



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

REDEVELOPMENT COMMISSION

August 16, 2016

Members Present:

Bob Heuchan	President
Richard Wertz	Vice President
BJ Deppe	Secretary
Paul Buening	Member
Keith Fox	Member
Danny Vaught	School Board Representative

Others Present:

Rhoni Oliver	Community Development Specialist
Julie Spate	Recording Secretary
Rob Schafstall	Legal Counsel

Call to Order:

Bob Heuchan called the meeting to order at 8:00 a.m.

A motion was made to approve the July 19th minutes by Richard Wertz and seconded by Keith Fox. Motion carried.

Old Business:

55 W. Madison Street Disposition

i. Appraisals: Don R. Scheidt Co., Inc. and Mitchell Appraisals, Inc.
Mr. Heuchan signed the engagement letters this morning to obtain the appraisals. After the appraisals are received, Mr. Heuchan explained that an RFP could be done, the property could be listed or a public sale could be held. Mr. Wertz asked if the appraisals could be e-mailed prior to the meeting. Mr. Heuchan agreed. Krista Linke is out of town for the death of her grandfather and Rhoni Oliver is acting in her stead.

New Business:

Shell Building Agreement with Runnebohm Construction

Rob Schafstall introduced Chris King with Runnebohm present. Mr. Schafstall reminded that Runnebohm is asking for a formal agreement to reimburse Runnebohm in the event they incur expenses going forward and the project is terminated. Chris King presented the key expenses including a topographic survey, a new boundary survey for the shell building parcel itself, a phase one is done, geotechnical investigation, have already started the civil and architectural design, so if the project is cancelled, these expenses to date would be reimbursed. BJ Deppe asked about the reference to the cancellation of the precast concrete. Mr. King explained it to be a fee charged if the production order

was cancelled. Mr. Wertz asked if this is separate from the agreement already agreed upon. Mr. Schafstall reviewed that \$100,000 has already been earmarked and this can come out of that. Mr. Wertz made a motion to authorize the RDC president to sign the document. Mr. Fox seconded. Mr. Fox additionally asked about the entrance location and property access along with regional drainage. Mr. King confirmed this to be a first priority in their study. Mr. Deppe asked if the survey is done by Runnebohm. Mr. King responded that they are subbed out but the costs are included in the \$35,000. Motion passed. Mr. Heuchan expressed to the Linvilles that the hope is another meeting would be able to be set up soon to keep this project moving along.

Resolution 2016-27B: King Street Reconstruction Change Order

City Engineer Travis Underhill presented regarding King and Paris construction currently underway. About \$40,000 of this change order was already presented a couple of weeks ago and signed by the Board of Works. Those costs were for illuminated signage at the signal and storm related construction items. This project went out to bid winter/early spring and design was still being finalized for Jefferson Street which just bid last month. A portion of the \$38,000 is for making consistent throughout the city back illuminated roadway signs. The storm related expenses are from unexpected existing underground conditions. It's advertised at \$100,000 due to unsuitable materials under the Paris roundabout so chemical subgrade treatment is required. Mr. Fox made a motion to read by title only, seconded by Mr. Deppe. Mr. Wertz highlighted that the remaining bond issue balance after the \$100,000 is paid out will be \$178,000. Mr. Heuchan reminded that we came in less on the King Street project, Mr. Underhill confirming \$1 million less than the engineer's estimate. Motion passed. A public hearing was held. A motion for approval of the resolution was made by Mr. Fox and seconded by Mr. Wertz. The motion passed.

Resolution 2016-28B: Amending Resolution 2016-21 to purchase property

Mr. Schafstall explained this is increasing the amount of the resolution to the correct amount for closing costs. Mr. Heuchan asked what the difference was and Mr. Schafstall couldn't remember. Mr. Deppe cited the original amount to have been \$253,000 and would be increasing to \$258,534. Mr. Fox made a motion to read by title only. Mr. Deppe seconded. Motion passed. A public hearing was held. Motion made by Mr. Fox and second by Paul Buening. The resolution was approved.

Resolution 2016-29: Internal Controls Training

Mr. Wertz reported that anyone who handles or approves money must go through this training. Mayor Joe McGuinness explained that the State Board of Accounts requires a training video to be watched by all touching money. The resolution states that RDC will watch the video. The video must be viewed by the end of the year. Mr. Deppe asked if the resolution had to be approved exactly in the form presented. He doesn't like the word "'all' good faith" because he doesn't know what it means. Mr. Deppe moved to approve the resolution amending to delete the word "all" and it was seconded by Mr. Fox. Motion passed.

Other Business

Rescind Resolution 2016-08B: Duplication of Resolution 2016-13B with the Franklin Development Corporation

Mr. Schafstall explained that 2016-08B was set up to deal directly with Hoosier Brewing and RDC chose to hand off to FDC, so 2016-13B was established, negating the need for 2016-08B. Motion made by Mr. Fox to rescind 2016-08B and second by Mr. Buening. Mr. Deppe pointed out that the resolution should read rescinding and not amending. Motion passed.

Rescind Resolution 2015-24B: Reserved for Downtown Redevelopment Projects – Replaced by Resolutions 2016-10B; Resolution 2016-12B; Resolution 2016-15B; and Resolution 2016-21B

This was tabled.

Rescind Resolution 2016-21B – Replaced by Resolution 2016-28B

Mr. Schafstall explained that having just approved 2016-28B to cover closing costs now requires the rescinding of 2016-21B. Motion made by Mr. Deppe and second by Mr. Fox. Motion passed.

July 2016 Financial Report:

Rhoni Oliver reported copies available and anyone with questions can contact Krista Linke.

TIF Bond Project List:

Mr. Heuchan cited copies available of this report as well and questions can be directed to Ms. Linke as well.

Cash Flow Analysis Worksheet #32:

Ms. Oliver highlighted the removal of the Wayne Street property purchase because it came out of the TIF Bond. The Jefferson and King Street reconstruction project was also removed as it was not needed and not approved. The reimbursement of 55 W. Madison Street purchase price was added to the approved projects. The additional construction inspection costs King Street was moved to approved projects under 2016-25. Estimated tax receipts were adjusted based on 2016 receipts and Peters Municipal Consultants estimates. Interest income of \$47,344 and INDOT reimbursement of \$157,986 were added to the second quarter.

Public Comment and Announcements

Mr. Heuchan reported that the information requested of Brian Nentrup was not provided, so it was not placed on the agenda for this meeting.

Rob Shilts of FHI reported that air handler was installed last Tuesday.

Janice Bullman from Franklin Chamber of Commerce reported hosting a public affairs event this Thursday at 10:00 am.

Tara Payne announced the Beer and Bluegrass Festival on August 27th.

There being no further business, the meeting was adjourned.

Respectfully submitted this 20th day of September, 2016.



Bob Heuchan, President



BJ Deppe, Secretary