

**COMMON COUNCIL - WORK SESSION
CITY OF NOBLESVILLE
APRIL 30, 2024**

The Common Council of the City of Noblesville met in special session on Tuesday, April 30, 2024 in rooms A213 and A214 at City Hall. Darren Peterson called the meeting to order pursuant to public notice at 6:25 p.m. with the following members present: Mark Boice, Mike Davis, Evan Elliott, Dave Johnson, Pete Schwartz, Aaron Smith, Todd Thurston, and Megan Wiles.

Also present were City Clerk Evelyn Lees, Deputy Mayor Matt Light, Community Development Director Sarah Reed, Public Safety Director Chad Knecht, City Attorney Jonathan Hughes, Chief Financial Officer and Controller Jeff Spalding, City Engineer Alison Krupski, Assistant City Engineer Jim Hellmann, Project Manager Jayme Thompson, Community Relations Manager Lexie Rock, Principal Planner Denise Aschleman, and Noblesville Creates Executive Director Ailithir McGill.

2024 – 2033 Capital Improvement Plan

Mr. Light distributed copies of the Capital Improvement Plan and displayed a PowerPoint presentation. He stated four years ago it was decided that a ten-year plan for capital improvements would help with decision-making. He stated the first plan was produced in 2021, and it has been helpful. He stated the process begins with departments identifying projects they feel would help the community. He stated the projects and funding are then harmonized to form the plan. He stated the plan is not the same as the budget or appropriations. He stated the plan schedules projects at a high level, but they are funded in the capital budget.

Mr. Light reviewed the core sources for funding capital improvements. He stated these sources of funds are more reliable and less restricted than other sources. He reviewed a list of other funding sources, such as Utility funds and TIF funds. He reviewed revenue projections for 2024 through 2028. He stated revenue for 2029 through 2033 is conservatively estimated at approximately \$19.8 million per year for purposes of the plan.

Mr. Light reviewed Updated Priority Listings. He stated there is a total of 284 projects in the plan, but there is a “cut line” to determine what can be funded and programmed. He stated of 201 projects planned for 2024 through 2028, 138 projects are funded. Mr. Peterson stated four years ago, many of the projects were unfunded. He thanked the Administration for compiling the plan.

Mr. Smith stated there are still decisions to make. He stated two years ago, there was no partnership with the Pacers to build an event center, and Fire Station 78 was unfunded. He stated the Pacers and the new Pulte development at Finch Creek will affect the capital plan. Mr. Boice stated he appreciates a funding plan rather than a wish list of projects. Mr. Peterson stated now that the City has TIF proformas, there is better information for determining funding strategies. Mr. Light stated it is important for the Administration to make good decisions so that funding will be available if opportunities come. Mr. Spalding stated the plan could still be improved, but it is a serious plan. He cautioned the Council not to assume that other communities with a plan are at this level. He stated the City’s plan is the result of great efforts by many people.

Mr. Peterson stated when the Pacers partnership for the event center was announced, he was concerned that the City’s finances would be stretched too thin. He stated the TIF revenue associated with the project should be well beyond what is needed, so the project is reasonable. He asked if there will be extra capacity in the TIF districts for funding other projects. Mr. Light replied projections for the consolidated TIF district were based on worst-case scenarios, so the Administration has significant confidence that the TIF revenue will be more than sufficient for the project. Ms. Reed and Mr. Hughes agreed that revenue estimates were very conservative. Mr. Light stated funding that is obligated will not necessarily be spent. He stated the Police Department headquarters is estimated to cost approximately \$45 million. He stated part of the funding for the project will be available as the bonds for City Hall and Fire Stations 5 and 6 end in 2025.

Mr. Johnson asked if all projects in the plan are actively in progress or just identified as future projects. Ms. Krupski replied all the projects in the first five years of the plan are listed with a cost and as funded or unfunded. She stated many projects in the second five years of the plan

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have a cost of TBD (To be Determined), because there is no way to know the cost that far in the future, and any estimate would be likely to change significantly. She stated the projects in the Civil City plan are listed alphabetically, but there is a key to interpret the data. Mr. Peterson suggested listing unfunded projects by order of priority.

Ms. Thompson left the meeting.

Ms. Krupski stated the Utilities also have their own robust capital improvement plan. Mr. Light stated the Utilities currently are making up for years when projects were put on hold. Mr. Boice stated federal and state mandates regarding wastewater treatment are why rates must increase regularly, in order to keep up with the requirements and avoid very large increases later. He stated this year a rate increase is due. He asked when the increase will be decided. Mr. Light stated the Administration will meet with the Utilities' financial advisor, Baker Tilly, on Friday. He stated Baker Tilly will present their recommendations for rate increases for four-year, two-year, and annual cycles.

Ms. Krupski stated the capital improvement plan does not include adjustments for inflation. Mr. Smith stated it is a living document, so it can be adjusted as needed. Ms. Krupski replied she feels the estimates are very close to actual costs. Mr. Light stated the plan is updated twice per year. Ms. Krupski requested that any comments on the plan be sent to her, Mr. Light, and Mr. Spalding.

American Rescue Plan Fund Priorities

Mr. Light stated the City received \$6.1 million in American Rescue Plan Act (ARPA) funding from the federal government, and approximately \$2.8 million remains. He stated under the terms of the grant, the money must be obligated by December 31, 2024 and spent by December 31, 2025. He reviewed expenditures of the funding to date and a list of proposed expenditures. He stated at first there were rules restricting how the money could be spent, but later the rules were changed to allow spending for any governmental purpose. He stated the Administration would like to spend the money on projects that better the community. He stated contemplated projects include further renovations to the Forest Park Aquatic Center; White River rail bridge repairs for the Nickel Plate Express; Visitor Center renovations and improvements as part of Cultural District investments; new lights at Logan Field for Babe Ruth baseball; and design costs for the Logan Street Trail. He stated renovating the Visitors Center at 839 Conner Street will house Noblesville Creates. Ms. McGill stated the Visitors Center would provide a world class facility for Noblesville Creates. She stated Noblesville Creates would be able to add revenue to Downtown in a way they can't do where they are now (in a remodeled 19th century house on 8th Street). She stated they also would be able to showcase the NobleMade store more effectively. Mr. Light stated a financial impact analysis has been conducted for the project which will be provided to Council. He stated the funding could allow the Logan Street Trail west of the White River to be brought forward, when it was programmed for 2026. He stated other capital improvement projects also may be brought forward if funding is available. Mr. Peterson asked when final decisions will be made. Mr. Light stated the Administration hopes to reach a consensus by mid-year.

Mr. Davis asked when the 2025 budget process will begin. Mr. Spalding stated a preliminary revenue forecast will be presented to the Finance Committee at its May 23 meeting, and then the departments will compile their budgets. Mr. Peterson asked if other Council members could attend the Finance Committee meeting. Ms. Lees replied if other members attend, the meeting will become a Council meeting and would no longer be a Finance Committee meeting. Mr. Spalding offered to share the presentation with the full Council by email. He stated the final revenue forecast will be presented by Mike Reuter to the full Council in August.

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ADJOURNMENT

Mr. Peterson adjourned the meeting at 7:09 p.m.

DARREN PETERSON, PRESIDENT

ATTEST:

EVELYN L. LEES, CLERK