

LOWELL TOWN COUNCIL  
WORK SESSION  
NOVEMBER 14, 2022

A Work Session of the Lowell Town Council was called to order on Monday, November 14, 2022, at 5:30 P.M., by President Todd Angerman. Members present were John Alessia, Todd Angerman, Mike Gruszka, John Yelkich, and Shane Tucker arrived at 6:05. Also present were Clerk-Treasurer Judith Walters, Town Manager Craig Hendrix, Town Attorney David Westland, GIS Director Greg White, and Police Chief Jim Woestman. Also present were Peoples Bank Representatives Thomas Devine and James Dunne, and via Zoom Jacob German from Barnes & Thornburg. The purpose of the work session was general town business.

Water Proceeds Investment -Barnes & Thornburg/Peoples Bank - Attorney German stated that he and Attorney Westland had reviewed the questions raised at the last work session and borrowing against the collateral of the money is allowable as long as it is a good financial decision to do so. Attorney Westland stated you would have to make sure it makes sense, because the interest rate of borrowing may be less than the interest being made on the investment. They also reviewed the question of creating an Endowment Fund/Community Foundation. Discussion followed. The establishment of a foundation may make it more difficult to access if needed. The question of the principal being held as a permanent structure and only the interest being drawn, unless in case of a disaster would have to be established in the ordinance. Discussion followed that any ordinance the current Council establishes with guidelines can be changed by any other elected officials in the future. Councilman Alessia stated we sold an asset of the water utility and the money should last a lifetime. Attorney Westland stated the asset is owned by the taxpayers of Lowell and they entrusted the legislative body to do what is best for the community, but what the current Council and a future Council decide may be different. A proposed ordinance will be prepared by Attorney Westland and Attorney German that the principal can't be spent unless due to an emergency and up to 5% of the interest will be drawn annually.

Thomas Devine and James Dunne of Peoples Bank presented an updated Investment Policy Statement. The updated policy removes the Investment Committee language and refers to the Town Council, and in the liquidity section, the Clerk-Treasurer will be responsible for letting them know of upcoming liquidity needs. The Policy Statement objective is to meet or exceed a total return in excess of a benchmark comprised of 50% S&P 500 domestic stock index, 15% MSCI international stock index, 30% Barclay Capital Aggregate Bond, and 5% Bank of America US Treasury bill 3 month yield over a 7-year period. The asset allocation goal is U.S. Equities 50%, International Equities 10%, Alternatives 5%, Fixed Income 34%, and Cash 1%. The Town has chosen to allow a +/- 5% variance to the targets as the market moves for the Investment Managers to make decisions. A portfolio of the targeted equities and individual bonds was presented. Peoples Bank would come in quarterly to report how the funds are doing. Attorney Westland stated he would like Barnes & Thornburg to review the Investment Policy Statement before adopted by Council. It was noted that 3.1 million of the funds are to be held for Phase 1 of Liberty Park, and the Council will need to decide if they are going to do the project in phases. A motion will be made during the regular meeting to have Attorney Westland prepare a Resolution to adopt the Investment Policy Statement per Barnes & Thornburg review.

Councilman Gruszka asked about a sewer back-up complaint that had been received via email and Town Manager Hendrix stated he would be responding. Mr. Hendrix stated one of the complaints was about Indiana American Water and he said they are planning outreach programs to our citizens. It was noted that Indiana American Water has invested 5.5 million dollars in infrastructure in Lowell since they acquired the utility.

**Redistricting Discussion** - Discussion followed on redistricting of town wards that has to be reviewed every ten years following the Census, and must be adopted by December 31st. Attorney Westland stated there are two obligations - they must be contiguous wards and as even in population within 10% of the last Census. President Angerman and GSI Director Greg White have been reviewing the ward maps and have proposed different options for redistricting. After review of the three options, the Council agreed to Option 3 that keeps all current councilmembers in same Ward and allows for growth in Ward 3 and Ward 5. An ordinance will be prepared for the first meeting in December.

**LTCP Public Hearing** - Town Manager Hendrix stated a Public Hearing will be held during the regular meeting on the Long Term Control Plan for the Wastewater Treatment Plant, and was advertised in the paper and on the town website.

**INDOT LPA Projects Funding Discussion** - Town Manager Hendrix stated he had received a memo from First Group, the consultant hired to do preliminary engineering on the Route 2 Sidewalk Project. He reminded the Council the Town has two federally funded projects - the Rt 2 Sidewalk project slated for 2026 and the Freedom Trail Project slated for 2024. Due to the increased in construction costs, the trail project only has enough funds to get the project to Timberspring Road sidewalk. He stated INDOT can't provide additional funding unless another project drops off from their funding. Mr. Hendrix stated the cost of the sidewalk project has increased by 40%, and it is INDOT's policy the property has to be in either INDOT's or the Town's control and the property would have to be re-acquired. The cost of appraisals and land acquisition for property along the sidewalk route would be \$2,150,725.00, and is 1.7 million addition in land acquisition. The consultant went to INDOT and stated since the property is already existing sidewalks in most areas, they would propose to acquire the property through an easement and the property owner would retain ownership and continuing paying property taxes on the property owned. That would reduce the Town's match to \$431,940 for land acquisition, but the estimate for the total construction cost is \$2,362,500, and the Town's match would be \$980,989.36. Mr. Hendrix stated he has been investigating with the consultants of stopping the project as a federal aid project and finishing it locally. He stated we would have to pay back the federal funds the Town has received to date but there would be some costs savings. It was determined we have received approximately \$160,000 toward engineering fees. Mr. Hendrix proposed that we would still pay the consultant to finish the plan as they are 90% complete, and have easements to fix the sidewalks and build our own sidewalk as budget allows. He then would ask INDOT to move the sidewalk funds to the Trail Project for the additional funds to complete. He stated another option would be to ask INDOT to move the Trail Project to 2026 and the Sidewalk Project to 2028 and hope that construction costs go down. Council members will review and this will be discussed further at the next work session.

Final Report - VFD Facilities Assessment - A meeting needs to be set with Townships.

Fire Department request of use of Liberty Street Facility - They would like to store a truck in facility and will be discussed further after Mr. Hendrix and Councilman Yelkich meet with Legion.

Agreement with Lake County Animal Control - No change.

Councilman Yelkich stated we need to discuss the Court Clerk position at the next work session.

No further discussion, the work session adjourned at 7:06 P.M.

Attest:

  
Judith Walters, Clerk-Treasurer

  
Todd Angerman, President