

RESOLUTION NO. 2016-003

RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE OF NEW  
MANUFACTURING EQUIPMENT IN AN ALREADY DECLARED ECONOMIC REVITALIZATION  
AREA

(Bridgestone Bandag DBA Kendon)

WHEREAS, the Indiana General Assembly has enacted a statute, I.C. 6-1.1-12.1 (the "Act"), authorizing certain deductions from the assessed value of new manufacturing equipment (as defined in the Act) for purposes of taxation of such equipment if installed during the period beginning March 1, 1983 and ending December 31, 2016, or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, Bridgestone Bandag DBA Kendon, will install new manufacturing equipment at its plant located at 3904 S. Hoyt Ave. Muncie, Indiana 47302 during the above-described period; and

WHEREAS, by previously adopted resolutions, the Delaware County Council declared and affirmed that the area commonly described as 3904 S. Hoyt Ave. Muncie, Indiana 47302, which is identified on the attached map and legal description (the "Area"), is an economic revitalization area, and authorizes deductions from assessed value of new manufacturing equipment, installed in the area for purposes of taxation; and

WHEREAS, as a condition of approval of the ensuing abatement, Bridgestone Bandag DBA Kendon, agrees to, upon request, update the County Council with regard to the status of employment at the facility during the term of the life of the abatement.

NOW, THEREFORE, BE IT RESOLVED by the County Council of the County of Delaware in the State of Indiana:

1. The Delaware County Council finds and determines that the new manufacturing equipment to be installed in the above referenced area by Bridgestone Bandag DBA Kendon, shall be allowed a deduction of five (5) years (note attached schedule) from the assessed value of such equipment, in accordance with the provisions of I.C. 6-1.1-12.1-4.5.
2. The Delaware County Auditor shall take such further actions as may be required to carry out the purposes of this resolution and to insure the eligibility of the new manufacturing equipment for the deduction described herein.
3. This Resolution shall be in full force and effect from and after its passage by the Delaware County Council and after advertised in such publications as may be required by law.

	Yeas	Nays	Abstained	Absent
<hr/> Scott Alexander <i>Scott Alexander</i>	<u>  X  </u>	—	—	—
<hr/> Mary Chambers <i>Mary Chambers</i>	—	—	—	—
<hr/> Michael Jones <i>Michael Jones</i>	—	—	—	—
<hr/> Jane Lasater <i>Jane Lasater</i>	—	—	—	—
<hr/> Chris Matchett <i>Chris Matchett</i>	—	—	—	—
<hr/> Kevin Nemyer <i>Kevin Nemyer</i>	—	—	—	—
<hr/> Ron Quakenbush <i>Ron Quakenbush</i>	—	—	—	—

Passed by the County Council of Delaware County, Indiana this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

*Chris Matchett*

County Council, President

ATTEST:

*Donna Patterson*

Steven Craycraft, Auditor

Delaware County, Indiana

**DELAWARE COUNTY COUNCIL SPECIAL MEETING  
JANUARY 4, 2016 8:30 A.M.  
DELAWARE COUNTY COMMISSIONERS COURTROOM  
CALL TO ORDER  
PLEDGE  
AGENDA POSTED  
ROLL CALL**

Present: Councilman Alexander, Councilwoman Chambers, Councilman Jones, President Matchett, Auditor Craycraft, Recording Secretary Smith  
Absent: Councilwoman Lasater, Councilman Nemyer, Councilman Quakenbush, Attorney Don Dunnuck

**FINANCIAL AGENDA**

MOTION: Councilman Jones made a motion to approve the presented request.

SECOND: Councilman Alexander

Councilman Jones requested to move \$1500 to line item 107 and to remove it from 110 raise. Jones made the motion to reflect the change.

WHEREAS: It has been determined that it is now necessary to appropriate more money than was appropriated in the annual budget:		
SECTION 1, THEREFORE: Be it ordained by the County Council of Delaware County, Indiana, that for the expenses of said municipal corporation for the following additional sums of money are hereby appropriated and ordered		
FINANCIAL AGENDA FOR COUNTY COUNCIL MONTH OF 1/4/2016		
OTHER		
SURVEYOR CORNERSTONE PERPETUATION FUND #217		
PERSONAL SERVICES		
Salaries and Wages		
107 Acct G/Secretary/Computer Operator/Cornerstone Records 1000-130-5-0000000-00-217	29,964.00	29,964. +1500
110 Raise	1,500.00	
FICA	2,407.00	2,407
PERF	3,461.00	3,461.
Short and Long Term Disability	98.00	98.
Health Insurance	6,502.00	6,502
Life Insurance	68.00	68.
TOTAL	44,000.00	44,000
Councilman Alexander	<i>[Signature]</i>	
Councilwoman Chambers	<i>[Signature]</i>	
Councilman Jones	<i>[Signature]</i>	
Councilwoman Lasater		
Councilman Matchett	<i>[Signature]</i>	
Councilman Nemyer		
Councilman Quakenbush		
Auditor Craycraft	<i>[Signature]</i>	

OTHER

Councilman Jones and Councilman Alexander said Mr. Chris Matchett had done a great job being President in 2015.

MOTION: Councilman Jones made a motion to nominate Mr. Chris Matchett as President to County Council.

SECOND: Councilman Alexander

Mr. Matchett had thought nominations would take place at January 26, 2016 meeting.

YEAS: Councilman Alexander, Councilman Jones, Councilwoman Chambers, Councilman Matchett

MOTION: Councilman Jones made a motion to nominate Ms. Mary Chambers as Vice-President to County Council.

SECOND: Councilman Alexander

YEAS: Councilman Alexander, Councilman Jones, Councilwoman Chambers, Councilman Matchett

MOTION: Councilman Jones made a motion to approve December 8, 2015 minutes.

SECOND: Councilwoman Chambers

YEAS: Councilman Alexander, Councilman Jones, Councilwoman Chambers, Councilman Matchett

MOTION: Councilman Alexander made a motion to approve 2016 Council Meetings, as presented.

SECOND: Councilman Jones

Councilman Jones said Council discussed moving 9:00 a.m. Council meetings to afternoons or evenings.

YEAS: Councilman Alexander, Councilman Jones, Councilwoman Chambers, Councilman Matchett

ORIGINAL

County Council 2016

- County Council meetings will be on Tuesdays at 9:00 a.m. in the Commissioners Courtroom
- Finance meetings will be on Thursdays at 9:00 a.m. in the conference room
- Anyone having a transfer or appropriation must attend Finance meetings. If you are unable to attend, please contact Council President for approval
- Deadlines are set at 12:00 p.m., due to time needed to publish in the newspaper
- December Council meeting is for transfers only

<u>COUNCIL MEETING</u>	<u>DEADLINE</u>	<u>FINANCE MEETING</u>
January 26	January 11	January 21
February 23	February 8	February 18
March 29	March 14	March 24
April 26	April 11	April 21
May 24	May 9	May 19
June 28	June 6	June 23
July 26	July 11	July 21
August 23	August 8	August 18
September 27	September 12	September 22
October 25	October 10	October 20
November 22	November 7	November 17
December 13	December 9	transfers only

*A. J. Coyt, Auditor*

*M.E. Jan*  
*Mary Chambers*  
*James Ows*

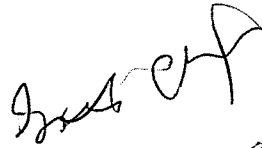
ADJOURN

MOTION: Councilman Jones motioned to adjourn.

SECOND: Councilman Alexander

All in favor

Councilman Alexander



Councilwoman Chambers



Councilman Jones



Councilwoman Lasater-absent for January 4, 2016 Special meeting

Councilman Matchett



Councilman Nemyer- absent for January 4, 2016 Special meeting

Councilman Quakenbush- absent for January 4, 2016 Special meeting

Auditor Craycraft



**APPLICATION FOR TAX ABATEMENT  
New Manufacturing Equipment  
(Personal Property)**

Date: 11-30-15 Name of Company: Bridgestone Bandag DBA Kendon

Address of property where equipment will be located: 3904 S. Hoyt Ave. Muncie, IN 47302

Is the property within the corporate limits of a City or Town? Yes  No

Name of City or Town: Muncie Township: Center

Is a legal description attached? Yes  No

Property Owner(s): Bridgestone Bandag LLC

Name: Bridgestone Bandag LLC Name: \_\_\_\_\_

Address: 2000 Bandag Drive, Muscatine IA 52761 Address: \_\_\_\_\_

Are utilities at the property adequate to accommodate the equipment? Yes  No   
If not, please explain: \_\_\_\_\_

Briefly describe the new equipment to be purchased: MAZAK INTEGRIX i400LW WITH MAZATROL SMOOTHX CONTROL  
CNC Horizontal Mill

Briefly describe the indented use of the new equipment: Perform mill operations on a variety of parts produced at  
Kendon, currently being performed on several older machines

What is the Purchase Price of the Equipment? \$ 646,967.63 (Attach Quote)

Where is the new equipment being brought from? (Please check one)  
Out of the County , Out of the State , Out of the Country .

What is the amount of your last personal property tax assessment? \$ 606,180  
What is the amount of your last business property tax assessment? \$ 234,200

Are the business and company owners above current on ALL tax liabilities? Yes  No   
If not, please explain: \$195.53 owed, will be paid

Are there any judgments, liens or pending litigation against the business and company owners?  
Yes  No  If yes, please explain: \_\_\_\_\_

How many years has the company been in business? 45 + years

Is the company headquarters located in Delaware County? Yes  No   
If not, where are they located? Muscatine, IA

What is the total number of employees currently working for the company in County? 38



Number of minorities: 4 Number of Females: 1 Number with disabilities: 0

What percentage of employees are Delaware County residents? 74 %

What is the number of new employees to be added as a result of this abatement? 0

What is the number of new employees anticipated to be hired in the next twelve months? 0

How many employees are anticipated to be retained as a result of this abatement? 38

**Wages and Benefits:**

What is the starting hourly wage? \$ 18.84 High Wage \$ 27.27 Average Wage \$ 22.03

What is the expected average hourly wage for the jobs resulting from this abatement? \$ 22.40

What is the required skill level of new employees? Experienced machinist with CNC programming experience

Does the company offer health insurance? Yes x No \_\_\_\_\_

If "yes", what percentage is paid from the Employer 80 % and Employee 20 %.

Does the company offer a Pension Plan? Yes \_\_\_\_\_ No x

If "yes", what percentage is paid from the Employer \_\_\_\_\_ % and Employee \_\_\_\_\_ %.

Does the company pay for any training or continuing education? Yes x No \_\_\_\_\_

If "yes", please explain: Required on the job training, \$5200.00 per year for job related post secondary schooling

**Please include with this application a map identifying the general location of the investment and a non-refundable check for \$150 made payable to the Delaware County Treasurer.**

**I hereby certify that the information and representations on this application are true and complete. By signing below I accept responsibility of the representations above and I hereby acknowledge that this form will become public record. Furthermore, I understand and am aware that by requesting this abatement, I am responsible for annually filing a CF-1 (Compliance with Statement of Benefits), and Form 322 ERA/PP (Application for Deduction from Assessed Valuation) by the dates indicated on the forms in order to actually receive the tax deduction.**



Dick Elias

Kendon Safety/HR Manager

12-4-15

Name:

Title:

Date:

Submit the completed form to c/o:

Brad Bookout, Director of Economic Development, Delaware County, Indiana

1208 West White River Blvd., Suite 109

Muncie, Indiana 47303

Ph: 765-808-1484

Email: [bbookout@ecirpd.org](mailto:bbookout@ecirpd.org)



**STATEMENT OF BENEFITS  
PERSONAL PROPERTY**

State Form 51764 (R3 / 12-13)

Prescribed by the Department of Local Government Finance

**FORM SB-1 / PP**

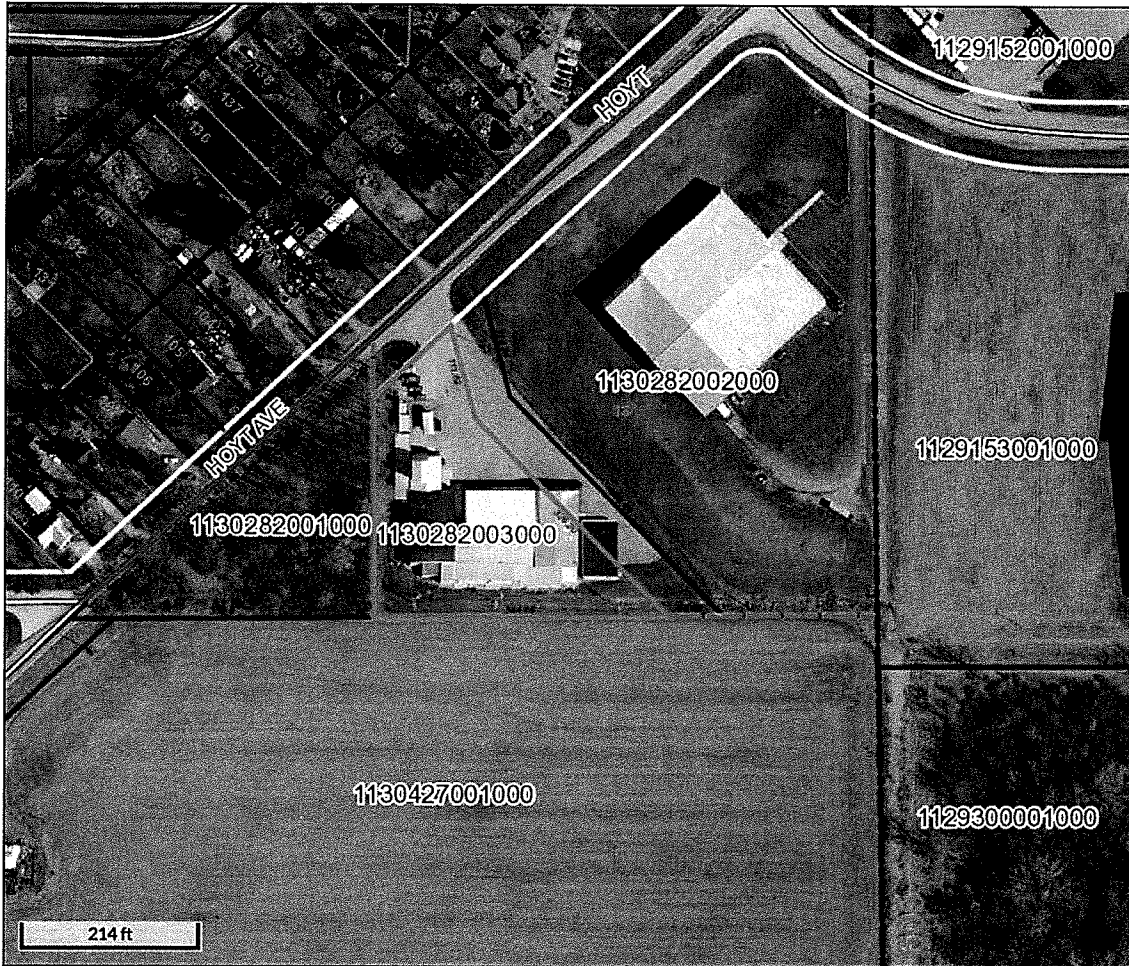
**PRIVACY NOTICE**

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

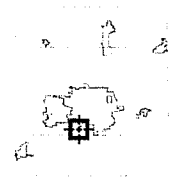
**INSTRUCTIONS**

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1 TAXPAYER INFORMATION													
Name of taxpayer Bridgestone Bandag DBA Kendon					Name of contact person Greg Clark								
Address of taxpayer (number and street, city, state, and ZIP code) 2000 Bandag Drive Muscatine, IA 52761							Telephone number ( 563 ) 262-1337						
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT													
Name of designating body							Resolution number (s)						
Location of property 3904 S. Hoyt Ave. Muncie, IN 47302					County Delaware		DLGF taxing district number						
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.)  INTEGREX i400LW UNIVERSAL MAZATROL SMOOTHX CONTROL  HORIZONTAL CNC MILL					ESTIMATED								
										START DATE		COMPLETION DATE	
					Manufacturing Equipment					12/29/15		1/31/15	
					R & D Equipment								
					Logist Dist Equipment								
IT Equipment													
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT													
Current number 30		Salaries 1,327,040		Number retained 30		Salaries 1,327,040		Number additional 0		Salaries ---			
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT													
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.			MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT				
			COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE			
Current values			2,771,270	1,337,362									
Plus estimated values of proposed project			646,967	646,967									
Less values of any property being replaced			25,673	12,442									
Net estimated values upon completion of project			3,392,564	1,971,887									
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER													
Estimated solid waste converted (pounds) _____					Estimated hazardous waste converted (pounds) _____								
Other benefits:													
SECTION 6 TAXPAYER CERTIFICATION													
I hereby certify that the representations in this statement are true.													
Signature of authorized representative 							Date signed (month, day, year) 11/30/15						
Printed name of authorized representative Dick Elias					Title Safety and HR Manager								



**Overview**



**Legend**

- Major Roads**
  - INTERSTATE
  - MAJOR ROAD
  - STATE ROAD
  - US HIGHWAY
  - Geocoded Streets
  - + RR Lines
  - Airport Runways
- Cadastral Line**
  - <all other values>
  - Geographic Township Line
  - Lot Line
  - Misc Line
  - Parcel Line
  - Political Township Line
  - Railroad Centerline
  - Railroad ROW
  - Road Centerline
  - Road ROW
  - Section Line
  - Subdivision Line
  - Unknown
  - Water Line
- Other Features**
  - Parcels
  - Muncie Parks
  - Major Waterbody
  - Lakes and Ponds
  - Streams and Ditch
  - Corporate Boundaries
  - Political Township

Parcel ID	1130282003000	Alternate ID	18-11-30-282-003.000-002	Owner Address	KENDON CORPORATION
Sec/Twp/Rng	n/a	Class	Light Manufacturing & Assembly		2905 N Highway 61
Property Address	3904 S HOYT AVE	Acres	1.45		Muscataine IA 52761-5809
	MUNCIE				
District	CENTER SAN				
Brief Tax Description	PT LOT 13 INDUSTRIA CENTRE TRE 1.4500Acres STR: 302010 IN: 13 OUT:				

DELAWARE COUNTY, INDIANA  
Bridgestone Bandag DBA Kendon

**ESTIMATED PROPERTY TAX LIABILITY FOR PERSONAL PROPERTY**  
*Assumes a Traditional 5-Year Personal Property Tax Abatement on the Proposed Investment*

Taxes Payable Year	Estimated Net Assessed Value (1)		Tax Rate (3)	Estimated Property Tax Liability			Without Proposed Abatement	3% Credit (4)	Net Property Taxes	Estimated Abatement Savings	Estimated Property Tax Liability for the Proposed Investment (5)
	With Proposed Abatement (2)	Without Proposed Abatement		Estimated Property Taxes	Estimated Property Taxes	Property Taxes					
2017	\$452,565	\$800,274	3.3449	\$15,140	\$0	\$15,140	\$0	\$15,140	\$8,870	\$0	
2018	459,818	800,274	3.3449	15,380	0	15,380	(2,760)	24,010	8,630	0	
2019	575,572	800,274	3.3449	19,250	0	19,250	(2,760)	24,010	4,760	0	
2020	671,023	800,274	3.3449	22,450	0	22,450	(2,760)	24,010	1,560	4,260	
2021	746,135	800,274	3.3449	24,960	(950)	24,010	(2,760)	24,010	0	5,820	
Totals				\$97,180	(\$950)	\$96,230	(\$13,800)	\$120,050	\$23,820	\$10,080	

- (1) Based on the investment assumptions outlined on page 2.
- (2) Assumes a traditional 5-year personal property tax abatement for the proposed machinery and equipment. The abatement percentages for each year are: 100%, 80%, 60%, 40% and 20%.
- (3) Represents the certified pay 2015 tax rate for the Center Township-Muncie Sanitary taxing district.
- (4) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of the gross assessed value, is applied.
- (5) Assumes the proposed investment is taxed at the 30% depreciation floor due to the depreciation status of the existing personal property. Includes the application of the Circuit Breaker Tax Credit.

Note: Any changes to the assumptions outlined on page 2 or above may have a material effect on the property tax abatement savings estimates included in this analysis.

(Subject to the attached letter dated December 10, 2015)  
(Preliminary - Subject to Change)  
(For Internal Use Only)

DELAWARE COUNTY, INDIANA

*Bridgestone Bandag DBA Kendon*

ASSUMPTIONS

*The following investment assumptions are based on information provided by Company representatives*

	<u>Estimated Cost</u>
<b>Depreciable Personal Property:</b>	
Existing Machinery and Equipment (1) - March 1, 2015 taxes payable 2016	\$2,037,174
Proposed Machinery and Equipment (2) Pool #2 (3) - First assessed January 1, 2016 for taxes payable in 2017	<u>646,967</u>
<b>Total Investment</b>	<u><u>\$2,684,141</u></u>

- (1) Per the Indiana Personal Property tax return for March 1, 2015 filed by the Company.
- (2) Per the Form SB-1/PP completed by the Company on November 30, 2015.
- (3) For the purposes of this analysis, it has been assumed that the equipment will be purchased as new and be depreciated in Pool #2 (5-8 year useful life) for property tax purposes. Once installed, the Company may report the depreciation in a different pool, which may have a material effect on the resulting tax increment calculations. No assumption has been made for future equipment retirement/replacement.

<b>Property Tax Rates</b>	
Certified Pay 2015 Tax Rate - Center Township-Muncie Sanitary	\$3.3449

Note: Indiana Code 6-1.1-20.6 provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property (the "Circuit Breaker Tax Credit"). For commercial and industrial property, the Circuit Breaker Tax Credit reduces a taxpayer's tax liability to 3% of their property's gross assessed value. The Indiana property tax caps, in combination with other potential future changes, such as increases in budgets and tax rates of overlapping taxing units, a loss of a major taxpayer, the adoption of local option income tax for property tax relief purposes, or future changes in Indiana property tax law and regulations, could affect the actual assessed value of the proposed development and the applicable property tax rates, and cause the actual tax liability to differ significantly from the estimates shown in these schedules.

(Subject to the attached letter dated December 10, 2015)  
(Preliminary - Subject to Change)  
(For Internal Use Only)



4/28/2015

**Machining Equipment Proposal  
for**

**Josh Canada, Kendon**

**INTEGREX i400LW 100" UNIVERSAL MAZATROL SMOOTHX CONTROL**

Submitted by



**Cole Holloway  
Shelton Machinery Inc.**

**email: [cholloway@sheltonmachinery.com](mailto:cholloway@sheltonmachinery.com)**

**Proposal 15-18004**

April 28th, 2015

Josh Canada  
Bridgestone Americas Manufacturing Group  
3904 S Hoyt Ave  
Muncie, IN 47302

Dear Mr. Canada:

It is our pleasure to submit for your acceptance and approval this proposal for the following Mazak Corporation equipment:

**MAZAK INTEGREX i400LW WITH MAZATROL SMOOTHX CONTROL**

The quoted equipment is supported, parts and service by Mazak Corporation of Florence, Kentucky. Program training and maintenance classes are available from Mazak at the company's Kentucky training facility.

Delivery of the proposed equipment as quoted is 18-20 weeks from acceptance of order, subject to prior sale. Installation will be completed by Mazak trained service personnel only after the machine is in place and power is brought to the machine.

As part of our support and service, Shelton Machinery can, upon request, quote complete tooling and/or fixturing requirements to make your machine production ready.

Additionally, Mazak leasing programs are available.

The following terms apply:

- **Mazak and Shelton Machinery Terms and Conditions.**
- **F.O.B. at point of shipment.**
- **Your purchase order must include a 10% down payment.**
- **Signing of Mazak Security Agreement and Shelton Machinery Acknowledgement before shipment of product is required.**
- **Proposal is valid for 15 days**

Please forward all orders to - Shelton Machinery, Inc., 9900 North by Northeast Blvd., Fishers, Indiana, 46037.

Thank you for your interest in Mazak products from Shelton Machinery! And feel free to visit our website at [www.sheltonmachinery.com](http://www.sheltonmachinery.com).

Sincerely,

Cole Holloway  
Sales Engineer

A12R-J09	INTEGREX i400LW 100" UNIVERSAL MAZATROL SMOOTHX CONTROL	1	\$533,200
<b>Including following standard equipment:</b>			
<b><u>Rotary Tool Milling Spindle</u></b>			
	MAZAK TAPPING/BORING TORNADO (EIA/ISO) (G130)	1	
	B)MILLING-SPINDLE SYNCHRONOUS TAPPING	1	
	ROTARY-TOOL SPINDLE SPEED 12000 RPM (GREASE LUBRICATION)	1	
<b><u>Spindle</u></b>			
	AUTOMATIC CHUCK JAWS OPEN/CLOSE	1	
	CHUCK OPEN/CLOSE CONFIRMATION	1	
	C-AXIS 0.0001 DEGREE INCREMENT	1	
	MAIN SPINDLE MOTOR AC 30KW(40HP)/A2-8 NOSE	1	
	SPINDLE SPEED 3300 RPM	1	
	SPINDLE BORE DIA.112MM(4.4")	1	
<b><u>Tool Magazines</u></b>			
	ATC AUTO RECOVERY	1	
	36 TOOL MAGAZINE (HSK)	1	
<b><u>Process Improvement</u></b>			
	COOLERS FOR BALL SCREW (X-AXIS)	1	
	ROLLER GUIDES	1	
	ABSOLUTE POSITIONING SYS (LINEAR AXES)	1	
	X,Y,Z PITCH ERROR COMPENSATION INPUT	1	
	B-AXIS 0.0001 DEGREE CONTOURING (REQUIRES EIA/ISO)	1	
	FULL COVERAGE CHIP AND COOLANT GUARD	1	
	WORK LIGHT	1	
	OPERATOR DOOR INTERLOCK WITH LOCK-SWITCH	1	
	HYDRAULIC PRESSURE INTERLOCK	1	
	THE SAFETY MEASURES ON WORLDWIDE LEVEL	1	
	ELECTRICAL CONTROL BOX UL STANDARD(240V)	1	
	NC TAILSTOCK	1	
	TAILSTOCK BUILT-IN LIVE CENTER MT5	1	
	TAILSTOCK THRUST SELECT (STEPLESS)	1	
	TOOL EYE (AUTOMATIC)	1	
<b><u>Control</u></b>			
	MAZATROL SMOOTHX CNC	1	
	19" COLOR LCD (TOUCH SCREEN)	1	
	LAN PORT	1	
	SD MEMORY I/F(1-PORT) + USB I/F(1-PORT)	1	
	MT CONNECT PREPARATION (SOFTWARE UPGRADE TO SUPPORT)	1	
	EIA/ISO LATHE & MILL SPINDLE INDEPENDENT ROTATION	1	
	USER MACRO (COMMON VARIABLES:600 PAIRS)	1	
	EIA/ISO CODE INPUT FUNCTION (STANDARD)	1	
	ADDITIONAL EIA/ISO FUNCTIONS (REQUIRES EIA/ISO)	1	
	INVERSE TIME FEED	1	
	SEQUENCE NUMBER COMPARISON STOP FUNCTION	1	
	3-D COORDINATE CONVERSION	1	
	B)G00 SLOPE CONSTANT	1	
	ADD. WORKPIECE COORDINATE SYS. 300-PAIRS	1	



THREAD CUTTING FUNCTION (G33)	1
INCH/METRIC CONVERSION	1
POLAR COORDINATES INPUT (G122) (EIA)	1
DIRECT ENTRY OF DRAWINGS DIMENSIONS	1
EIA PATTERN CYCLE (GRID, ARC) (G34.1 / G35 / G36 / G37.1)	1
B)CYLINDRICAL (G07) & POLAR COORDINATE (G12)(EIA)	1
SMOOTH STANDARD SOFTWARE	1
INTELLIGENT PERFORMANCE SPINDLE A	1
INTELLIGENT MAINTENANCE SUPPORT	1
WINDOWS 8 OPERATING SYSTEM FOR MAZAK MACHINE CONTROL.	1
Y-AXIS CONTROL	1
<b><u>Chip Conveyor</u></b>	
PREP. FOR CHIP CONVEYOR (SIDE/HINGE)	1
<b><u>Coolant</u></b>	
213PSI THRU COOLANT / FLOOD COOLANT SIMUL-FLOWABLE	1
COOLANT THROUGH MILLING HEAD	1
COMPLETE COOLANT SYSTEM	1
<b><u>Miscellaneous</u></b>	
CERTIFIED FOUNDATION DRAWING DPT#5	1
ONE SET OF MANUALS (CD)	1
MAZAK STANDARD COLOR (FROST WHITE / SATIN BLACK)	1
KEN OKUYAMA DESIGN	1
POWER TRANSFORMER FOR NORTH AMERICAN MKT	1
ONE SET OF ADJUSTING TOOLS	1
FOUNDATION KIT(PLATES)	1
STANDARD UNLIMITED PROGRAM TRAINING FOR 3 YEARS DPT#9	1
ONE YEAR WARRANTY FROM START - UP DATE.CONSLT STD TERMS DPT9	1
<b><u>Marketing Details</u></b>	
BUYER MUST COMPLY WITH EXPORT LAW #22	
ACKNOWLEDGEMENT DPT#9	1
MAZAK STANDARD TERMS OF PAYMENT	1
RELOCATION DEVICE	1
PROPOSAL IS ONLY VALID FOR THE ADDRESS SHOWN ABOVE. DPT#9	1
<b><u>Other</u></b>	
USB I/F (1-PORT)	1

**INTEGREX i400LW 100" UNIVERSAL MAZATROL SMOOTHX CONTROL****Note: OPTION PRICES ARE FACTORY INSTALL ONLY**

<b><u>Spindle</u></b>			
<b>Part Number</b>	<b>Description</b>	<b>Qty</b>	<b>Price</b>
	<b>Main Spindle Hyd Chuck Package (Factory Supplied)</b>		
SM000000001	15" LMC THRU-HOLE CHUCK 15" W/ LMC CYLINDER (including install)	1	\$26,600
<b><u>Process Improvement</u></b>			
<b>Part Number</b>	<b>Description</b>	<b>Qty</b>	<b>Price</b>
	<b>Options</b>		
AS090A12RJ0	AUTO POWER ON/OFF + WARM-UP	1	\$3,000
	<b>Probe</b>		
X7141921066	WORK MEASURING SYSTEM RMP60 OR RMP600 (CHOOSE ONE) DPT#3	1	\$14,100
	<b>Steady Rest</b>		
SM000000002	DUAL LMC AX6E STEADY REST (1.18"- 10.04" CAP.)	1	\$29,200
	<b>Steady Rest Preparation</b>		
SM000000003	MAZAK STEADY REST PREPARATION ONLY DUAL/AUTO (NO BRACKET)	1	\$38,500
<b><u>Automation</u></b>			
<b>Part Number</b>	<b>Description</b>	<b>Qty</b>	<b>Price</b>
	<b>Auto Door</b>		
AS010A12RJ0	AUTOMATIC FRONT DOOR OPEN/CLOSE	1	\$13,300
<b><u>Control</u></b>			
<b>Part Number</b>	<b>Description</b>	<b>Qty</b>	<b>Price</b>
	<b>Software</b>		
NP326A12RJ0	5-AXIS MACHINING PACKAGE FOR SMOOTHX	1	\$4,600
<b><u>Chip Conveyor</u></b>			
<b>Part Number</b>	<b>Description</b>	<b>Qty</b>	<b>Price</b>
	<b>Factory Supplied Options</b>		
CV111A12RJ0	HINGE TYPE CHIP CONVEYOR SIDE DISPOSAL FOR 100"/2500U BED	1	\$18,500
<b><u>Coolant</u></b>			
<b>Part Number</b>	<b>Description</b>	<b>Qty</b>	<b>Price</b>
	<b>Mist Collector</b>		
CS641A12RJ0	MIST COLLECTOR (G1000) 2-UNITS	1	\$9,000
	<b>Mist Collector Preparation</b>		
CS674A12RJ0	PREPARATION FOR 2 SETS (G1000) MIST COLLECTOR W/POWER & DUCT	1	\$2,200
<b><u>Additional Options/Services</u></b>			
<b>Part Number</b>	<b>Description</b>	<b>Qty</b>	<b>Price</b>
IQUOTEUA03	1 Week Shelton/Mazak Training	1	\$5,000
IQUOTEUA04	2 days Renishaw Probe Training (Martin Roderick)	1	\$2,400

<b>Total Cost:</b>	<b>\$699,600</b>
--------------------	------------------

**DISCOUNT TO KENDON = \$139,920**  
**TOTAL INVESTMENT: \$559,680**



- Parts will seat against a hard stop locators and guided to position with spring load devices
- Operator will manually clamp the part temporarily into place actuated from the face of the fixture
  
- Once all 6 or twelve segments are loaded, the operator can activate the hydraulic clamping by M- code
  - Will need to install 2 M-codes on the machine and relay in the hydraulic setup
    - This method is much safer and cleaner than a foot pump or other method and recommended by builder
    - The M-code will allow the hydraulic pressure to be monitored and if it fails, can be tied back into the machine and E-stop before any catastrophic crashes occur
- The builder would install all hydraulics and tie into the machine E-stop and M-code functions at the customers facility and runoff with the customer engineer involved with the project
  - Quoted as a separate cost
- All schematics, part prints, and 3D models would be provided to the customer
- All tooling will come assembled, preset, tagged, ready to load into the machine with tool setup drawings provided to the customer in 3D and 2D drawings.
- Tooling items subject to change upon review of fixture approval.

**Pricing Summary:**

Price for wheel segment fixture each.....	\$60,548.75 ea.
Price for Hydraulic Kit to include all components needed and instruction.....	\$10,000.00 ea.
Price for installation on customers' facility.....	\$4,800.00
Price for complete cutting tool package (See Attached Spreadsheet).....	\$11,938.88

\$87,287.63

Thank you for the opportunity to quote,

Seth Grundmeier  
Project Manager



p. 641-792-7086 ext. 156  
f: 641-792-0309 | [sgrundmeier@clinetool.com](mailto:sgrundmeier@clinetool.com)  
Visit our website: [www.ClineTool.com](http://www.ClineTool.com)  
Follow us on LinkedIn

# QUIETUS

No

OFFICE OF DELAWARE COUNTY AUDITOR  
MUNCIE, INDIANA

QU60117617

12/16/15

I HEREBY CERTIFY THAT: KENDON -CHERYL  
FILED IN MY OFFICE THE RECEIPT OF THE TREASURER OF DELAWARE COUNTY, INDIANA  
FOR THE SUM OF 150.00

MODE OF PAYMENT: CHECK STEVE CRAYCRAFT EBATT  
AUDITOR OF DELAWARE CO, INDIANA

US NO. QU60117617 GENERAL LEDGER ACCOUNTS

ACCOUNT	DESCRIPTION	AMOUNT
1-000-4-06500-000	TAX ABATEMENT	150.00
	TAX ABATEMENT	

*Jan agenda*

Check: 055981      12/3/2015      DELAWARE COUNTY TREASURER      Check Total: 150.00

THIS MULTI-TONE AREA OF THE DOCUMENT CHANGES COLOR GRADUALLY AND EVENLY FROM DARK TO LIGHT WITH DARKER AREAS BOTH TOP AND BOTTOM.

KENDON

**KENDON**

3904 S. HOYT AVENUE • P.O. BOX 2343 • MUNCIE, INDIANA 47307-0343  
PHONE 765-282-1515

USbank www.usbank.com

055981

79-1160  
759

DATE	CHECK NO.	NET AMOUNT
12/3/2015	055981	*****150.00*

\*ONE HUNDRED FIFTY AND XX / 100

DELAWARE COUNTY TREASURER  
100 W MAIN STREET  
MUNCIE, IN 47305

KENDON

AUTHORIZED SIGNATURE

⑈055981⑈ ⑆075911603⑆ 182380185047⑈

## Denise Smith

---

**From:** Brad Bookout <bbookout@ecirpd.org>  
**Sent:** Friday, December 11, 2015 9:01 AM  
**To:** Denise Smith  
**Cc:** cmatchett@stoopsauto.com  
**Subject:** Bridgestone Bandag DBA Kendon  
**Attachments:** 0686\_001.pdf; ATT00001.txt

*put on  
Jan 2016  
Council mtg*

Denise,

Attached is a tax abatement application from Bridgestone Bandag DBA Kendon Corporation. I have left a message for Chris Matchett explaining the details of the abatement. If Chris is ok, I would like to have this abatement added to the January 26th agenda. After you hear from Chris, could you please forward this email and the attachment to the council members for their review?

---

Council Members,

I am currently working with Bridgestone Bandag DBA Kendon on an expansion of adding new manufacturing equipment at their facility on Hoyt Avenue. The new equipment purchase price is \$646,967.63. This new equipment will be used to mill a variety of parts that Kendon produces. This abatement will not add any new jobs, but it will assist in upgrading Kendon's equipment so that they can retain their current 38 employees. These 38 jobs pay very well. The starting hourly wage is \$18.84 and the high wage is \$27.27. The average wage at Kendon is \$22.40. In addition Kendon offers a very competitive health insurance package and they pay for post secondary schooling. In all, Kendon has been in our community for 45+ years and I believe that you will be impressed to hear about the great things that they are doing. I plan to schedule a tax abatement committee meeting soon and I will introduce you to Kendon's Safety/HR Manager, Dick Elias for discussions at your January 26th meeting.

Attached is the detailed tax abatement application package for this abatement. The total phased in abatement over five years is estimated to total approximately \$23,820. Please do not hesitate to reach out to me if you have any concerns or questions about this abatement. I thank you in advance for your consideration.

Sincerely,

Brad Bookout  
Director of Economic Development  
Delaware County, Indiana  
1208 W. White River Blvd.  
Room #128  
Muncie, Indiana 47305  
Ph. 765-808-1484

**APPLICATION FOR TAX ABATEMENT  
New Manufacturing Equipment  
(Personal Property)**

Date: 11-30-15 Name of Company: Bridgestone Bandag DBA Kendon

Address of property where equipment will be located: 3904 S. Hoyt Ave. Muncie, IN 47302

Is the property within the corporate limits of a City or Town? Yes  No

Name of City or Town: Muncie Township: Center

Is a legal description attached? Yes  No

Property Owner(s): Bridgestone Bandag LLC

Name: Bridgestone Bandag LLC Name: \_\_\_\_\_

Address: 2000 Bandag Drive, Muscatine IA 52761 Address: \_\_\_\_\_

Are utilities at the property adequate to accommodate the equipment? Yes  No

If not, please explain: \_\_\_\_\_

Briefly describe the new equipment to be purchased: MAZAK INTEGRIX I400LW WITH MAZATROL SMOOTHX CONTROL  
CNC Horizontal Mill

Briefly describe the indented use of the new equipment: Perform mill operations on a variety of parts produced at  
Kendon, currently being performed on several older machines

What is the Purchase Price of the Equipment? \$ 646,967.63 (Attach Quote)

Where is the new equipment being brought from? (Please check one)  
Out of the County , Out of the State , Out of the Country

What is the amount of your last personal property tax assessment? \$ 606,180

What is the amount of your last business property tax assessment? \$ 234,200

Are the business and company owners above current on ALL tax liabilities? Yes  No

If not, please explain: \$195.53 owed, will be paid

Are there any judgments, liens or pending litigation against the business and company owners?  
Yes  No  If yes, please explain: \_\_\_\_\_

How many years has the company been in business? 45 + years

Is the company headquarters located in Delaware County? Yes  No

If not, where are they located? Muscatine, IA

What is the total number of employees currently working for the company in County? 38

Number of minorities: 4 Number of Females: 1 Number with disabilities: 0

What percentage of employees are Delaware County residents? 74 %

What is the number of new employees to be added as a result of this abatement? 0

What is the number of new employees anticipated to be hired in the next twelve months? 0

How many employees are anticipated to be retained as a result of this abatement? 38

**Wages and Benefits:**

What is the starting hourly wage? \$ 18.84 High Wage \$ 27.27 Average Wage \$ 22.03

What is the expected average hourly wage for the jobs resulting from this abatement? \$ 22.40

What is the required skill level of new employees? Experienced machinist with CNC programming experience

Does the company offer health insurance? Yes x No       

If "yes", what percentage is paid from the Employer 80 % and Employee 20 %.

Does the company offer a Pension Plan? Yes        No x

If "yes", what percentage is paid from the Employer        % and Employee        %.

Does the company pay for any training or continuing education? Yes x No       

If "yes", please explain: Required on the job training; \$5200.00 per year for job related post secondary schooling

**Please include with this application a map identifying the general location of the investment and a non-refundable check for \$150 made payable to the Delaware County Treasurer.**

**I hereby certify that the information and representations on this application are true and complete. By signing below I accept responsibility of the representations above and I hereby acknowledge that this form will become public record. Furthermore, I understand and am aware that by requesting this abatement, I am responsible for annually filing a CF-1 (Compliance with Statement of Benefits), and Form 322 ERA/PP (Application for Deduction from Assessed Valuation) by the dates indicated on the forms in order to actually receive the tax deduction.**



Dick Elias

Kendon Safety/HR Manager

12-4-15

Name:

Title:

Date:

Submit the completed form to c/o:

Brad Bookout, Director of Economic Development, Delaware County, Indiana

1208 West White River Blvd., Suite 109

Muncie, Indiana 47303

Ph: 765-808-1484

Email: [bbookout@ecirpd.org](mailto:bbookout@ecirpd.org)



**STATEMENT OF BENEFITS  
PERSONAL PROPERTY**

State Form 51764 (R3 / 12-13)  
Prescribed by the Department of Local Government Finance

**FORM SB-1 / PP**

**PRIVACY NOTICE**

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

**INSTRUCTIONS**

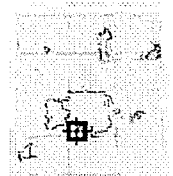
- This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
- To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1 TAXPAYER INFORMATION									
Name of taxpayer Bridgestone Bandag DBA Kendon			Name of contact person Greg Clark						
Address of taxpayer (number and street, city, state, and ZIP code) 2000 Bandag Drive Muscatine, IA 52761				Telephone number ( 563 ) 262-1337					
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body				Resolution number (s)					
Location of property 3904 S. Hoyt Ave. Muncie, IN 47302			County Delaware	DLGF taxing district number					
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.)  INTEGREX I400LW UNIVERSAL MAZATROL SMOOTHX CONTROL  HORIZONTAL CNC MILL				ESTIMATED					
				START DATE		COMPLETION DATE			
				Manufacturing Equipment		12/29/15	1/31/15		
				R & D Equipment					
				Logist Dist Equipment					
IT Equipment									
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT									
Current number 30	Salaries 1,327,040	Number retained 30	Salaries 1,327,040	Number additional 0	Salaries ---				
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT									
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT		
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	
	Current values	2,771,270	1,337,362						
	Plus estimated values of proposed project	646,967	646,967						
	Less values of any property being replaced	25,673	12,442						
Net estimated values upon completion of project	3,392,564	1,971,887							
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER									
Estimated solid waste converted (pounds)			Estimated hazardous waste converted (pounds)						
Other benefits:									
SECTION 6 TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.									
Signature of authorized representative 				Date signed (month, day, year) 11/30/15					
Printed name of authorized representative Dick Elias			Title Safety and HR Manager						





**Overview**



**Legend**

- Major Roads
  - INTERSTATE
  - MAJOR ROAD
  - STATE ROAD
  - US HIGHWAY
- Geocoded Streets
- RR Lines
- Airport Runways
- Cadastral Line
  - <all other values>
- Geographic Township Line
- Lot Line
- Misc Line
- Parcel Line
- Political Township Line
- Railroad Centerline
- Railroad ROW
- Road Centerline
- Road ROW
- Section Line
- Subdivision Line
- Unknown
- Water Line
- Parcels
- Muncie Parks
- Major Waterbodie
- Lakes and Ponds
- Streams and Ditch
- Corporate Boundaries
- Political Township

Parcel ID	1130282003000	Alternate ID	18-11-30-282-003.000-002	Owner Address	KENDON CORPORATION
Sec/Twp/Rng	n/a	Class	Light Manufacturing & Assembly		2905 N Highway 61
Property Address	3904 S HOYT AVE	Acreage	1.45		Muscataine IA 52761-5809
	MUNCIE				
District	CENTER SAN				
Brief Tax Description	PT LOT 13 INDUSTRIA CENTRE TRE 1.4500Acres STR: 302010 IN: 13 OUT:				

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE OF NEW  
MANUFACTURING EQUIPMENT IN AN ALREADY DECLARED ECONOMIC REVITALIZATION  
AREA

(Bridgestone Bandag DBA Kendon)

WHEREAS, the Indiana General Assembly has enacted a statute, I.C. 6-1.1-12.1 (the "Act"), authorizing certain deductions from the assessed value of new manufacturing equipment (as defined in the Act) for purposes of taxation of such equipment if installed during the period beginning March 1, 1983 and ending December 31, 2016, or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, Bridgestone Bandag DBA Kendon, will install new manufacturing equipment at its plant located at 3904 S. Hoyt Ave. Muncie, Indiana 47302 during the above-described period; and

WHEREAS, by previously adopted resolutions, the Delaware County Council declared and affirmed that the area commonly described as 3904 S. Hoyt Ave. Muncie, Indiana 47302, which is identified on the attached map and legal description (the "Area"), is an economic revitalization area, and authorizes deductions from assessed value of new manufacturing equipment, installed in the area for purposes of taxation; and

WHEREAS, as a condition of approval of the ensuing abatement, Bridgestone Bandag DBA Kendon, agrees to, upon request, update the County Council with regard to the status of employment at the facility during the term of the life of the abatement.

NOW, THEREFORE, BE IT RESOLVED by the County Council of the County of Delaware in the State of Indiana:

1. The Delaware County Council finds and determines that the new manufacturing equipment to be installed in the above referenced area by Bridgestone Bandag DBA Kendon, shall be allowed a deduction of five (5) years (note attached schedule) from the assessed value of such equipment, in accordance with the provisions of I.C. 6-1.1-12.1-4.5.
2. The Delaware County Auditor shall take such further actions as may be required to carry out the purposes of this resolution and to insure the eligibility of the new manufacturing equipment for the deduction described herein.
3. This Resolution shall be in full force and effect from and after its passage by the Delaware County Council and after advertised in such publications as may be required by law.

	Yeas	Nays	Abstained	Absent
Scott Alexander	_____	_____	_____	_____
Mary Chambers	_____	_____	_____	_____
Michael Jones	_____	_____	_____	_____
Jane Lasater	_____	_____	_____	_____
Chris Matchett	_____	_____	_____	_____
Kevin Nemyer	_____	_____	_____	_____
Ron Quakenbush	_____	_____	_____	_____

Passed by the County Council of Delaware County, Indiana this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

\_\_\_\_\_  
 County Council, President

ATTEST:

\_\_\_\_\_  
 Steven Craycraft, Auditor  
 Delaware County, Indiana

DELAWARE COUNTY, INDIANA

Bridgestone Bandag DBA Kendon

**ESTIMATED PROPERTY TAX LIABILITY FOR PERSONAL PROPERTY**  
*Assumes a Traditional 5-Year Personal Property Tax Abatement on the Proposed Investment*

Taxes Payable Year	Estimated Net Assessed Value (1)		Tax Rate (3)	Estimated Property Tax Liability			Estimated Abatement Savings	Estimated Property Tax Liability for the Proposed Investment (5)	
	With Proposed Abatement (2)	Without Proposed Abatement		With Proposed Abatement (4)	Without Proposed Abatement (4)	Net Property Taxes			
2017	\$452,565	\$800,274	3.3449	\$15,140	\$0	\$15,140	\$26,770	\$0	
2018	459,818	800,274	3.3449	15,380	0	15,380	26,770	0	
2019	575,572	800,274	3.3449	19,250	0	19,250	26,770	0	
2020	671,023	800,274	3.3449	22,450	0	22,450	26,770	4,260	
2021	746,135	800,274	3.3449	24,960	(950)	24,010	26,770	5,820	
Totals				\$97,180	(\$950)	\$96,230	\$133,850	(\$13,800)	\$120,050
									\$23,820

- (1) Based on the investment assumptions outlined on page 2.
- (2) Assumes a traditional 5-year personal property tax abatement for the proposed machinery and equipment. The abatement percentages for each year are: 100%, 80%, 60%, 40% and 20%.
- (3) Represents the certified pay 2015 tax rate for the Center Township-Muncie Sanitary taxing district.
- (4) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of the gross assessed value, is applied.
- (5) Assumes the proposed investment is taxed at the 30% depreciation floor due to the depreciation status of the existing personal property. Includes the application of the Circuit Breaker Tax Credit.

Note: Any changes to the assumptions outlined on page 2 or above may have a material effect on the property tax abatement savings estimates included in this analysis.

(Subject to the attached letter dated December 10, 2015)  
 (Preliminary - Subject to Change)  
 (For Internal Use Only)

DELAWARE COUNTY, INDIANA

*Bridgestone Bandag DBA Kendon*

ASSUMPTIONS

*The following investment assumptions are based on information provided by Company representatives*

	<u>Estimated Cost</u>
<b>Depreciable Personal Property:</b>	
Existing Machinery and Equipment (1)	
- March 1, 2015 taxes payable 2016	\$2,037,174
Proposed Machinery and Equipment (2)	
Pool #2 (3)	
- First assessed January 1, 2016 for taxes payable in 2017	<u>646,967</u>
<b>Total Investment</b>	<u><u>\$2,684,141</u></u>

- (1) Per the Indiana Personal Property tax return for March 1, 2015 filed by the Company.
- (2) Per the Form SB-1/PP completed by the Company on November 30, 2015.
- (3) For the purposes of this analysis, it has been assumed that the equipment will be purchased as new and be depreciated in Pool #2 (5-8 year useful life) for property tax purposes. Once installed, the Company may report the depreciation in a different pool, which may have a material effect on the resulting tax increment calculations. No assumption has been made for future equipment retirement/replacement.

<b>Property Tax Rates</b>	
Certified Pay 2015 Tax Rate	
- Center Township-Muncie Sanitary	\$3.3449

Note: Indiana Code 6-1.1-20.6 provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property (the "Circuit Breaker Tax Credit"). For commercial and industrial property, the Circuit Breaker Tax Credit reduces a taxpayer's tax liability to 3% of their property's gross assessed value. The Indiana property tax caps, in combination with other potential future changes, such as increases in budgets and tax rates of overlapping taxing units, a loss of a major taxpayer, the adoption of local option income tax for property tax relief purposes, or future changes in Indiana property tax law and regulations, could affect the actual assessed value of the proposed development and the applicable property tax rates, and cause the actual tax liability to differ significantly from the estimates shown in these schedules.

(Subject to the attached letter dated December 10, 2015)  
(Preliminary - Subject to Change)  
(For Internal Use Only)



4/28/2015

**Machining Equipment Proposal  
for**

**Josh Canada, Kendon**

**INTEGREX i400LW 100" UNIVERSAL MAZATROL SMOOTHX CONTROL**

Submitted by



**Cole Holloway  
Shelton Machinery Inc.**

**email: [cholloway@sheltonmachinery.com](mailto:cholloway@sheltonmachinery.com)**

**Proposal 15-18004**

April 28th, 2015

Josh Canada  
Bridgestone Americas Manufacturing Group  
3904 S Hoyt Ave  
Muncie, IN 47302

Dear Mr. Canada:

It is our pleasure to submit for your acceptance and approval this proposal for the following Mazak Corporation equipment:

**MAZAK INTEGREX i400LW WITH MAZATROL SMOOTHX CONTROL**

The quoted equipment is supported, parts and service by Mazak Corporation of Florence, Kentucky. Program training and maintenance classes are available from Mazak at the company's Kentucky training facility.

Delivery of the proposed equipment as quoted is 18-20 weeks from acceptance of order, subject to prior sale. Installation will be completed by Mazak trained service personnel only after the machine is in place and power is brought to the machine.

As part of our support and service, Shelton Machinery can, upon request, quote complete tooling and/or fixturing requirements to make your machine production ready.

Additionally, Mazak leasing programs are available.

The following terms apply:

- Mazak and Shelton Machinery Terms and Conditions.
- F.O.B. at point of shipment.
- Your purchase order must include a 10% down payment.
- Signing of Mazak Security Agreement and Shelton Machinery Acknowledgement before shipment of product is required.
- Proposal is valid for 15 days

Please forward all orders to - Shelton Machinery, Inc., 9900 North by Northeast Blvd., Fishers, Indiana, 46037.

Thank you for your interest in Mazak products from Shelton Machinery! And feel free to visit our website at [www.sheltonmachinery.com](http://www.sheltonmachinery.com).

Sincerely,

Cole Holloway  
Sales Engineer





THREAD CUTTING FUNCTION (G33)	1
INCH/METRIC CONVERSION	1
POLAR COORDINATES INPUT (G122) (EIA)	1
DIRECT ENTRY OF DRAWINGS DIMENSIONS	1
EIA PATTERN CYCLE (GRID, ARC) (G34.1 / G35 / G36 / G37.1)	1
B)CYLINDRICAL (G07) & POLAR COORDINATE (G12)(EIA)	1
SMOOTH STANDARD SOFTWARE	1
INTELLIGENT PERFORMANCE SPINDLE A	1
INTELLIGENT MAINTENANCE SUPPORT	1
WINDOWS 8 OPERATING SYSTEM FOR MAZAK MACHINE CONTROL.	1
Y-AXIS CONTROL	1
<b><u>Chip Conveyor</u></b>	
PREP. FOR CHIP CONVEYOR (SIDE/HINGE)	1
<b><u>Coolant</u></b>	
213PSI THRU COOLANT / FLOOD COOLANT SIMUL-FLOWABLE	1
COOLANT THROUGH MILLING HEAD	1
COMPLETE COOLANT SYSTEM	1
<b><u>Miscellaneous</u></b>	
CERTIFIED FOUNDATION DRAWING DPT#5	1
ONE SET OF MANUALS (CD)	1
MAZAK STANDARD COLOR (FROST WHITE / SATIN BLACK)	1
KEN OKUYAMA DESIGN	1
POWER TRANSFORMER FOR NORTH AMERICAN MKT	1
ONE SET OF ADJUSTING TOOLS	1
FOUNDATION KIT(PLATES)	1
STANDARD UNLIMITED PROGRAM TRAINING FOR 3 YEARS	1
DPT#9	
ONE YEAR WARRANTY FROM START - UP DATE. CONSULT STD	1
TERMS DPT9	
<b><u>Marketing Details</u></b>	
BUYER MUST COMPLY WITH EXPORT LAW #22	1
ACKNOWLEDGEMENT DPT#9	
MAZAK STANDARD TERMS OF PAYMENT	1
RELOCATION DEVICE	1
PROPOSAL IS ONLY VALID FOR THE ADDRESS SHOWN ABOVE.	1
DPT#9	
<b><u>Other</u></b>	
USB I/F (1-PORT)	1

**INTEGREX i400LW 100" UNIVERSAL MAZATROL SMOOTHX CONTROL**

**Note: OPTION PRICES ARE FACTORY INSTALL ONLY**

<u>Spindle</u>			
Part Number	Description	Qty	Price
	<b>Main Spindle Hyd Chuck Package (Factory Supplied)</b>		
SM000000001	15" LMC THRU-HOLE CHUCK 15" W/ LMC CYLINDER (including install)	1	\$26,600
<u>Process Improvement</u>			
Part Number	Description	Qty	Price
	<b>Options</b>		
AS090A12RJ0	AUTO POWER ON/OFF + WARM-UP	1	\$3,000
	<b>Probe</b>		
X7141921066	WORK MEASURING SYSTEM RMP60 OR RMP600 (CHOOSE ONE) DPT#3	1	\$14,100
	<b>Steady Rest</b>		
SM000000002	DUAL LMC AX6E STEADY REST (1.18"- 10.04" CAP.)	1	\$29,200
	<b>Steady Rest Preparation</b>		
SM000000003	MAZAK STEADY REST PREPARATION ONLY DUAL/AUTO (NO BRACKET)	1	\$38,500
<u>Automation</u>			
Part Number	Description	Qty	Price
	<b>Auto Door</b>		
AS010A12RJ0	AUTOMATIC FRONT DOOR OPEN/CLOSE	1	\$13,300
	<b>Control</b>		
Part Number	Description	Qty	Price
	<b>Software</b>		
NP326A12RJ0	5-AXIS MACHINING PACKAGE FOR SMOOTHX	1	\$4,600
	<b>Chip Conveyor</b>		
Part Number	Description	Qty	Price
	<b>Factory Supplied Options</b>		
CV111A12RJ0	HINGE TYPE CHIP CONVEYOR SIDE DISPOSAL FOR 100"/2500U BED	1	\$18,500
	<b>Coolant</b>		
Part Number	Description	Qty	Price
	<b>Mist Collector</b>		
CS641A12RJ0	MIST COLLECTOR (G1000) 2-UNITS	1	\$9,000
	<b>Mist Collector Preparation</b>		
CS674A12RJ0	PREPARATION FOR 2 SETS (G1000) MIST COLLECTOR W/POWER & DUCT	1	\$2,200
<u>Additional Options/Services</u>			
Part Number	Description	Qty	Price
IQUOTEUA03	1 Week Shelton/Mazak Training	1	\$5,000
IQUOTEUA04	2 days Renishaw Probe Training (Martin Roderick)	1	\$2,400

**Total Cost: \$699,600**

**DISCOUNT TO KENDON = \$139,920**  
**TOTAL INVESTMENT: \$559,680**



QUOTATION NUMBER: 101315-SG-2  
Attn: Eric Henriksen  
Bridgestone Americas Manufacturing  
Group  
2000 Bandag Drive  
Muscatine, IA 52761-5371  
563-262-2603

Date: 10/13/2015

Copy: Dave Knapp

Delivery: 16 Weeks URO

FOB: Newton, Iowa

Terms: 30% down  
30% design approval  
30% run-off at fixture builder  
10% upon approval on customer's floor  
Net 30

\*\*\*\*\*  
**WE ARE PLEASED TO QUOTE AS FOLLOWS:**  
\*\*\*\*\*

**Project:**

Cline tool is pleased to quote the following proposal for a wheel segment lathe fixture

**Basic System Description:**

Lathe fixture for Bridgestone Americas Manufacturing Group to hold 12 segment rims in one clamping. The fixture will be designed around and locate to one main feature that will be common on various size and shaped segments. The fixture will locate the parts initially with a manual clamping device and then secondary hydraulic clamps will be actuated for a more robust clamping.

**Detailed System Description:**

**Sequence of Operations:**

- Fixture will be loaded into a chuck on the spindle end and live center on the tailstock end
- Fixture will be coupled to a hydraulic supply thru the draw tube
  - Rotary union and adaption to the fixture will be supplied
- Operator will load the segments into one of twelve identical nests on the main body of the fixture
  - Nest will have grinds shims designed to them for adjustment



- Parts will seat against a hard stop locators and guided to position with spring load devices
- Operator will manually clamp the part temporarily into place actuated from the face of the fixture
- Once all 6 or twelve segments are loaded, the operator can activate the hydraulic clamping by M- code
  - Will need to install 2 M-codes on the machine and relay in the hydraulic setup
    - This method is much safer and cleaner than a foot pump or other method and recommended by builder
    - The M-code will allow the hydraulic pressure to be monitored and if it fails, can be tied back into the machine and E-stop before any catastrophic crashes occur
- The builder would install all hydraulics and tie into the machine E-stop and M-code functions at the customers facility and runoff with the customer engineer involved with the project
  - Quoted as a separate cost
- All schematics, part prints, and 3D models would be provided to the customer
- All tooling will come assembled, preset, tagged, ready to load into the machine with tool setup drawings provided to the customer in 3D and 2D drawings.
- Tooling items subject to change upon review of fixture approval.

**Pricing Summary:**

Price for wheel segment fixture each..... \$60,548.75 ea.

Price for Hydraulic Kit to include all components needed and instruction..... \$10,000.00 ea.

Price for installation on customers' facility.....\$4,800.00

Price for complete cutting tool package (See Attached Spreadsheet).....\$11,938.88

\$87,287.63

Thank you for the opportunity to quote,

Seth Grundmeier  
Project Manager



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