

**Columbus Redevelopment Commission**  
**REGULAR BOARD MEETING**  
**January 28, 2013**  
**6:00 p.m.**



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**MINUTES**

The Redevelopment Commission met in regular session on Monday, January 28, 2013 at 6:00 p.m. in the Columbus, Indiana Common Council Chambers. The meeting was chaired by Mayor and Redevelopment Commissioner Kristen Brown. Other Commission members present were Frank Jerome, David Wright, Sarah Cannon, Robert Abrams and Steven Scgalski.

Also present were Heather Pope, Redevelopment Director; Kelly Benjamin, City Attorney; Susan Fye, Public Works and Safety Board member; Scott Nickerson of Crowe Horwath LLP; and Andrew Lanam of Reedy Financial Group P.C. Several members of the public were also present.

Except for matters raised by members of the public present, matters discussed during the meeting were those previously disclosed in a public notice of the meeting.

**Call to Order**

- 1) Roll Call by Mayor Brown – Frank Jerome, David Wright, Mayor Brown, Sarah Cannon, Robert Abrams (Non-Voting Member), and Steven Scgalski.

Mayor Brown welcomed Mr. Abrams, a board member of the Bartholomew County School Corporation (BCSC), as the new non-voting member of the Commission appointed by BCSC to replace former Commissioner John Anderson.

**Discussion Items**

- 1) Crowe Horwath Audit of Columbus Downtown, Inc. (CDI): Scott Nickerson of Crowe Horwath next presented comprehensive findings of its audit of CDI's financial matters for the period March 14, 2008 to December 31, 2011, including a review of the special purpose statement of cash flows, revenues, expenses and changes in net assets of CDI for the period, and a special purpose statement of assets, liabilities and net assets as of December 31, 2011. He reviewed the audit process in which Crowe had engaged and presented its findings, noting a number of deficiencies in controls over financial reporting resulting, in Crowe's opinion, in a reasonable possibility that a material misstatement of CDI's financial statements would not have been prevented or detected and corrected on a timely

basis, thus constituting a material weakness in those controls. He further highlighted that the opinion was a so-called “qualified opinion” in that the audit was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. He presented Crowe’s recommendations, if CDI’s operations were to be continuing, including establishment of an accounting system, policy, procedures and process to capture all cash, non-cash and accrual financial transactions that would include adequate segregation of duties to review periodic reporting, as well as establishment of a system of retaining and documenting all significant business transactions and board actions. Commission members asked certain questions following the presentation, and Mayor Brown asked if there were any questions or comments from the public present.

- 2) Year-End 2012 Financial Update and 2013 Budget Estimates: Andrew Lanam of Reedy Financial Group then presented the Commission’s 2012 budget report, including TIF revenue and expenditures by type for each of the TIF allocation areas, the variances from amounts projected for the year, and preliminary projections in each category and allocation area for 2013. The report also included a breakdown of the specific project-related expenditures in each TIF area during 2012 and projected for 2013, as well as detailed debt service schedules for each series of outstanding bonds. He also presented similar information with respect to the Commission’s Certified Tech Park budget and debt service requirements. Commissioners had a number of questions during and following the presentation. Mayor Brown also invited questions from members of the public present. Mr. Lanam and Ms. Pope explained the need for this 2012 financial update and the 2013 budget estimates to be submitted to the State of Indiana via the State’s Gateway website by a member of the Commission. Mr. Wright agreed to do so as Secretary of the Commission.
- 3) Columbus Redevelopment Commission 2012 Annual Report: Heather Pope briefly presented the Commission’s year-end activities report for 2012 to be posted on the Commission’s website for future reference, summarized its highlights for the Commission, and responded to questions. Mayor Brown provided opportunity for questions and comments from the public present.

### Action Items

- 1) Approval of Meeting Minutes: Next, upon motion duly made by Sarah Cannon and seconded by Steven Scgalski, minutes of the Commission’s December 17, 2012 regular meeting were unanimously approved; upon motion duly made by Sarah Cannon and seconded by Frank Jerome, minutes of the Commission’s January 2, 2013 special meeting were approved; upon motion duly made by Sarah Cannon and seconded by Frank Jerome, minutes of the Commission’s January 10, 2013 special meeting were approved; and upon motion duly made by Frank Jerome and seconded by Sarah Cannon, minutes of the Commission’s January 23<sup>rd</sup> executive session were approved, in each case by all Commissioners who were present for each respective meeting. Mr. Scgalski abstained from voting in

connection with the special January 2<sup>nd</sup> and 10<sup>th</sup> meetings as well as the January 23<sup>rd</sup> executive session due to his absence.

- 2) January 23, 2013 Executive Session Recommended Action: Following brief comments by Kelly Benjamin regarding existence of the Commission's executive session held on January 23, 2013 pursuant to **Ind. Code Sec. 5-14-1.5-6.1** in connection with the amended sublease between the Commission and Greenhouse Restaurant, LLC, upon motion duly made by Sarah Cannon and seconded by David Wright, the Commission unanimously approved legal counsel's filing of a judicial action seeking a declaratory judgment as to whether there has been a material breach of the contract by Greenhouse Restaurant, LLC, and also approved the carrying out of such further actions by counsel that may be required in connection with the judicial process.
  
- 3) Continued Engagement of Stan Gamso as Commission Legal Counsel for 2013: Following introduction by Heather Pope of a renewed retainer agreement with Columbus Attorney Stan Gamso for the provision of legal services to the Commission during 2013, including highlight of a \$14,000 annual increase in the amount of the retainer based on past precedent of compensation of Commission legal counsels, and comments by Ms. Benjamin regarding services provided during 2012 and the scope of services anticipated to be provided by Mr. Gamso during 2013, upon motion duly made by Frank Jerome, seconded by David Wright and opportunity for public comment, **Resolution No. 2-2013** approving the continued engagement of Stan Gamso as legal counsel to the Commission for 2013 in the form presented to the meeting and attached to these minutes, including the form of contract for professional services, was unanimously approved.
  
- 4) Bruce Carter Associates (BCA) Change Order Requests for Brownfield Remediation Site Work: Ms. Pope next presented a change order request from BCA to allow HIS Constructors, Inc. to install 3 additional groundwater monitoring wells and 2 additional probes all to be installed before April and deemed necessary as a result of the first round of monitoring at the Lafayette Ave. Brownfield remediation site, and as required by the Indiana Department of Environmental Management. She explained that BCA had previously discussed with the Commission that this might become a requirement. Following further discussion and upon motion duly made by Frank Jerome, seconded by David Wright and opportunity for public comment, BCA Change Order #011 authorizing payment of \$13,613.07 from Brownfield funding for these installations was unanimously approved. The Commission then considered a related change order to authorize payment to BCA of \$10,809 for administering the coordination, oversight of documentation, soil samplings, reporting and associated activities necessary for the new well and probe installations. Upon motion duly made by Sarah Cannon, seconded by David Wright and opportunity for public comment, BCA Change Order #1 authorizing such payment from the Brownfield funds was also unanimously approved.

- 5) Claims for Service Payments: Mayor Brown then asked Commissioners to consider and act upon 2 dockets of claims for standard services rendered in connection with matters under the Commission's jurisdiction, which claims had been reviewed by each Commissioner prior to the meeting. Ms. Pope briefly described the nature of such claims. Upon motion duly made by David Wright and seconded by Sarah Cannon, such claims were unanimously approved for payment.
- 6) See Action Items (Cont.)

#### **Discussion Items (Cont.)**

- 4) Parking Garage Management Contract Update: Ms. Pope next explained that the Commission's legal counsel, Mr. Gamso, and legal counsel for REI Real Estate Services were continuing to finalize a services agreement for REI's management and operation of the Jackson Street and Second Street Parking Garages, which agreement she further explained would most likely be presented to the Commission for approval at its next regular meeting, if not before at a special meeting.
- 5) Update on Columbus Downtown, Inc. (CDI) Wind-Down: Ms. Fye next provided a brief continuing update on the few remaining CDI wind-down activities, including among other things the transfers of cash to pay bills, provision for initial funding needed for implementing the prospective parking garage management agreement with REI, certain accounting adjustments, and a public notice regarding filing of any outstanding claims against CDI, in response to which she explained no claims had been made to-date, but could be made for up to 2 years beyond publication of the notice. She also suggested to the Commission that since Scott Nickerson's Crowe Horwath audit of CDI had extended only through December 2011, it should consider also engaging Scott to compile and document all transactions during the period from December 2011 through the period of the wind-down. The Commission was in favor of this idea, depending on the cost of this activity, which it believed would be nominal. Mayor Brown then asked the public present for any questions or comments.

#### **Action Items (Cont.)**

- 6) Claims for Service Payments (Cont.): To complete approval of claims docket payments, Mayor Brown clarified that one of the small claims that had been discussed was represented on a 3<sup>rd</sup> docket separate from the 2 that had previously been approved, whereupon Frank Jerome moved, David Wright seconded, and the Commission unanimously approved the 3<sup>rd</sup> docket of standard claims.

**Adjournment**

Upon motion duly made by Frank Jerome and seconded by Sarah Cannon, the meeting was adjourned at 7:45 p.m.

Approval of January 28, 2013 minutes.

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Chairperson

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Member

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Member

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Member

\_\_\_\_\_  
Member

Date: \_\_\_\_\_

RESOLUTION NO: 2-2013

RESOLUTION OF THE COLUMBUS REDEVELOPMENT COMMISSION  
TO  
ENGAGE SERVICES OF  
STAN GAMSO AS LEGAL COUNSEL  
TO THE REDEVELOPMENT COMMISSION

Comes now the Columbus Department of Redevelopment, more commonly known as the Columbus Redevelopment Commission, and for this Resolution says as follows:

WHEREAS, Indiana Code §36-7-14-1 *et seq.* provides that a community may establish a Department of Redevelopment to be controlled by a Redevelopment Commission; and

WHEREAS, the City of Columbus, through its Common Council, did on August 19, 2003 create the City of Columbus Department of Redevelopment and the City of Columbus Redevelopment Commission ("Redevelopment Commission") by way of Ordinance Number 25, 2003; and

WHEREAS, the Redevelopment Commission has cause to engage the services of legal counsel in their day-to-day dealings; and

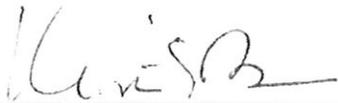
WHEREAS, the Redevelopment Commission wishes to retain legal counsel to represent, counsel, and provide all legal services that shall be assigned for a period starting January 1, 2013 through December 31, 2013;

WHEREAS, the Redevelopment Commission desires to engage the services of Stan Gamso to act as Columbus Redevelopment Legal Counsel, to the Commission, in order to achieve the aforementioned legal coverage of the Commission; and

NOW, THEREFORE, IT IS RESOLVED:

1. The Columbus Redevelopment Commission does hereby engage the services of Stan Gamso to provide legal services that shall include, but not be limited to, consultation regarding CRC matters, attendance at meetings, communication with Redevelopment Commission Members, review of the law and changes thereto, contracts, documents and any and all other matters or actions as requested or assigned by the Redevelopment Commission as spelled out in the attached contract.

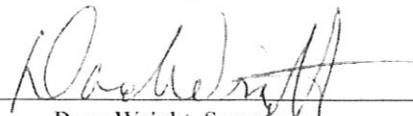
Adopted this 28th day of January, 2013.



Kristen Brown, Chairman



Sarah Cannon, Vice-Chairman



Dave Wright, Secretary