

REGULAR MEETING – MARION COMMON COUNCIL – NOVEMBER 4, 2020 – 7:00 P.M., CITY HALL

The Common Council of the City of Marion, Indiana met in regular session on Wednesday, the 4th day of November, 2020 at the hour of 7:00 p.m. in the Council Chambers, City Hall.

On the call of the roll the following members were shown to be absent or present as follows:

Present: Luzadder, Cowgill, Fouce, Batchelor, Cain, Henderson, Fordyce, Brunner and Cline.

Absent: None.

The minutes of the previous regular meeting of October 20, 2020 were presented. On a motion by Councilman Brian Cowgill, 2nd by Councilman Jim Brunner, the minutes were approved as presented by a unanimous vote.

COMMITTEE REPORTS: Council President Deb Cain told the Council she had a card there. There were about four of them that went around to the neighborhoods on National Night Out and they received a card of thanks. It says, “On behalf of the City of Marion Neighborhood Association, I’d like to say thank you for visiting the 2020 National Night Out events. It is always beneficial for neighbors to create shared memories with local leaders. May we continue to work towards a unified vision for our community and find a common ground in that vision that moves us all forward. With gratitude, Kayla Johnson”.

UNFINISHED BUSINESS

GENERAL ORDINANCE NO. 13-2020 3RD READING – WAS TABLED ON 10/20/20

The City Clerk read General Ordinance No. 13-2020 by title only, an Ordinance establishing fund for Coronavirus relief reimbursement of COVID-19 expenses. Deb Cain, Council President, told the Council they have had discussion on this fund and the concern was that in multiple meetings that City Council members had with the Mayor, it was always their understanding we had \$909,950 for the CARES Act Fund and we were not informed until we submitted a resolution to pay the first responders. We were not notified until that time that there was already funds that have been spent. So, she’s had discussions with different Council members and just her own concern, she would like to submit an ordinance with amendments so she’s going to pass that around to them so they can have copies of that. She’s amending and adding into that as her motion “it is further ordained by the City of Marion that the Mayor is authorized to apply for Coronavirus Relief funds. It is further ordained by the City of Marion that the Mayor shall present to the Council a comprehensive plan for spending any funds received from the Coronavirus Relief Fund and it is further ordained by the City of Marion that the Mayor shall present to the Common Council all Coronavirus Relief Fund applications, forms, receipts, etc. seeking reimbursement prior to the submission of the state and federal governments.” That will give them the transparency of knowing what is being spent and then they are not surprised as they were to hear about some of the things that had already been spent and they were unaware. So that is her motion on the floor, to submit this but with an amendment. And she’ll take discussion or a second. Motion was seconded by Councilman Brian Cowgill. They have a second, roll call please, Cain said. Councilman Mike Cline asked, no discussion? You’ve got to have the motion seconded before you can have discussion. Cain told Cline she said she said she will take a discussion and then a second. Go ahead, she told Cline. Cline said, okay, well thank you. First of all, thank you. First of all, the Mayor doesn’t need their approval to apply. He’s authorized by law to do this. He doesn’t need their approval. And second, there’s no transparency to his mind involved in them getting involved in this. There’s a mechanism for how these things get paid. They don’t need to taper with it. He thinks it’s silly, Cline said. Councilman Jim Brunner asked, is Tom Hunt in the audience? Cain said, this is not.... Brunner asked, he can’t ask questions? He would like to ask a question of their City Attorney. Cain said, well, let her preface that with that they have right here, this is information that they have from, that she received from the State of Indiana in regards to the CARES Act Fund and she also has from on October 20th the Coronavirus Relief Fund guidance and it indicates what it can be spent on and how it can be done. Her concern on this is that there’s been money spent on this CARES Act that they were not informed of and then Mr. Cowgill and Ms. Fouce have been in multiple meetings with the Mayor before they were even informed. They were meeting with him weekly, sometimes more than once a week, and it was months before they were even informed that there was any kind of funds spent. She means, the motion is on the floor to amend this ordinance and if that passes, it passes. If it fails then they go back to the ordinance as it was submitted. Brunner said, so he cannot ask a

2

GENERAL ORDINANCE NO. 13-2020 Continued

question for the City Attorney to answer? Is that what she is telling him? Cain said, well this is not, she means, she had, when it was put back on the agenda, Mrs. Kiley had asked who wanted to present that and no one from the Administration offered to present that. This is not a public hearing. He is not involved in this ordinance at all. This was brought to them by the Controller. Brunner said, okay. Councilman Don Batchelor said, Madam President, this amendment to the existing ordinance, isn't there procedures and protocols built into the ordinance when they, when the City Administration applies for reimbursement? Doesn't it have to stipulate what those funds would be used for or what have you? Mrs. Cain told Batchelor, yes. Batchelor said, okay, so this amendment, so as long as they satisfy the State of Indiana or whomever, as long as they satisfy them for the requisition then it's already on record what she's asking that they submit to them what they are suggesting putting in a request for. He guessed that's what he wants to have clarity on, Batchelor said. Cain said, well, okay, they've submitted and spent funds out of this CARES Act that they were not aware of and those were done ahead of time. Those were done before they were made aware of them and her concern has been that in multiple meetings with the Mayor that he never corrected Mr. Cowgill and Ms. Fouce on the statements that we have over \$900,000 to spend. Not once did he say "but we've already spent these funds". And so when they submitted the request to pay the first responders, the fire and the police and the maintenance, and they had at that time also requested for the Transportation, their understanding at that time was there was \$900,000+ in that CARES Act when there had already been funds spent out and the funds that were spent out were for a vehicle to the Fire Department, for picnic tables, for a fogger and for the ATV to pull the fogger. And so, her concern, as a Council member, her concern is that they have not been given information. There was not a time where the Mayor said "well I've already spent these funds". So they have to go back to the drawing board on this. "I need you to understand how much has been spent and then this is how much we are also going to look at spending for PPE equipment" and none of that was stated. There's not a specific plan in place. The only comments that they've received is that he wants to make sure that there's funds left to pay for PPE equipment but there's not a specific plan in place. And without that then her concern is that the remaining \$600,000+, where is that going to go? Is it going to be spent before they even know and what is it going to be spent on? Is it going to be spent on things that are really important? You know, picnic tables at the park versus PPE equipment and telling the firemen to reuse their masks. That's where she's coming from as a Council member, Cain said. Councilwoman Robin Fouce said, Madam President, she feels it's unfortunate that this perhaps is necessary. She's worked just as recent as Monday morning, trying to improve their communication with the Administration and garner some link of trust and communication and today she sits here and she's sad to say she just doesn't have it. And so, she finds it fascinating that they will miss the air at a park that no one is rarely at and we don't miss this Council Chamber where we conduct the business of the city. And hey, if we missed it, that's great, she's not aware of it. But, so, unfortunately, she would like to be able to talk to the Administration, talk to the Mayor and work it out. She doesn't have that evidence or an inkling that that's possible. She sits here today with the same feeling that she had a couple meetings ago when she expressed her disappointment and concern and there's always an opportunity to reconcile your differences and she certainly still welcomes that. But today, she doesn't have evidence of it so she's almost, if she wants this information, she feels that she needs to vote for this ordinance, to support garnering that information. You know, her question that she would pose for thought is how do we get the information that we need? How do we get communication ongoing between the entities of this city, Fouce asked. Councilman Brunner said he would like to read from the Mayor's statement at the press conference he held when he vetoed the information that was sent to him by this Council and that is that the CARES Act and the guidance from the United States Treasury Department and the Indiana Finance Authority (IFA) specifically declare that the Mayor of a municipality as the authorized representative to distribute the CARES Act funds. The City Council's attempt to take over distribution of these funds violates the CARES Act guidance and is yet another attempt by the Marion City Council to violate the separation of powers doctrine set forth in the Indiana Code. So he would imagine we're just going to go back and start that whole war over again so he just wanted to be sure that, she (Cain) wasn't here at the press conference and heard what the Mayor said. He agrees with him 100% on what he said at that meeting, Brunner said. Council President Deb Cain told Brunner, okay and there was not an Indiana Code stated or given, it just said Indiana Code. And after that press conference, she's had communication and emails and web conference meetings with State Board of Accounts, the Indiana Department of Finance and with the IFA, which are all three entities that are involved with the CARES Act funds and her questions to them, is there anything that says that he is the only one that can ask for funds? She means,

GENERAL ORDINANCE NO. 13-2020 Continued

he signs the bottom dollar. He signs the bottom line to submit the authorization but it does not stipulate, and each time that she asked a specific question, that entity would say "well you need to refer to the State Board of Accounts" or the DLGF would say "you need to refer to IFA". IFA would say "you need to refer to State Board of Accounts". So everyone refers to the other entity and we do not get the answer that he is the only one. Yeah, he signs the bottom dollar. So does the Controller signs the checks. But that doesn't mean that she is the only one that can spend the money. She is the one that signs the checks. So, there's a difference there and we are the fiduciary body of the city and she also knows that he stated in that press conference that we're not staying in our lane. Well, if we're the fiduciary body of the city, what lane do we stay in if we don't have oversight of the finances? What other lane can we drive in? There's no other lane to drive in and that's what this is part of. Councilman Brunner told Cain, it seems to him, Madam Chairman, she wants to get to a courtroom with the Mayor and have this out so they'll just go ahead and let her do her thing. Cain replied, she doesn't want to get to a courtroom, Mr. Brunner. Brunner said, we'll she's going to get in one. Cain said she wants to be able to encourage the Mayor and the Administration to do the right thing. Councilman Mike Cline said, this is the Coronavirus Relief Fund Acceptance Certification. It's signed on, where is it, May 18th of this year and this is the certification from the Indiana Finance Authority that authorizes the Mayor as the Chief Executive Officer, giving him the authority to bind the participant by this certification and make each related request, etc., etc., etc. So yeah, there's documentation, Cline said. Mrs. Cain stated, okay and she's asked the Mayor for that documentation and again we have never received anything. Again, when you ask for things and you don't get it, how do you feel that you can communicate and make the right decisions? Councilman Don Batchelor said, Madam President, a couple things he feels that he needs to say. As he looks around this horseshoe tonight, he's the longest serving member on this Council and the last thing that we would want to do is end up in court. That's just not the right thing to do. All of us are adults and we want to work with the Administration wholeheartedly but he feels that our front line workers need to be compensated. He doesn't have a figure in mind at all but he just feels that we owe them something to show that we appreciate their dedication and putting their lives and families lives on the line. And if the Mayor or whomever, if the Mayor has control over the funds, he can spend them as he chooses or sees fit then (inaudible) our front line workers should be compensated or showed the appreciation or whatever the case may be. So, is there any way we can avoid going to court or what have you? We need to do so. The communication standpoint now, it's not real good, he'll grant you. He'd like for it to be better, sure. Absolutely. And communication goes both ways and with the ill feelings, that's what he wants to get to, the ill feelings that we feel, one versus the other one, whatever the case may be. All of us have our opinions but the ill feelings as elected officials, we need to figure out some way we can bridge the gap. You know, sometimes you have to back away from a situation if you feel that it's going to be confrontational and do it another day and if our Administration, the Mayor and his team or whatever the case may be, he really believes that if he has control over these funds, share them with the front line workers. He's appealing to the Mayor and his team, let's do it. Like he said, he doesn't have a figure in mind and he leaves that up to the financial experts but he feels that we need to do something rather than, sure we'd have the six votes to override the veto but he doesn't want to get to that point. There should be enough adults in here to where we don't have to get to that point. Let's agree that we need this done and we're appealing to the Mayor that, Mayor, he thought he was in here but anyway he thinks we need to do it and whatever you need to do, let's just do it so we can move forward. We have some other issues that are coming up that's probably going to take us through next month that we really wanted to get into this fall but we're at a standstill, as far as he's concerned, of what needs to happen. So, Mayor, so we're appealing to you, do what he feels that is necessary and he still thinks it's the right thing to do. Let's do it for our employees and since he has discretionary how this money is spent or whatever the case may be. Sure we have other things that we would like to get out of the money but he thinks first thing is let's take care of the frontline workers, and Madam President, he appreciates this time and thank you, Batchelor said. Council President Deb Cain said, in the last meeting that she sat in with Mr. Cowgill and Ms. Fouce, there was this discussion that the funds were not, they wanted to include the Utility Department then you want to spend the money on the first responders, all of it, so then we walked away from that meeting with the understanding that, with the discouragement that we were not going to get any funds for the first responders at all. So then if you remember, we put a resolution in place. The Mayor had time to sign it, he did not sign it. So then we did the ordinance to try and encourage him, please do this, sign this, and he did not sign it. Because he has not signed it, we are under a timeline that we have to override it tonight. We have to override it at the

GENERAL ORDINANCE NO. 13-2020 Continued

very next meeting, Council meeting, or you start from square one. She'll just take this opportunity too to pass this information around because we received preapproval for the CARES Act spending for the first responders. So we got that and she has copies of that letter and the email, verifying the approval of the funds. As they can see, it's from IFA and it said (inaudible) based on the description provided in the attachment, this would be eligible for reimbursement. So we have received that because we sent a request to them. She also has attached a memorandum from the State of Indiana State Examiner. It's titled "Questions regarding CARES Act money administered by the IFA". You know, she thinks it states a lot of things that she has found when she's been dealing with the State Board of Accounts, DLGF, and IFA, that there are many different perspectives of the approvals and who actually has the final and full authority. She knows the Mayor signs on the bottom line once it's sent in but her question (inaudible) can the City Council at any time request funds and then once it's approved then he will sign it. She's not received no, you do not. She's not received that answer, Cain said. Councilman Cline said, a real quick question. Take it back one step. Explain to him how a county employee has jurisdiction to make a commitment or a request for city money? He means because our first responders are not under the (inaudible) of the Grant County EMA. They are city people. She's a county person. Does this mean we can apply for county money if the county can horse around with city....? He means, how does she get jurisdiction to do that? Cain said she'll let Mr. Cowgill answer that. Councilman Brian Cowgill said, when this first came out and he was notified of the CARES Act money and everything, she had already written preapprovals. She, he knows her and she had written preapprovals for this already so he asked her, is there, he means how would that work? Do we just do a letter, can she do a letter and find out and she said yeah, she doesn't mind doing it for them. That's how she came about. Councilwoman Fouce said, if they'll note on that letter dated August 11, 2020, the first sentence says this is for the City of Marion CARES Act Fund. It certainly would apply to the City of Marion and authorize the City of Marion to expend those funds toward hazard pay. Councilman Cline then said he'll call the question. They have a motion and a second, he'll call the question. That's an appropriate thing to do. Mrs. Cain said, okay Mrs. Kiley, roll call. Vote was then as follows: Aye: Luzadder, Cowgill, Fouce, Cain and Henderson. Nay: Batchelor, Fordyce, Brunner and Cline. City Clerk Kathleen Kiley said the vote was 5-4, motion carries. Well, that was just the vote to amend it, Kiley said. Now they have to take a vote to pass the amended one. So she'll need another motion and a second. Motion was made by Cain, 2nd by Cowgill to pass General Ordinance No. 13-2020 as amended and carried by the following vote. Aye: Luzadder, Cowgill, Fouce, Cain and Henderson. Nay: Batchelor, Fordyce, Brunner and Cline.

GENERAL ORDINANCE NO. 14-2020 VOTE TO OVERRIDE MAYOR'S VETO

The City Clerk read General Ordinance No. 14-2020 by title only, an Ordinance of the Common Council of the City of Marion amending 2020 Salary Ordinance for firefighters. Deb Cain, Council President, told the Council these were the ordinances they had submitted after the resolution was not signed. The ordinance has not been signed. That means that it's been vetoed by the Mayor and so they are looking to override the veto tonight or to make the vote on overriding the veto. This does not take all of the funds in the CARES Act money that's left over, unless there's already been additional funds since the last meeting that they met and the last dollars that they received from Mrs. Flores. And so it's not taking all the money out of there but it is helping to pay the firefighters and the policemen some hazard pay, along with the two maintenance that had to come into the building every single day and clean it. She means, he's not even paying for his own city workers, his own staff, who had to come in and was susceptible to the virus as they cleaned the facilities when the policemen came in off of their shifts from being, you know, involved in emergencies, being with the public, and they were at high risk, so were the maintenance. So this first one is for the firefighters, to override the veto and her hope is that the Mayor will then pay this. So, she'll take comments, Cain said. Councilman Mike Cline said, so in this ordinance, the majority still seem willing to overlook conflict of interest issues and it seems the majority may still be unconcerned that the Mayor, not the City Council, has control of CARES Act money. You know, they're ignoring guidance and he knows what's been said. He's going to stand by what he has read and what he believes. Beyond that, if people have paid attention to some local news, local COVID-related news lately, they will have or should have noticed an excellent example of why they ought to be intelligent with CARES Act money, in addition to the basic idea of following the law. Half of the Central Dispatch staff is out either with COVID or COVID-related quarantine or whatever and that means paying overtime. And depending on how the budget is set up, that can

GENERAL ORDINANCE NO. 14-2020 Continued

be a problem. He means, that's another reason, to him, for not improperly spending this money. And he thinks any or all of those warrant a vote to sustain the veto, Cline said. Councilwoman Robin Fouce asked, is Central Dispatch city or county? Mrs. Cain told Fouce they're county. Cline said, it's county but the problem still is there. It could happen to any department here. The virus doesn't care. Fouce said, also, the second part of her question is, Councilman Cline, he referenced conflict of interest. She'd be interested to hear the details what he's perceiving is their conflict of interest. Cline told Fouce, well there are folks, this involves the Fire Department and there are folks with very good, he means, people here should not be voting on raises for the Fire Department if they have connections to the Fire Department. To him, that's a conflict of interest. It has nothing to do with... He just thinks, if you've got a conflict of interest, you're not involved with it. Fouce told Cline, thank you for that. If she could respond. They all have a conflict of interest if that's the case. Marion is so close-nitced and they, as elected officials, have a responsibility. So she can understand his opinion, that's his opinion. She can respect that but she disagrees with that. But thank you for being willing to explain that to her. She was looking for a legal base for conflict of interest which generally supports or sustains conflict of interest but she respects what he said, thank you. Cline said, yeah, if there is one, he doesn't know it. He was thinking morally. Councilman Jim Brunner said, Madam President, point of order. This has to have a 6-3 margin to pass, is that correct? Mrs. Cain told Brunner, yes. Brunner said, okay, just wondered, thank you. Councilman Don Batchelor said, Madam President, is it possible to have the Mayor come up so he can ask him a couple of questions? Is that possible? Cain told Batchelor, yes, because he is the Mayor, yes they can ask him to come up. Batchelor said, Mr. Mayor, could he come to the podium please? Thank you, Mr. Mayor. The question he has, he heard the dialogue that has taken place this evening and prior dialogue that they had and what he (Batchelor) said a few minutes ago, before they proceed to override the veto, is it possible, something that he could do for the first responders? Is that possible? Mayor of Marion Jess Alumbaugh asked Batchelor, is what possible? Batchelor said, to compensate them in some tangible way. Like he said, he doesn't have a price tag on it but at least, if these funds are expendable, he's not saying spend all the money, no, no, no, by no means, but if it's possible, that he (Mayor) could come up with some type of tangible figure or whatever the case may be and give it to them. He thinks that way they can move forward. They're tired of bickering back and forth or whatever the case may be. If it's possible to do so, he would ask that he would do so so they can move forward. That would be his plea and his request to him, if that's possible, Batchelor said. Alumbaugh told Batchelor, and if he thought it were possible, that's exactly what he would like to do as well is to get them paid like that. What they have is two entities that, the IFA, which is (inaudible) the State of Indiana but the funds are from the federal government and legal is concerned and they brought that to his attention as they delved into this deeper and deeper as time has gone by, that the feds could very well and likely would audit us and these people that are giving out hazard pay to public safety could very likely be told by the feds they owe that money back. He doesn't care what the State of Indiana said, those are federal dollars and if he signs his name to it then he's saying it's okay and that's their concern. So, flip side of that is hazard pay, right now, legal's convinced a lot of communities could be paying that back, on their interpretation of the language from the federal government. He would be unwise not to follow that lead because, very early on, Mike Flynn was concerned about that as his background as an administrator for the State Police, he was reading the language from the federal government. So some of those entities have already paid that out, many have not paid out any hazard pay, but, to do so, he could very well cost us money, that money we gave out for hazard pay could very well come back when they audit us and the federal government say "I don't care what IFA said. Those were our dollars, not the state's. You owe that back." And he doesn't want to do that to the taxpayers. The good news he can bring to them, and he shared this with Councilwoman Fouce and Councilman Cowgill Monday morning, is they are working very hard on trying to get real funds into their public safety people's pockets. They're working hard on trying to get some pay raises put in place, very quickly they hope, because they know this has been a tough time and they know they'd like to get them up higher on the scale. They kind of have an idea in talking to police and fire how much of a pay raise they really would need to be, so we're competitive, not just training public safety but we're now going to become more competitive in retaining them and not losing them to other communities. So that's what they're working on. That won't be a one-time paycheck. That'll be something that goes on in perpetuity and not only that, it will impact (inaudible). That's real money in their pocket. They'll need their (Council) approval for that but he can't imagine they wouldn't want to do that. So yeah, hazard pay, their legal team says wow, be very careful with that because they think the feds could audit them and tell them they owe that money

6

GENERAL ORDINANCE NO. 14-2020 Continued

back, that's not what it was intended for. Not for coming in and doing their daily job. Council President Cain asked Alumbaugh, so how do you combat the statements that this is for entirely to the COVID-19 public health emergency? And in here it says that in the cases of first responders and critical care workers, that they're eligible for workmen's compensation? Alumbaugh told Cain if they are mitigating the COVID, which means they're going above and beyond is the legal's interpretation of it. Not coming in and doing their daily job. Grocery store workers could say the same. He's just, they could argue this forever. He's telling them, if he puts his name on that, and he shared this with both Council people, that's his name on there and whether they want to say it or not, he's responsible for how the CARES Act money gets spent and if they told him that this is how they want him to do it but he has to sign it, that makes no sense. He's putting his good name on the line? He doesn't want to do that to his taxpayers. He doesn't want to say oops, we were wrong, we thought we could do this, the feds tell us we owe that money back. That's not his money he's playing with. This is city, taxpayers' money and he wants to get this right and when the legal people that they've had, Karen has been a municipal attorney for 30 years. They give him that advice, he needs to pay attention. It's not that he doesn't want to help police and fire but his obligation is to get it right for the taxpayers and to get it right, he cannot do hazard pay. And we're not the only ones not doing it. Many communities are not doing that because these same concerns. Mrs. Cain said she didn't print it out because it was multiple, multiple pages but she has read of counties and cities and states that have been giving hazard pay out of their CARES Act money and so she wouldn't think that all of those, there are hundreds of them, hundreds of them. She can't imagine that not one of them but all of hundreds of them would have looked into the same thing we have looked in, that we have talked to the individuals, and then affirmed that this money was good so that's why they gave it. Gas City gave it. Alumbaugh said, right, and again, they could be saying they don't think they're going to be audited. What he would say to them is this and this is a touchy area. The IFA doesn't want any money going back to the feds. That'd be his take on it. He knows that from the Bose McKinney attorneys that Chuck Binkerd from the Utilities talked to. We don't want that money going back to the feds. Well guess what? If the feds audit him, it's their (feds) money and the state isn't going to have final say on that and we already have issues from our past with federal money. They've been told, Lynda Faw can verify this, "you keep messing with our federal dollars and not using them the way you told us you were going to use them, you'll never see any money again". This is from our past. They had that same issue with OKRA. He doesn't want to jeopardize it again. This is the real deal. He does not dislike police and fire. He would love to give them hazard pay but not if it's going to come back and bite us and that's very likely what this could do. She said hundreds and hundreds. There's also hundreds and thousands of communities that aren't doing this because they have these same concerns. So, does he take a chance? We don't have that kind of luxury with an abundance of extra money. If that comes back to bite us at the end of next year and they say "sorry City of Marion, you owe this back", we just owe it back because the feds are going to demand it. If he could do it and know that that wasn't going to happen, sure, but there's no guarantee and we can't take that risk. We've come too far to back up again. Cain asked the Mayor, so is he aware of anyone that was asked to repay? Alumbaugh said the audits won't probably come until sometime next year, late next year. Cain asked, okay, so what other cities has he talked to and spoken to that they are not going to do hazard pay? The Mayor replied, well just nearby, Huntington's not. Cain asked, and he spoke to them? Alumbaugh said he had somebody talk to them and they said they're not doing it. Has the county done hazard pay yet? Their person sent in for us to get reimbursed, has the county done it? Mrs. Cain said she didn't know. Alumbaugh stated, he's just saying, there's a lot of communities that haven't, some that have and if he could do it and know we weren't going to get repercussions and owe it back, he would be glad to do that but he doesn't think that's, based on what he's been told by legal, if they audit us, they're probably going to, based on the language of how public safety gets paid, the way it was interpreted by Karen was they don't get paid just for coming in and showing up and doing their job because the pandemic's out there. What are they doing above and beyond for triage and mitigating the COVID? This isn't fun for him. He doesn't like saying he can't do this. He respects them. He had a chance to do both jobs back when he was in his 20's and into his early 30's. He was being pursued at that time. He didn't want to do it. Cain asked, so what are his plans for the rest of the money? Does he have a plan in place? Mayor Alumbaugh said, right now, yes, they're buying equipment. They're going to need bunches of these (masks) because these aren't going away any time soon. They're looking into next year, a full year of this, probably. Cain asked, so there's nothing for compensation to the first responders? He said, hazard pay, hazard pay, he doesn't know how he can be more clear, he told Brian and Robin this, hazard pay is no

GENERAL ORDINANCE NO. 14-2020 Continued

longer on the table, based on the advice from legal that we very likely, if we get audited, will owe that money back because that's how they interpreted the language. Council President Cain said, and in the emails that she has sent to IFA, State Board of Accounts, and DLGF, it is eligible. There's not one of them that said it was not. Alumbaugh asked, then why aren't all communities doing it? Cain replied, no, she's just saying, so where....? Alumbaugh said the conflict is the IFA and the federal government. The Indiana Finance Authority, according to Chuck Binkerd at the Utilities, his Bose McKinney attorney was talking to the IFA and actually knew the guy personally and he said the guy basically said "look, we don't want that money going back to the feds. We're going to get really lenient." That doesn't mean the feds are going to be lenient, that's their money. Cain stated, but all three of those entities, they told her the hazard, they told her the CARES Act is for hazard pay. Alumbaugh asked, what's hazard pay? Showing up and doing your job? Cain replied, it's for the first responders because they're out, taking care, they're out taking care of the public. They go on emergencies and they have people throwing up on them. They have to take care of a person that's bleeding. They have to give resuscitation to somebody. Their putting their life at risk 100% every time they go out in their vehicle. Alumbaugh said they do that every day on their job. Cain said, but not during a pandemic, that's different. We're in a pandemic. The Mayor told Cain, she's asked him to explain to her, he's explaining to her what legal has advised him. Again, Karen is a 30 year municipal attorney, just retired from Ice Miller. They're still using her and she said the way she interprets this language, it's very risky to go ahead and pay hazard pay, unless they've asked them to go way above and beyond their regular duties. Now if they're just doing their regular job, that's her concern and he doesn't know how he can make it more clear because at first, he was excited. He thought, yeah, if we can get hazard pay, but then as they started to dig deeper and this took time, that's when the yellow caution flag saying and then it was kind of like a red flag saying "you'd better be careful paying out hazard pay because this could come back to bite you a year from now when you get audited". Cain told the Mayor, and then he had them come in to a meeting with the Utilities and he said if they will include the utilities, if she's not wrong, if they'll include the utilities, we need to move forward with this. Alumbaugh replied, and at that time, he still thought they could do hazard pay, as they were doing their due diligence, his legal advisors. At that time, he thought they could and, upon further review as they dug deeper and time's passed, that's why he was trying to slow everybody down. He doesn't want to get out and get this paid early and everybody thinks oh great, that was a great thing for the Marion Fire and Police and then they get audited by the feds next year, probably towards the end of the year, and they come in and say "what is this? Why did you pay your police and fire hazard pay? Were they doing anything above and beyond their regular duties?" He can't keep saying this over and over. That's why hazard pay is no longer on the table because it comes at great risk. There are some communities that did it, they're willing to take the risk. He'd rather give them a pay raise and then in another year or two as they continue to hopefully get healthier financially, they give them another pay raise to where they're not leaving to go get other jobs because we're giving them a competitive wage here. Our benefits are very good for public safety. Our wages need to get higher. Mrs. Cain said, okay and in that meeting, when it was discussed with the Utility Board, we said okay, let's see how many you're speaking of with the utilities and he was ready to move forward that week. And now he's telling them that he was hesitant but she did not see that in that meeting. Alumbaugh replied, no, he really, he was just thinking hazard pay was something they could do because others were starting to do it but when his legal advisors, from Karen.... Tom was hesitant about it, our City Attorney, and then Karen agreed with him and said even more emphatically she thinks this is not what the federal government intends for that money to be used for. She thinks they'd likely owe it back. They're running a great risk. Cain said, okay, Mr. Cowgill had a question. Councilman Brian Cowgill said, just a couple of things. Mayor, what's his timeline on raises, if they can do that? Mayor Alumbaugh told Cowgill hopefully very soon. Julie's been crunching numbers, Julie Flores the Controller, and very soon, he shared a little bit with you guys on Monday about that. Hopefully they can do that fairly soon and get the approval. Cowgill asked, but does he think it would be before the first of the year or no? Alumbaugh replied, he doesn't know, that's not far off but soon. But they need their approval. Cowgill said, and the other thing is that, you know, he just, the question of above and beyond. Anybody that, their job is to protect the public, which he (Mayor) is exactly right, but this is something way beyond. This is a deadly virus pandemic and when you go in, knowing that you may catch it and you could die from it, he doesn't know how much more clear above and beyond the call of duty can be. They had six positive firefighters, 14 in quarantine, that was 1/3 of their workforce, and two of their wives that contacted it from them. The one wife, as they know, she was in the hospital and not doing well. Thank

GENERAL ORDINANCE NO. 14-2020 Continued

goodness she got better and everything. So, he just, man, when people say they're just doing their regular job and not going above and beyond, he doesn't get that. Mayor Alumbaugh told Cowgill what he's not hearing is the grocery store workers that are coming down with this because they're contacting the public on a daily basis too and they're getting it and not every grocery chain is throwing hazard pay (inaudible). Cowgill said, the difference is though, Mayor, is that, and he hates anybody that's got it, he wished this stupid thing would go away too but they may be getting it, not knowing about it. Our guys know that this person is positive and we're going to go in and treat them anyway. When you know you're going in, that's just like our military, when they know they're going to war and they know that they're running in that they may end up dying, that's above and beyond the call of duty, sir. Alumbaugh said, we could argue this forever. Cowgill replied, well, he's not arguing. The Mayor stated, again, it comes down to what did the federal government mean with hazard pay and, Mr. Batchelor, he wished he could feel good about just signing his name to it and say let's do it anyway but he's very worried that, if they audit us, they're going to ask for that money back because they're going to expect it to be, they're going to say the language did not say pay across the board to your public safety because there was a pandemic. Councilwoman Robin Fouce said, hi Mayor. If she may ask him, does he recall getting President Cain's request or either Marty's request for his information that he's contending in writing? Does he recall getting that? Alumbaugh told Fouce he doesn't recall getting that. Was it an email? Mrs. Cain said she asked for it during a City Council meeting when he was here, that he would give them that, when he was at the podium and he was saying that he had information that he was the only, that he was the one that was responsible for the funds and she said can he get that to them in writing so they could read that. The Mayor replied, let him go back to this. He has to sign it. If he's signing what they approved and he didn't agree with it, he wouldn't sign it. He means, that's what they're saying to do today. He can't sign those things so he's telling them, based on the fact that he signs that, that's their mandate, that he's the one in charge of spending the CARES Act money. And again, he wished he could feel good about just giving it out to public safety for what they've done. They've got tough jobs before the pandemic. They do things none of us want to do. But he has to make sure he's doing it right by the taxpayers and not costing us something on the (inaudible). A year or two years from now when we get audited, are they going to catch that and say wow, what did you guys do? There could be many communities that owe that back, they don't know. But he can tell them this. The overtime is starting to add up. The CARES Act money helps pay for the overtime so it's not depleting their budget and if they went and paid this out, they wouldn't have that backup. Does that answer his question, Mr. Batchelor? Councilman Batchelor said, one follow up question, Mayor. These possible raises that he is referring to, those funds are coming out of the General Fund? Alumbaugh said, right, they'll come out of their budget. This isn't a bonus, it's just a pay raise. We know where we think they feel like they need to be. This will get them part of the way there, not all the way there but it would start to close that gap with other communities. And they just need to know they can sustain it because that's the biggest concern. You can do it but can you sustain it for the next year and that's what they're crunching the numbers and they'll figure it out and if they get to that point they feel good about it, they'll come to them fairly soon and say here, we feel good about this, we can sustain this. And it's real, it's not going away. It's not going to be just a one-time pay and it's going to impact their retirement as well so that's good news for them if we can get this done. Councilwoman Fouce said, one last thing Mayor. They've had several conversations and she always appreciates them, agree or disagree. They have to keep the lines of communication open. They're not representing themselves, they're representing constituents. And so, for her, that's what solely comes into play here. She's super conflicted as she sits here today with the business before them to possibly veto his veto. Believe it or not, she's up for a good argument. Typically, she doesn't like in-fighting. She believes they have been in-fighting and so someone has to give. She concurs with Councilman Batchelor when he says there's bigger fish to fry down the road. Having said that, she's an author of this purported hazard pay and they came to him in just all sincerity with good intentions. She's sorry that they find themselves here and she's just super conflicted. They've got to stop this. They have work to do. They have a city to run and how do they move forward? That's what she'll say to him. Councilman Brad Luzadder asked the Mayor how much money is left out of the CARES Act funds? Mayor Alumbaugh told Luzadder, approximately \$600,000. Luzadder asked, and when do those funds have to be used by? Alumbaugh answered, they're shooting for really early December to have all of their final requests in. That way they're not running up to the very end of December with the holidays jumping up on us with Thanksgiving and Christmas because things get condensed then so they are hoping to have everything done that first week of December, all requests in.

9

GENERAL ORDINANCE NO. 14-2020 Continued

Luzadder asked, can he help him understand what is still going to be, what he's going to spend that money on? Alumbaugh replied, once they get all the PPE equipment requests in from the department heads, what they consider the greatest needs, they'll have a better answer for that, which should be within a few weeks. Luzadder asked Alumbaugh, is he prepared to spend the entire amount? The Mayor said, depends on what the needs are. He's not saying he will spend it all. Again, it's federal dollars so it's not, it's our money, it's our tax money being used and so for the things we need, which he will share with them now, they'll be getting rid of these chairs because that material is not suitable for a pandemic, and they will be ordering chairs from a local company here, that will be much easier to sanitize because this, what they're sitting on is unacceptable. That's too hard to sanitize when you have this kind of a pandemic going on. So that's one of the things they're going to be addressing. You have the same issue with your chairs, not all of them but you have the same material. It's not something that can be easily sanitized so they're looking to change out their chairs because they need something they can spray and sanitize, wipe down easily and feel like they're at least keeping people as safe as possible. Luzadder asked, what extent of PPE is he looking into? Alumbaugh said, they're going to need a lot of masks, they know that, moving forward. He's guessing that very soon they're going to be hearing that people need to be wearing their masks again. They'll see where it goes but they'll give them those figures once he gets everything from the department heads in and Mike (Flynn) and he sit down with Julie and they analyze it. Luzadder asked, have we looked at any monies out of the budget that would take care of the PPE equipment? Alumbaugh said he would rather not use the budget money right now when we have other needs we can use for the budget, when we do have CARES Act money there, because again, from his chair now, based on what they know now, weeks, weeks later from when they first started this because Karen looked into it, he doesn't believe hazard pay is ever going to be on the table again unless something changes and if that changes then yes. If they know definitely they are eligible and they're not going to get hit on the other end of it a year from now or two years from now then fine. If they get a second phase and they know, they'll also pursue that for public safety. But until then, he's not willing to take the risk of the taxpayers' dollars. Luzadder asked, do we know that the federal government will take the money back? Alumbaugh told Luzadder, if they audit us, they well may take it. He's listening to the interpretation of our legal advisors and that's their biggest concern, that if they audit us, they could very well ask for that money back, based on how they interpret the language of the CARES Act and how it was intended to be used. Luzadder asked, has anyone talked with the federal government about the language that is in the CARES Act? The Mayor said he doesn't know if they have or not. Councilman Luzadder asked, have we made connection? Alumbaugh replied, he can try to make connections. Luzadder said he guessed he's looking at being responsible in spending money and he wants to make sure that the public is taken care of and he has no problem with him (Mayor) being in charge of doing that but it would be nice to be able to have some kind of understanding of the stuff that would be spent and things that have already been spent and open communication over finances that would come through the city. He guessed he's just looking for a way in which that we can work together. Mayor Alumbaugh told Luzadder, well, again, the CARES Act money is federal dollars, not city money so it's going to be sent directly back from the feds to us, to our budget, after we get reimbursed. The state is telling us some things that maybe the feds won't agree to because they want to have those dollars kept right here in Indiana. So that's where this conflict happens. Is he asking him to report to him whatever he spends for the CARES Act? Luzadder said he would just would have liked to have had some type of communication of monies that were spent or at least some understanding of what that \$909,000 that was coming to the city would be used for. He would just think that that would be common courtesy, so that there's an understanding. He means he guesses he's looking at it as sort of being frustrated that, have no idea and he (Alumbaugh) as well as they, as he (Alumbaugh) says he goes to the grocery store and he gets stopped and they get stopped, it would be nice to have to type of information that maybe they could communicate with each other back and forth and know what's going on since.... Alumbaugh asked Luzadder, did he ever ask Julie? Their Controller, did he ever call her or send her an email and ask her to let them know what she spent out of this CARES Act and what it was used for? Luzadder said he did not but he received an email of some things that were spent and it did cause some alarm to him, trying to understand defoggers and picnic tables when he's looking at sick firefighters and policemen. Alumbaugh commented, okay, here we go back down that road. Mr. Luzadder said he's just asking for a little bit of consideration to have communication back and forth. Alumbaugh said, just reach out to Julie and tell her, because she's the one tracking all of this and she's glad to get them the information. She said she rarely gets phone calls or emails. It's just not happening that often. Reach out to her,

GENERAL ORDINANCE NO. 14-2020 Continued

she's glad to give them that information. She's not going to hide it. Luzadder asked, but honestly, should he have to, being that we're supposed to be a team? The Mayor asked, does he want him to do a report to them? Luzadder responded, he would just like to have some open communication. He means, understand, he (Luzadder) wants him (Alumbaugh) to come to him and he (Alumbaugh) wants him (Luzadder) to come to him so let's come together. Alumbaugh stated, but this is where that separation of powers exists where he didn't feel like he needed to come and say here is what he is doing, are you guys okay with it? This was CARES Act money that they specifically say he's (Mayor) the one signing for this, it's his decision on how this money gets spent. That's why he didn't feel like he needed to come to them. If they wanted updates on it, that's fine, he'll try to do a better job with that. He'll make sure Julie keeps everybody updated but, in the end, he feels like it is his decision how they use that CARES Act money. It's not like he had to come back and get a vote from them to say okay, they approve of that, go ahead. As Chief Executive Officer, he felt like the language is very clear and he felt like Brian and Robin agreed with that early on. Yeah, it's his choice, he's the CEO. Councilwoman Robin Fouce said, that's not what they said. He's taking what was said out of context. Certainly, they would collaborate with him and work with him. She has yet to see that he has autonomy over CARES Act money and so, no, that's not what she has said. Alumbaugh told Fouce, okay but if he's going to sign something with his name to it.... They're going back and forth, Madam President. If he's going to sign his name to something and he doesn't approve of it but they do, why would he sign it? Fouce said, he certainly has that choice, Mayor Alumbaugh. She doesn't think that's been, he certainly has that choice to not sign his name but that doesn't mean she's saying he's the only one that is over that fund. Alumbaugh stated, and if he thought he could get away with paying out the hazard pay, he'd be glad to do it if he thought they wouldn't be jeopardizing our money in the future and owe it back. It's as simple as that. That's why he's not able to do hazard pay at this time. Mr. Luzadder told Alumbaugh he was not wanting to try to be combative. He was simply wanting to, just some mutual admiration over the subject of communication. Alumbaugh told Luzadder, he'll tell him what he said to Brian and Robin. He thinks the only way for them to get those relationships developed is you have to spend some time together so he has told them he'd like to meet with two of them at a time once a month. What time works for them, what's convenient, they'll sit and talk once a month and have dialogue because he doesn't want these walls that seem to be popping up. He wants them to be as impactful and as effective as they can to make this city better and he wants to work with them but, if they're willing to do that, send an email and say hey, pick a Council person you want to meet with and they'll set up a once a month meeting with two to three at a time, whatever is permissible, but they'll meet and have dialogue. Luzadder said that makes much more sense to him than for it to look like it's a dictatorship and not a democracy flowing back and forth. And at the last meeting, public meeting, there was discussion amongst the members and it came down to "it's my decision, I'm going to...". That really doesn't keep that communication open. And he's not saying that anyone was right or wrong. He's simply trying to bridge a gap. Alumbaugh replied, right, which is a gap he would love to see closed, he agrees. But he thinks they have to spend some time and just talk. And he's extending that offer to them, that they meet two people at a time and just have discussions. What are you concerned about? What is going well? Just have discussions about the City of Marion. Luzadder said he hopes they can build on that foundation. Alumbaugh stated, me too. Council President Deb Cain said, to come back on some of the comments he made, he said no one emails Mrs. Flores. She's not going to be combative but she's going to make the statement that she emailed her and had gotten in trouble because she sent too many emails. Then he said he wants to give the pay raise and that comes from the budget and that's something that the budget needs to sustain for many, many years. This CARES Act funds doesn't come from their budget, it comes from the state. They only have 30 days to spend it. That's a lot of money to spend. Mayor Alumbaugh told Cain hazard pay is off the table because legal's told him that they may very well owe that back when we get audited because the feds, it's their money. Cain said, but, okay, she doesn't know how to say this again without.... Where is that in writing from the State Board of Accounts and DLGF and IFA because that contradicts what she has received from them, directly from them. Alumbaugh asked, from the state? Cain said she received that from State Board of Accounts from two people, she received that from DLGF from Ryan, and she received that from the IFA. Alumbaugh stated, because the state would just as soon not let the money go back to the capital but the capital, it's their money. That's what he's saying. The state may well be for it but it's federal dollars and legal is saying the feds may tell them "I don't care what the state told you. That's federal dollars you spent and this was not part of what we consider hazard pay". Cain asked, alright, is there any other comments? Thank you for your

GENERAL ORDINANCE NO. 14-2020 Continued

time, Mayor. Okay, General Ordinance No. 14-2020 is still on the table. They've heard the discussion. They've heard the responses. She has the additional information in front of them. They've heard from her, not only in this meeting but in their Budget Committee meeting, conversations she's had with the three entities. State Board of Accounts is the one that audits them and they didn't, they confirmed that it would be paid. It's eligible. So she leaves it up to the Council. Cain said she makes a motion to override the Mayor's veto and if she receives a second, they'll take a vote. If she doesn't, they'll pass on it. Cain's motion was seconded by Councilman Brian Cowgill. Motion then failed by the following vote. Aye: Luzadder, Cowgill, Cain and Henderson. Nay: Fouce, Batchelor, Fordyce, Brunner and Cline.

GENERAL ORDINANCE NO. 15-2020 VOTE TO OVERRIDE MAYOR'S VETO

The City Clerk read General Ordinance No. 15-2020 by title only, an Ordinance of the Common Council of the City of Marion amending 2020 Salary Ordinance for appointed officers and employees. Council President Deb Cain said, again, she'll make the motion and she'll take a second. Councilman Brad Luzadder said, being that the first vote failed, he does not think it would be in this Council's best interest in which to continue on an agenda that is not going in which to work for the city and so he would make a motion that they remove the next two items off of the agenda and allow the veto in which to stand and move on to New Business. He thinks that would be expeditiously done in their best interest. Council attorney Martin Harker asked Luzadder, that was a motion to table? Luzadder said, it was to remove those off of the agenda. Councilman Jim Brunner said, you have one motion on the floor, right? Luzadder said he does not believe it behooves their time to move forward. City Clerk Kathleen Kiley said, okay, but she already has one motion on the floor, Deb Cain's motion to override the veto. So unless she removes or rescinds her motion, she'll need either a second and vote on that first before they can move on to his motion. Mr. Harker said, Madam President, his point in raising that is the motion to table (inaudible) take precedence, generally in Robert's Rules of Order, so that it could trigger the vote on Mr. Luzadder's motion in advance. Mrs. Kiley said, she couldn't hear that, Marty. Harker said he's sorry. Mr. Luzadder's motion could be interpreted as a motion to table such that his motion should be voted on prior to Mrs. Cain's motion. That would be his recommendation (inaudible). Kiley asked, okay, so does she need a second for the motion to table? Councilman Mike Cline said, second. He presumes from this little side conversation with Councilman Luzadder, by table, he means permanently. Luzadder told Cline, yes. Kiley asked, and is this just for this ordinance or is it for 15 and 16? Mr. Luzadder told Kiley, for the next two. And he's doing this, and he wants it to be known that he is still standing with the blue and the red but here's his reasoning. He's not willing to just talk the talk. He's willing to walk the walk, and Mayor, if he's serious about them moving forward and making sure that their first responders are compensated, he's doing this in good faith, that they're moving forward. Otherwise, he'll continue to go but he (Luzadder) can see him (Mayor) and he (Mayor) can see him (Luzadder) and he (Mayor) knows where their hearts are and so if they're going to move forward then now's the time in which to bridge the gap and let's move their city forward. Mrs. Cain said, amen. Luzadder stated, so those are his reasonings. Luzadder's motion to table General Ordinance No. 15-2020 and 16-2020 then carried by the following vote. Aye: Luzadder, Fouce, Batchelor, Henderson, Fordyce, Brunner and Cline. Nay: Cowgill. Abstain: Cain (said she's started this fight, she doesn't want to give it up. She's going to abstain but she just wants the Mayor to realize this is the greatest disappointment because our first responders deserve more).

GENERAL ORDINANCE NO. 16-2020 VOTE TO OVERRIDE MAYOR'S VETO

An Ordinance of the Common Council of the City of Marion amending 2020 Salary Ordinance for police officers.
NOTE: See above under General Ordinance No. 15-2020 for vote to table this.

NEW BUSINESSRESOLUTION NO. 14-2020

The City Clerk read Resolution No. 14-2020 by title only, a Resolution of the Common Council of the City of Marion, Indiana regarding the amendment of the Marion Consolidated Economic Development Area. Heather James from Ice Miller thanked the Council for having her this evening. So, as they're probably already well aware, the Redevelopment

RESOLUTION NO. 14-2020 Continued

Commission and the Plan Commission have already met and approved actions to reduce an existing allocation area by removing the parcel where the Ridley Tower Building sits from that allocation area and designating that parcel as a new Ridley Tower Allocation Area and adding projects to the Economic Development Plan. So this evening, they're asking them to consider adoption of a resolution approving the actions that have already been taken by the Redevelopment Commission and the Plan Commission. Assuming they do move forward and adopt the resolution, the Redevelopment Commission will hold a public hearing and after they hold that hearing on November 17th, they'll consider adoption of a confirmatory resolution that will confirm the actions that they have already taken and then they would come back to them (Council) on the 17th and ask them to approve creation of the new allocation area. It's very clear to her that it is the will of the Council to do what they can to assist their first responders and the main goal of this resolution is to include the remodeling and renovation of the fire station in the Economic Development Plan so that TIF that's captured can be used for that purpose. They also included two other projects that they'll see in the declaratory resolution adopted by the Redevelopment Commission, including the remodeling and renovation of the Ridley Tower Building and the 141 Building but the real goal here is to be able to collect increment for the longest time possible in order to fund fire station improvements. She's happy to answer any questions that they have about the resolution, the process, anything else, James said. Council President Deb Cain asked, and what is the building 141? Ms. James replied, well, let's see. She asked Tim Eckerle if he wanted to weigh in on that. Executive Director of the Grant County Economic Growth Council Tim Eckerle told the Council, as they've discussed in the previous meetings with the Redevelopment Commission and the Plan Commission, the 141 Building is the former, they believe, Beatnik's but it was an auto dealership at one time. It's the building on the north side of the square with the very large windows. The Growth Council's been in conversations with a software starter firm that's looking to move their headquarters into the building which would create 45 jobs with an annual salary of \$80,000 each. He will gladly answer any questions they may have. There's been no commitments, no written documents. The property, the 141 Building, is currently owned by the Marion Housing Authority. Mrs. Cain asked, and then Ridley, how much of that....? Mr. Eckerle told Cain, there's not been a fiscal plan adopted yet. Eventually they will be back. When the fiscal plan has been finalized, they will receive a full fiscal plan. Ms. James told the Council, this resolution is in no way asking for expenditure of any funds. It's simply including those projects in the Economic Development Plan for the area so that in the future, should the Redevelopment Commission choose to use those funds then they would have this already in the plan and not have to go through this entire process again to put it in the plan. They'd still have to go through any required processes to actually expend the funds. Cain asked, can any other projects be added into this plan at any time? James replied, to add additional projects to the plan, they'd have to go through this process again, which is going to the Redevelopment Commission for a declaratory resolution, the Plan Commission, Council, and then back to the Redevelopment Commission for a confirmatory resolution after a public hearing. She will tell them that there is one modification of adding a word to the declaratory resolution that the Redevelopment Commission already adopted. It currently states in the plan "remodeling and renovation of an existing fire station". Two words, she supposed. They're adding "or rebuild". In case it would be less expensive to actually rebuild the fire station, they wanted to provide that flexibility. So, at the confirmatory resolution stage, the Redevelopment Commission would consider a modifying confirmatory resolution that would make that one modification, but again, after the Redevelopment Commission acts, they'll be coming back to them for them to approve the creation of the area, James said. Cain said, okay, one more question and then she'll let someone else ask, when it was brought to the Redevelopment Commission, the discussion was the fire station. When did Beatnik's or Building 141....? Was that part of it the whole time? Mr. Eckerle said that was included from the very beginning, yes. All three buildings, all three properties were always in the original discussions. They were part of the public discussion and then the executive session of the Redevelopment Commission. Cain said, okay, she was going off the minutes from the Redevelopment Commission and it did not have that in there so that's why she thought oh, this was added on after because it wasn't stated in the minutes. Eckerle said, luckily since he said most of it, he remembers what he said. Ms. James added, yes, it was in there. Councilman Mike Cline asked, so when they presented this to the RDC, what concerns did they have? Eckerle told Cline there were no concerns. Cline asked, none? Eckerle stated, it was very quick. There were no questions. He thinks the total minutes of that meeting was eight minutes. The Plan Commission reviewed it and the Plan Commission's purview was to make sure it conformed with the city's Master Plan as well as the recently completed Downtown Plan and they confirmed that. And there were

RESOLUTION NO. 14-2020 Continued

no questions raised. Cline asked, on either place? Eckerle replied, no. He thinks there was some discussion about the need for market rate housing and that was the limit of any. But he doesn't remember any real questions. Councilman Jim Brunner said, he thinks they were just excited about having some redevelopment downtown is what they were about. Is that right, Deb? Cain said, yeah and what she was going to say, they did talk about how the funds would be coming in for this TIF so can they go into that a little bit to help? Ms. James asked Cain, does she mean that they'd be pulling out the parcel from the existing area and putting it in a brand new area? So, that would start a new clock for the new area so where they delete the parcel in the existing area then that clock would run out in accordance with the existing area. Because it's a new area, the Redevelopment Commission will be able to capture increment for 25 years from the date that an obligation is issued payable from that TIF. So it extends the length of time that the TIF is coming in. Cline asked, so when does the other one sunset? He means, do they dovetail? Mr. Eckerle said, no, they do not dovetail. Ms. James said, 2037, Andy Mouser with Baker Tilly. Councilman Steve Henderson asked, will this property be sold or is it going to be retained by the current owner? Eckerle asked Henderson, which property is he talking about? Henderson replied, the 141. Eckerle said, again, nothing's been finalized but the current working concept is that it will be sold to a private entity. Ms. James added, and this action would not have any bearing on whether or not it would be sold. Henderson told James it does have a bearing because it's a non-profit. With a non-profit, you collect no taxes so it does have a bearing. Okay? Eckerle told Henderson, but that's not always the case. Always remember, if a not for profit does anything that's outside of its purview, it is taxed. For instance, University Bookstores are taxed as business units so that's not a blanket statement because a not for profit owns it. They do have to pay property taxes. Isn't that right, Mr. Mouser? Mr. Mouser said, correct. Mr. Eckerle stated, but again, the goal with the 141 Project is really, they're talking about 45 jobs at \$80,000/year. Hopefully they'll live in the community and the County Option Income Tax. As they know, local income tax is a major source of their revenue so it's very important. Ms. James added, and she says it has no bearing because the 141 Building would not be included in the new allocation area. They're only talking about the parcel where the Ridley Tower Building is. And then they're able to use TIF that's generated from that allocation area anywhere in, serving, or benefiting the area. So while the 141 Building is not inside, if there's a finding by the Redevelopment Commission that it serves and benefits and there's an economic development purpose then that's how that building comes into play. Mr. Henderson asked, so will that allocation area be an allocation area by itself, just including...? Ms. James told Henderson, it'll be just that one parcel. Henderson said one parcel of Ridley Tower and nothing else. That will be the whole allocated area for the new TIF. James replied, correct. Councilwoman Robin Fouce said, you mentioned the fire station, potentially rehabbing or replacing. Realistically, what is the time frame that that could physically occur? Financially, what is the time frame that that would physically be possible? Ms. James told Fouce she'll let the Mayor answer that one. It's outside of her area of expertise. Mayor of Marion Jess Alumbaugh told Fouce, obviously that's something they'd like to get done as soon as possible. That's been down for several years now and they'd like to get that up and running so as quick as they can get the funding put together, that would be a project they'd like to start on. They have to make sure, this is a TIF so they don't have to worry about OKRA overlapping grants. This gives them more freedom. He spoke with Councilman Cowgill about Station 1 several years ago and he said he can't do it right now because they have another OKRA grant they're working on for the downtown, redoing all the sidewalks and creating a new landscape there on Washington Street and OKRA said well they'd better be careful, if they overlap, they may not get either. So this frees them up to do it with TIF dollars and it's something they feel like they desperately need. Brian could probably tell them more about the particulars and the need for a downtown station but they think it's an important part of their fire department, Alumbaugh said. Councilman Mike Cline said, so if he may and he guessed he's asking not the Mayor.... Council President Deb Cain said, she's sorry, can she interrupt quickly? Cline told her yeah, go ahead. Cain said Mr. Cowgill had asked if he could ask a question real quick and then she'll get to him (Cline). Cline said, he's sorry, forgive him, forgive him. Councilman Brian Cowgill said he just wanted to say thank you to them for this because, you know, this is, it wasn't several years ago because three years ago, he went to the Mayor and asked him if they could raise the money themselves, could they do this so he took it on himself. They've had biscuit and gravy breakfasts, they've had raffles, auctions, everything. They've raised \$30,000, \$40,000. So to see this finally come to light is very, he appreciates this very much. Mr. Eckerle said he thinks the Council would be interested, they recently entertained the US Department of Agriculture Rural Development Agency's Executive Director for the State of Indiana, which they do

RESOLUTION NO. 14-2020 Continued

rural fire stations around, and he was up looking at some Revolving Loan Fund Projects they've done and he said he never understands why people want to spend \$200,000 to build \$1,000,000 fire station and only get a couple hundred thousand from (inaudible). Because basically every federal grant's going to cost you roughly \$200,000, not counting your local match, in terms of administrative costs and additional costs because of compliance issues that the contractors would have to incur. So this is a lot more cost effective way of going and give you a better building and more control over the build. Councilman Cline said, well he's glad he did go first because he can piggyback off his question. They're kind of in the same boat, that we need a downtown fire station. So, let's pretend this is going to happen. When will, when does the money start coming in that can go to a fire station? Ms. James said, Andy, do you want to talk about the financials? Cline said, because the Mayor said he wanted it as soon as possible, how soon is possibly possible? Andy Mouser with Baker Tilly told Cline it's their hope that, with the renovations underway, hopefully they'll start to see some increase in the building at the January 1, 2021 assessment date. James told Mouser he (Cline) means the renovations on the Ridley Tower Building. Cline stated, right, yeah he is. Mouser said they will, hopefully, start to see some TIF generated then in 2022 and then hopefully with the building fully complete and occupied, next year they would start to see full TIF distributions from the new Ridley Tower area in 2023. And they are estimating kind of based on current build out plans that that'd be about \$65,000 per year through the life of the TIF area so it's a pretty substantial amount of money, again would start in 2023. Cline said, so a couple of years, theoretically. Mouser replied, correct. So that gives them a revenue stream. You know, they could always look at bonding from that revenue stream to finance the fire station improvements. They've also got their Consolidated TIF area which this is currently a part of and they should start to see some surplus dollars from that area actually next year in 2021 so this is kind of additional money on top of those monies. So they are hopeful, going forward, that the city will have additional funds for those capital improvements that they haven't had in the past. Mr. Eckerle said, and also remember they have to go through, you know, there's a design issue and figuring out what is the best format of doing design build or (inaudible). He means there's a variety of things that the, as the owner, the city will have to make a decision as to what is the best format going forward. You just don't suddenly say "we're going to have a fire station". He means they can do that and they'll end up with problems somewhere down the line. Councilman Cowgill said he's done a lot of that research already. They've got plans. He's got a lot of information if they want any of it. Councilman Henderson asked, when are they planning to issue a bond? Because the TIF doesn't start until the bond starts, when do they anticipate that? Ms. James told Henderson she doesn't think they have any current plans to issue a bond. That's premature at this point. Henderson said, so without that, they don't have a TIF area that they're going to collect money on. James responded, no, they're collecting it. The clock on the TIF area just doesn't start running yet. Henderson said, right, so they can't collect the money.... James stated, no, they start collecting the money. They just, the clock on when they have to stop collecting the money doesn't start running yet. Henderson asked, so it's a TIF area they can collect money on, even though they haven't issued a bond? James said, correct. Mr. Henderson stated, that's not the way Baker Tilly explained it to them, that the TIF area does not start until a bond is issued. Ms. James told Henderson she thinks he meant, she's sure that he's thinking that the clock on the TIF area doesn't start running until a bond is issued. Henderson replied, no, the statement was made that it is not an official TIF area until money is loaned. James said, that is not correct. Mr. Mouser said, and they can also pay for projects on a pay as you go basis. There's no law that says they have to pay for projects through bonding so they can have a TIF area and pay for projects annually just out of that cash flow. Ms. James added, there are TIF Allocation Areas all over the state that are existing and there are no obligations outstanding payable from this. Henderson said there are also people that had to pay money back because they spent money out of TIF allocations in other allocation areas. They spent the money outside the allocation area. James said, yes, they have to make the appropriate statutory findings, of course, to be able to spend the money. Council President Cain asked, can she interject here? Is there anything that she can send them to help them understand the flow of how this will work, just so they can understand like, because there were conversations but they were talking about other projects. She means, to be able to do this, she'd like to see it in front of her so she can follow her, the flow of what she is saying. James told Cain, sure, she just guessed she's not exactly sure what she is asking for. She's happy to put together whatever would be helpful. Cain said, like to explain to them about the bond, when the bond needs to be done. James replied, so bonds don't need to be done. Cain said, at all but then she (James) mentioned just a little bit ago, she thinks she said they could get more funds if they did a bond to start the fire station. Or did she

RESOLUTION NO. 14-2020 Continued

misunderstand her statement? James answered, they could issue, bonds could be issued and TIF could be a repayment stream. Cain said, for the bond. James said, one or more, yes, there could be more than one but it could be a source of repayment for a bond in the future but what they're doing tonight, or any time in this process that she outlined, has absolutely no approvals for any sort of bond issuance. Mrs. Cain said, so they don't need a bond if they're not going to spend the money early. They don't need a bond. They just have to wait for the flow. James stated, that's what Andy was saying. They could pay for projects on a pay as you go basis so as they accumulate funds, the Redevelopment Commission could use those funds and just pay for things and not have to issue a bond. Cain said, right so they could just wait for 2023 to do the fire station or they could do a bond for the fire station now and then use the.... Ms. James said a bond could be done for a fire station but because this is not a mature TIF area where there's funds coming in, there would need to be some other revenue stream for a bond purchaser to be interested in buying those bonds. Cain said, and the revenue stream is.... James stated, which could be other TIF areas because as Andy mentioned, the current TIF that's surrounding this parcel is the consolidated TIF. So conceivably, there could be a bond issue payable from TIF from this area and also from the consolidated TIF. And should a bond issue be contemplated then at that point, they'd put together a time table that would outline all of the necessary steps. Mr. Eckerle added, as well as a fiscal plan too. Ms. James said, yes. Being no further questions from the Council, motion was made by Councilman Gary Fordyce to pass Resolution No. 14-2020. Motion was seconded by Councilman Jim Brunner. Before the vote was taken, Council President Cain asked Mayor Alumbaugh if he wanted to say something. Alumbaugh told Cain he was just talking to Andy and Heather, they'd be more than willing to meet with a committee from the Council to cover this in a little more detail because he told them, it is confusing, that stuff is confusing. They (Council) might need a little more time and they'd be willing to come to City Hall and meet with their committee, they need to put together a committee but explain it in more detail and make sure they're clear on understanding exactly what's happening, if they would want to do that. Ms. James said they could also do Zoom calls with various members so that, you know, they can meet in chunks with people and not violate any rules. Mrs. Cain said she can call a committee meeting and do Zoom and the other Council members can attend and that's not a violation. James replied, sure. They could also do a TIF 101 presentation and just explain, you know, all the general processes and rules because she thinks that that's a helpful baseline explanation. Councilman Cline said he thinks it may have been a TIF 101 Baker Tilly did in January of 2020 and got this. Maybe they sent this to everybody, he means if they don't already have it. Cain said she thinks there were four of them at that meeting. Mr. Mouser said, yeah, they'd be happy to go through any part of that or the whole presentation again if it would be helpful. Cain said, this resolution, okay, give her the timeline on this. Does this need to be passed tonight? Ms. James told Cain it is important to their timing that this does pass tonight because they have the Redevelopment Commission meeting on the 17th and then they also, they can't hold the next Redevelopment Commission meeting until the Council takes action. They've published the notice for that already, well no, they haven't but they've sent the notice to the paper to publish tomorrow in anticipation of the meeting on the 17th, and again, they'll come back to them on the 17th after the Redevelopment Commission meets to approve creation of the area. So this is their first out of two bites of the apple. Cain asked Fordyce, okay and his motion was to pass it tonight? Fordyce said yes. Cain asked, full pass or second reading? She was told it's a resolution. Cain said, it is, it's a resolution, sorry. City Clerk Kathleen Kiley said she has a motion and a second. Motion then carried by the following vote. Aye: Luzadder, Cowgill, Batchelor, Cain, Fordyce, Brunner and Cline. Nay: Henderson. Abstain: Fouce.

Being no further business to come before the Council, on a motion by Cline, 2nd by Luzadder, the meeting adjourned. Time being 8:46 p.m.