

The regular meeting of the Hammond Common Council of the City of Hammond, Lake County, Indiana was held on January 14, 2013 in the Hammond City Council Chambers.

Council President Michael Opinker presided.

City Clerk Robert J. Golec facilitated.

PLEDGE OF ALLEGIANCE was recited by all.

Invocation was given by Anthony Higgs and Robert Markovich.

ROLL CALL

PRESENT: Markovich, Spitale, Venecz, Kalwinski, Higgs, Emerson, Hinojosa, Opinker

ABSENT: Salinas

TOTAL: 8

NOMINATIONS

Councilman Spitale, supported by Councilwoman Venecz, nominated Councilman Opinker as President for 2013.

Councilman Markovich, supported by Councilman Higgs, moved to close nominations. AYES: ALL

Councilman Emerson, supported by Councilman Spitale, nominated Councilman Kalwinski as Vice President for 2013.

Councilman Markovich, supported by Councilman Hinojosa, moved to close nominations. AYES: ALL

READING OF MINUTES

Councilman Spitale, supported by Councilman Emerson, moved to accept the minutes of December 17, 2012 and place on file. AYES: ALL

APPROVAL OF CLAIMS

Councilman Markovich, supported by Councilman Hinojosa, moved to accept the claims from December 12, 2012 through January 9, 2013. Claim #1 through claim #348, inclusive.

Councilman Markovich, supported by Councilman Spitale, moved to amend in claims:

#349	American Legion	Common Council	\$300.00
350	Fraternal Order of Police	Common Council	200.00
351	Hammond Moose	Common Council	274.78
352	Sons of American Legion	Common Council	200.00
353	VFW	Common Council	200.00

APPROVAL OF CLAIMS cont.

*Prepared by  
Robert J. Golec  
Hammond City Clerk*

ROLL CALL VOTE (amendment)

AYES: Markovich, Spitale, Venecz, Kalwinski, Higgs, Emerson, Hinojosa, Opinker

NAYS: None

ABSENT: Salinas

Motion carried

8/0/1

AMENDMENT ADOPTED

Councilman Markovich - I have a concern about claim #251, Hammond Legal Aid Clinic, for \$300,000. We eliminated this department about 4 or 5 years ago and they moved out of city hall but they kept the name and I have a concern about sending \$300,000 there because we're paying salaries of \$220 thousand. We have a law department here with our own department to handle that. We're paying for \$48,000 health insurance for people that are not even city employees, they're outside contractors or consultants. I don't believe it's the policy of the city to go ahead and pay health insurance for other people that aren't even affiliated with the city. We're paying rent, \$18,420, I believe we probably got a couple of empty offices that we can probably fit them someplace in on Conkey Street. I wasn't at the caucus to bring that out and the salaries are for \$220 thousand and I don't believe any one of these four individuals are even living in the City of Hammond. That would be the reason why and I know it's the Mayor's thing and I see the mayor standing there and everything but like I says, I'm sorry I wasn't able to bring it up in caucus.

Councilman Markovich moved to pull claim #251.

Motion dies for lack of second.

ROLL CALL VOTE (as amended)

AYES: Markovich, Spitale, Venecz, Kalwinski, Higgs, Emerson, Hinojosa, Opinker

NAYS: None

ABSENT: Salinas

Motion carried

8/0/1

CLAIMS APPROVED  
(as amended)

PUBLIC HEARINGS

None

COMMUNICATIONS

Councilman Higgs read correspondence from the Ministry Alliance of Hammond and Vicinities inviting the community to participate in the community choir. The next rehearsal is January 18, 2013 at New Hope Missionary Baptist Church.

Councilman Higgs invited the public to the Martin Luther King, Jr. Ceremony on Monday, January 21<sup>st</sup>, 2013 at 6:45 am beginning at City Hall to the Hammond Civic Center.

COMMITTEE REPORTS

None

ORDINANCE 3<sup>RD</sup> READING - FINAL PASSAGE

None

INTRODUCTION OF ORDINANCES

13-01           Zoning - CP-12-11-Petition of United Steelworkers Local 1010 to Reclassify property from S-2 Institutional District to C-1 Local Commercial District to Construct, Operate and Maintain a Union Hall at 7047 Grand Avenue

Councilman Hinojosa, supported by Councilman Higgs, moved that the proposed ordinance go to 1<sup>st</sup> and 2<sup>nd</sup> reading by title, referred it to the Council as a Whole Committee, with a Notice of Intent set for January 28, 2013. AYES: ALL

RESOLUTIONS

13R-01           Naming the Finance Committee as a Fiscal Review Body for 2<sup>nd</sup> District Gaming Fund Distributions in 2013

Councilman Kalwinski, supported by Councilman Spitale, moved for final adoption.

City Clerk Golec reads 13R-01 in it's entirety.

Councilman Kalwinski - This resolution came about after we received a letter from the Controller asking us to look at methods and means of monitoring the gaming dollars for the 2<sup>nd</sup> District during the course of action of the action that Councilman Salinas is going through right now. As the resolution reads, the money will remain, the gaming dollars will remain in the 2<sup>nd</sup> District for 2<sup>nd</sup> District benefit and it will have the Finance Committee of the council as the viewers, reviewers, of the gaming dollars and the expenditures of the gaming dollars. Upon any point in time where the issues for the councilmen get cleared up, again the Council President has power to kill this resolution. Thank you.

Councilman Markovich - Do they have that letter that they can read, from the Controller?

Council President Opinker - I have a copy of that letter. I'll read it as it's stated to myself. "Dear President Opinker, as you know the U. S. Department of Treasury upon the investigation has exerted that certain gaming funds be expended by the City of Hammond have been used improperly and illegally. Additionally, the proprietary of Dave's Tree Service an approved vendor of the City of Hammond has disclosed under oath that he has received lucrative contracts for certain monies from the City of Hammond in return for allegedly bribing a city official in both instances 2<sup>nd</sup> District discretionary gaming funds were involved in this (unclear), and specifically the authorization of said funds. As your fiscal officer I would recommend that additional authorization controls be put into place to mitigate the risk of misappropriation and fraud in relation to the

RESOLUTIONS cont.

Council President Opinker cont. - above mentioned funds immediately and kept in place until such time as the matter has been adjudicated and concluded. Sincerely, Robert Lendi, Hammond City Controller.”

Mayor McDermott - The reality of the situation is down state they're looking at all gaming communities with interest. I don't think it helps Hammond's case at all when we go down state to lobby and represent our city that we have a councilman that's alleged to have used that money improperly. So, I think this resolution is a good idea for what it's worth. I think it's very important as Councilman Kalwinski indicated that that money stay in the 2<sup>nd</sup> District and the Finance Committee is the appropriate body to make those decisions. So, I think this makes the Hammond City Council look responsible. I think it makes the city look responsible and I hope Councilman Salinas clears this matter up and I hope he is found innocent of these charges and we can get back to normal but in the meantime I think this is the right thing to do, for what it's worth.

Councilman Emerson - I would just add to what's been said that, you know, as district councilmen we represent the whole city, we vote on things for the whole city and I also think that this would help to dispel any rumors that may surface in the near future about the councilmen until this is settled, you know, in the court. So I think it's more of a help to maybe not punish the councilman but to help protect him until this is settled, these allegations are dealt with one way or another.

Councilman Markovich - The resolution says that the planning, contracting, distribution, design, encumbering and expenditure ... what it's saying here it's saying that the Finance Committee's doing .... I thought that the Board of Works and the Engineering Department and the Controller does that anyway by putting all of those quarterly reports and so forth, unless I'm missing something.

Councilman Kalwinski - I understand how that confusion arises and I think that maybe amending in the word "review" makes that clearer so that this would read as, "select and approve any projects, review contracts, plans, studies and all appropriations of 2<sup>nd</sup> District councilmanic gaming funds in 2013."

Mayor McDermott - Councilman Markovich is correct, technically how we do it is technically the council person picks the projects and works with the Engineering Department who is the actual body who goes out and hires people. So technically Councilman Markovich is correct when he says that. I talked about this with Councilman Kalwinski and we would approach it on our end of the table as though, in this case, the Finance Committee were the 2<sup>nd</sup> District council person and that Finance Committee says, "Mayor, Engineer, we think we should do this project in the 2<sup>nd</sup> District and we would treat that committee as the 2<sup>nd</sup> District councilman when it concerned gaming money. That's how we plan to approach it. So, if this is approved I would assume that committee is the 2<sup>nd</sup> District councilperson when it comes to making decisions about how to use that money.

Councilman Higgs - I think what the Mayor's trying to say is that the committee will be responsible in terms of selecting the projects and they will make the determination as to what needs to be made in that district.

Council President Opinker - So do we have an amendment to the resolution?

RESOLUTIONS cont.

Councilman Kalwinski - I do believe that just adding the word review takes away the innuendo that they are approving contracts.

Councilman Kalwinski, supported by Councilman Higgs, moved to amend in the word “review” after “projects”, so it says, “review contracts, plans, studies and all appropriations in the 2<sup>nd</sup> District councilmanic gaming dollars.”

Council President Opinker - Where is that at?

Councilman Kalwinski - The third “Whereas”. The second line in the third “Whereas”, after the word “projects”, which is the last word of the sentence is “contracts”. If we insert “review contracts” instead of just go from “projects” to “contracts”. Clerk Golec do you understand where that is?

City Clerk Golec - Yes. Are you also gonna put it in the body of the resolution? Your amendment would only refer to the “Whereas”. Are you also gonna include it in the body of the resolution?

Councilman Higgs - I think the language should be spelled out in the resolution so that it’s clear. That’s the best way to do it.

Councilman Kalwinski - Yes, again, it would go in front of the word “review contracting, distribution”, “to determine the planning, review contracting, distribution, design, encumbering and expenditure of the 2<sup>nd</sup> District.” So after “planning” insert the word “review”. So two times the word “review” gets placed into this as an amendment. Because clearly we don’t do anything with contracts except after Board of Works approves them.

Council President Opinker - Roll call on the amendment.

ROLL CALL VOTE (amendment)

AYES: Markovich, Spitale, Venecz, Kalwinski, Higgs, Emerson, Hinojosa, Opinker

NAYS: None

ABSENT: Salinas

Motion carried

8/0/1

RESOLUTION AMENDED

Councilman Markovich - I know the mayor brought up some very good points that down state they’re looking at everybody’s gaming money and everything and all of that and I’m just wondering if maybe we should make this all districts for the year 2013 so that everybody will be able to see what districts in being reviewed and so forth and that.

Mayor McDermott - I think that that’s where we talked about a few different scenarios and when you’re talking about changing the way we do business that’s a whole separate matter. I think the way Councilman Kalwinski and the administration approached this is this is a special situation because the allegations and we want the

RESOLUTIONS cont.

Mayor McDermott - public to be assured that when the gaming money is being used by the district council and by the mayor it's being used properly and if there's allegations that it's not being used properly we should do something to fix that. That's where we were coming from. If you want to talk about a wholesale change in the way we do business I think it should be dealt with in an ordinance not a resolution. So if you wanted to do that, councilman ...

Councilman Markovich - I'm just questioning.

Mayor McDermott - No, I understand. But this is a resolution on a specific situation.

Councilman Markovich - But like you say, you're well aware down state they're gonna be battling for gaming dollars.

Mayor McDermott - There's no doubt in my mind, Councilman Markovich. They're coming after Hammond's gaming money. There's no doubt in my mind. Not just they, there's people in the region that want Hammond's gaming money as well. So, I think everything we can do as a council and as an administration that shows them that we take it very seriously that these allegations are out there. I think it makes us look responsible, which is what we need right now.

Councilman Kalwinski - I believe this is a credible way to attack this issue. I believe it keeps in tact the integrity of the council, the city, the administration and I believe that the trust of the public is going to be acquired through this process. Not only the City of Hammond but down state and wherever else this story breaks.

ROLL CALL VOTE (amendment)

AYES: Markovich, Spitale, Venecz, Kalwinski, Higgs, Emerson, Hinojosa, Opinker

NAYS: None

ABSENT: Salinas

Motion carried

8/0/1

RESOLUTION ADOPTED  
(as amended)

RESOLUTION R1

A RESOLUTION NAMING THE FINANCE COMMITTEE AS A FISCAL  
REVIEW BODY FOR 2<sup>ND</sup> DISTRICT GAMING FUND DISTRIBUTIONS IN 2013  
(as amended)

NEW AND UNFINISHED BUSINESS

Councilman Kalwinski, supported by Councilman Spitale, moved to bring out 12-63. AYES: ALL

Councilman Kalwinski, supported by Councilman Spitale, moved for an Intent to Consider on January 28, 2013.

NEW AND UNFINISHED BUSINESS cont.

ROLL CALL VOTE (Intent to consider)

AYES: Markovich, Spitale, Venecz, Kalwinski, Higgs, Emerson, Hinojosa, Opinker

NAYS: None

ABSENT: Salinas

Motion carried

8/0/1

MOTION CARRIED

Mayor McDermott - I didn't get a chance to update the council. I wanted to update the council on a couple things going on right now. Two of them with the library branches. We talked earlier about a rezone that's going on right now. I know Councilman Hinojosa knows about this and Councilman Spitale as well, we got a union hall from East Chicago that's relocated into Hessville. They're gonna take the old library branch on Grand Avenue. Local 1010, it's a thriving union. I think Councilman Hinojosa is a member of that union. This is quite a catch for the city. We're real happy to take a formerly abandoned building and convert it into this use so that's a real positive thing for Hessville. Regarding the old branch on Columbia, over by Obanon school, we have a business that wants to locate there, we're working with them right now, Travelogic. It's an oil processing firm. I know Councilman Opinker was talking about it in the paper today. High paying jobs. When you hear oil processing firm please in mind that we're talking about vials. They're small little things of oil. High paying jobs. It's a company out of Canada that's locating here. When I say high paying, it's up to \$80 thousand a year jobs so this is a real positive benefit that's going into the building on Columbia Avenue. I know you guys probably heard about it already but I did want to inform the Hammond City Council that the litigation between Chicago Heights and City of Hammond over the water rates has been settled. Has not been reduced to writing yet. We're in the process of doing so and I want to remind the Hammond City Council that the complaint was filed in the name of .... the contract is being signed on behalf of the City of Hammond so we're gonna work with the water department on the revenue distribution but that's good news for the City of Hammond. We settled at 2.20, it was already indicated in the newspaper but next year is gonna be a better year in Hammond because of some of the work that we're doing and I appreciate your support on that. As far as our lawyers, they did a great job on behalf of the city. So, I wanted to come up here and update you. I haven't talked to you guys in a while. So we got three good things happening right now and as I hear more I'll let you know.

Councilman Emerson, supported by Councilman Spitale, moved for an Intent to Consider on 12-64 for January 28, 2013.

Council President Opinker - First of all you're bringing it out for 1<sup>st</sup> and 2<sup>nd</sup>, all those in favor. AYES: ALL

Council President Opinker - Any discussion on the Intent to Consider?

ROLL CALL VOTE (Intent to consider)

AYES: Markovich, Spitale, Venecz, Kalwinski, Higgs, Emerson, Hinojosa, Opinker

NAYS: None

ABSENT: Salinas

Motion carried

8/0/1

MOTION CARRIED

NEW AND UNFINISHED BUSINESS cont.

Councilman Emerson, supported by Councilman Spitale, moved to send a letter to the IHCD, the Indiana Housing, in regards to what we're doing with the ordinance. The progress of it. AYES: ALL

LETTER NOT SENT PER COUNCILMEN EMERSON

Councilman Emerson, supported by Councilman Spitale, moved to send 12-65 back to the Planning Commission with an unfavorable recommendation from this council.

MOTION VOIDED PER PRESIDENT

Council Atty. Berger - I would think if the council wants to dis-approve it, you should move to adopt it and then defeat it. Because the statute is kind of loose where it says if the council takes no action in 90 days, I don't know that sending it back would constitute no action.

Brian Poland, City Planner - As the Plan Commission sends a text amendment, and that's what this is, a text amendment to the Zoning Ordinance, the council does have 90 days to respond to it. However, at your December meeting you never had 1<sup>st</sup> and 2<sup>nd</sup> reading, so that is a question I think we need to have resolved. That 1<sup>st</sup> and 2<sup>nd</sup> reading didn't occur because it was withdrawn from the agenda. If you take action.... the three actions you can take is either approve it, deny it, or amend it. If you approve it, obviously it's approved. If you deny or amend it goes back to the Plan Commission for a 45 day response period. We'll review the denial or amendment and then send a comment back to you, and then you have 45 days to take further action. If you're gonna send it back to deny it or to amend it, you have to give the Plan Commissions reasons as to why so that we can respond to the reasons. If the Plan Commission agrees with the denial or the modification then it goes into effect. If the Plan Commission objects to the denial or the modification, when it comes back to the City Council you would have to vote it down again or vote the amendment back in again.

Council President Opinker - So, let's bring it out and vote on the 1<sup>st</sup> and 2<sup>nd</sup>. That's just what we have to do. Councilman Emerson, we'll bring it out, we'll just vote on the 1<sup>st</sup> and 2<sup>nd</sup> and we'll deal with it next meeting.

Councilman Emerson - Okay.

Councilman Emerson, supported by Councilman Spitale, moved to bring out 12-65 for 1<sup>st</sup> and 2<sup>nd</sup> reading on the 28<sup>th</sup>. AYES: ALL

Councilwoman Venetz - I would like to revisit discussions at previous council meetings regarding the elimination of the secretary's position in the City Council office. On October 22<sup>nd</sup> of 2012 the City Council voted to eliminate the position of secretary from the Council office. On December 17<sup>th</sup> of 2012 the accusation was made that the action taken by the City Council was illegal based on information received from the State Board of Accounts. For the record I would like to state that I spoke with Mr. Pride from the State Board of Accounts. He is supervisor of Cities and Libraries. I was told by Mr. Pride that our actions were completely legal. We do have the authority to remove the position, a legal action. Our Administrative Assistant retired as of



NEW AND UNFINISHED BUSINESS cont.

Councilwoman Venecz cont. - January 3, 2013 and is entitled to payment of accrued sick days and vacation days per the City Council, the Hammond City Employee Handbook, and I will read you from the handbook. I have the handbook here. I took the pages out. "Retirement or Separation value - In most cases unused sick time is not reimbursable when an employee leaves city employment, however the city also recognizes the value and contribution made by long term employees. If an employee leaves city employment and is eligible for retirement or have worked for the city for at least ten years and have provided at least thirty days notice that he or she will be leaving employment the employee may be reimbursed for sick time as follows: Employees are eligible for retirement benefits subject to the eligibility guidelines determined by the Public Employee Retirement Fund; Employees who have worked for the City for at least ten years of full time service will be reimbursed at a rate of one days pay for each four days of unused sick time; Employees who have worked for the City for at least fifteen years of full time service will be reimbursed at a rate of one days pay for each two days of unused sick time." Vacation, I'm not going to go through the first vacation for new employees, I'm jumping right to vacation and subsequent years. "To be eligible for vacation in subsequent years, an employee must be on the payroll as of January 1<sup>st</sup> to be eligible for vacation that year. Vacations are allotted based on the following schedule:" I'm going to jump ahead. "Completion of the fourteenth anniversary; twenty five days per calendar year." Per the State Board of Accounts, retirement/vacation/sick day policies are home rule or specific to a city or town." Being the policy has been followed in this situation, according to the City of Hammond Employee's Handbook, our action was legal. The salary for the secretary's position eliminated was \$35,937. The salary for the administrative assistant position is \$44,073. That's a difference of \$8,136 dollars between the eliminated position and the remaining position. Ms. Debbie Jimenez, which still has a job and is working in our office. Her salary will remain \$35,937. Therefore we do have the money to pay the vacation/sick days entitled to the retiring Ms. Clapp, totaling approximately \$6,158, leaving approximately \$1,978 that will remain on that line item until the end of the year. Therefore our action was legal. The State Board of Accounts is a respected agency and the insinuations, or accusations actually, of impropriety are a disservice to the residents of Hammond and an insult to this councilwoman. I wanted the residents of the City of Hammond to know we take our jobs seriously and we will not take any action that is illegal.

Councilwoman Venecz - For those who are interested in being involved in your community and knowing what's going on in your neighborhood, there are some upcoming crime watch meetings. Tuesday, Jan. 15<sup>th</sup>, the East Hammond Pullman Crime Watch will meet, 6:30 pm at the Ophelia Steen Center. Thursday, Jan. 17<sup>th</sup>, the South Hammond Crime Watch will meet 7 pm at the Hammond Housing Authority building. The Mayor happens to be the guest speaker for that evening. Also on Thursday, Jan. 17<sup>th</sup>, the Hessville Crime Watch will meet at 7 pm at the Jean Shepherd Center. And that is how change happens, one gesture, one person, one moment at a time.

Council President Opinker - I'd also like to make the announcement, Monday the 21<sup>st</sup> is Martin Luther King day and there is a march starting at 6:45 at the City hall right here. I believe we're marching to Civic Center.

Councilwoman Venecz - Back in December, the Mayor and the East Side Community Council sponsored a toy giveaway at Hammond High that saw over 300 children. I wanted to acknowledge the many organizations and individuals who made donations and volunteered their time for the event. Just to name a few donating toys was Huhtamaki, Thrift Recycling, The Tim Ford Performance Ranch had a wooden horse there and the kids were

NEW AND UNFINISHED BUSINESS cont.

Councilwoman Venecz - lassoing the horse. They had a lot of fun with that. Larry Mabry took photos of the children with Santa and also several churches and many individuals too numerous to name, volunteered to make this Christmas a little bit more special for 300 children in need. So thank you to all of them who participated.

Councilman Spitale - I was at that Christmas Party and it's getting bigger and better every year. Great gifts were given out. Every kid walked out with something in their hands this year and they got a good program going.

Councilwoman Venecz - Nomad Academic and Tutoring is taking a group of Hammond children to the inauguration in Washington, D.C. They're going by bus and we wish them all a safe trip and I hope that they'll be able to tell us about their experience when they get back in town.

PUBLIC EXPRESSION

Laurie Czulno - Amendments and budgets should be submitted to council at least fourteen days in advance for review by council.

Colonel Dagget - Asked for an Advisory Council of three 2<sup>nd</sup> District residents to assist the Finance Committee regarding the gaming dollars of the 2<sup>nd</sup> District.

George Stoya - We've had a 6% drop in crime.

Councilman Spitale, supported by Councilman Higgs, moved to adjourn.

AYES: ALL

ATTEST:

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Michael Opinker, President  
Hammond Common Council

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Robert J. Golec, City Clerk

Minutes accepted and approved at the Common Council meeting of January 28, 2013

Time: 7:00 pm  
cb

*Prepared by  
Robert J. Golec  
Hammond City Clerk*