

Indiana Advisory Commission on Intergovernmental Relations
Friday, September 9, 2016
1:00 P.M. – 4:00 P.M.
Statehouse, Room 404
200 W. Washington Street
Indianapolis, Indiana

MINUTES

CALL TO ORDER/WELCOME/INTRODUCTIONS

Chairman Mike Karickhoff called the meeting to order and welcomed the group at approximately 1:00 pm. Chairman Karickhoff asked for introductions from those in attendance. Attendance is shown in Attachment A.

Meeting Agenda

- Call to Order/Welcome Chairman Mike Karickhoff

- Approval of Minutes of August 12, 2016 Chairman Mike Karickhoff
Membership

- Presentation: Thriving Communities,
Thriving State Chairman Mike Karickhoff
Drew Klacik, IU PPI
Dave Bennett, Community Foundation of
Greater Fort Wayne
Richard Aguirre, Goshen College
Mayor Shawna Girgis, Bedford

- Presentation: Water and Wastewater Needs
Study Results Chairman Mike Karickhoff
Jamie Palmer
Jim McGoff, Indiana Finance Authority

- Upcoming Meetings Chairman Mike Karickhoff

- Adjournment Chairman Mike Karickhoff

APPROVAL OF MINUTES OF AUGUST 12, 2015

Chairman Karickhoff asked the commission to review the minutes from the previous meeting, August 12, 2016.

Representative Sheila Klinker made a motion to approve minutes as written. Darren Vogt seconded the motion. The motion carried unanimously.

PRESENTATION: THRIVING COMMUNITIES, THRIVING STATE

Jamie Palmer gave a brief introduction of the IU Public Policy Institute (IU PPI) *Thriving Communities, Thriving State* project. Drew Klacik introduced the project (Attachment B).

David Bennett of the Community Foundation of Greater Fort Wayne summarizing the findings of the Urban Commission.

Representative Klinker complimented businesses coming to Lafayette. Young people are also coming back.

Chairman Karickhoff asked Mr. Bennett to define local flexibility.

Mr. Bennett explain that the commission recommended more flexibility for local governments to raise and use revenue.

Chairman Karickhoff said the IACIR has been working on a local option minimum property tax replacement fee and asked if that could provide a solution.

Mr. Bennett said that local governments would have to be able to access additional revenue.

Richard Aguirre summarized the work of the Mid-sized Commission. Speaking specifically about Goshen, he mentioned that there has been resistance to fire department consolidation. The north central region received a Regional Cities award to support regional investments.

Darren Vogt asked if there was willingness in Goshen to pay higher taxes to be able to make desired investments.

Mr. Aguirre said there was support specifically for the student mentor from the community foundation.

Chairman Karickhoff said that Kokomo's transformation didn't get a Regional Cities grant, but application process resulted in new local plans.

Mayor Shawna Girgis summarized the work and recommendations of the Rural Commission.

Representative Klinker asked about heroin abuse in the rural areas.

Mayor Girgis indicated that is a problem and very challenging. Public safety is not equipped to deal with it. Mental health programs are limited. In her community and others, they are meeting regularly to find a way to address these problems.

Mr. Klacik provided a wrap-up.

PRESENTATION: WATER AND WASTEWATER NEEDS STUDY RESULTS

Ms. Palmer presented the water and wastewater needs study results (Attachment C).

Chairman Karickhoff indicated that the original study in 2003 documented \$12.4- \$14.9 billion in needs. The current study suggests the needs are now \$15.6 - \$17 billion.

Councilman Larry Hesson asked if the septic system remediation needs are for failing systems or ones that will be expected to fail.

Ms. Palmer said the study includes systems that have failed and areas where there are no systems.

Senator Ron Grooms indicated that Marion County has a high proportion of overall needs. He asked about the source of those needs.

Ms. Palmer said she would get the members more detail for needs within Marion County.

Jim McGoff, Indiana Finance Authority, said there is half a billion dollars going toward combined sewer overflow tunnel projects.

Mr. Vogt asked if inflation was included in the cost numbers.

Ms. Palmer indicated that the needs are all reported in current dollars (adjusted for inflation). Future needs are reported in current dollars, they have not been adjusted for future inflation.

Ms. Palmer indicated that health departments identified the number of failing systems in their counties as well as the appropriate fixes. Collectively, we cannot afford to run sewers to all these areas. Ideally, failing septic systems can be fixed with new septic systems or by hooking up to existing sewers. Rural areas can be challenging because home lots are too small to install a second system to replace a failing one. In these cases, the area needs a shared septic system or a small treatment plant. We also need additional local technology options. Engineers and regulators must adopt for this to happen.

Representative Tom Saunders said to look at and keep track of individual businesses along the Interstate.

Chairman Karickhoff said there needs to be overarching regulation for wells, etc. for local counties, like a clearinghouse.

Jim McGoff, Director of Environmental Programs for the Indiana Finance Authority (IFA), presented IFA programs to document and address water infrastructure needs (Attachment D).

Representative Saunders asked if funding goes to large or small cities.

Mr. McGoff said that they fund both large and small communities.

Councilman Geoff McKim asked how the \$65 rate used by the SRF program is calculated.

Mr. McGoff said indicated that it is a monthly rate. When the SRF program has grant (principal forgiveness) funds, they are able to make grants to “buy down” local utility rates that exceed \$65 per month.

ADJOURNMENT

Chairman Karickhoff adjourned the meeting at approximately 4:00 p.m.