

## Roann Planning Grant Public Hearing

The Public Hearing was opened by Council President Steve Johnson at 7:00 P.M. Mr. Johnson turned the Public Hearing over to Robert Murphy, Consultant.

RPM: A couple of years ago I met with the Town to discuss several things: Streets, sidewalks, curbs, storm drainage, sanitary sewer plant, and water. At that time it was decided that the best way to proceed was to apply for a planning grant through the Indiana Department of Commerce.

We tried to identify the needs of the Town. Six - eight months ago we did receive a grant from the Department of Commerce to proceed with the plan. The Plan has been completed.

Tonight's meeting is the final public hearing concerning that plan. I delivered the Plan to Indianapolis on March 3 - which is six months to the day in which we plan to apply for a grant. The only thing that we do not have yet is tonight's minutes, sign-in sheet and public hearing notice (Publisher's Affidavit), which I have a copy. After the meeting we will transcribe the minutes and get them to Indianapolis. Then it will be up to Indianapolis to decide if it is a good working document for the Town.

RPM: The Plan is broken down into three parts. Sanitary Sewer needs, water utility needs, and storm drainage needs. From the Plan the Town will make their decision on what their priorities are and how to proceed in the future. Obviously we can only do one thing at a time. It would be too expensive if we were to tackle everything at once.

RPM: So the Town will have to make the decision if we apply for a grant - how much local money will be spent and therefore how much increase in the utility rate will be required to get it done. These are some of the factors the Town will have to consider when we try to solve the needs of the Town.

Are there any questions or comments?

Steve Johnson: Probably the first we will do is wastewater. Through the Plan we also found out how much infiltration we have. It has become real evident from the State report for the sewage plant. With the ground frozen the plant was only running at 29% capacity. Normally when the ground is not frozen our normal month is 50 - 55% capacity. We have 27% infiltration, so the plant is working a lot harder than what it needs to be.

Ed Fansler: My take on the problems - is that I don't have a take - It is up to you (The Town) to decide.

I will tell you a little about our program. Our program is called the Community Focus Fund. We grant about 12.5 million twice a year to communities such as Roann throughout the State. Our grants can amount up to \$500,000.00 and there is a minimum of 10% match that the local community has to put in. It can either be cash or debt. So if you don't have the cash on hand, you can borrow. But it goes back to the Town's decision whether you want the sewage to go first or the water. We can do them all but, not at once.

The infiltration that you are talking about from my experience - 15% infiltration is not uncommon. Even if you get all new lines you will still get some infiltration going into the sewer plant. That is just the way it is.

So, what do you want to do? Enlarge your sewer plant or renovate your plant?

If you want to do your water utilities - do you need to extend your water lines or new water lines? You probably have water lines that have been here for years and years.

We do all of those things through our program. We work with a lot of communities and I have done this for a long time. What you will need to do is figure your priorities then sit down with Bob and decide which one you want to do and I will come back and work with you.

We have two funding rounds each year and our next funding is in July. You will have to make up your mind way prior to that to start your Environmental Review. I don't want to get too technical. Some of the stuff will have to be done by the time the application is due in September.

So if you have all your ducks in a row and have your application in by September. It is a competitive process. We always have more communities that apply then we have money. With the best case scenario if you applied in September you would be awarded the grant in November. Then it takes about 6-8 weeks after to get all the paperwork signed.

With this scenario you would be ready for construction by next Spring.

Mr. Johnson: You say with this grant you go up to 90% grant -10% match.

Ed F. - Yes, we do but, the more match you have the more points you receive. Bob can explain that more later.

Council Member: Does the CFF Committee lean more toward some projects than others?

Ed: It really doesn't make a difference. 50% of our money usually goes to projects such as sewer, storm water so forth - We also fund libraries, fire trucks, fire stations, daycare centers, community centers, and senior centers. It is all thrown in the same pot but, actually 40-50% of our money goes into water/sewer utilities. This is mostly because most small towns can't afford to fix their infrastructure and can't address all the problems because of rate increases are a big issue with their citizens. The CFF money is to help keep the rate increase down. So the impact on the homeowners is not so much.

Council Member: Would this be considered a priority need - Let say we are similarly situated with another small community but they have worse problems then us?

Ed: Every project has a Project Need that we look at. But if Roann can show real need we would score them out. We look at project need and the financial impact it will have on the community. Even if another community in Wabash County wants to apply - each one will be scored on it's own merits.

Council Member: What sort of things help with the scoring process?

ED: The biggest thing is the Town has to show real need. What is wrong with your plant or what is wrong with your lines? Have you had a lot of problems with the old lines? And then show how much money you have spent in repairing those lines. Also the financial impact the repairs will have on the community. I don't know what your rates are now with Water and Sewage. But, I can tell you that the average rate for the State of Indiana is \$45.00/month.

So, if yours are above that they would be considered high. I have worked with some communities that they are \$60/\$70/\$80 a month. Where I live they are way below that. The reason they are lower is because if you live in a larger city they can spread the cost around with a lot more users. So here in Roann you may not have that many people to keep the cost down.

RPM: With another community they may have a \$26.00/month rate where you have a \$45.00/month rate. You would have priority because they can see you have been trying to solve your problem. The other community will have to bring their rates up to that \$45.00 before they will be able to get any help.

ED: I was in a community about a month ago and their rates were about \$31.00 and they were crying about high rates. I told them I feel for them but I don't - most of them probably have cable that they are paying over \$40/month - and they all anymore have cell phones and then they complain about \$30/month for water and sewage. I just don't go with that argument.

I am here to help you and will be back any time you need me. Basically now what you need to do is decide what you want to do with Bob here. My offices now are in Kokomo - I cover six counties. I live in Rochester so I'm close enough to come anytime.

Council Member: A question I have on the scoring process they use. It is important then that the rate structure that is set up by the community is to not have it either artificially high or artificially low, but rather show we are spending everything that we have to fix the problems?

Ed: Correct, and what Bob will do is gather information from the Clerk/Treasurer in what has been done in the past. Also the Board has been proactive in raising the rates in the past few years. Where some Town Boards will sit there and sit there never raising rates until they want to get reelected. You know when you raise rates a lot of people get concerned. This Town has met their needs and raised their rates up to stay afloat which you have to do. We expect each Town to help themselves before we step in and give them \$500,000.00.

RPM: Is there anything else we can do tonight? I will begin the process to get the proposal ready by July and application in Sept. By gathering information and letting you know what needs to be done. We will do the public hearings - The proposal will go in asking for \$500,000 with minimum match. Realizing that in September that we might be bringing the \$500,000 down and increasing the match to make it more competitive.

This round they had around 87 applications/proposals. They will fund about 30 projects.

With all the applications they are asking for \$37 million - there is only \$12.5 million to give out. We will have to make it as competitive as possible. And make sure the money fits what we need in order to get it done.

Council Member: The way that I read the Plan - Our 10% match does not have to come in actual cash?  
It can be recognized repairs that can be done?

RPM: We are going to have cash or borrowed money.

Ed: There can be \$25,000 of in-kind match which is 5% of the total project. That In-Kind gets kind of complicated. In Kind is discouraged on infrastructure. It can be done on a senior center but infrastructure is hard to do. Tonight I came to give you the basics - the Town will have to get with Bob to go into more detail to see which direction the Town wants to go.

RPM: If things go well we won't see Ed again until August. When DOC will do site visit to evaluate all the projects and give recommendations on the best way to get it funded.

The public hearing was ended by Council President Johnson at 7:40 P.M.

  
Janet Lyons, Clerk-Treasurer

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