for Funding – Police Department

Chief Candiano stated that the SWAT team currently trains with Simunitions, which are like paint balls, but cause damage so they are limited to where they can train. He further stated that the Patrol Division, who are usually the first on scene, have not been able to do force-on-force training (which is more realistic training) due to the lack of training equipment. Therefore, they are seeking to purchase 20 Airsoft Pistols, and accessories in the amount of \$3,508.61 (not including shipping and handling costs).

Commissioner Czilli made a motion to approve the funding request up to \$4,500.00. Commissioner Mundt seconded the motion.

5 yes 0 nays

Dayton Street Partners (DSP) Proposal

Karl Cender with Cender Dalton spoke regarding the DSP Proposal. Howard Wedren with Dayton Street Partners (DSP) was present, as well. Mr. Cender stated that DSP had purchased 40 acres just west of the Coca-Cola Building. He stated DSP is proposing to build three buildings but are only committing to building one at this time. Access to the site will be provided by a westerly extension of Coca-Cola Drive. He stated that they are having a difficult time with the financing of the road and have approached the City seeking a TIF Pledge. The City would issue economic development bonds to finance the construction of the road at the cost of \$2.5 million with an additional \$1 million later.

Mr. Cender stated that when the numbers were run Phase 1, building one, did not cash flow. Mr. Cender stated that the tax increment suggested was 85% be pledged and the commission keep 15%

which would cover the \$2.5 million bond which would only cover the first building with no commitment to build the remaining buildings.

Mr. Cender stated the DSP Project is in the Southport Allocation Area. Mr. Cender stated that to act on the request of DSP the City would have to amend that allocation area by pulling these parcels out and creating a new allocation area which would set the clock for a 25-year finance period. This process will take 90-120 days to complete.

Mr. Cender offered to answer any questions the Commission may have.

Commissioner Czilli asked what the practical ramifications were to risk number three of the list provided by Mr. Cender (see attached). Mr. Cender stated DSP would need to find a purchaser of the bond and if the project isn't completed in time, then the investor isn't going to get their first interest payment in 2025. Discussion was held.

Discussion was held on risk number two, that the \$2.5 million for Phase 1 does not cover all the road, sewer, and other infrastructure costs. Commissioner Czilli asked how aggressive the numbers were, since the City has found that often costs end up being much higher. Mr. Wedren stated that their numbers come from estimating off a set of construction drawing that's the complete plan and is very certain the numbers are accurate. Mr. Cender stated that DSP would have to bear the cost if there are any additional soil issues arising in a higher cost to install the road.

Commissioner Lach asked if this is a common arrangement. Mr. Cender stated it was and gave Fronius and Founders Square as examples. Attorney Whitten stated that he has seen this before and feels the possible gain of the development around it, the number of jobs and future projects outweighs the risk.

Commissioner Mundt stated that he is concerned that this is Phase 1 and that seems to be that Phase 2 and 3 are not going to happen. He stated this is such a big investment on the City's part that he would like to see a commitment that the next two phases will happen. Discussion was held.

Commissioner Lach stated that the City would not be taking money out of the bank account but will be taking the tax that would be generated from building one in Phase 1 and committing 85% to the building of the road. Commissioner Czilli stated that the risk is there if a buyer for the bonds is not found it will require the City to use Southport Allocation funds, this also applies if the project does not move forward.

Discussion was held.

Commissioner Czilli asked Andy Maletta, the Director of the Portage Economic Development Corporation to speak on the proposal from a Portage EDC standpoint. Mr. Maletta stated that he believes this is a good project. He stated he sees requests regularly from very good companies stating they need 100,000 square foot buildings or more. He stated he fully supports the proposal due to the demand he sees regularly.

Commissioner Czilli asked what the Commission is being asked of tonight. Karl Cender stated that DSP is looking for support, because official action to create the separate allocation area as well as bond resolutions to support the issuance of bonds for the project is required by the City. Commissioner Czilli asked what are the ramifications if these are not built by the end of the year? Discussion was held. Karl

Cender stated that the interest cost for another year is about \$220,000 at 7.5%, so we would have to figure out how that gets covered with the purchaser of the bonds.

Commissioner Lach made a motion to support moving forward with the bonding of the road. Commissioner Ekdahl stated that he is concerned with the “ifs”, on building out Phase 2 and Phase 3. Discussion was held. Commissioner Czilli asked if Phase 1 was enough to payback the cost of putting in the road. What is the guarantee? He asked, what if we pay to put in a road and there is nothing after that? Commissioner Lach stated that the road makes Phase 2 and Phase 3 developable. Discussion was held. Karl stated that the only risk left outstanding on Phase 1 would be if it is not done and assessed by January 1st we have that interest payment and then a little bit of principal to smooth out over the terms of the bond. Discussion was held. Commissioner Czilli seconded the motion.

5 yes 0 nays

OTHER BUSINESS

Police Station Container Plantings, Irrigation Repairs and Parkway Seeding

Ms. McDaniel stated that Lakeshore Landscaping who is our landscape maintenance contractor this year has come to us with a couple of concerns they have come across while being on the job and have provided us with a couple of proposals. Ms. McDaniel stated that the first proposal is to plant and maintain the Police Station Planters, this will include the watering of the plants throughout the summer as well for a cost of \$7,848.02.

The next proposal is to get the irrigation system at the Police Station up and running for a cost of \$3,500.00.

She stated that Founders Square is another proposal they will be bringing at a later date as well.

The last proposal is to repair the dead grass in the parkway in front of the Police Station, which is due to the salt application during the winter, for a cost of \$1,963.55 to reseed the parkway.

Mayor Lynch stated that for the sake of the beautification of the City having someone maintain these would be very helpful.

Commissioner Lach asked why this is only one bid and not three as in the past? Ms. McDaniel stated that we did not request these, they were brought to us. Discussion was held. Attorney Whitten stated that this is well within reason to accept. Discussion held.

Commissioner Czilli moved to approve all three proposals from Lakeshore Landscaping for the Police Station and the Irrigation System. Commissioner Mundt seconded the motion.

5 yes 0 nays

Ms. McDaniel stated that our contractor RZ Sports turf installed sod and had coordinated with the City that that the sod would be watered by the Park Department on Tuesday, which did not happen, and while working found that the irrigation system was not 100%. To protect the investment of the RDC's money spent, Lakeshore Landscaping is currently doing an emergency repair of the irrigation system, so we can expect to see an invoice from them soon.

Art Contract

Mayor Lynch stated that she has been working with an Artist to display her work throughout the City. She is seeking the Commission to approve the two-year lease to commission the work. The art will be insured by our insurance company.

Commission Czilli moved to approve the two-year lease with Martha Cares. Commissioner Ekdahl seconded the motion.

5 yes 0 nays

With no further business to be come before the Commission, Commissioner Czilli moved to adjourn.

Commissioner Mundt seconded the motion.

5 yes 0 nays



Sue Lynch, Mayor



Sonya Lindgren, Recording Secretary