

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY, INDIANA,
HELD A REGULAR COUNCIL MEETING VIA ZOOM.COM ON THURSDAY,
SEPTEMBER 16, 2021 AT 7:00 P.M.**

MEMBERS PRESENT: Council Members: Mr. Caesar, Mrs. McLaughlin, Mr. Turner, Mr. Blair, Mr. Aebersold, Mr. Applegate, Dr. Knable and President Phipps. Council Member Collier was absent

ALSO PRESENT: Amy Stein, Josh Staten, Warren Nash, and Vicki Glotzbach

CALL TO ORDER:

President Phipps called the meeting to order at 7:00 p.m.

MOMENT OF REFLECTION:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

APPROVAL OR CORRECTION OF THE FOLLOWING MINUTES:

Mr. Caesar moved to approve the Work Session Meeting Minutes for September 1, 2021, Dr. Knable second, all voted in favor.

COMMUNICATIONS – COUNCIL:

Dr. Knable stated that he feels like they are getting somewhere with the responses from the city engineer on the issue in the 5th district so it is going well.

Mr. Turner stated that two months ago they had a public meeting on how to use the American Rescue Funds and several of his constituents spoke up regarding the storm water issues in the Silver Creek neighborhood. He asked if that had been discussed in a public meeting yet or not.

Mr. Turner stated that he knows that Mr. Gibson is targeting several areas to evaluate for storm water so he will ask him if the Silver Creek neighborhood is included and get back to him.

Mr. Caesar stated that tomorrow is September 17th and a “Give for Good Day” in the Louisville area. He explained that they are encouraging people to donate to their favorite charity and invited everyone to visit www.giveforgoodlouisville.org for more information.

Mr. Phipps reminded the council that tomorrow is the ribbon cutting for the new City Hall at 4:00 .m. and he hopes to see everyone there.

COMMUNICATIONS – MAYOR:

COMMUNICATIONS – OTHER CITY DEPARTMENTS OR CITY OFFICIALS:

**REPORTS – COMMITTEES, BOARDS OR OTHER OFFICIALS AS
REQUESTED BY A MAJORITY VOTE OF THE COUNCIL:**

APPROVAL OF CF-1 FORMS:

INTRODUCTION OF ORDINANCES:

READING

INTRODUCTION OF RESOLUTIONS:

COMMUNICATIONS PUBLIC: R-21-12 TG Missouri Corporation

COMMUNICATIONS PETITIONER: R-21-12 TG Missouri Corporation

**R-21-12 Resolution Concerning Statement of Applegate
Benefits for TG Missouri Corporation
by the Common Council of the City of
New Albany**

Mr. Applegate introduced R-21-12 and moved to approve, Mr. Caesar second, all voted in favor with the exception of Mr. Turner who voted no and Mrs. Collier who was absent.

Mr. Applegate stated that this is an abatement on both personal property/equipment and real property. He added that there are representatives from TG Missouri (Chuck Agers and Wayne Brewster), One Southern Indiana (Matt Hall and Mary Jo Olowski) on the call to answer any questions. He explained that it includes real property improvements and are spending overall \$10.8M + on the property with \$9.9M on the actual purchase price of the building. He stated that they are looking at add 150 jobs to this facility with average wages of ~\$22.00 per hour. He added that he thinks this is a wonderful company that puts New Albany on a global market and brings a lot of jobs to the area, all of which are extremely beneficial to the community. He explained that on the equipment side of things they are looking at putting in \$7.6M in equipment and \$7.4M in manufacturing with another \$100,000.00 on IT manufacturing and the remaining \$100,000.00 on logistics distribution equipment.

Mr. Staten thanked the individuals representing the company for being present at the meeting. He stated that the numbers speak for themselves but he wanted to add some information on the income tax that would be generated. He explained that they ran the numbers and if they look at all the jobs they are taking about creating it will be 7.1M in annual payroll and if they use the numbers from workforce development they can assume that ~62% of that would be living in the county. He added that of that 62% the city's share would be 42% which would come out to ~\$28,000.00 in income taxes that would come off this project once they hit full employment.

Matt Hall thanked the council for taking this into consideration as well as TG Missouri. He stated that they are a global company and could invest in any location on the planet, so the fact that they are considering doing this investment in New Albany is appreciated.

Mary Jo Olowski seconded what Mr. Hall said and stated that this was one of her first projects and they have been awesome to work with. She added that she thinks this is going to be an incredible project for New Albany and thanked the council for considering it.

Wayne Brewster, Plant Manager, stated that he has been at the facility for about 6 years and he thinks it has been great to be in this area. He stated that a side impact is that they are bringing in an organization that is very conscious of environmental policy so they will not impact the area whatsoever. He explained that they have a very focused CO2 policy as well as a green policy that they want to bring to the area to benefit the community. He thanked the council for the opportunity.

Chuck Agers, Senior General Manager for Production, stated that he is very excited to work with the City of New Albany to expand their facility. He explained that this is

just an initial expansion for the Toyota group but they have potential for Subaru, Toyota Indiana and also Honda expansion in the future. He stated that is a very exciting time for them at the TG Missouri facility with the growth and the potential to hire more employees from the New Albany area. He explained that in addition to their green policy they are conscientious on ergonomics and the safety of their employees which is number one over quality. He stated that he enjoys the people of New Albany as well as the entire city and added that he has watched the company grow from one billion to ten and it is his hope that in the future they see the New Albany facility grow like that as well.

Dr. Knable asked for a breakdown on the types of positions that are coming with the new jobs as well as how many employees are “home grown” vs. how many have come to live here because of job opportunities

Mr. Agers stated that of the 150 employees it is a variety. He explained that the manufacturing that will be going on at this facility is injection and assembly but will also require shipping personnel, engineers and other positions so it really is a mixture. He added that what they have learned at the Missouri facility is that they draw from a 60 mile radius and with the New Albany plant they do not draw as much from the Louisville side but about the same radius.

Mr. Brewster stated that they just recently did a study on their personnel and those crossing the river amount to less than 2% of the population. He added that while he isn't familiar with the surrounding counties the employees are coming from Floyd and Clark with about 90% from New Albany. He reported that out of the plan population right now between leadership and team members, there are 10-15 people that are from out-of-state that were brought in from other plants because of the opportunities. He added that from a diversity standpoint they have a large Hispanic population that is coming into the plan as well as other ethnicities.

Dr. Knable asked about the age demographics and if it is possible from someone to come in right out of high school.

Mr. Brewster stated that with training, yes. He reported that the average age of their current hires is in the 28-32 age range. He stated that they are actively working with Processor as well as a recruiter that is wanting to work with the high schools. He stated that they will bring individuals in at \$15.50-\$16.50 per hour with a top out at ~\$21.00-\$22.00 and they will all be trained. He added that everything they do in-house allows them to grow and develop individuals.

Dr. Knable asked about the opportunities for health care.

Mr. Brewster stated that after 90 days they are entitled to the same benefits as anyone in the plant. He added that they also do not have a limit on the age that they hire and in fact they have a retiree program to keep those that may not want to be ready to leave the workforce all together gainfully employed.

Mr. Turner stated that New Albany does a lot of tax abatements and he would like to see them look into what other communities do so that they can put together a matrix of those that have the most value. He added that he would like to see key indicators such as jobs created and money invested to get a standardized score. He stated that he looked at the parent company and they had a press release three days ago saying that as of July 31 there were 244 employees, but the current tax abatement says 152 employees.

Mr. Brewster stated that it depends on who is reporting the data and he reports out direct labor hours but if they get into quality, shipping and maintenance that brings the total up.

He explained that when you look at financials direct labor is what drives their internal metrics.

Mr. Turner asked who many total employees they would have after this abatement is complete.

Mr. Brewster stated that the two year plan is to have an additional 150 direct labor employees. He added that this isn't counting quality engineers, production engineers, drivers and maintenance. He explained that they don't have a handle on those numbers yet but there will likely be 8-10% salaried or non-direct labor employees that will be added to that number.

Mr. Turner asked if they hire temp to permanent.

Mr. Brewster stated that they have staff management on-site which is their work force hiring agency and they do the recruiting and hiring. He explained that anyone with three to five years of manufacturing experience comes directly into TG and they come in at a higher wage as well as immediate benefits.

Mr. Turner asked if he has any numbers on how many direct hires they would have.

Mr. Brewster stated that anywhere from 20-30% will be direct hires.

Mr. Tuner asked how many of the SMX temp employees are direct labor.

Mr. Brewster stated that SMX hires almost 100% of their employees but the goal is to promote them within 90 days. He added that retention is his motivation and he welcome all of them to come to the plant on any Friday because he meets with the staff at 6:00 a.m. every week to talk to the SMX employees to continue to coach them so they can progress.

Mr. Agers added that if they don't like their position in the company, they are encourages to seek something else within the company and not to quit.

Mr. Turner asked how long it takes to get up to the \$22.00 cap for an employee.

Mr. Brewster stated that at 90 days they transfer into being a TG employee and get the \$1.00 raise plus whatever the shift differential is. He stated that each year the employee gets a performance evaluation and a raise as long as there is no discipline in their file. He added that is generally \$1.00 per year plus the annual cost of living increase.

Mr. Turner stated that the last abatement ended about ten shy of what was estimated and asked if they feel confident that they can get the 150 jobs in this climate.

Mr. Brewster stated that the jobs aren't the issue and it will be on their shoulders to recruit the employees to make it a successful launch. He explained that it is a gradual program but the work is there and TG is committed to making this product.

Mr. Tuner asked what they think they give back to New Albany besides jobs and growth.

Mr. Brewster stated that they have started to get more involved in the community by being more involved in events, kitchens, and working with One Southern Indiana, work release, hospice and added that they actively participating in Harvest Homecoming this year. He added that they have solicited funds from corporate this year to sponsor sports team to get better company exposure as well as to give back to the community. He stated

that they are vested in this community and with 90% of the plant population being from New Albany, they have everything to gain by giving back.

Mr. Caesars asked Matt Hall for his work on this as well as Josh Stated. He stated that Mr. Stated does not bring these requests to the council lightly and he appreciates all of the work that is put into it. He thanked Mr. Brewster and Mr. Agers for being part of New Albany and for wanting to expand in New Albany. He stated that they will be hoping for another expansion in the next two to three years and congratulated them.

Mr. Blair asked Mr. Staten how much the tax abatement was and if he put together any kind of economic analysis that shows the benefit to the community.

Mr. Staten stated that Matt Hall ran the numbers on this one and with the abatement over the real property for \$1M they will be paying ~ \$143,562.00 in property taxes over ten years and estimated tax savings of ~\$140,718.00. He stated that the personal property with an assessed value of \$7.675M there will be ~\$155,348.00 over five years with an estimated tax savings of \$281,122.00.

Mr. Aebersold thanked Mr. Ager and Mr. Brewster for being here tonight and stated that it sounds like a great opportunity for the city and for them to expand their business. He added that he really appreciates them staying in the City of New Albany.

Mr. Turner stated that he has concerns about the starting pay and he doesn't believe in tax abatements for natural growth. He added that he thinks it is great that this is coming but he doesn't like to vote to subsidize natural growth and tax abatements should be to attract new business.

Mr. Phipps stated that as a matter of housekeeping he believes that comments should take place during the discussion of resolution and ordinances, not during the roll call.

Dr. Knable stated that the bylaws actually stated that during a roll call vote a person is entitled to give an explanation immediately prior to their vote. He added that this was recently brought to his attention and that is why he is aware.

BOARD APPOINTMENTS:

COMMUNICATIONS – PUBLIC (NON-AGENDA ITEMS):

Catherine Higgins sent an email that was read into the record by Mrs. Glotzbach regarding her thoughts on recycling, New Albany's homeless population and speed limits on Slate Run Road. Her email is on file with the City Clerk's office.

Mr. Nicholson stated that he would like to talk about transparency and the fact that he thinks it should be a responsibility of the city to stream these meetings. He added that there is a desperate need for some type of grocery store to replace the Save-A-Lot and a need for public transportation.

ADJOURN:

There being no further business before the board, the meeting adjourned at 7:44 p.m.

Greg Phipps, President

Vicki Glotzbach, City Clerk