

October 18, 2021, Regular Meeting Minutes
HOBART REDEVELOPMENT COMMISSION

President Carla Houck called the October 18, 2021, regular meeting of the Redevelopment Commission (RDC) to order at 8:33 a.m. The meeting was held in the City Council Chambers at City Hall, and also via Zoom with the public issued a dial-in number to allow listening and participation capabilities. The Pledge of Allegiance was recited. Members present: Carla Houck, Shawn Kelly, Marsha Plesac, Matthew Claussen, and Pam Broadaway. Members absent: Judy Dunlap. Also present: Beth Jacobson, Director of Development; Anthony DeBonis, RDC Attorney (*via Zoom*); Heather McCarthy, City Attorney; Greg Lorig, American Structurepoint (*via Zoom*); Brandon Towle, Butler Fairman & Seufert (BF&S); Phil Gralik, City Engineer; Deborah Longer, Clerk-Treasurer; Brian Snedecor, Mayor; Nancy Granger, 437 E. 3rd Street; and Dawn Hostetler, RDC Recording Secretary.

Under **Approval of Agenda**, a motion was made by Mr. Kelly to approve the agenda as presented; seconded by Ms. Plesac. All ayes; motion carried. (5-0)

Regarding the **Minutes of September 20, 2021, Regular Meeting**, a motion was made by Ms. Plesac to approve the September 20, 2021, Regular Meeting minutes as presented; seconded by Mr. Kelly. All ayes; motion carried. (5-0)

Regarding the **Treasurer's Report**, the September investment statements for Fund 406 and Fund 410, plus the most current fund & appropriation reports for Fund 406, Fund 410, and Fund 250 were distributed in the RDC meeting packet. There were no questions or comments.

Under **Old Business**, a motion was made by Mr. Claussen to remove the **Approval of Change Order #10 (G.E. Marshall) 69th Avenue Improvement Project (A – Road)** from the table; seconded by Ms. Plesac. All ayes; motion carried. (5-0) Mr. Towle stated that this change order is to adjust the elevations near a parcel on the west end of the phase 2 project. He said the total amount of change order #10 is \$7,420.00, which includes roadway staking for three separate occasions. He reminded the Commission that there were some delay issues with the conversion of the GPS files, so pricing was sought for manual stakings. The first staking was done and is included in pay estimate #11; however, the GPS files were received before the remaining two stakings were done, so the contractor will likely complete the road grading using the GPS files. Mr. Towle stated that there will be a subsequent change order to substitute those costs. He said he believes the cost of the GPS files will be less than the manual stakings, so this should be a credit. A motion was made by Mr. Claussen to approve change order #10; seconded by Ms. Broadaway. All ayes; motion carried. (5-0)

Under **New Business**, the first item was the **Request for Awning Grant Payment – 437 E. 3rd Street, Nancy Granger**. Ms. Hostetler stated that the applicant has submitted all the necessary reimbursement paperwork including the grant request form, proof of payment, and final waiver of lien from Merrillville Awning Company. A motion was made by Ms. Broadaway to approve the awning grant payment in the amount of \$1,000.00; seconded by Ms. Plesac. All ayes; motion carried. (5-0)

Regarding the **TRAX Project – Status Report (American Structurepoint)**, Mr. Lorig stated that comments regarding the final geotechnical report that was submitted have been received

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from INDOT's geotech division. He said American Structurepoint is still in the process of reviewing and responding to those mostly minor comments. Regarding right-of-way acquisition, he stated that American Structurepoint is still waiting for the contract amendment with INDOT so Appraisal Problem Analyses (APA) and right-of-way acquisition can begin. He indicated that Eric Wolverton is trying to schedule a phone call with INDOT this week in an attempt to expedite the notice to proceed. Mr. Lorig reported that the draft environmental document was submitted on October 1st, and comments are anticipated to be received from INDOT federal highway by early November. He said American Structurepoint will address those comments as they are received and hopes to have approval by early to mid-December. Once approval of the environmental document is received, advertisement for a public hearing opportunity can be issued. He reminded the Commission that an actual public hearing is only required if one is requested during the 30-day waiting period after advertisement. If no request is received, then advertisement for a public information meeting can be issued. Mr. Lorig indicated that the public hearing format is much more rigid than the open discussion format of a public information meeting. In the event a public hearing is needed, he suggested also holding a public information meeting because they tend to be more productive and helpful to the public.

The next item of business was the **TRAX Streetlight Discussion**. Mr. Lorig stated that a lighting design for the roadway and the bridge area is needed for stage 3 of the project, which will be due in March. He indicated that he, Ms. Jacobson, and Mr. Galik discussed the possibility of specifying the same lighting that is being installed on the 69th Avenue project to maintain a cohesive look. Ms. Jacobson indicated that she would like the RDC to have some input in this decision. Mr. Lorig stated that he was able to obtain the shop drawings for the 69th Avenue project, which he displayed for the Commission. He pointed out that these lights are GE Evolve LED roadway lights that are fairly standard and somewhat modern overhead streetlights. He said that the bid prices for these lights are within the budget for the TRAX project. Ms. Plesac asked if the finish of the poles will be black or silver. Mr. Lorig said that stainless steel is the standard finish, but can be customized. Mr. Towle stated that the poles on both 69th Avenue and 61st Avenue have a black finish. The Commission agreed that the lights and pole finish should match those being installed on 69th Avenue. A motion was made by Ms. Broadaway to approve lighting consistent with 69th Avenue for the TRAX project; seconded by Ms. Plesac. All ayes; motion carried. (5-0)

Regarding the **Approval of Education & Workforce Training Grant Report (#3-2021) – School City of Hobart**, Ms. Hostetler stated that this is the third quarter report from the School City of Hobart (SCOH) for their 2021 grant (*Brickie Innovators*). They have indicated in this report that all equipment has been ordered and received, but not yet utilized. The biomedical supplies have not yet been used because the curriculum for this equipment has not yet occurred this semester. The makerspaces are not set up in all buildings yet due to modified classroom arrangements as a result of the pandemic. Most teachers have completed the makerspace training, and additional training will occur throughout the course of the school year. Ms. Hostetler said that upon her request, Dr. Buffington expressed interest in having the students give a demonstration of projects accomplished with this grant at a future RDC meeting. A motion

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was made by Ms. Plesac to approve the Education & Workforce Training Grant Report (#3-2021) from SCOH; seconded by Ms. Broadaway. All ayes; motion carried. (5-0)

The next item of business was the **Request for Reimbursement (SCOH) – 2021 Education & Workforce Training Grant**. Ms. Hostetler stated that SCOH has submitted a request for reimbursement for their 2021 *Brickie Innovators* grant in the amount of \$18,172.95, which is the total amount awarded for this grant. She said that all expenditures have been made and all necessary documentation has been provided. The reimbursement request form includes notation that a couple of invoices and checks include expenditures unrelated to this grant and will be paid from other sources. A motion was made by Ms. Plesac to approve grant payment to SCOH in the amount of \$18,172.95; seconded by Mr. Kelly. All ayes; motion carried. (5-0)

Regarding the **Approval of Education & Workforce Training Grant Report (#3-2021 Building Trades) – Merrillville Community School Corporation**, Ms. Hostetler stated that this is the third quarter report from the Merrillville Community School Corporation (MCSC) for their 2021 *Building Homes and Futures Together* grant. They have indicated in this report that this program will be expanded to five construction classes with the goal of completing at least two miniature houses/sheds by the end of this school year. Additionally, they anticipate over 60 students to participate in this program during the 2021-22 school year. They intend to purchase the remaining materials in October and begin construction in November. A motion was made by Ms. Plesac to approve the Education & Workforce Training Grant Report (#3-2021 Building Trades) from MCSC; seconded by Ms. Broadaway. All ayes; motion carried. (5-0)

The next item of business was the **Approval of Education & Workforce Training Grant Report (#3-2021 Welding Technology) – Merrillville Community School Corporation**. This is the third quarter report from MCSC for their 2021 *Building Better Bonds through Welding* grant. They have indicated in this report that all equipment has been ordered and received; however, there was a major setback because the new electrical circuits did not match the voltage on the welding machine due to the vendor's lack of differentiating the voltage between two models. The replacement machine was not received until mid-September due to supply chain issues and microchip shortages. Despite the setback, students were able to complete several small-scale projects during the summer school welding class. Additionally, they indicated that a new group of students will soon begin learning the fundamentals of welding and using the equipment to finish installing the work stations in the welding shop. Ms. Hostetler stated that upon her request for students to give a demonstration to the RDC via Zoom, the welding technology instructor indicated that a live-stream presentation may not be possible due to class schedules. However, he said he would reach out to the yearbook staff to see if they can record a video to share with the RDC at a future meeting. A motion was made by Ms. Plesac to approve the Education & Workforce Training Grant Report (#3-2021 Welding Technology) from the MCSC; seconded by Ms. Broadaway. All ayes; motion carried. (5-0)

Regarding the **Request for Reimbursement (MCSC) – 2021 Education & Workforce Training Grant (Welding Technology)**, Ms. Hostetler stated that MCSC has submitted a

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request for reimbursement for their 2021 *Building Better Bonds through Welding* grant in the amount of \$6,470.84, which is the total amount awarded for this grant. She said that all expenditures have been made and all necessary documentation has been provided. The reimbursement request form includes notation that a couple of invoices and checks include expenditures unrelated to this grant and will be paid from other sources. A motion was made by Ms. Broadway to approve grant payment to MCSC in the amount of \$6,470.84; seconded by Ms. Plesac. All ayes; motion carried. (5-0)

The next item of business was the **Request for Façade Grant Extension – 345 Main Street, Tomas Gielazyn**. Ms. Hostetler stated that the façade grant guidelines indicate that projects must be completed within six months unless the RDC approves an extension. She said the RDC approved this grant on February 19, 2021, so the six-month expiration date was August 19, 2021. The building owner and contractor were advised that a request for grant extension is needed; at which time, they indicated that the work should be completed by the end of the year. Ms. Hostetler stated that the request is for a 90-day extension, so the new expiration date would be November 19, 2021. Mr. Claussen asked if the owner or contractor has provided an explanation as to why the work is taking so long to complete. Ms. Jacobson said the contractor indicated that the owner experienced some delays making decisions regarding the building, but there has been no explanation beyond that. Ms. Broadway stated that she has not seen anyone working on this building in quite some time. Mayor Snedecor stated that there was some delay due to the need to seek a revised Certificate of Appropriateness (COA) from the Historic Preservation Commission (HPC) for work that was not originally approved. Ms. Houck indicated that her main concern is that this does not impact the RDC budget for façade grants going into 2022. Ms. Hostetler stated that staff would like to see it done by the end of the year so that money does not need to be encumbered. Ms. Houck suggested that the RDC could advise the applicant that if the project is not completed by the end of the year, the grants funds would be forfeited. Ms. Jacobson stated that staff recently met with the contractor, at which time she advised him that the RDC can consider an extension but may not be willing to extend the grant any additional time beyond 90 days, so this project should be a priority to complete. Mr. Claussen asked how often the HPC meets. Ms. Hostetler stated the HPC meets the third Tuesday of each month unless there is no business to attend to. Ms. Jacobson noted that the revised COA was approved a couple of months ago, so this should not cause any further delay. Ms. Longer asked if the 90-day extension is from August 19 or today. Ms. Hostetler stated that the extension should be from the previous expiration date of August 19. Ms. Houck agreed. She said that the worst-case scenario would be that the owner completes the project on his own without grant funding. She indicated that the project could still move forward if the grant expires, he would just miss out on the grant component. The consensus of the RDC members was that they are eager to see this project done as soon as possible. A motion was made by Ms. Broadway to approve a 90-day grant extension from the previous expiration date of August 19, 2021; seconded by Ms. Plesac. All ayes; motion carried. (5-0)

Regarding the **Request for Façade Grant Extension – 347 Main Street, Tomas Gielazyn**. Ms. Hostetler stated that the RDC approved the grant on April 19, 2021, so the six-month expiration date is October 19, 2021. She said the applicant was advised to submit a request for extension for RDC approval at this meeting since the grant expires the next day. She stated that the contractor has indicated that the work should be completed by the end of the year. She noted

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that the request is for a 90-day extension, so the new expiration date would be January 19, 2022. Ms. Houck suggested synching the two (345 & 347 Main St.) grant expiration dates so that they both expire on December 31st since they are being done simultaneously. She noted that neither the owner nor the contractor is present to explain the delay. Mr. Claussen asked how much money was granted for each address. Ms. Hostetler stated that the amount granted for 345 Main Street was \$9,178.50, and the amount granted for 347 Main Street was \$8,250.00. Ms. Plesac stated that she thinks each grant extension request should be approved as presented, which is 90 days for each. Ms. Broadway agreed as long as it is acceptable to extend the grant past this year. Ms. Houck opposed because she believes the two grants should be synched. A motion was made by Mr. Claussen to approve a 90-day grant extension for 347 Main Street; seconded by Ms. Plesac. Ayes: 4, Nays: 1 (Ms. Houck); motion carried. (4-1)

The next item of business was the **Approval of Revised Grant Amount – 347 Main Street, Tomas Gielazyn**. Ms. Hostetler stated that a revised COA was received for this address because there were elements that the owner wanted incorporate that were not included in the original COA. She said she requested a revised estimate with an itemized cost breakdown of each item that is grant eligible, but has not yet received in the requested format. She stated that the revised COA was for the removal of the wood framing, paneling, and soffit above the storefront windows as well as the installation of transom windows. She noted that the original plan was to install and paint treated plywood and trim to create a signage area, but the owner decided to install transom windows instead. She recommended this item be tabled since the appropriate paperwork has not been received. A motion was made by Mr. Claussen to table the approval of revised grant amount for 347 Main Street; seconded by Ms. Plesac. All ayes; motion carried. (5-0)

Regarding the **69th Avenue Improvement Project – Status Report**, Mr. Towle distributed copies of a written status report, which included construction photos. He stated that the storm sewer work, as well as the revised road grading has been completed. He indicated that Mt. Carmel Stabilization Group, Inc. performed subgrade treatment and lime stabilization, which produced favorable results upon testing. The stone subbase has subsequently been installed. Additionally, the empty conduit has been installed under the roadway for future use. Mr. Towle stated that the mason is currently on site installing the limestone wall in the center of the roundabout, and Reith Riley is anticipated to begin curb installation this week. Once the curb is complete, Reith Riley will work on finishing the driveway approaches, sidewalks, splitter islands, and decorative concrete in the roundabout. He said he hopes the roadway will be ready for asphalt paving by the next RDC meeting.

The next item of business was the **Approval of Pay Estimate #11 (G.E. Marshall) 69th Avenue Improvement Project (A – Road)**. Mr. Towle stated that this pay estimate is for the remaining storm sewer items, the subgrade treatment, the concrete footing for the limestone wall, and some of the stone for the subgrade. He reminded the Commission that the retainage has been met, so the total amount for pay estimate #11 is \$453,495.96. A motion was made by Ms. Plesac to approve pay estimate #11 in the amount of \$453,495.96; seconded by Ms. Broadway. All ayes; motion carried. (5-0)

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Regarding the **Approval of Pay Estimate #5 (Grimmer) – 69th Avenue Improvement Project (B – Sanitary Sewer)**, Mr. Towle reminded the Commission that the sanitary sewer portion of the 69th Avenue project was completed in collaboration with the Merrillville Conservancy District (MCD). He indicated that the few punch list items, mostly related to restoration, have been completed, and Stormwater District/MS4 Coordinator Tim Kingsland has verified that the work is acceptable. He said pay estimate #5 in the amount of \$2,100.00 is for construction engineering. A motion was made by Ms. Plesac to approve pay estimate #5 in the amount of \$2,100.00; seconded by Mr. Kelly. All ayes; motion carried. (5-0)

Mr. Towle requested that the **Approval of Change Order #2 – 69th Avenue Improvement Project (B-Sanitary Sewer)** be discussed prior to the **Approval of Pay Estimate #6 (Grimmer) - 69th Avenue Improvement Project (B-Sanitary Sewer)**. He stated that this final change order is needed to adjust the unit quantities identified in the contract to reflect the actual field measurements. He noted that rather than having the contractor patch the roadway, it was instead resurfaced, and that cost was paid from a separate fund. The total underrun on the contract is \$58,317.97, which is the change order amount. A motion was made by Ms. Broadaway to approve change order #2; seconded by Ms. Plesac. All ayes; motion carried. (5-0)

Regarding the **Approval of Pay Estimate #6 (Grimmer) – 69th Avenue Improvement Project (B-Sanitary Sewer)**, Mr. Towle stated that this pay estimate in the amount of \$39,199.45 is for the retainage release and will be the final payment for the sanitary sewer contract. A motion was made by Ms. Plesac to approve pay estimate #6 in the amount of \$39,199.45; seconded by Ms. Broadaway. All ayes; motion carried. (5-0)

The next item of business was the **Approval of Final INDOT Invoices– 3rd Street Streetscape**. Mr. Towle stated that there were some delays regarding the issuance of these invoices due to some discrepancies between BF&S and INDOT's purchase order calculations. He indicated that there will be a total of eight invoices to close out the contract, in which six have now been reconciled and are included in the RDC meeting packet for approval. He said he is trying to secure NIRPC funds to cover a portion of one of the remaining invoices, and the other has not yet been received. The total amount of the six invoices that are currently available is \$155,060.22. Ms. Jacobson noted that invoice 65199 in the amount of \$81,606.00 will be reimbursed by the Hobart Sanitary District (HSD). A motion was made by Ms. Plesac to approve the six final invoices that are currently available in the amount of \$155,060.22; seconded by Ms. Broadaway. All ayes; motion carried. (5-0)

Regarding the **Approval of Reimbursement to the Board of Works – Eichhorn & Eichhorn, LLP Invoice**, Ms. Jacobson stated that this invoice is for legal fees related to the condemnation of a parcel needed to complete the 69th Avenue improvement project. She said the RDC is requested to reimburse the Board of Works upon approval and payment at its October 20th meeting. She indicated that upon speaking with Attorney DeBonis regarding the order of actions, he advised that it is acceptable for the RDC to approve the reimbursement pending payment by the Board of Works. Ms. Houck noted that the RDC's expenditures are frequently scrutinized and she wants to make sure this is the proper protocol. Attorney McCarthy said the RDC can move forward with confidence regarding this reimbursement approval. She reminded

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the Commission that the State Board of Accounts (SBA) previously shared the opinion that these costs are in fact reimbursable. She stated that by way of context moving forward, this case has been quite a legal battle. She noted that past condemnation actions by the City have not gone as far as this one. She reminded the Commission that the court-appointed appraisers in this case valued the property at approximately \$49,000.00, which the City has paid and is currently in escrow. However, the defendant in this case has requested a bench trial in front of a judge, so the City is currently going through the motions of a summary judgement to see how that moves forward. Attorney McCarthy stated that the City's goal is to keep the amount provided by the court-appointed appraisers as the fair amount for the property. She advised that in addition to the legal fees, the RDC will be asked to reimburse the actual cost of the parcel. She said this exact cost will not be known until the legal process is exhausted by means of an order issued or a bench trial. Ms. Houck asked if the SBA is agreeable to the RDC paying additional expenses related to legal fees incurred for condemnation. Attorney McCarthy confirmed that is correct as per the opinion previously received from the SBA. She said the reason for the focus on reimbursement is because the RDC as a Commission cannot bring an eminent domain action. She indicated that the eminent domain action has to be done by a different City entity such as the Board of Works, which is being done properly. She stated that Attorney DeBonis has offered the opinion that since the statute uses the word reimbursement, the Board of Works should pay the expenses related to the condemnation since it is the entity bringing the action. The RDC can then reimburse these costs. She said Attorney DeBonis advised adhering to this payment structure to maintain clarity that the RDC is not the entity bringing the condemnation action. Ms. Jacobson reminded the Commission that several months ago, Attorney McCarthy sought an opinion from the SBA as to whether or not the RDC could reimburse for right-of-way acquisition if a parcel went through the condemnation process. The SBA provided an opinion in writing indicating that the RDC can in fact reimburse those expenses. Additionally, Attorney DeBonis presented the State statute, which specifies the fact that it should be a reimbursement to the City since the RDC does not have the authority to condemn property, but the City does. Ms. Houck said it sounds like the process is being done in the order that Attorney DeBonis has requested. A motion was made by Ms. Plesac to approve the reimbursement to the Board of Works in the amount of \$32,665.98 for legal fees pending payment of Eichhorn & Eichhorn invoice by the Board of Work after approval at a meeting on October 20, 2021; seconded by Mr. Clausen. All ayes; motion carried. (5-0)

Ms. Jacobson reviewed the invoices on the **Register of Claims**. She stated that pay estimates #5 and #6 from Grimmer Construction will be paid from the money in escrow from the Merrillville Conservancy District (MCD). She said that \$410,379.78 of the total G.E. Marshall pay estimate #11 amount of \$453,495.96 will be paid from Fund 410 and will be submitted to the RDA for reimbursement of this portion only. She explained that upon payment from the RDA for pay estimates #9 and #10, the remaining amount for the \$2.5 million RDA grant will be \$410,379.78, so this is the amount that will be paid from Fund 410 and the remaining \$43,116.18 will be paid from the bond. INDOT invoice 65199 will be reimbursed by HSD. A motion was made by Ms. Plesac to approve the register of claims in the amount of \$633,683.24; seconded by Mr. Kelly. All ayes; motion carried. (5-0)

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<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Claimant</u>	<u>Amount</u>
9/22/2021	Pay Est. #5	Grimmer Construction	\$2,100.00
9/22/2021	Pay Est. #6	Grimmer Construction	\$39,199.45
9/22/2021	N/A	Nancy Granger	\$1,000.00
9/19/2021	2874	Anthony DeBonis, Jr. & Assoc.	\$300.00
9/19/2021	2875	Anthony DeBonis, Jr. & Assoc.	\$150.00
9/24/2021	2876	Anthony DeBonis, Jr. & Assoc.	\$450.00
9/24/2021	2877	Anthony DeBonis, Jr. & Assoc.	\$400.00
9/29/2021	N/A	Merrillville Comm. School Corp.	\$6,470.84
10/6/2021	N/A	School City of Hobart	\$18,172.95
10/12/2021	Pay Est. #11	G.E. Marshall	\$410,379.78
2/10/2021	63363	INDOT	\$20,558.47
2/18/2021	63468	INDOT	\$14,615.13
5/19/2021	65199	INDOT	\$81,606.00
7/28/2021	66280	INDOT	\$4,232.93
9/29/2021	67170	INDOT	\$9,047.69
9/29/2021	67172	INDOT	\$25,000.00

Total: **\$633,638.24**

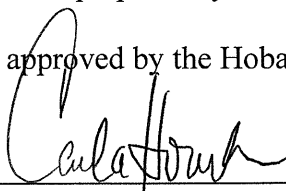
Regarding the Approval of 2020 Bond Register of Claims, Requisition No. 25 includes the reimbursement to the Board of Works in the amount of \$32,665.98 for legal fees related to the parcel acquisition for the 69th Avenue project. Requisition No. 25 also includes the remaining balance of \$43,116.18 for G.E. Marshall pay estimate #11 related to the 69th Avenue project. A motion was made by Ms. Plesac to approve Requisition No. 25 in the amount of \$75,782.16; seconded by Mr. Claussen. All ayes; motion carried. (5-0)

Staff Report – Ms. Jacobson gave an update on the Steiner Homes residential development at 61st Avenue and Arizona Street. She stated that Mr. Steiner experienced an unexpected delay due to some difficulty obtaining an engineering firm that could complete the project in a timely manner. She said he believes he has now found one and is in the process of negotiating a price. She indicated that Mr. Steiner intends to work with City staff to submit subdivision and site plans once the engineering is in place. Ms. Plesac asked if Mr. Steiner has expressed any concerns about supply chain issues. Ms. Jacobson said that he has not expressed any concerns to her, but she will ask the next time she talks to him.

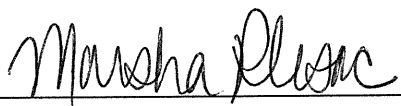
Adjournment - The meeting was adjourned at 9:27 a.m.

Minutes were prepared by Dawn Hostetler, Clerical Assistant to the Director of Development.

Minutes approved by the Hobart Redevelopment Commission on 11/15/21.



Carla Houck, President



Attest: MARSHA PLESAC, SECRETARY