

The Common Council of the City of Knox met in regular session on Tuesday October 27, 2015 at 7:00 PM CST at the Knox City Hall with the following members present: Clerk-Treasurer Representative, Cheryl Runkle; Councilmembers, Don Kring, Jeff Berg, Greg Matt, and Linda Berndt; City Attorney, Dave Matsey. Absent were Mayor, Rick Chambers; Clerk-Treasurer, Jeff Houston; and Councilmember, Ron Parker.

RE: APPROVAL OF MINUTES

Minutes of the previous meeting were mailed to the Councilmembers prior to the meeting for their review. Linda Berndt made a motion, seconded by Jeff Berg to approve the minutes as presented. Motion passed with Four (4) ayes and No (0) nays.

RE: AMENDMENT TO THE AGENDA

Selected Furniture was removed from the agenda. Linda Berndt stated representatives from Selected Furniture were not prepared for the meeting.

RE: CITIZENS COMMENTS

Resident Mary Bendt readdressed the State Bicentennial Celebration scheduled for next year and gave some more information. The Torch relay will be October 7, 2016 from 4:30 PM to 7 PM and will end up in Knox. The committee for that celebration would like to use the park for the Torch Relay and Mary said she would check to ensure availability on that date. Mary Bendt passed around a tentative copy of the relay route to be used. The Starke County Bicentennial Committee will be looking for torch bearer nominations until February 2016. Nominees must be at least 13 years old and a current or past resident of Starke County or someone doing it in honor of a Starke County resident. They will be marketing it with placemats at local restaurants.

Mary informed the Board that the new editor of the Starke County Leader is Rachel Herbert Varchetto.

Mrs. Guzman from Guzman Jewelry came before the board to address the ongoing issues with their neighbors, O's Tap. She expressed her frustrations with the way their situation is being handled by certain city officials. She stated how she feels like the City is not making any progress and that it is in bad condition. They would like to expand their businesses, but will not if things do not improve. They are planning on opening a Western Wear shop next to the Jewelry Store and have opportunity to buy building across the street for a potential shoe store but that is on hold for now. She restated that she is disturbed by the lack of satisfaction from certain city officials. Discussion followed regarding the situations and subsequent arrests. Jeff Berg elaborated on arrests and charges. Mrs. Guzman believes that O's is over-serving people. More discussion followed regarding the situations and possible avenues to take to clean up the situation.

RE: UMBAUGH - WATER AND SEWER RATE STUDY - JOHN JULIAN

John Julian came before the board to review the Rate Studies done by Umbaugh. He handed out copies of them to everyone.

Mr. Julian reviewed the Water Rate Study first. The purpose of the study is to see where we have come from financially, what the current cash position is, what minimum cash balance are needed and how the rates are doing as far as meeting the needs of the City. He went through and explained the funds involved in the fund schedule and stated that fund balances have dropped. There has been noticeable drop, obviously more going out than cash coming in. He went over the details of the revenue and expenses. Mr. Julian and that revenues from Billing have risen as expected. Expenses were addressed and explained and noted that the biggest challenge is Capital Equipment.

Review of last year showed that the Water Utility needs a minimum cash balance to cover two months of operating costs. This is approximately \$67,000.00 and last year that total was \$32,000.00. All other funds are alright except Improvement Fund. That fund should have enough in the beginning of the year to cover what was projected and for Knox, Last year that was \$137,000.00 (last year the utility had about \$40,000.00 under). He stated this is a good time to look at a rate increase.

Mr. Julian discussed the monetary impact of the water rate increase. Cheryl Runkle, Utility Clerk, Stated that if rates were increased on the highest amounts, for both water and sewer, the new minimum bill would be approximately \$20.00 higher. Further discussion.

He then reviewed the Sewer rate study. He briefly addressed the different areas. Mr. Julian did point out that there are three different options for rate increases and the two latter ones include issuing bonds. Then he went to reasons for the rate increase and explanation of bond recommendation. Discussion followed.

Todd Gardner, Water Superintendent, stated his concern regarding the hydrant rental keeping the water department afloat instead of replacing hydrants. He said that the projected equipment list he submitted to Umbaugh was very scaled back and that equipment was wearing out quickly.

Kelly Clemons, Wastewater Superintendent, stated teacups needed lined and that would be expensive.

Todd suggested we change the way we bill to address multifamily units currently billed as one unit go to being charged a minimum per unit, as per ordinance. Ordinance states that every unit is to be metered and pay the minimum water and sewer charges. Don Kring does agree that needs to be addressed. Discussion followed regarding metered and non metered units.

Cheryl stated that she, Jeff Houston and Rick Chambers sat down with John Julian to discuss that issue. Don would rather see things like this addressed prior to rate increase. John Julian doesn't think it would make that much of a difference and would not recommend that replacing or amending the rate increase and it all has to be fair and reasonable and he recommends the City moves along with the rate increase sooner than later. Further discussion ensued regarding questions about other cities and justifications of their rate studies.

RE: RESOLUTION #924 - TRANSFER OF FUNDS

Cheryl Runkle read Resolution #924, transfer of funds, line by line. An error was noted in Board of Public Works amounts. Correct amount was \$312.37, correction was made. Linda Berndt made a motion to approve the Resolution with changes, seconded by Greg Matt, all in favor.

RESOLUTION #924
TRANSFER OF FUNDS

WHEREAS; the Clerk-Treasurer has advised the Common Council a transfer of funds is now required in the General and EDIT Fund.

BE IT RESOLVED; by the Common Council of the City of Knox that the Clerk-Treasurer is hereby allowed and directed to make the following transfer of funds.

GENERAL FUND:

Clerk-Treasurer	250.00	from 101001221-Office Supply
	60.00	from 101001339-Bonds/Dues
	310.00	to 101001332-Postage, Travel, Telephone
Police Department	10,000.00	from 101005118-Patrolman
	400.00	from 101005123-Clothing Allowance
	400.00	from 101004125-Ballistic Vests
	8,000.00	from 101005222-Gas, Oil, Tires
	173.85	to 101005134-Special Clothing
	71.73	to 101005221-Office Supply
	399.00	to 101005333-Buy Money
	29,005.00	to 101005444-Squad Car
Fire Department	2,021.61	from 101006222-Gas, Oil, Tires
	86.66	to 101006221-Office Supply
	1,934.95	to 101006333-Education and Training
Board of Public Works	312.37	from 101007335-Electric
	312.37	to 101007315-Codification of Ordinance

EDIT FUND:

EDIT	1,000.00	from 330001407-Building Addition
	1,873.39	from 330001408-Building Demolition
	2,723.39	to 330001331-St. Co. Econ. Development
	150.00	to 330001339-Grant Match

Rick Chambers, Mayor

Attest:

Jeffery J. Houston, Clerk-Treasurer

RE: CLERK- TREASURE REPORT

Cheryl Runkle reported that the Clerk-Treasurer's Office has not funded the PILOT Programs for the Water or Sewer Department at all this year in an effort to help them raise their cash balances. She also gave an update regarding the online billing system being well received.

RE: COUNCIL ITEMS

Jeff Berg went to Tom Berg's benefit. Good time had by all. Linda confirmed the times for Halloween. Don Kring would like the police Chief to attend the next meeting to address the citizen's comments. Greg Matt remembered Jim Shilling. He stated that the City of Knox lost great visionary with the passing of Jim Shilling. Although he did not reside in city limits he was a resident of this community.

RE: VOUCHERS AND ALLOWANCES

the following properly filed vouchers (see Docket Book Voucher #21006 - #21061) were presented and approved.

There being no further business to come before the council at this time the meeting upon motion was duly adjourned.

Don Kring, Council President

Attest:

Cheryl Runkle, Clerk-Treasurer Representative