

The regular meeting of the Hammond Common Council of the City of Hammond, Lake County, Indiana was held on September 14, 2020 in the Hammond City Council Chambers.

Council President Dave Woerpel presided.

Council Coordinator Carmen I. Balboa facilitated.

PLEDGE OF ALLEGIANCE was recited by all.
Moment of Silence was observed.

ROLL CALL

PRESENT: Alexander, Spitale, Venecz, Kalwinski, Torres, Tyler, Emerson, Rakos, Woerpel

ABSENT: None

TOTAL: 9

READING OF THE MINUTES

Councilman Spitale, supported by Councilwoman Venecz, moved to accept the minutes of August 24, 2020 and place on file. AYES: ALL

APPROVAL OF CLAIMS

Councilman Rakos, supported by Councilwoman Venecz, moved to approve the claims from August 19, 2020 through September 9, 2020. Claim #3899 through #4243, inclusive.

ROLL CALL Vote (claims)

AYES: Alexander, Spitale, Venecz, Kalwinski, Torres, Tyler, Emerson, Rakos, Woerpel

NAYS: None

ABSENT: None

Motion carried 9/0/0 CLAIMS APPROVED

Councilwoman Venecz, supported by Councilman Spitale, moved to suspend the rules to move forward to Introduction of Ordinances followed by New and Unfinished Business.

ROLL CALL VOTE (suspend rules)

AYES: Alexander, Spitale, Venecz, Kalwinski, Torres, Tyler, Emerson, Rakos, Woerpel

NAYS: None

ABSENT: None

Motion carried 9/0/0 RULES SUSPENDED

INTRODUCTION OF ORDINANCES

20-13 An Ordinance Creating a New Fund (Fund #267) for FY2021 Comprehensive Highway Injury Reduction Program (CHIRP) Grant Funds

Councilman Spitale, supported by Councilwoman Venecz, moved the proposed ordinance to 1st and 2nd reading by title and referred it to the Council as a Whole Committee with a Committee meeting on September 28, 2020.
AYES: ALL

20-14 An Ordinance Creating a New Fund (Fund #249) for FY2020 Coronavirus Emergency Supplemental Funding (CESF) Program Grant Funds

Councilman Spitale, supported by Councilwoman Venecz, moved the proposed ordinance to 1st and 2nd reading by title and referred it to the Council as a Whole Committee with a Committee meeting on September 28, 2020.
AYES: ALL

20-15 An Ordinance Creating A New Fund (Fund #278) for the City Hammond Police Department for FY2020 Stop Arm Violations Enforcement (SAVE) Grant Funds

Councilman Spitale, supported by Councilwoman Venecz, moved the proposed ordinance to 1st and 2nd reading by title and referred it to the Council as a Whole Committee with a Committee meeting on September 28, 2020.
AYES: ALL

20-16 An Ordinance Vacating a 20 Foot Portion of an Alley Lying Northwesterly of Lot 1 Southwesterly of Lots 1 Through 9 in Belaj's Addition to City of Hammond.

Mayor McDermott- Corporate Counsel was concerned about the Public Hearing date on this. Can I have Kevin come up and explain there's a problem with this Ordinance the way it's advertised.

Corporate Counsel Smith- There was a question, I know Mr. Berger is not here tonight, there is a question raised regarding the date of the public hearing. It's currently on the agenda set for 10-26-2020. I talked with Mr. Westland, who is, of course, the attorney for the Zoning Board and Planning Commission, and he indicated that the public hearing has to be set within 30 days of the petition being received by Pacmoore and his recommendation would be to have the public hearing set for the 1st meeting in October, and it can also have 3rd and final on that date as well.

Council President Woerpel- We discussed this in Caucus and Councilman Torres said something about as long as we give 10 days notice, according to Carmen, as long as we give 10 days notice.

Corporate Counsel Smith- Yes, that correct. Although it'll be real tough to get, I mean it's up to Carmen if they can give 10 days notice and make it by Friday, then we could do it at the last meeting in September, but it would just be up to Carmen to make sure she could do it.

Council President Woerpel- I think that was a part of Councilman Torres' motion.

INTRODUCTION OF ORDINANCES cont.

Councilman Torres- Yes, I discussed that with the Clerk Administrator, she said she can get it in as long as we made the motion tonight for the 9-28. They’re trying to get this thing going so they can beat the weather and all that.

Councilman Torres, supported by Councilwoman Venecz, moved the proposed ordinance to 1st and 2nd reading by title and referred it to the Council as a Whole Committee with Committee meeting and public hearing on September 28, 2020. AYES: ALL

Councilman Torres- This is just vacation of an alley. Not really an alley is the way we see it. It’s just a strip of land that sits between two properties. But both Pacmoore and BP Pipelines are both petitioners of the ordinance so there shouldn’t be dispute there. So they’re just gonna pave a large parking lot there. Pacmoore is expanding their workforce and they just need additional parking so this would aid them. They’re trying to beat the weather if they can. Trying to complete it this year.

20-17 An Ordinance Creating a New Fund (Fund #265) for Coronavirus Relief Funds Via the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT)

Councilman Spitale, supported by Councilwoman Venecz, moved the proposed ordinance to 1st and 2nd reading by title and referred it to the Council as a Whole Committee with a Committee meeting on September 28, 2020. AYES: ALL

NEW AND UNFINISHED BUSINESS

20-18 BZA-Z-20-07 Petition of Use from Zoning Ordinance to Allow A Restaurant use in an R-3 Medium Density Residential District Located at 2247-169th Street, within the City Of Hammond, Lake County, Indiana.

Councilwoman Venecz- There needs to be a correction on the agenda. It should say BZA-Z-20-07; Petition of Variance of Use from Zoning Ordinance to allow a restaurant use in an R-3.

Councilwoman Venecz, supported by Councilman Torres, moved to amend the agenda to add the word “Variance” for BZA Z-20-07/ Document #20-18.

ROLL CALL (amend agenda)

AYES: Alexander, Spitale, Venecz, Kalwinski, Torres, Tyler, Emerson, Rakos, Woerpel

NAYS: None

ABSENT: None

Motion carried

9/0/0

AMENDMENT ADOPTED

NEW AND UNFINISHED BUSINESS cont.

Councilwoman Venecz, supported by Councilman Spitale, moved for approval.

ROLL CALL (approval)

AYES: Alexander, Spitale, Venecz, Kalwinski, Torres, Tyler, Emerson, Rakos, Woerpel

NAYS: None

ABSENT: None

Motion carried 9/0/0 VARIANCE OF USE Z-20-07 APPROVED

Councilwoman Venecz, supported by Councilman Torres, moved to reschedule the Council Meeting on October 12, 2020, which is Columbus day, to October 13, 2020. AYES: ALL

Councilwoman Venecz, supported by Councilman Spitale, move to return to the regular order of business.

ROLL CALL (return to regular order of business)

AYES: Alexander, Spitale, Venecz, Kalwinski, Torres, Tyler, Emerson, Rakos, Woerpel

NAYS: None

ABSENT: None

Motion carried 9/0/0 MOTION CARRIED

PUBLIC HEARINGS

20-12 An Ordinance Amending Ord. 7685, 8200, 8564, 8630, 8645, 8718, 8754, 8755, 8854, 8930, 9017, 9061, 9194 , 9252, 9359, 9375, 9462 also known as Section 36.005 (B) and (C) of the Hammond Municipal Code, as it Pertains to Expenditures of Gaming Revenue

No one spoke.

COMMUNICATIONS

Councilman Tyler- As always, I have a few. I would like to just thank the Mayor and the Hammond Legal Aid Clinic for offering legal services relating to immigration and DACA. It's something that I know is important to a lot of residents in our City, and if people want more information they can contact the legal aid clinic at 853-6611, and those services began earlier this month. Also wanted to announce that the Food Bank of NWI have several mobile markets that are taking place across NWI. The next one will take place on Wednesday in Merrillville. There's also one coming up in Highland on the 23rd. If you want more information, you can go to the food bank's website. You can also get reminders to your phone by texting Food Bank NWI to 50155. There's also one that will be happening in Hammond, I believe at the Civic Center, later on this month. Once I get the date and time it's set then I'll make sure to release that information and share that at our next meeting. The Hammond Parks Department and the Hammond Public Library are partnering for an outdoor movie at Dowling Park that will begin at 7 pm at the park.

COMMUNICATIONS cont.

Councilman Tyler cont- Doors will open at 7 pm, the movie will start at 7:30 pm and it is a Tim Burton film called Miss Peregrine’s Home for the Peculiar Children. Concessions will be available. Any questions about that, call 219-853-7705 for more information. I believe the Craft Show has all the vendors they need but the craft show, as a reminder, is taking place on Saturday, October 3rd from 10am to 4pm at the Hammond Civic Center. Councilwoman Venecz will probably share this. I wanted to share this too, but the Hammond Trunk or Treat is actually taking place at the Hammond Sportsplex this year on October 30th from 5pm to 7pm for more information you can reach out to Donna Muta at 219 853-6378 and from what I understand this will be a drive up event so people will remain in their cars and everyone who is vendor there to share candy will walk up and actually give directly to the people in their vehicles. And the lastly, the City of Hammond is once again hosting its annual Veteran’s Day Parade on Saturday, November 7th at 10am. If you’re interested and want to sign up for that you can reach out to Donna Muta as well, at 219-853-6378. Thank you.

COMMITTEE REPORTS

Council as a Whole Committee- Councilwoman Venecz brought out 20-12.

Community and Crime Watch Committee - Councilwoman Venecz- As I always do I wanted to update everyone on what’s going on with Crime Watch last week we did have a virtual crime watch meeting it looks as if that’s going to be the wave of future until we can get back into the buildings that we regularly use for our meetings. I did want to let you know that the meeting that was scheduled by the South Hohman Avenue Neighborhood Watch on September 24th, at Trinity Lutheran Church, has been cancelled. We will be having another virtual Crime Watch Meeting coming up the beginning of October, and I will let everyone know about that. You’ll also be able to get information about the virtual Crime Watch Meetings on the Hammond Indiana Police Department Facebook page. And as always everyone is welcomed to participate and share some of the ongoing things in their neighborhood.

ORDINANCE 3RD READING FINAL PASSAGE

20-12 An Ordinance Amending Ord. 7685, 8200, 8564, 8630, 8645, 8718, 8754, 8755, 8854, 8930, 9017, 9061, 9194 , 9252, 9359, 9375, 9462 also known as Section 36.005 (B) and (C) of the Hammond Municipal Code, as it Pertains to Expenditures of Gaming Revenue

Councilwoman Venecz, supported by Councilman Spitale, moved for passage.

Councilman Emerson- So, this a tough vote for me as District Councilman for nine years so I did a lot of soul searching. Like why did I run for Council? To better serve the people of Hammond and the people of the 4th, not just to improve infrastructure. Although money is important, it’s not the only thing we run for. Speaking just for myself. I’ve always tried to do the best for the people of the 4th and in my second year on the Council I had tried to complete two total rebuilds, actually three if you go by blocks, River Drive and Van Buren, two projects the 7300 and 7400 block of Van Buren, that basically ended up having me short change the rest of the District, even with that being said I’ve had half of the casino revenue that my predecessor had. The problem with the complete

ORDINANCE 3RD READING FINAL PASSAGE cont

Councilman Emerson cont.- rebuilds, as you know, Mr. President, is the rest of the district is short changed because of the bulk of the year's funding is used up on usually one block and River Drive was quite a few blocks. So for 2 years out of 9, on the Council, I've used a majority of the funds for the rest of the district. So that created a problem for me and gradually, you know, as we had, \$1.3 million down from \$3.5 million that my predecessor had and I would say that since 2012, it's been, 1 year it was actually \$2 million, however that's barely more than half of the districts and some years it was down to less than a third. I agree with Councilman Tyler that the rubric is very important. The committee must prioritize while being fair and I have no reason to believe that they won't. For so those reasons I'll be voting for 20-12.

Council President Woerpel- Just to make a quick comment, I spoke in Caucus about a resident that has the misfortune of living in the 5th but butts the 3rd and the only difference is he doesn't live in that one block down and that man is in attendance here, Gary, he's right there.

Councilman Kalwinski- We had a nice lively conversation during Council as a Whole Committee meeting from 4 to 5 before the IT stuff went a little awry and gave us all time to think a little bit. But I wanna reiterate a few things, in my opinion, need baring out. The first thing would be that people seem to be hinging all their marbles at the fact that they're gonna be able to do a bigger project in 1 year with more money going into a bigger pot with this new ordinance. And that will be determined actually when it's in place. We do have mechanisms right now with the present day ordinance in that a District can hook up with another District if they have a project to share on a boundary, a district can request help from the 10% shared fund and a district can also request assistance from the Mayor's Gaming, which is significantly more than the Districts get in the formula that was created and in that vein I looked at the figures during the break before this meeting and if we just use last year's formula of \$1,750,000.00 dollars per district going to all 6 Districts that would be an amount of about \$10 million 500 hundred. This new ordinance is proposing after it's distribution of dollars to the operating budget is offering us \$9,151,000 dollars. And what I would say to my fellow Councilman that borders my District, Councilman Torres, is that if we keep the ordinance the same way, I'm happy to help you with a project in your District if you want to reciprocate in mine. Because we're going... by keeping the same ordinance we're going to continue to get almost a million and a half more than if we go into this formula, this new formula. The other thing I'd like to bring up is that the first section is all having to do with the operating budget and the request and this formula in front of us that was given to us earlier, an hour before the meeting earlier, suggest that the projections would be about \$32 million coming to the City from gaming revenue at the end of the year and that the operating budget would take \$17,240,000, leaving \$14,760,000 for the remaining components of this new formula, and so what you wanna recognize is that more than half of the gaming dollars will be going to the operating budget let me say that again more than half the gaming dollars will be going to the operating budget. And consequently that's why I reflected upon what else can we do, what else should we do prior to making a change in the ordinance is to look at how else do we hone our budget before we make such a radical change? And you know how budgets are they tend to get bigger every year. So that \$17 million over the years likely won't be going down but be going up and the money to infrastructure and improvements will continue to go down. We won't have the opportunity to protect that as much as we have right now. So for those reasons more than half the money is going to the operating budget with a new formula and that if we keep our money in our pockets and we are the decision makers, we can still get a million and a half more out of the gaming money,

*Prepared by
Robert J. Golec
Hammond City Clerk*

ORDINANCE 3RD READING FINAL PASSAGE cont

Councilman Kalwinski cont.- than this formula is presenting to us. I think we are in a better place keeping things where they are and I'm not sure why we would even wanna rush this through at this time when we've already got an Executive Order to not spend any gaming dollars because of the Covid epidemic and the 1,2,3 tax caps. And there's more discussion and more ways to skin this cat than have been offered. And we should look at more possibilities as a group and maybe think about how to do that. So that is where I'm at with this right now. I really wanted to think about how do we help slim down the budget and that's always a question that is a difficult one. So my suggestions earlier were to hire a financial analyst. Also to look at a city-wide master plan because we haven't had one for 22 years. City-wide master plans are intended to give direction, layout priorities, and create transparency. There's always room to look at properties programs and buildings within the City, what's making money, what's losing money, and deciding to make some hard decision. Lastly, I think that during a crisis, and I believe we're in one, otherwise why the Executive Order to hold gaming dollars. When you're in a crisis you're looking at an opportunity to do things differently, to look at what's essential to run the City, what is currently under a crisis, not essential, and those are hard picks and hard decisions nobody wants to make those. But together, maybe we should start considering what is essential in the City, and during a crisis, at least, and what is not, and make some decisions based on that. So for those reasons I can't support this ordinance at this time.

Councilman Kalwinski moved to table 20-12.

Motion died for lack of second.

Mayor McDermott- I'd like to shed some light on why we're even talking about this. First off, the way we did this ordinance in 1996, at the time, was a good way to do it. We had a Republican Mayor we had a Democratic Council and they were at war with each other, so to speak. There was a lot of tension on the Council between the Council and the Mayor's Office at the time. I think this is the way we should have been doing it along personally. I've been Mayor for 16 years now, and for me to be able to propose this takes a tremendous amount of courage because I'm asking, first off, the way we've always treated our At Large Council people since the beginning of the gaming revenues coming in is, is we said to the At Large, you don't matter. You're not a real council person. You don't get the money that the District Council people do. And it's not right. The council at large positions are just as powerful as any other councilperson. In fact, they represent the entire city, like two other elected officials in the city, which is the Mayor and the City Clerk. The three At Large council people, quite frankly, I don't think when they put together the founding fathers of Indiana, when they put together a Council at Large position, I don't think they thought of an at Large Council person as anything less than a District Council person, quite frankly, okay. So from the beginning of time we've been treating the At Larges as second class council people. Under this scenario, any of the 9 Council people could serve on this board. It's a 7 member board proposing to pool our money so if we need to do, and I use Tapper all the time as an example when Councilman Barry and I speak, if Councilman Barry wants to do Tapper for total reconstruction, it'll probably cost him four and a half to 5 million dollars and Councilman Barry gets a million and a half in gaming revenue and if Tapper needs to be done, we're asking Councilman Barry to basically give every penny he has of his gaming revenue he's gonna get during his term just to do one street in his district. The system is broken and the gaming revenues aren't going up because of competition. And I know Councilman Mark is very

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Mayor McDermott cont.- frustrated. He's been here a long time like I have and he's seen the money get chipped away, but a lot of the chips didn't come from the City of Hammond, \$3.5 million, which is over 10% of our gaming money, goes straight to the RDA. We weren't asked about that. Another million plus is taken off the top before we even see a penny. These things happen to us. Competition happens. Where was Tom McDermott when a new casino boat was talked about being put in the City of Hammond? I knew what that would do to me and my relationship with the City Council. I knew what was gonna happen and it's happening. I don't know if you've driven by the Gary Casino, it's months away from opening and that's gonna change the game. Chicago's analyzing two more casinos, one Downtown, and one or two on the South Side of Chicago. So the \$1.5 million dollars each District Council person got this year and the \$4.5 million that I received under the allotment, under the original gaming proposal, is not gonna go up, it's gonna go down. So how do we expect our District Council people to do these projects. The projects that cost millions of dollars just to do a single block. The only way to do it is to pull our resources so that using the same scenario I pointed out, Councilman Barry would be able to go to the Capital Improvement Board and petition the Capital Improvement Board to come up with \$4.5 million dollars in one season so that he could get that project done. Maybe the Capital Improvement Board can't use all their money for Councilman Barry in one year, maybe they spread it out over two years, but this is a way to get stuff done. I wish we would have been doing this from the beginning, quite frankly. But the way it was set up when I was a new mayor, there was no way I could come in as a brand new mayor and ask that you change the way we've done business in the City of Hammond for well over a decade at that point. Our budget, it's frustrating to hear a council person who has been sitting on the Hammond City Council for 17 years, talk about bringing somebody in to analyze the budget. That frustrates the heck out of me because Councilman Mark had seventeen chances as a City Councilman to change that budget. He's had 17 chances to come in here and say we need to cut police officers, we need to cut firemen, we need to cut College Bound, we need to cut Senior Disabled Exemption. I've never heard him say any of those words a single time, and that's where our money goes. That's where our money goes. The most important department in the City of Hammond has 205 police officers right now. It's by far our most expensive department is the Hammond Police Department, if we're gonna cut the budget, you gotta start there, Councilman Mark. So why don't you make a motion and cut police officers. The second most expensive department is the Hammond Firefighters, 155 of them. If you wanna cut the budget make a motion to cut the Hammond Fireman. You've been a Councilman for seventeen years and you wanna hire someone to do your job for you. College Bound, since I've been Mayor, since we've approved that program, we spent close to \$50 million on kids education in the City of Hammond. Fact, could we have taken that \$50 million and done a couple streets? Yes, we could have. But you can't pay for Hammond Homeowner's kids college educations and then, you know, expect to have a bunch of money left over. So, Councilman Mark, you wanna cut the budget, cut College Bound. Senior and Disabled Exemption, \$15 million dollars since I've been mayor, you wanna cut the budget, you can go there. There is low hanging fruit I choose not to go after because I think College Bound is important. I think the Senior Disabled Exemptions is very important. I think having 205 police officers is important. I think having a 155 firemen is important, and so did you, the Hammond Council people, because you continue to vote every year not to cut it. Just like I wanted, just like we worked together and said, "Do you wanna use gaming money to support the budget?" We made a decision, I realize we have a couple of new council people and I know they've heard this before, but anybody that's been here before knows we've had these discussions. So that's where it is, the most expensive department is the police department, the second most expensive department is the fire department, the third low-hanging

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ORDINANCE 3RD READING FINAL PASSAGE cont

Mayor McDermott cont- fruit is College Bound, and the fourth is Senior and Disabled Exemptions. You cut College-bound and Senior Disabled Exemption that's \$5 million dollars a year. We're upside down \$13 million, you got \$5 million back right there, which leaves \$8 million dollars left to cut. If you wanna cut \$8 million dollars you can cut probably 45 police and firemen and we would be balanced. There we are, you cut 45 police and firemen, you Cut College Bound and Senior Disabled Exemption, we're balanced, and we can spend money on streets. I choose not to. I think those programs are important. I think the police officers and firemen are important and I'm willing to use gaming money to fund public safety. We've always done it that way. Councilman Mark knows what I'm saying is true cause he was here with us. That's how you balance the budget. I'd rather not, I'd rather keep College Bound going, paying the \$4 million dollars a year. I'd rather send out those checks to our seniors, \$1 million a year. I think these are important. We have options though. It's not like we need to bring in an outside consultant to come in and analyze the budget. That's what it is. We've been doing this a long time, Councilman Kalwinski, 17 times we've done a budget together. I don't need an expert to tell me how to do it. That's how you do it. I'm here to answer any questions. You wanna talk debt let's talk debt. Hammond has \$ 224 million dollars of total debt divided by the number of residents that's \$ 2,700 dollars per resident. Our neighbors in Whiting have twice the debt level that we do, \$31 million dollars, 4997 residents. Our neighbors in Munster have a little bit less, they have \$45 million dollars in debt with 23,000 people. That's almost \$2,000 a resident. Which is a little bit cheaper in Hammond, but guess what, if you're in Munster, you have a Sanitary District paid for by the City of Hammond taxpayers. So when we issue debt to cover our Sanitary District, Munster residents don't get tagged with that debt, we do, cause it's the Hammond Sanitary District. So it's sort of deceiving looking at Munster residents debt \$2000 per person with no Sanitary District. You know how much debt our Sanitary District is in? Just the Sanitary District alone, \$117 million dollars in debt. 40% of the debt we issue is to cover Sanitary and it's not fluff. This is stuff that's mandated by the EPA. They can't say clean your water and I say, "Sorry my taxpayers don't like debt". It doesn't work that way. They tell you what to do and you do it and then you hammer me, like I'm the problem. I'm ready to talk. I came loaded with facts. You asked me to get you a copy of what it would look like, I gave it to all the council people, let's talk. I'm here. This is a way to fix the system. I put a proposal forward and everybody's shooting arrows at it. That's fine, come up with a better plan, cause what we're doing right now is broken. That's why we're talking like this.

Councilwoman Alexander- As we were having our discussion in caucus, as I stated before, I hear everybody's point and not that I'm not in support of this, I am. Just like Mayor said, we do have to figure out a way to make things happen. It's not about the At-Large's having things, it's about what's gonna be best for our City moving forward. You do have two new Council people, so everything that happened before this day was before us. But we know that as we want to move forward, we want to do what's best for our City. We want to make sure that we do eventually get to a balanced budget. We realize that we are in a debt, but I know we are working on things to try to figure out how to get out of that. But we also need our residents to continue to help give us advice and talk to us as well. With what's going on when we have a public hearings. When we're posting things on social media so that we can have their opinion, because it really does matter. We know that the City is going through a pandemic and that we had to freeze money to make sure that we can stay afloat. We know that we had to take out a bond to make sure that if something does happen, if we can't meet something, that those monies are there. We're are in a tough situation as a council and we do want to do the right thing. So with that being

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Councilwoman Alexander cont. - said as we're moving forward that we just continue to think about the budget in a whole. That we continue to think about how we're doing things across the City, and from every department, from every aspect, and that we're meeting our needs. We know that it's going take each District Councilman a long period of time to get a project done and with this plan we probably can get more projects done throughout the City that would take a little less time than more time. So with that being said, thank you.

Mayor McDermott- I wanna respond to Councilwoman. I wanna point out that I think it's an important point to point out that under the old ordinance the mayor received 30% of all gaming revenues for use of city-wide projects that usually equaled about \$8 million dollars. When I first took over as mayor, it was \$13 million, now it's down to \$8 million. I think this year I got \$4.5 million. Each of the Council Districts people got \$1.5 million, which I got 3 times that under ordinance. I want to point out that as mayor I'm giving up quite a bit as well, along with the district council people. I appreciate the Councilwoman bringing up the tax anticipation warrant that was passed by the council. I believe it was in the amount of \$12 million dollars. We haven't used a penny of that and we don't plan to use a penny of that. It's there in case of an emergency and we haven't had an emergency yet. Okay, we're in real good fiscal shape in 2020 being honest with you. This is one of the first times we've ever not spent a penny on capital projects. We're just absorbing, covering the city budget, if things keep going the way they're going, we can walk out of this year with our... and this is something that came up from Councilman Tyler with our \$3 million dollars in our rainy day fund, which would be a heck of a way to start off our rainy day fund, which helps us with bond ratings and things of that nature. So this year, we're doing quite well. I know its frustrating for all of us, cause there's not really a lot of construction going on, but we're actually fixing our books this year by doing what we did. And Councilwoman brings up balanced budget, I appreciate that the way to get to it. So we're saying 13 right now, upside down. I mean, you know, obviously College Bound is an expense we voluntarily take on, it's \$4 million a year. We pay \$3 million and we cover a million out of TIF which is legal, we did that this year. So it's \$4 million a year you save there. Senior disabled check is a \$1 million. That's \$5 million dollars you save there. We have \$8 million left. Each police and fireman costs us \$125,000 thousand each with benefits and everything. So you cut 45 public safety officers, we're home. Now you're saying, you're just trying to scare people, Mayor. Why don't you cut public works? We did that, about 50% when this first happened. What about inspections and all these other departments? You look across the City of Hammond since the tax bills changed, when I walked in city hall, we have cut every department except for two, we didn't cut police or fire. About 6 or 7 years ago, I cut about 25 firemen, didn't lay anyone off, cut them through attrition and we still managed to get the job done. Hammond firemen, when I took over we were at 180, they're at 155 right now. Hammond police officers, we're at 211 the day I walked in, last year we cut six positions because of the thing we did in the jail, they're at 205 as we speak. I mean only cuts we haven't made to the city budget is to public safety, that was by design. We asked ourselves, would you rather use gaming money or do you wanna cut police and firemen and I realize Councilwoman Katrina and Councilman Barry weren't here. But it went like this, do you wanna cut police and fire or do you wanna use gaming and we all together said we wanna use gaming. Police and fire are important, we wanna use that. That's why we used gaming money to cover it.

Council President Woerpel- The only thing I want to add is being a District Councilman I basically have the say so on what gets done in my district with this new board. The public has the right to go and lobby this board

ORDINANCE 3RD READING - FINAL PASSAGE cont.

Council President Woerpel cont. - for their projects to get done where it's more openness and more transparency as far as projects getting done, correct, this board...

Mayor McDermott- Yes, under this ordinance, the City Engineer is in here, Dean Button, by position not Dean personally, the city engineer is the chair. There's three appointees by the Council, three appointees by the Mayor, seven person board, and this board will meet every other week outside of the City Council meetings. The meetings will be right here, that's what we're planning, on gohammond, and public comment, just like you said councilman. Just like a council meetings, just like a Redevelopment meeting, just like, you know, a public meeting where if I wanna get Tapper done, I can show up and say, "City Engineer, Tapper is horrible". I keep using Tapper as an example by the way. I don't know the condition of Tapper. I'm sure Dean does. I know it's decent. So you can come in as a member of the public and express concerns to the board and they'll take note and you can come in as a Council person. Dave, excuse me, Councilman Woerpel, you could come in and say, "Get Schneider done", right, "I want you to get Schneider done". Pound on the podium, "Get Schneider done Capital Improvement Board", right? I think that's a better system, personally, I'm not trying to make a power move. I'm losing money under this scenario as well. I understand that some members of the public can do math just like I can and say, "Wait a minute, Mayor, you got four votes and the council has three". I don't need to explain this to the Council, because they understand how government works. That's how all boards are set up. The Mayor has one more votes than the council because at the end of the day, I have to run the city. In Redevelopment we have five members, three appointed by the mayor and two appointed by the council. Port Authority we have five members, three appointed by the mayor and two appointed by the council, so this very consistent with how all of our boards work.

Councilwoman Alexander- There was one more thing, I'm sorry. The one thing I don't agree with Councilman Mark, is hiring someone. If we're trying to balance, hiring another entity to do so, when we need to evaluate ourselves in the beginning to figure out where we're gonna go is not the way to go. We don't want to implement bringing in someone else when we need to do the job ourselves. As it is we are two new council people on here that are definitely learning everyday. But to hire another entity as we're trying to balance, as we're trying to save funds, is not the way to go right now.

Councilman Kalwinski- It's good to hear varying viewpoints and ideas on this ordinance. I don't think it changes anybody's views, but it does lend perspective and the last word on this that I'll say is that if this does pass, and it's likely to, I guess, is that if the Casino closes tomorrow or goes in and has a fire and burns down we will be on the hook for \$17 more million that we don't have and that's the danger of use the operating budget uh, the casino revenue for the operating budget.

Mayor McDermott- I agree with Councilman Mark on that last statement. I do. This is a dangerous situation that, you know, I think it's... we all have a new appreciation for. The example Councilman Mark just used, if the boat catches fire, that was an example that I used 50 times with my staff, you know, jokingly. Saying if the boat catches on fire make sure all the fire department shows up to put it out. And then we realized, doesn't need to be a fire, it can be a damn germ that shuts that thing down. Right now if things keep going the way they are, we're gonna end 2020 with a surplus of over \$ 3 millions dollars if things keep going right now like they are we'll have \$3 millions dollars positive at the end of 2020, without tapping the approval you gave us for the tax

ORDINANCE 3RD READING - FINAL PASSAGE cont.

Mayor McDermott cont. - anticipation warrant. And instead of spending that money, we took Councilman Kalwinski’s advice, and we took Councilman Barry’s advice, and created a Rainy Day Fund that’s impossible to touch. In fact, Councilwoman Janet and I were talking today about setting up rules for the Rainy Day Fund. Basically, I don’t know if it needs to be a unanimous vote of the Council and the Mayor, or if it needs to be 7 out of the 9. But it should be very, very tough to spend a single penny out of the Rainy Day Fund and if we keep that money there you watch our bond ratings will go up. That’s what they’ve been asking for, but we’ve been... we get a million dollars and spend a million dollars, get two million dollars and spend two million dollars. 2020 is the first year that we’ve actually sat here and collected money and we have more revenue than we have expenses, even during the pandemic, we have way more revenue than expenses. That’s a good thing, but I agree with Councilman Mark that it’s unhealthy, the percentage is unhealthy in 2020, of the percentage that we’re using for the budget is completely unhealthy in 2020. Normally, it’s not nearly as bad as it is this year, but it’s something that’s concerning and I agree I think we need to take a look at police staffing. I think we need to take a look at fire staffing. I think we need to adjust and make it cheaper. Maybe we don’t need 205. Maybe we don’t need a 155. Maybe we can cut them down save a few millions dollars. I’m willing to do that, but I still think the right way to split the money is through the Capital Improvements Board.

ROLL CALL VOTE (passage)

AYES: Alexander, Spitale, Venecz, Torres, Tyler, Emerson, Rakos, Woerpel

NAYS: Kalwinski

ABSENT: None

Motion carried

8/1/0

ORDINANCE NO. 9470 PASSED

RESOLUTIONS

None

NEW AND UNFINISHED BUSINESS cont.

Councilwoman Alexander- I just want to give a COVID update based off the Lake County website from last meeting to this meeting. From August 24 to September 14, 46320, we had 39 new cases; 46327, we have 24 new cases; 46323, we have 45 new cases; 46324, we have 30 new cases; and for 46394 we have 29 new cases. Just want to continue to keep our citizens aware, continue to mask up, continue to sanitize, and stay safe as we continue to fight though this pandemic together.

Mayor McDermott- I want to thank the Hammond City Council, that was not an easy vote, that was a tough vote, one of the tougher I’ve been on... I’ve been the Mayor for a long time, that was one of the toughest votes. It’s a touchy subject and I understand everybody’s emotions. I promise you to do the best we can and to do the right projects, and I just informed the City Engineer that his first meeting is in three weeks, on the Capital Improvement Board. So I know the Hammond City Council has to pick three people to represent them on that Board, and I have to go through and pick three people to represent the Mayor. I would ask for people that are interested in serving on the Capital Improvement Board to submit their resume to the Mayor’s Office for

*Prepared by
Robert J. Golec
Hammond City Clerk*

NEW AND UNFINISHED BUSINESS cont.

Mayor McDermott cont. - consideration, obviously you need background in budgeting and or, you know, engineering or something that's gonna make you know city planning, things of that nature. So, but they're gonna meet opposite of the City Council on that board and I wanna thank the Council, that was a tough vote. It's a tough issue and I think we did the right thing. So thank you very much.

Councilman Woerpel- Just as a side note we discussed this briefly. But is it the Council's wish to just take nominations and vote on our next meeting?

Councilwoman Venecz- I think that sounds fine.

Councilwoman Venecz- Mr. Mayor, while you are here, you and I had a conversation earlier today about the water tower. And I'm hoping that you might be able to give us an update? I've gotten a couple of calls on it.

Mayor McDermott- The water tank we're talking about at Southeastern and 165th, right behind the water department was supposed to be done this year. This is this has been going on for 6 months. We had a contractor about 6 months ago go inside the water tower and part of their routine maintenance getting ready to get this, you know, prepared to move forward and they damaged the inside of the tank to the tune of over half a million dollars. Clearly the fault of the contractor. It's something eventually the Hammond Water Department is gonna be reimbursed for, but it definitely slowed our project down. So we're sort of at the point now where over the winter they can fix this within the next month, but then it's gonna be winter and we're not gonna be able to paint during the winter. So we're working through the winter on fixing the inside and it's gonna be half a million dollars worth of damage if not a little bit more, we've already hired lawyers, the plan of (unclear), meaning contingent fee cases and they're gonna get the money back, but it's definitely slowed us down, councilwoman. So we're gonna have to look at that water tower and the condition it is through the winter and it should be wrapped up and painted by May. I apologize and I know that one very good friend of both of ours is... I think about her every time I see that tank and it was very unfortunate what happened because it definitely ... we could get it fixed, but there is no way we can get it fixed and painted still with the good weather. So I apologize.

PUBLIC EXPRESSION

No one spoke.

Councilwoman Venecz, supported by Councilwoman Alexander, moved to adjourn.

AYES: ALL

ATTEST:

Dave Woerpel, President
Hammond Common Council

Robert J. Golec, City Clerk

Time: 7:05 p.m.
dw

*Prepared by
Robert J. Golec
Hammond City Clerk*