

CARMEL REDEVELOPMENT COMMISSION MEETING
Wednesday, July 20, 2022

ATTENDANCE:

President	Bill Hammer	Present via Teams
Vice President	Dave Bowers	Present
Secretary	Bill Brooks	Present
Member	Lea Lockhart Sasena	Present
Member	Jeff Worrell	Present
Member	Michael Kerschner	Present
Executive Director	Henry Mestetsky	Present
Deputy Director	Jenell Fairman	Present
Finance Manager	Michael Lee	Present via Teams
Project Manager	Larysa Glaspie	Present
Office Manager	Tara Greaves	Present
Legal Counsel	Ryan Wilmering	Present
City Legal	Sergey Grechukhin	Present

President Hammer called the meeting to order at 6:33 p.m.

The Pledge of Allegiance was recited.

Approval of Minutes

June 15, 2022 minutes were presented. Secretary Brooks moved to approve the minutes, as amended. Vice President Bowers seconded.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

July 14, 2022 minutes were presented. Secretary Brooks moved to approve the minutes. Commissioner Worrell seconded.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

President Hammer proposed to move Action Item #9 up. Without objection, President Hammer asked Deputy Director Fairman to introduce this item.

a. Action Item #9 – Award Tarkington repair contract

Deputy Director Fairman introduced the award for the Tarkington Garage Repair Contract and stated the CRC held a special meeting on Thursday, July 14th to open bids for the Tarkington Garage Repair Contract. There were four bids that were submitted and opened at that meeting. CRC staff has reviewed the bids and received advice from Wiss, Janney, Elstner Associates (WJE), the Engineer of Record, and Drewry Simmons Vornehm, the CRC's construction counsel.

Deputy Director Fairman proceeded to recap the selection process. The low bidder, Advanced Restoration Contractors, sent a request to withdraw their bid due to a mathematical, clerical error.

CRC Meeting, July 20, 2022

After review by CRC counsel of documentation provided by Advanced Restoration Contractors counsel, CRC honored the request to withdraw the bid due to a clerical error.

Deputy Director Fairman stated the second lowest apparent bidder, Lacy Construction Group, was determined to be not responsive as they failed to meet the project schedule, had missing documentation, and did not include a required owner contingency allowance.

Deputy Director Fairman then stated CRC staff has followed the guidance of WJE and Drewry Simmons Vornehm to propose award of the Tarkington Garage Repairs contract to Browning Chapman in the amount of \$1,099,775.00, payable from the 2021 TIF Bonds and 902 Fund. Deputy Director Fairman added that Browning Chapman also had a minor clerical error, and the updated number reflects the correction, and their original bid would have still been the third lowest bidder and would not have impacted the results.

Secretary Brooks moved to approve, seconded by Commissioner Sasena.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

Financial Matters

Mr. Lee stated the Commission's end of the month balance for June totaled \$6,654,519 and, including the restricted funds, the balance totaled \$15,491,938.

Approval of Claims

Mr. Lee requested the Commission to approve the non-operating invoices in the amount of \$91,102.24.

Mr. Lee requested the Commission to approve the 2021 Local Income Tax General Obligation bond invoices in the amount of \$1,117,054.23.

Mr. Lee requested the Commission to approve the 2021 TIF bond invoices in the amount of \$263,381.42.

Vice President Bowers moved to approve the claims, seconded by Commissioner Worrell.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

Executive Director Report

Executive Director Mestetsky presented project updates to the Commission.

Committee Reports

Finance Committee – The Finance Committee did not meet this month.

President Hammer asked Executive Director Mestetsky and Finance Manager, Mr. Lee, for a staff recommendation on how to proceed with the Finance Committee going forward, as requested last month.

Executive Director Mestetsky asked Mr. Lee, the finance manager, who has been with the CRC since the beginning, to present the report.

Mr. Lee stated that in late 2010, due to concerns about the City's Clerk-Treasurer at the time, the CRC elected to appoint London Witte Group as the CRC's Treasurer. London Witte Group began reviewing CRC finances and reported to the Commission at the monthly meetings. Mr. Lee stated that at this time, the commission had numerous debt instruments including multiple installment purchase contracts regarding the FFE for the Palladium, Tarkington, and Studio Theaters, and mortgages for properties, adding that there was a lot to keep track of. Mr. Lee continued, that there was also minimal reporting being done by the commission at the time, beside basic forecasting. Mr. Lee stated that in 2011, Vice president Dave Bowers was appointed by City Council and the Commission created the finance committee in order to provide more oversight and standardize reporting.

Mr. Lee stated the Committee continued to meet regularly to review and update these parts of the finance packet. He stated that many pages in the monthly finance packet were templates created initially at London Witte Group. Mr. Lee continued, as interest rates fell in 2011 and 2012, the committee started down the path of refinancing all of the outstanding debt that had high or variable interest rates. Mr. Lee added the Committee, London Witte Group, the municipal advisor (Umbaugh at the time, and now Baker Tilly), and even some City Councilors held meetings to review CRC finances and plan out refinancing, which eventually took place in 2012. Mr. Lee continued, after that time, the finance committee shifted to meet as-needed, usually no more than twice a year to discuss budgets. He added that today, the financial budgeting, reporting and oversight functions at the CRC have greatly evolved compared to those early days. Mr. Lee continued to share some examples:

1. While previously serving as an office manager, Mr. Lee is now the Finance Manager of the CRC with staff-accountant level support. Unlike previous Executive Directors with architecture backgrounds, Director Mestetsky has a background in Accounting, Finance, and compliance law.
2. CRC staff generates a relatively sophisticated 16-page monthly financial reports to City Council and the Commission. The report includes tracking of all outstanding contracts, bonds, and obligations, an income statement, monthly forecasting, and TIF collections and disbursements by allocation area.
3. The CRC votes on a budget at each year-end and sometimes at a midway point. The creation of the budget is an ongoing process. Director Mestetsky and Mr. Lee now meet with all commissioners regularly to discuss budget issues, and the budget is heavily discussed in public meetings ahead of formal votes.
4. CRC staff also generates a 100-plus page TIF Management Report on the activities of the commission for each year, and the report is shared with City Council and uploaded to Gateway, managed by the Indiana Department of Local Governmental Finance.
5. CRC staff also work with Baker Tilly to generate a separate, annual 100-page comprehensive TIF Report which focuses on forward-looking financial outlook, and that report is shared with various external users.
6. CRC financials are audited every year by the State of Indiana. This month, the City and the CRC received a clean report with no corrective actions needed.
7. The elected Clerk-Treasurer position no longer exists, and the City's financial function is handled by a professional Controller. Director Mestetsky, City Controller Ann Bingman, and Mr. Lee all work together very often on tracking and reporting issues.

Mr. Lee continued to state, while the Finance Committee was very helpful during those earlier years and served its purpose, the sophistication of the CRC's financial functions has greatly evolved. Mr. Lee added, in light of this, and with the understanding that CRC staff will continue the same levels of coordination and transparency with the commissioners informally, it is the recommendation of the staff to disband the formal finance committee.

President Hammer asked the Commissioner's for any comments on the staff recommendation. Vice President Bowers said he supports everything Mr. Lee presented and highlighted the evolution of the last 11-12 years of financial reporting, praising the level of detail in the financial reports.

President Hammer requested a motion to adopt the staff recommendation to terminate the finance committee. Vice President Bowers moved to adopt the CRC staff recommendation to terminate the finance committee, seconded by Commissioner Worrell.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

Architectural Review Committee – Secretary Brooks stated the Architectural Review Committee has met twice since the last CRC meeting. In June, the Committee reviewed the Old Meridian, Cross Development Project and the Pure HQ and Family Office at the former AT&T Site. Both projects were approved contingent on staff comments. In July, the Committee reviewed the ERS Old Meridian and Main project, and this project was also approved contingent on staff comments.

Old Business

None.

New Business

a. Public Hearing for Old Meridian Apartments confirmatory resolution

b. Action Item #1 – Resolution 2022-14 re: Confirmatory Resolution for Old Meridian Apartments

President Hammer opened the Public Hearing at 6:56 P.M. There were no comments from the public; President Hammer closed the Public Hearing at 6:57 P.M.

Mr. Lee asked that the Commission approve the resolution to finalize the creation of the Old Meridian Apartments allocation area.

Commissioner Worrell moved to approve, seconded by Vice President Bowers.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

c. Action Item #2 – Resolution 2022-15 re: Old Meridian Apartments TIF Pledge

Mr. Lee asked the Commission to approve pledging the TIF generated from the Old Meridian Apartments allocation area towards the bonds that will support Old Meridian Apartments project.

Secretary Brooks moved to approve, seconded by Commissioner Sasena.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

d. Action Item #3 – Resolution 2022-16 re: Old Meridian Apartments project terms

Executive Director Mestetsky asked that the Commission approve the terms of the Old Meridian Apartments project.

Vice President Bowers moved to approve, seconded by Secretary Brooks.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

e. Action Item #4 – Resolution 2022-17 re: Concourse project terms

Executive Director Mestetsky asked that the Commission approve the terms of the Concourse project.

Commissioner Worrell moved to approve, seconded by Commissioner Sasena.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

f. Action Item #5 – Resolution 2022-18 re: Courtyards of Carmel project terms

Executive Director Mestetsky asked that the Commission approve the terms of the Courtyards of Carmel project.

Secretary Brooks moved to approve, seconded by Commissioner Worrell.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

g. Action Item #6 – Township donation resolution 2022-19 (CCHS)

Executive Director Mestetsky asked that the Commission authorize a contribution to Clay Township for the Carmel Clay Historical Society project. Executive Director Mestetsky stated this contribution was approved by Council with the 2021 TIF Bond.

Commissioner Sasena moved to approve, seconded by Vice President Bowers.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

h. Action Item #7 – Resolution 2022-20 re: The Corner trailhead project agreement

Executive Director Mestetsky asked that the Commission authorize an agreement with the Carmel Clay Board of Parks and Recreation to fund costs associated with The Corner Trailhead Project, whereby the CRC would fund design and construction of a new trailhead at the Inter-Urban Trail and 116th Street for the Carmel Clay Parks and Recreation Department.

Vice President Bowers moved to approve, seconded by Secretary Brooks.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

i. Action Item #8 – Resolution 2022-21 re: Pledge to reimburse CMCDC from Studio M TIF

Executive Director Mestetsky asked that the Commission authorize a grant of funds as a reimbursement to CMCDC from the Studio M TIF.

Vice President Bowers moved to approve, seconded by Commissioner Worrell.

Vote:	Yes	No	Abstain/Recuse
Bill Hammer	X		
Dave Bowers	X		
Bill Brooks	X		
Lea Lockhart Sasena	X		
Jeff Worrell	X		

Other Business

None.

Adjournment

The Commission adjourned the meeting at 7:15 P.M.

The next scheduled meeting is Wednesday, August 17th, 2022, 6:30 p.m.