Goshen
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CITY OF GOSHEN BOARD OF PUBLIC WORKS & SAFETY
MINUTES OF THE JUNE 11, 2026 MEETING
Convened in the Goshen Police & Court Building, 111 East Jefferson St., Goshen, Indiana

Present: Mayor Gina Leichty, Mike Landis, Mary Nichols, Orv Myers and Barb Swartley
Absent: None

CALL TO ORDER: Mayor Leichty called the meeting to order at 4:04 p.m.

REVIEW/APPROVE MINUTES: Mayor Leichty presented the minutes of the June 4, 2026 Regular Meeting. **Board member Barb Swartley** made a motion to approve the minutes as presented. **Board member Mike Landis** seconded the motion. **The motion passed 5-0.**

REVIEW/APPROVE AGENDA: Mayor Leichty presented the agenda as prepared by the Clerk-Treasurer. **Board member Swartley made a motion to approve the agenda as presented. Board member Landis seconded the motion. The motion passed 5-0.**

1) Andrew and Ashley Landis request: Approve construction of a fence at 1111 South 12th Street, at the northwest corner of 12th Street and Adams Street
Tony Yoder of T. Yoder Construction LLC of Goshen asked the Board to approve a treated shadow-style yard fence for Andrew and Ashley Landis at 1111 S 12th Street, on the northwest corner of 12th Street and Adams Street. In a written request, **Yoder** indicated the homeowners wanted to add a 6-foot-high fence starting at the neighbor's existing fence and going south along the alley on the owner's side of the existing hedge row, then turn east and add a 4 foot high Shadow style fence along Adams Street, still on the owner's side of the existing hedge row, turn and go north along the drive to the garage, with a gate in this line. The fence would extend outside of the south property line by 6 feet or so along Adams Street.
After Yoder's presentation, **City Director of Public Works & Utilities Dustin Sailor** said the Engineering Department had concerns about the fence and recommended that the Board delay consideration of the request.
Mayor Leichty then made a motion to table the matter until the Board's meeting on June 18, 2026. Board member Landis seconded the motion. The motion passed 5-0.
NOTE: Before the meeting, **Director Sailor** distributed to Board members a two-page memorandum, dated June 11, 2026, in which he described the Engineering Department's concerns about the placement of the proposed fence. He wrote that the fence would be located within 10 feet of the City's Adams Street right-of-way and near a public water main. Sailor wrote the Engineering Department "generally does not support private encroachments within the public right-of-way." He recommended tabling the matter until there could be a determination of whether there were additional buried utilities that would be affected by the proposed encroachment. **(EXHIBIT#1).**

2) Common Spirits request: For a 10th anniversary celebration, approve the temporary closure of the alley between Main and 5th streets, in the 100 block of East Lincoln Avenue between 1 p.m. and 10 p.m. on Saturday, June 20, 2026
Ryan Hawkins, owner of Common Spirits, 111 East Lincoln Ave. in downtown Goshen, asked the Board for permission to temporarily close the alley north of East Lincoln Avenue, between Main and 5th streets, on Saturday, June 20, 2025 between noon and 10 p.m. to celebrate the 10th anniversary of the business. He also requested barricades on both sides of the alley.
Hawkins said that as in past years, all affected neighbors were notified and none objected to the closure.

Swartley/Landis moved to approve closure of the alley north of Lincoln Avenue, between Main and 5th streets, from 1 p.m. to 10 p.m. on June 20, 2026. Motion passed 5-0.

3) Legal Department request: Approve the agreement with Lacasa of Goshen, Inc. to support the Empower Goshen: Partnership for Progress Project for $25,000 to support the work described in the agreement and authorize Mayor Leichty to execute the agreement

City Attorney Bodie Stegelmann said the City of Goshen has many organizations that provide services or programs to its residents more efficiently than what the City could provide. The City has supported certain such organizations with funds in the past and wished to continue to do so.

Stegelmann said organizations considered for support are subject to an application process, which includes a description of how these funds will be used. Organizations chosen must account for how the funds are used.

Stegelmann said the City sought to enter into an agreement with Lacasa of Goshen, Inc. to support the Empower Goshen: Partnership for Progress Project for $25,000.

According to a scope of services, Lacasa will advance housing stability and economic mobility through new development, revitalization, and financial empowerment services.

Swartley/Landis made a motion to approve the agreement with Lacasa of Goshen, Inc. to support the Empower Goshen: Partnership for Progress Project for $25,000 to support the work described in the agreement and authorize Mayor Leichty to execute the agreement. Motion passed 5-0.

4) Engineering Department request: Approve Change Order No. 8 in the amount of $37,505 to address unsuitable materials and stabilize the subgrade with a high-performance geogrid at the intersection of Lincoln Avenue and Steury Avenue

City Civil Engineer Brad Minnick presented to the Board a change order for a project at the intersection of Lincoln Avenue and Steury Avenue which contained large areas of unsuitable material. He said Tensar provided on-site DCP testing, which revealed areas of low-strength soils – as thick as two feet.

After a review of several alternatives, and in consultation with Tensar staff, **Minnick** said it was determined that undercutting of 10 inches and installing two layers of a Tensar InterAx geogrid with aggregate in between would provide the most economical means of adequately stabilizing the subgrade.

Minnick said this will provide the required bearing capacity for the roadway and also allows for a proof roll test on top of the aggregate subbase, prior to placement of hot mix asphalt base. Estimated costs of all the alternates reviewed, as well as plan sheets showing the estimated area requiring undercutting were provided.

Minnick said Change Order No. 8 included estimated costs for this multi-axial NX 750 geogrid, the additional quantity of No. 53 aggregate used for undercutting, and the difference between the installed and material-only costs for the TX Type 2 geogrid material, which was originally planned for this area but will not be used within the intersection. Change Order No. 8 did not include costs for Common Excavation, which would have been necessary regardless of the undercutting method. No additional days are being requested to complete this work.

Minnick said Niblock Excavating provided a price of $7.76 per square yard for the NX 750 geogrid. He said this is comparable with pricing on other recent and current City projects using the same material.

On behalf of City Engineering, **Minnick** requested that the Board approve Change Order No. 8 for $37,505. This change, along with previous changes, increases the value of the contract by 3.67%.

Minnick said the City Redevelopment Commission approved this change order on June 9. He confirmed that the Board previously approved a related change order for the same intersection.

Swartley/Landis made a motion to approve Change Order No. 8 in the amount of $37,505 to address unsuitable materials and stabilize the subgrade with a high-performance geogrid at the intersection of Lincoln Avenue and Steury Avenue. Motion passed 5-0.

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5) Engineering Department request: Approve the closure of College Avenue from Lincolnway East / US 33 east to Century Drive on June 16 and June 17, 2026

City Civil Engineer Brad Minnick said NIPSCO Electric asked to close College Avenue to through traffic from Lincolnway East / US 33 east to Century Drive on Tuesday, June 16, and Wednesday, June 17, 2026. He said there would be a hard closure near the bridge over Horn Ditch.

Minnick said NIPSCO requested this closure to remove construction mats following utility pole and overhead power line relocations for the College Avenue, Phase I roadway reconstruction project. He said the closure would utilize the same maintenance of traffic plan as submitted and reviewed in March, which engineering staff approved as part of the right-of-way permit. A copy of this plan was provided to the Board.

Swartley/Landis made a motion to approve the closure of College Avenue from Lincolnway East / US 33 east to Century Drive on June 16 and June 17, 2026. Motion passed 5-0.

6) Engineering Department request: Acceptance of the drainage plan for Keystone Square Sixteenth, located at 2490 Berkshire Drive

City Director of Public Works & Utilities Dustin Sailor told the Board that in accordance with the City's Subdivision Control Ordinance No. 3196 Section 512 "Drainage Plan," the City's Engineering Department reviewed the drainage plan for Keystone Square Sixteenth, located at 2490 Berkshire Drive. He said the drainage plan addressed the drainage needs of Lot 20 and Lot 20 only with a combination of inlet structures, conveyance pipes, and stormwater retention that will provide 0.138 acre-feet of storage.

Sailor said, "After due consideration of the proposed drainage plan, the Goshen Engineering Department recommends the Board of Public Works and Safety and Stormwater Board's acceptance of the subdivision's drainage plan."

However, **Sailor** cautioned that "the record should show the City of Goshen in no way guarantees the proposed drainage improvements will adequately function as designed by the developer's licensed professional. Additionally, the City accepts no liability in conjunction with the acceptance of the drainage plan. If the drainage plan's piping and or stormwater impoundments are found to underperform following construction, the developer and/or property owner will be directed by the City to take remedial action."

Swartley/Landis made a motion to approve the drainage plan for Keystone Square Sixteenth, Lot 20 and Lot 20 only. Motion passed 5-0.

7) Planning & Zoning Department request: Accept the secondary subdivision plat for Keystone Square 16th with easements, which is located on the south side of Berkshire Drive

City Assistant Planning & Zoning Administrator Rossa Deegan said that related to the Board's last action, he was presenting the secondary subdivision plat for Keystone Square Sixteenth (Lot 20).

This property was generally located on the south side of Berkshire Drive and is zoned Commercial B-3 PUD (Planned Unit Development), part of Keystone Square Commercial subdivision that was granted primary approval by the Plan Commission on July 18, 2000.

Deegan said the request met all subdivision and zone ordinance requirements and he asked for its acceptance.

In a memorandum to the Board, **Deegan** wrote that following primary subdivision approval of Keystone Square on July 18, 2000, secondary subdivision approval has been granted for 15 phases, including Lots 1-12, Lots 13A and B, Lots 15-18 and various rights of way. Keystone Square Sixteenth includes one lot, Lot 20.

In his memorandum, Deegan noted the following:

- The replat meets the Keystone Square PUD, Zoning Ordinance, and Subdivision requirements

- Infrastructure is existing, so no performance bond/surety was required
- The Board was expected to approve a subdivision drainage plan on June 11
- And the plat does not include new dedication of right of way but does include a number of easements

Swartley/Landis made a motion to accept the subdivision plat for Keystone Square 16th with easements Motion passed 5-0.

8) Planning & Zoning Department request: Accept the subdivision plat for the Replat of Lot 28 South Addition, a two-lot minor subdivision to create separate lots for a dance studio in an existing building and a new City parking lot

City Assistant Planning & Zoning Administrator Rossa Deegan asked the Board to accept a Replat of Lot 28 South Addition, a two-lot minor subdivision to create separate lots for a dance studio in an existing building and a new City parking lot.

The subject property is generally located on the northwest corner of Main Street and Jefferson Street, with common addresses of 233 S Main Street and 113 W Jefferson Street, zoned Commercial B-2.

In a memorandum to the Board, Deegan noted:

- The replat meets the Zoning Ordinance and Subdivision requirements
- Infrastructure is existing, so no performance bond/surety is required
- A subdivision drainage plan is not required
- The plat does not include new dedication of right of way but does include a new utility and sidewalk access

Swartley/Landis made a motion to accept the subdivision plat for Replat of Lot 28 South Addition. The motion passed 5-0.

Privilege of the Floor (opportunity for public comment for matters not on the agenda):

Mayor Leichty opened Privilege of the Floor at 4:19 p.m. There were no comments.

APPROVAL OF CIVIL CITY AND UTILITY CLAIMS

Mayor Leichty then made a motion to approve Civil City and Utility claims and adjourn the meeting. Board member Swartley seconded the motion. The motion passed 5-0.

ADJOURNMENT

Mayor Leichty adjourned the meeting at 4:20 p.m.

EXHIBIT #1: *A two-page memorandum, dated June 11, 2026, that was distributed to Board members before the meeting by City Director of Public Works & Utilities Dustin Sailor in response to agenda item #1, Andrew and Ashley Landis request: Approve construction of a fence at 1111 South 12th Street, at the northwest corner of 12th Street and Adams Street. In the memorandum, Sailor outlined the Engineering Department's concerns about the placement of the proposed fence and recommended that the Board delay consideration of the matter.*

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APPROVED:

Mark Brinson (For Mayor)
Mayor Gina Leichty

Mike Landis, Member

Orv Myers, Member

Mary Nichols, Member

Barb Swartley, Member

ATTEST:

Richard R. Aguirre, Clerk-Treasurer

Exhibit #1

Richard Aguirre, City Clerk-Treasurer
CITY OF GOSHEN
202 South Fifth Street, Suite 2 • Goshen, IN 46528-3714
Phone (574) 533-8625 • Fax (574) 533-9740
richardaguirre@goshencity.com • www.goshenindiana.org

TO: Goshen Common Council members
FROM: Clerk-Treasurer Richard R. Aguirre
SUBJECT: City of Goshen $72,120.06 payment to Internal Revenue Service
DATE: April 27, 2026

On April 16, 2026, the Board of Public Works & Safety approved a claim prepared by the Clerk-Treasurer's Office authorizing a payment of $72,120.06 to the Internal Revenue Service. This amount was paid from the following two City of Goshen accounts and in these amounts:

1101-2271300 FICA/MEDI WITTHHOLDING — $70,727.10
1101-5-04-4210500 C-T/OTHER OFFICE EXPENSE - $1,392.96

The background of this payment is as follows: On March 16, 2026, the Clerk-Treasurer's Office received a letter from the Internal Revenue Service demanding a payment of $78,486.39. The City was directed to pay $62,050.79 for taxes due on the City's Tax Form 941 (the IRS form that reports employee income and Social Security and Medicare taxes withheld from our employees' wages) for the tax period ending June 30, 2020 as well as interest charges of $10,069 on those unpaid taxes and a failure-to-pay penalty of $6,366.33.

Baker Tilly Municipal Advisors investigated this matter and determined the balance due is tied directly to what occurred after the IRS issued the City an undeserved refund or overpayment check – a timing error that was common with the IRS after the COVID-19 pandemic. And as you know, when taxes aren't paid, the IRS will demand payment with interest.

During the COVID-19 pandemic, many cities struggled financially, and the federal government offered deferred payment of certain federal taxes. The City's deferred taxes were to have been repaid in two payments to the IRS in 2021.

However, instead of making two payments, the City of Goshen made one larger payment. When the IRS received that larger payment, it assumed the City had made a mistake by overpaying and returned $53,052.79, in June 2021.

I believe the IRS should have been aware of Goshen's overall tax liability and kept the money or told us to return it later, especially when the payment was missed. But that didn't happen and staff in the Clerk-Treasurer's Office didn't notice or rectify the anomaly. These events occurred before I was sworn in as Clerk-Treasurer on July 8, 2021.

I didn't know anything about this matter until the Clerk-Treasurer's Office received an IRS demand letter of Dec. 1, 2023 notifying the City that it owed the IRS $53,052.79 for "disallowed Employee Retention Credits." We later received an IRS demand letter of March 4, 2024, notifying us that the City actually owed the IRS $62,050.79.

In both cases, the Clerk-Treasurer's Office contacted Baker Tilly for assistance, but due to staff difficulties, the underpayment was not resolved. Deputy Clerk-Treasurer Jeffery Weaver and I both assumed this matter had been resolved two years ago. Again, we did not learn we still owed taxes until March 16, 2026, when the C-T's Office received the IRS letter demanding a payment of $78,486.39 (including interest and penalties).

Dan Hedden, Public Sector Advisory Leader for Baker Tilly, conducted a detailed analysis of the balance in our FICA/MEDI account and determined that the funds in that account came from the IRS refund which has since accumulated quite a bit of interest. Hedden explained that the FICA/MEDI account is a "liability account" and it is not supposed to have a continuing positive balance. Funds are supposed to flow into and fill it from federal taxes collected from our employees and then be flushed out to pay taxes owed to the IRS.

However, this "fill and flush" account has had a positive balance since the IRS "refund," which has been carried forward every month since then. Before the April payment, the FICA/MEDI account had a balance of $71,514.16. So, essentially, we have now paid the IRS the taxes we owe plus the interest we are being charged from a City account that has held the original amount owed, plus interest. That IRS balance in that account has since grown, accumulating most of the interest we owe to the IRS except for the $1,392.95 we paid from the C-T/OTHER OFFICE EXPENSE account, which retains an adequate balance for our expenses.

I'm convinced that the City of Goshen owed the IRS the $62,050.79 in past taxes and $10,069 of interest charges. The IRS may also insist on the failure-to-pay penalty of $6,366.33. However, based on advice from Baker Tilly, I believe the City can make a reasonable case to the IRS to forgive the penalty payment. So, we will appeal the penalty and request abatement. We probably will learn in three to six months if the abatement is granted or if we still owe the failure-to-pay penalty of $6,366.33. If our request is denied, we will have no choice but to pay the penalty.

To fully inform the Board of Works, my office included a copy of my background about this issue with the claim to pay the IRS. I also explained this situation through an email and in person. The claim is a disclosable public record of how this happened and how we addressed this oversight. For additional accountability, I am providing this memorandum to the Common Council and also will inform the State Board of Accounts.

While I regret this underpayment occurred, I am glad it is moving toward resolution and want to be transparent about what happened and how the Clerk-Treasurer's Office handled it. Please let me know if you have questions about this. Thanks very much.