

The regular meeting of the Hammond Common Council of the City of Hammond, Lake County, Indiana was held on October 28, 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.

ROLL CALL

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

ABSENT: None

TOTAL: 9

READING OF THE MINUTES

Councilman Spitale, supported by Councilman Emerson, moved to approve the Council Minutes of September 23, 2013 and the Special Council Minutes of October 14, 2013 and place on file. AYES: ALL

APPROVAL OF CLAIMS

Councilman Markovich, supported by Councilman Spitale, moved to approve the claims from September 18, 2013 through October 28, 2013. Claim #4691 through claim #5347, inclusive.

Councilwoman Venecz, supported by Councilman Markovich, moved to pull:

Claim #5288 Markovich, Councilman Robert Common Council \$405.00

Councilman Higgs - I'd like to see a copy of claim #4837.

Council President Opinker - We don't have the claims here, Councilman Higgs.

Mayor McDermott - That claim's for Ishmon & Associates. For years we'd had a full time employee in the Human Relations Commission. A couple years back, or maybe a year and a half ago we went with a contract employee. That's was one of those positions that having a full time employee with benefits didn't make a lot of sense to continue to staff a full timer with benefits when in fact there's probably not enough work in that department for a full time employee so we cut back. We went with a Hammond resident, Jean Ishmon, who is an expert in this line of work and she's been doing that job on a contractual basis for at least a year. That's what that claim's for, Councilman Higgs.

ROLL CALL VOTE (pull claim #5288)

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

NAYS: Hinojosa

ABSENT: None

Motion carried

8/1/0

CLAIM #5288 PULLED

*Prepared by
Robert J. Golec
Hammond City Clerk*

APPROVAL OF CLAIMS cont.

ROLL CALL VOTE (as amended)

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

NAYS: None

ABSENT: None

Motion carried

9/0/0

CLAIMS APPROVED
(as amended)

PUBLIC HEARINGS

13-43 2014 Civil City Salary Ordinance

13-44 2014 Police and Fire Salary Ordinance

No one spoke.

COMMUNICATIONS

Councilman Higgs read a letter regarding the NAACP and politics from an anonymous person.

Councilman Higgs commented on the city and lawsuits.

Councilwoman Venecz - In reference to the letter read. Ron Mullins, who is president of the Human Relations Commission is a kind and fair man and he felt as if everyone who was mentioned on those four pieces of paper that we received should be notified. So, I was notified. First of all I feel it's inappropriate to read a letter at a council meeting that was written anonymously. It was fractured, it was inflammatory, and it just should not have been read in public. In reference to the second page that's on there. The offensive language that was included in that second part of the letter that you chose not to read is very inflammatory and does nothing but perpetuate racism. With regard to the list of names that were included in that letter. The list of names that were included in that letter were all recipients of a grant that came through the mayor's office. It's the mayor's gaming grant. Anyone can apply for that grant as long as they are a not for profit organization. The thing that I question about that list is that the list has the name of the organization, it has the name of the contact, the contact's address, the tax I.D. number. All of that information had to come from somewhere and that's very suspicious.

Councilman Higgs - First and foremost let me say this, I personally feel attacked, abused, and misused. So that goes without saying. Racism is still prevent in this community. So let's not kid ourselves. The reality of it is racism still exists and it happens. Now, the reality of it, whoever wrote the letter, that's on them. But the fact remains the same. Now I don't have the authority, because I'm not the mayor, how he distributes his money, that's totally up to the mayor. I don't have a problem with that but the facts in this letter are very much true and I totally agree with it.

Mayor McDermott - So the fact that the mayor doesn't care about the African American community is true, Councilman Higgs?

*Prepared by
Robert J. Golec
Hammond City Clerk*

COMMUNICATIONS cont.

Councilman Higgs - Mayor, this is what the letter....

Mayor McDermott - Answer the question, Higgs.

Councilman Higgs - This is what the letter is saying.

Mayor McDermott - Councilman Higgs, it was an anonymous letter...

Councilman Higgs - This is what the letter is saying so if that's the way you perceive it, have I told you that? Have I had comments with you in regards?

Mayor McDermott - Councilman Higgs, you shouldn't have read an anonymous letter in front of the council like that.

Councilman Higgs - I will read anything that's corresponded that's sent to me.

Mayor McDermott - You're probably the one who sent the letter.

Councilman Higgs - Anything that I have to say to you I've already approached you with it so that has no bearing on it. I simply read the letter because I received the letter and I felt it needed to be read.

COMMITTEE REPORTS

Council as a Whole - Councilman Spitale - Brought out 13-33, 13-40, 13-43, 13-44, 13-45, 13-46 and 13-47.

ORDINANCE 3RD READING - FINAL PASSAGE

13-33 2014 Civil City Budget Proposal

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

Councilman Markovich - The only thing that I would have concerns about is we don't know if the negotiations between the Police & Fire department and all the other unions have been accomplished. I don't know how it's built in or anything else or what's gonna happen later as far as if there's any cushion built in other line items. The only other thing is some people are gonna get more than 1% raise, some are gonna get a 69% raise, and I'm not gonna go into it I'm just listing it in that respect and I'll just let it go at that.

Mayor McDermott - Regarding everybody in the budget outside of special raises, and I think there's only one special raise in the entire budget outside of the 1%. Is that a true statement? The one special raise we're talking about is the position of corporate counsel. I'd like to remind the council in 2004 when I took over, the Law Department had three employees making full time benefits all three. We had an Assistant City Attorney, we had

ORDINANCE 3RD READING - FINAL PASSAGE cont.

Mayor McDermott - a City Attorney and we had a Corporate Council. Here we are ten years later, one person fills all three of those positions. We took the salary that used to be offered to the Corporate Council and increased it, pretty handily. But I would like to remind the council that we have one person filling in for three spots here. So, that person's Kris Kantar. I think most of you know she does an outstanding job as our Corporate Counsel. I know Councilman Markovich's taken exception to that. I appreciate his vote as a councilman. He has a right to do that. I just wanted to explain the background on it. I don't think it's outrageous what she's making. I think it's in line with what she could make if she was a City Attorney or Corporate Council in other cities. So, that's regarding the first one. Councilman Markovich also asked about the unions and the negotiation with regard to the contracts. We're in the middle of negotiations with the F.O.P., with the Fire Union, with the Teamsters, we're looking at three year deals to get us back on the same track we were before last years one year deal. I think it's going very positively in all those cases. One thing that we've been pushing is 2014 raise is gonna be 1%. I think that the F.O.P., the Fire Union and the Teamsters and the City Employees are all anticipating a 1% increase for next year. Obviously, I'm sure if you went higher, Councilman Markovich, but they all expect 1% at this point.

Councilman Higgs - As it relates to Kris Kantar, I think the question came up to her raise being the most highest and from my observation from attending Board of Works meetings, it's double the work. Now whether or not it's feasible for that raise to be of such, that's questionable. But, what can you say? She's doing a excellent job. She's very professional and it's quite a bit of work. Most attorneys in the private industry, the salary that she's making with the city, and I don't know if she has other jobs or not but I know on one case you can make that with one particular case if you get the right case. So, you know.

Mayor McDermott - Thank you, Councilman.

Councilman Higgs - You can question it and say, hey, do we give her a raise or we do not? But, positions have been eliminated, it's more responsibility and more work for her as one person. Personally, as I stated previously, not only does she deserve a raise but we need one too. I can't speak for all the council people, but I know I do.

Councilwoman Venecz - I do have to agree with Councilman Higgs. I regularly attend the Board of Works meetings. I attend all of the liquor board hearings that are relevant to Hammond and Ms. Kantar is always there and I've seen her in action. She's very, very, good and we are very lucky to have her. Thank you.

Mayor McDermott - Outside of that raise for Corporate Council all raises are 1% in the budget. We're here to answer any questions if you have it.

Councilman Higgs - As it relates to the firefighters budget, you're still in negotiations, am I correct?

Mayor McDermott - Yes, sir.

Councilman Higgs - And you're not at discretion to disclose what the outcome of that budget at this present moment?

ORDINANCE 3RD READING - FINAL PASSAGE cont.

Mayor McDermott - I think we're gonna reach a three year deal. I'm positive we're gonna reach a three year deal with the F.O.P., the Fire and the Teamsters.

Councilman Spitale - On that, Mayor, it'll be amended right after finalization.

Mayor McDermott - I'm sorry, Councilman?

Councilman Spitale - It would be amended right after that?

Mayor McDermott - The contracts?

Councilman Spitale - Yes.

Mayor McDermott - I believe they go before the Board of Works, is that true Kris?

City Atty. Kantar - Yes.

Mayor McDermott - But, you know, I'm keeping in mind that every year, Councilman Spitale, I have to come to you and ask for the pay raise. So if I put too large of a pay increase in there and the council can't support that then I'm risking a lot. So I'm gonna make sure that what we put in there is something that I can approach you on and not make you embarrassed.

Councilman Higgs - So, actually, currently it's 1% for Police and Fire?

Mayor McDermott - That's what we proposed for 2014, Councilman Higgs. The F.O.P., the Fire Union and the Teamsters all realize that we're putting in 1%. They've asked for more than that in other years but they realize in 2014, 1% is uniform that we put in for all employees.

ROLL CALL VOTE (passage)

AYES: Spitale, Venecz, Kalwinski, Uylaki, Higgs, Emerson, Opinker

NAYS: Markovich, Hinojosa

ABSENT: None

Motion carried

9/0/0

ORDINANCE NO. 9228 PASSED

13-40 2014 Sanitary Budget Proposal

Councilwoman Venecz, supported by Councilman Hinojosa, moved to reconsider passage of 13-40.

Councilwoman Venecz - This the Sanitary District Budget that we passed a little bit too early at the last meeting. Today was the advertised date so I request approval of their budget.

Councilman Markovich - Do we have anybody from the Sanitary District here to explain what's going on?

ORDINANCE 3RD READING - FINAL PASSAGE cont.

Mayor McDermott - I'm the mayor, I have four out of five of the appointees to the Sanitary District Board. I'm ready to answer any questions you have and I have experts here if you need details.

Councilman Markovich - You mentioned something in the thing ...

Councilman Higgs - The grant.

Mayor McDermott - That's another ordinance that's gonna come before you, a resolution. About the sale lease back, Councilman? That's coming before you in another resolution after the passage. This is, as Councilwoman Venecz indicated, this is ... you guys passed this budget the last meeting, however the Sanitary District advertised for today's meeting so we need to re-pass it this meeting. Thank you.

ROLL CALL VOTE (reconsideration)

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

NAYS: None

ABSENT: None

Motion carried 9/0/0 13-40 TO BE RECONSIDERED

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

ROLL CALL VOTE (passage)

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

NAYS: None

ABSENT: None

Motion carried 9/0/0 ORDINANCE NO. 9224 PASSED

13-43 2014 Civil City Salary

Councilman Spitale, supported by Councilman Higgs, moved for passage.

Councilman Kalwinski, supported by Councilman Spitale, moved to amend in two changes on page 4, under Motor Vehicle Highway Public Works. Line item Six Wheel Driver, the amount will be amended from \$17.22 to \$17.47. The second change is two rows down, Laborer will amend from \$16.21 to \$16.69.

Councilman Markovich - What's the reason for the changes?

Council President Opinker - I believe it was a typo.

City Controller Lendi - There's dual reasons. One was a typo. Also, we have the consolidation of the Public Works Facilities and in negotiating with the union, one of the things that they requested is there be consistency between the different trades that were going to be coming together and that's the issue with the laborers, is to create a consistent pay raise and it's at the request of the unions that we're making this change.

ORDINANCE 3RD READING - FINAL PASSAGE cont.

Councilman Higgs - Since we're doing a consolidation for 2014 I certainly would like a diagram of how that reflects and how that operates because for a long time it's been very hectic and I agree with them something needed to be done and applaud his efforts in doing that but it's been hectic calling this department, that department. Hopefully things will get resolved and I'm not running around like a chicken with my head cut off trying to get things completed and taking off work and spending time and time again over the same particular issues. So I applaud your efforts on this. Because I would hope that one person would be able to take the orders and do what is necessary and get the job done. Save me a lot of paperwork and a lot of headaches.

ROLL CALL VOTE (amendment)

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

NAYS: None

ABSENT: None

Motion carried 9/0/0 AMENDMENT ADOPTED

ROLL CALL VOTE (as amended)

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

NAYS: None

ABSENT: None

Motion carried 9/0/0 ORDINANCE NO. 9229 PASSED

13-44 2014 Police & Fire Salary

Councilman Spitale, supported by Councilman Kalwinski, moved for passage.

Mayor McDermott - As I indicated earlier I am in the middle of the contract negotiations with F.O.P. and the Fire Union. We're working on three year deals. 2014 in both contracts is down for a 1% pay raise. So I don't anticipate with the passage of this salary ordinance that it would conflict in any way with our negotiations.

Councilman Higgs - And if the negotiations go any further, Mayor, and for some reason a Union seems to think that they want another raise beyond this, how do you fix the problem?

Mayor McDermott - There's a remedy for that for the Firemen and the Police Officers if that's the course of action they wish to take. But I don't anticipate that.

Councilman Higgs - At least by ... I mean I'm just gonna be open and honest, not by the Police but maybe the Fire.

Mayor McDermott - I don't anticipate that.

Councilman Higgs - Neither one?

Mayor McDermott - No.

ORDINANCE 3RD READING - FINAL PASSAGE cont.

ROLL CALL VOTE (passage)

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

NAYS: None

ABSENT: None

Motion carried

9/0/0

ORDINANCE NO. 9230 PASSED

13-45 2014 Elected Official Salary

Councilman Spitale, supported by Councilman Kalwinski, moved for passage.

Councilman Spitale - This is also a 1% raise for elected officials.

Councilman Higgs moved to make it 3% for elected officials.

Mayor McDermott - I strongly disagree with Councilman Higgs' motion. I think that it would be a slap in the face to taxpayers. I think that 1% ...

Councilman Higgs - Point of order. You haven't relinquished the chair to the mayor and first there has to be a second.

Mayor McDermott - I think Councilman Higgs' recommendation is ludicrous. I think it's a slap in the face to the taxpayers. I think the Hammond Council and the Mayor were compensated adequately. I think that in light of the pain that the taxpayers are feeling with the payment of a local income tax, I think that 1% is generous enough. I hope Higgs doesn't get a second on that motion. Because I think it's embarrassing to even suggest that in light of what's going on.

Councilman Higgs - That's a matter of opinion and the Mayor's entitled to his opinion. But the job that I do in my district I feel that the 3% raise is more than feasible. I'm out there 365 giving back to the kids. Giving back to every entity in this community in my district and throughout the city. So your opinion of what you may feel for those other than me are fine. That's your opinion. But as for me, I feel a 3% raise is feasible. Now whether or not they vote for it or not there was never a second. That was just something I threw out there mayor.

Councilman Higgs - You've thrown it out a number of times, Councilman.

Councilman Higgs - And I will continue to throw it out there because I work very hard for my constituents.

Mayor McDermott - Maybe you should get a job in the private sector if this job

Councilman Higgs - No, I love my job. You may not want me to have it but I love it.

Councilwoman Venecz - Each and every person who works for the city of Hammond works for the betterment

ORDINANCE 3RD READING - FINAL PASSAGE cont.

Councilwoman Venecz cont. - of the city of Hammond. Each and every one of us work our tails off for the city of Hammond. Not just one councilman, all nine of us. Every single employee that we have here in the city of Hammond works their tail off to make the city of Hammond a better place to live. Not just one individual. Everybody would love to get more money. Everybody would love to get a 5-10% raise. Boy wouldn't that be nice. Wouldn't you really feel like you were worth something if you got 10% raise. But each and every person who works for this city, I just can't say it enough, works their tail off. People volunteer throughout this city to make it a better place to live. To argue that one person works harder than another, that's just not right. Each and every one of us works towards the betterment of the city of Hammond and that's what everybody who works for the city strives for. Every day they come out in the cold and the rain, they're picking up trash at 4 o'clock in the morning and getting beaten up.

Council President Opinker - Do we have a second on Councilman Higgs' motion?

Motion fails for lack of second.

ROLL CALL VOTE (passage)

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

NAYS: None

ABSENT: None

Motion carried 9/0/0 ORDINANCE NO. 9231 PASSED

13-46 An Ordinance Authorizing the City Controller to Transfer Funds from One Line Item to another within the Hammond Police Department's 2013 Budget

Councilman Hinojosa, supported by Councilman Higgs, moved for passage.

Councilman Higgs asked to be added as a sponsor.

Councilman Hinojosa - This is to transfer money from the Capital Outlay of \$235,156 to go into the Henry Units to carry us out through the end of the year and \$79,000 for other services.

ROLL CALL VOTE (passage)

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

NAYS: None

ABSENT: None

Motion carried 9/0/0 ORDINANCE NO. 9232 PASSED

13-47 An Ordinance Authorizing the City Controller to Transfer Funds from One Line Item to another within Various City 2013 Budgets

Councilman Spitale, supported by Councilman Kalwinski, moved for passage.

ORDINANCE 3RD READING - FINAL PASSAGE cont.

Mayor McDermott - This is a result of the fallout over the vetoed ordinance regarding the towing fee administrative increase. I decided to take a look at all non-reverting accounts in the city. The City Controller and I sat down and identified half a million dollars in non-reverting accounts that we thought was a little too much sitting in a non-reverting account. We identified this half million dollars and this is part of this ordinance so that we could use that five hundred thousand as revenue towards our budget shortfall. As we all know the budget shortfall is being gapped with casino revenue right now so every bit of extra revenue we could bring in leaves that much more casino for the infrastructure of our city. So, I think this is and it's not gonna leave anybody too shorthanded, these non-reverting accounts have a tendency to generate significant amounts of money if they sit there too long.

Councilman Emerson - Speaking as one district councilman, I really appreciate that because we struggle with how we are going to get the projects done. At least I have the last two years so I really appreciate that.

Councilman Higgs - Not only ... and I echo Councilman Emerson, not only struggling but the reality of it is getting them done in a timely fashion. There are certain time lines and in regards to getting street projects completed, designed, engineered and moving forward and approved by the Board of Works. So it's quite costly and it's a long procedure and that was my reasoning for saying that I applauded the Mayor's efforts in consolidating the departments because for some reason it's just been tedious and very difficult and things have sat on the shelf for a number of years and not been completed. Projects within my district for whatever reason just sitting on the shelf and not moving forward. So hopefully this will extradite and make things easier.

Councilman Hinojosa - I have a question on the last figure that we heard from the City Controller was that now that we have the County Income Tax that it was gonna bring in about \$8 million from the County Income Tax and the last figure we heard was that the gaming money that we have, we're gonna have to put \$10 million. So now that we have this \$500 is that figure \$9.5 or is it lower than that.

Mayor McDermott - It's gonna be in that ballpark, Councilman. Bobby and I argue, he's usually more accurate than me but I'm more optimistic than him. He says it's gonna be more like \$11 million, I say it's gonna be more like \$9 million, so I use \$10 because it's a round number but it's in that ball park, Councilman Hinojosa, and every little bit helps. This is \$500 thousand which gives you \$50 thousand more to spend in the 6th District at the end of the day because that's \$50 thousand that you won't be putting towards the city budget. But, as a reminder, over the last three years we've dissolved TIF Districts in each year and once those TIF Districts are dissolved they had revenue sitting in the district that we got to use as miscellaneous revenue into our city. We dissolved three districts over three years. Used about \$7 million each year. We don't have a TIF District to dissolve anymore. So the Local Income Tax passed at the perfect time as far as we're concerned, especially in budgeting. Because if the Local Income Tax didn't pass, Councilman Hinojosa, we'd be looking at a bigger number than \$10, a lot bigger.

Councilman Higgs - Mayor what is the total estimate of revenue from the casino, a rough estimate, for 2014.

Mayor McDermott - Councilman Higgs, we've been looking at.... when (unclear) opened they were looking at

ORDINANCE 3RD READING - FINAL PASSAGE cont.

Mayor McDermott cont. - \$34-35 million a year. When we took over, and shortly after they opened the new boat, they got up into the forties, Councilman Higgs. Now they're back down to where they were before they opened the big boat. Bobby can probably give you a more refined answer but they're in the \$33-34 million mark. Is that pretty accurate, Bobby.

City Controller Lendi - Yes.

Mayor McDermott - And that's a lot of money, it's revenue that comes into the city. I'd like to point out that Horseshoe is not happy with that though. Horseshoe didn't build a big \$385 million investment to make the same kind of money they were making under the old boat. So the fact is, to the City Council, I know I don't have to tell you this, the gaming market has changed. We used to say that we were Chicago proof, well the Rivers Casino in Des Plaines proved otherwise, it hurt us. We took a big hit and it reminds us that the closer Chicago opens up a new casino to us, the more it's gonna impact us and that's why it's incumbent upon us to realize that this gaming revenue is unstable and it's a blessing, every year that we get a decent amount of money it's a blessing but it could go away quick and we got to make sure if it does go away we're ready to deal with the consequences so I appreciate you bringing that back up, Councilman Higgs.

ROLL CALL VOTE (passage)

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

NAYS: None

ABSENT: None

Motion carried

9/0/0

ORDINANCE NO. 9233 PASSED

INTRODUCTION OF ORDINANCES

13-50 An Ordinance Appropriating the Proceeds of the Annual Action Plan and Dealing with Other Matters Pertaining to the Expenditure of Plan Proceeds for Program Year 2014

Councilman Spitale, supported by Councilman Kalwinski, moved that the proposed ordinance go to 1st and 2nd reading by title, referred it to the Council as a Whole Committee, with a Public Hearing on 11-18-13.

AYES: ALL

13-51 An Ordinance Amending Ord. #8514, being an Ordinance Establishing a Zoning Plan for Purposes of Amending Various Titles to Incorporate Provisions for the Regulation of Pawn Shops and Alternative Financial Businesses

Councilman Kalwinski, supported by Councilman Spitale, moved that the proposed ordinance go to 1st and 2nd reading by title, referred it to the Council as a Whole Committee, with an Intent to Consider on 11-18-13.

AYES: ALL

*Prepared by
Robert J. Golec
Hammond City Clerk*

RESOLUTIONS

13R-29 Authorizing the Filing of a Annual Action Plan Application and Designating Signatories for Payment Voucher on Letters of Credit for the 2014 Annual Action Plan Programs

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

Councilman Spitale - This is the set up for CDBG funding from HUD.

ROLL CALL VOTE (adoption)

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

NAYS: None

ABSENT: None

Motion carried 9/0/0 RESOLUTION NO. R29 ADOPTED

13R-30 Authorizing the Hammond Police Dept. to Apply for a 2013 Indiana Criminal Justice Grant for Innovative Traffic Safety Programs

Councilman Hinojosa, supported by Councilman Kalwinski, moved for adoption.

Councilman Hinojosa - This is to apply for a grant for \$7,476 for a period of twelve months, it's an initiative for Traffic Safety Programs in the city of Hammond.

Councilman Higgs asked to be added as a sponsor.

ROLL CALL VOTE (adoption)

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

NAYS: None

ABSENT: None

Motion carried 9/0/0 RESOLUTION NO. R30 ADOPTED

13R-31 Authorizing the Hammond Police Dept. to Apply for a 2013 Indiana Criminal Justice Grant

Councilman Hinojosa, supported by Councilman Spitale, moved for adoption.

Councilman Higgs asked to be added as a sponsor.

RESOLUTIONS cont.

Councilman Hinojosa - This is to apply for a grant for \$62 thousand for a period of also 12 months for enforcement of drunk drivers and seatbelt violators.

Councilman Higgs - These are the type of grants that I look forward to seeing utilized in the city. There are so many available and as far as cleaning up contaminated property and all types of grants that are out there and it's just a matter of doing the research and getting it done and so I applaud whoever came up with the bright idea of utilizing and finding out what's available and making it feasible for our citizens here in our city.

ROLL CALL VOTE (adoption)

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

NAYS: None

ABSENT: None

Motion carried

9/0/0

RESOLUTION NO. 32 ADOPTED

13R-32 Receiving Petition and Determining Need for Facility

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

Councilman Spitale - The figure on this is \$14.1 million for 25 years and it's referred to as a sale lease back. They're selling to the (unclear) and leasing it back.

Councilman Markovich - In the first "Whereas" it says, "Whereas investigations have been conducted by the Common Council of the city of Hammond, Indiana both before and after the introduction of the resolution and the needs of the Hammond Sanitary District". Do we have a report on those findings?

Councilman Spitale - Marty Wielgos and he has a couple of attorneys with him, could they step up please?

Councilman Higgs - Before he steps up, certainly, I mean, he can give us a synoptic view of it and I applaud his efforts because he's here. That shows that he's interested and he's committed to doing what's necessary. Last time when we approved the budget for Redevelopment, guess what, I aksed for the department heads, they were not here. Guess what, we had to call a special meeting because, guess what, it wasn't advertised correctly. That's what I'm talking about. So I applaud your efforts for being here. That shows me that you're committed.

Councilman Markovich - If I was asking for \$14.1 million I'd be there too.

RESOLUTIONS cont.

Marty Wielgos - I brought our group of people who've been working on this. We've been working on this for probably a good four to five months. The District is in need of doing some work at the site. The mayor had talked about it being tied in to the basin, in a round about way it actually is. We have a point where we filed lawsuits against the customer communities as I'm sure you've been following in the paper against Whiting, Highland and Griffith. The rates that they pay us are far too low. The thing that we don't want to do is we don't want to pass on a rate to our citizens because they're getting hit from every angle and we don't believe that the citizens of Hammond should be supporting a District and the customer communities kind of riding on their back and that's what's been happening unfortunately. So we're in a long battle and to prepare for the long battle what we looked at and of course all of you know that Dr. Unger is battling some major illness. I have a chance to communicate with him daily, he would have been with me today if he was possible for him to do that. But at the District what we looked at is when some of our basic needs that we have to have to have right now and how do we get those needs, and that's how this whole proposal was brought up of lease back on our administration building. It allows us to get the revenue quickly. It allows us to use very, very low interest rates and allows us to do some things that for many, many years have just kind of been forgotten so to kind of summerize all the why we're doing and why we're asking for today, that was the reason behind that. I'm gonna let Jim Shanahan step up and kind of answer whatever questions that you have.

Councilman Higgs - I guess my question would be, and I would have tried to make a conscientious effort to tour and see exactly what is it you guys are trying to do and I didn't get a letter or anything but can you give me a synoptic view of what is needed.

Marty Wielgos - As we have talked about doing the basin, that contract work has started and in the process as we speak. That basin is gonna be about \$33 million gallons at a cost of around \$50 million to build. There are internal operations withing the plant that we were automated probably about 15 to 20 years ago but yet the entire plant isn't automated. So we want to look at trying to do some things to completely automate the plant if that can actually be done successfully with some of the other things that we have to do in updating the plant. So, I guess to answer specifically, do we know exactly what we need to do? It's kind of compounded in two different ways. One is the financial needs that the plant needs to have right now because of not being able to collect enough revenue to support our operations. That's really the key thing right now. The other thing is to allow us enough time by using the \$14.1 million to be able to get through these law suits that we have with the customer communities and at the same time looking at generating revenue from other sources and we do not want that to be the residents of the city of Hammond.

Councilman Higgs - See that was so easy for him to stand up there and tell the councilmen what exactly he's doing. That's all I requested the last meeting. Thank you so much.

RESOLUTIONS cont.

Marty Wielgos - You're welcome.

Councilman Markovich - So what is the report on the investigations and the wish list that needs to be done? The second question is being that the City Council's voting on this resolution, are we liable and responsible for the \$14.1 million if you guys can not come up with the funds or get the proper financing?

Marty Wielgos - I'll let the legal department answer that second question, Councilman Markovich. To answer the first question as far as I'm sorry, the first question was?

Councilman Markovich - What is the wish list and the investigations that the City Council had because I've never been there.

Marty Wielgos - I'll let Jim kind of answer that, that I don't know. So I guess I'll let him answer both questions.

Jim Shanahan - Our wish list is not really a wish list. It's about serving items that need to be done so that the facility can be upgraded and continue to utilized by the District and what Marty talked about, the improvements, the (unclear) improvements, the basin, those are the items that will be the improvements that will be made by the building corporation once they acquire the building and lease it back to the District. We anticipate that the lease payments will be made from future revenues and you will not be responsible for making the payments. The District will make the payments.

Councilman Markovich - Is there any kind of report specifying what needs to be done? I mean I can recall roughly two or three years ago the Sanitary District came before the City Council asking for roughly a million dollars for back up generator sump pumps for the pumping stations because they said they didn't have any money then. Now we passed a \$77 million for this lawsuit. I mean is anything covered under that and you're coming and asking for another \$14.1 million.

Marty Wielgos - Well, the \$77 million, Councilman Markovich, had nothing to do with a lawsuit, that has everything to do with the basin and us building the basin right now. The money that we are asking for today is to be able to take one of our greatest assets, our administration building, to be able to take a mortgage against it to borrow \$14.1 million and to assess the improvements that we need into the plant. Now, as I indicated a little bit earlier it's a two phase for me because right now we're not collecting enough revenue to operate the plant. It's pretty simple, pretty clear. That's why we went and filed the lawsuits against the customer communities. So, we have kind of a two phase approach here. Do we have a list of items to say to you, to the Council, that these are the things we want to do? The answer to that is no. But what we're asking for, what we're trying to do is to look

RESOLUTIONS cont.

Marty Wielgos cont. - at the improvements that we need to do into the plant and figure out exactly what those are and to be able to have the revenue to do that. Unfortunately, I wish I could come back five months from now, a year from now, but the way the plant is operating and because of the fact that we do not collect enough revenue to support the operations, I have two choices. One, that I come to the council and say we have to have a raise against our residents to be able to shore up the lost revenue or B, I come up with a different plan that does not affect the local community, our residents. It does affect our customer communities and a couple of other things that I'm working with some of our advisors on what I can do in generating new income. It's a fact of a matter, there had been no rate increase in the Sanitary District for a number, number of years and like everything else our costs continue to rise. With what we do at that plant it's amazing because we don't have backed up basements, as many years ago that we used to have. It's because of all the things that Dr. Unger's done in putting valves in and monitoring what contract limits are as far as heavy flow and it's unfortunate but we've had communities abusing that. Sending us more water at peak times when the plant can't handle it. So, I wish I had something of a laundry list, Councilman Markovich, to show you, but we don't and it's all because of everything that I am talking about. In looking at it in two ways, one, looking up at shoring up our revenue needs, which is immediate. And the other thing is looking at what improvements I need to make at the plant.

Councilman Higgs - Basically what you're saying is it's gonna be a two phased process once it's approved. First phase you're gonna try to ... once you initially get the loan through you're gonna re-do the whole building.

Marty Wielgos - No, we're not gonna re-do the building, Councilman. What we're going to do is shore up our revenue base. Because right now we are not collecting enough revenue.

Councilman Higgs - So you're operating in the red.

Marty Wielgos - Right.

Councilman Higgs - At some point do you plan to initially make increases in terms of making the customers pay more?

Marty Wielgos - That's what we're doing right now. That's why there's a lawsuit. And it's a lawsuit because it's a contract. We actually broke the contract that we had with those three communities. It's the only avenue that we had to do.

Councilman Higgs - So, initially the contract was for X amount of years and you okay, I understand.

RESOLUTIONS cont.

Marty Wielgos - Twenty five years it had a rate that was based on this really complex formula that was adjusted every year. It would take me three hours to explain to you how it works.

Councilman Higgs - Right, I understand. So now what they're saying is, "No, you signed this binding agreement and we're not gonna change it until these years."

Marty Wielgos - Well, yes, because the average rate that they are paying compared to the average rate that a resident here in the city of Hammond is paying it's like night and day.

Councilman Higgs - In essence there's no way you could continue to operate lesson you go this route.

Marty Wielgos - Short term, yes.

Councilman Higgs - You're already running in the red, realistically there's no way you could continue if you don't do something.

Marty Wielgos - Right, and as we are many things on the front to raise revenue this is the one that we can do immediately to shore up the gap. So, we didn't come, I'm not standing here before you tonight saying I just want to borrow money. I'm saying we need to borrow money to get us through the short term so that as I'm addressing the long term needs of the plant, by addressing rates from the customer communities that are way off kilter, I have enough time and money to do both of those things.

Councilman Markovich - Who's on the Hammond Sanitary Building Corporation?

Marty Wielgos - You know, Councilman, I'm probably gonna have to get you that. I do know that there was a meeting for them but there were some changes on who was gonna be on that board. So the best answer I can give you right now is I'm gonna have to get you that list.

Councilman Markovich - Well, you know, my recommendation right here would be to table this resolution until we get the wish list, what has to be done, who is on the Sanitary Building Corporation. Because we're approving something we don't know It's like this Pelosi, let's vote on Obama Care and worry about it later on. I don't want to do that here. So that's basically what we're doing here. You're asking us to approve something we know nothing about. In this first "Whereas" it says, "Investigations have been conducted by the City Council." Nobody knows anything what's going on. And then I'm trying to be diplomatic in a sense I don't want to ask questions because of the lawsuit and I can't ask the questions because of the lawsuit, but yet we're being kept in the dark and I don't like no blind sides later on or anything.

RESOLUTIONS cont.

Marty Wielgos - Well, it's a lawsuit, Councilman, and I can't give you any more specifics than I've already laid out. I don't know what you're asking of me because pretty much I've laid out and answered every possible scenario what we're using this money for. So, unless you think that we're trying to hide something or kind of go through something without being honest about it. We've actually laid it out exactly with what we want to do.

Councilman Markovich - I'm not saying that, Marty. But, \$14.1 million you're saying to operate the Sanitary District. What has to be done to operate? There ought to be a list. There ought to be something there that says this is what we have to buy. This is what we have to do, you know. I asked a simple question who's on the Hammond Sanitary Building Corporation. Between the three of you guys nobody knows, not even one person.

Marty Wielgos - Well, I don't want to tell you something that's not true, Councilman. I would only appear here in front of you today with our legal council and tell you what I know to be the truth. What I can tell you that at the very last minute with this Building Corporation there were some changes of who those people gonna be. I should let you know that the Building Corporation comprises three different individuals, it's the way the by laws were written, and they basically will have the power I'll let Jim explain it because he can explain it better than I can.

Councilman Higgs - The reality of it is, Marty just got on this board. The Mayor just appointed him. Well, he's a director.

Council President Opinker - There is a motion on the floor to table this. Do I have a second?

Motion dies for a lack of a second.

ROLL CALL VOTE (adoption)

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

NAYS: Markovich

ABSENT: None

Motion carried

8/1/0

RESOLUTION NO. R32 ADOPTED

13R-33 Regarding Crime Watch App

Councilman Hinojosa, supported by Councilman Higgs, moved for adoption.

Councilman Hinojosa - This app came as an idea to me mostly because of the crime that happened in Hessville

RESOLUTIONS cont.

Councilman Hinojosa cont. - that if we had notifications on our phones and notifications only if you want to receive those notifications on an app and we also discussed it could probably be added to the Hammond 311 app. I'll give you some examples. I receive notifications from the Colts. I receive notifications from Freddy's Steakhouse, Gino's steakhouse, buy one dinner get one free. This would mainly be to receive notifications of the flooding of the river is going to go over, or something, the crest or something. Especially in major crimes like the ones that happened in Hessville where on the 4th or 5th day that the lady on the 6800 block of Nebraska was knocked over and she wound up having a heart attack. Now if her family, you know she was an elderly lady, but if her family would have had an app that they could have signed up for and received notifications of what's going on in Hessville, I mean it went on for a couple of days but not enough people were notified that this was going on, so meanwhile another person got hit, and another person got hit, and I believe we had at least four. So, that's what this is for. It's just a resolution but hopefully it can be investigated by the IT of something they can add on to their app for the Hammond 311 or a possible additional app.

ROLL CALL VOTE (adoption)

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

NAYS: None

ABSENT: None

Motion carried

9/0/0

RESOLUTION NO. R33 ADOPTED

13R-35 Appointing Dan Spitale to the Lake County Economic Development Commission

Councilwoman Venecz, supported by Councilman Higgs, moved for adoption.

Councilwoman Venecz - it's pretty self explanatory. Councilman Spitale will be on the Lake County Economic Development Commission.

ROLL CALL VOTE (adoption)

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

NAYS: None

ABSENT: None

Motion carried

9/0/0

RESOLUTION NO. R35 ADOPTED

13R-36 Confirming the Re-Appointment of Alvin Cheeks as a Commissioner of the Hammond Human Relations Commission

Councilman Higgs, supported by Councilman Spitale, moved for adoption.

RESOLUTIONS cont.

Councilman Markovich - It was brought up in the caucus that originally this was Mayor McDermott's appointment and Alvin was doing a good job and the Mayor recommended that he be the Council's appointment, that's what we're doing and he's also the best dressed person on that board.

ROLL CALL VOTE (adoption)

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

NAYS: None

ABSENT: None

Motion carried

9/0/0

RESOLUTION NO. R36 ADOPTED

NEW AND UNFINISHED BUSINESS

13-49 INTENT TO CONSIDER - An Ordinance Reclassifying Certain Lands in the City of Hammond for Zoning Purposes and Amending Ordinance No. 8514 (An Ordinance Establishing a Zoning Plan for the City of Hammond Including the Regulations and Maps to Administer the Zoning Plan in Order to Provide for Orderly Growth and Development Within the City, All in Accordance with the Comprehensive/Land Use Plan, as Amended) for Property Commonly Known as 2843 169th Street, Hammond, in 46323

Councilman Hinojosa, supported by Councilman Higgs, moved for final passage.

Councilman Higgs - I think what's happening here the gentleman is trying to do some upgrades for the gas station on 169th in Councilman Hinojosa's district which is most needed and the business has been in the community for a number of years so I applaud their efforts and as I stated in caucus if you can't find a location in the 6th, the 3rd is always open to you.

Councilman Hinojosa - I think in the back room when we had our meeting there was nothing but high marks for the past forty years. How the gas station is always in compliance. Everybody talked very well of the gas station. It's already in existence they're just gonna expand the store and make it bigger. Myself, I talked with the owner and he took me around the property and what they're gonna do to the building by making it bigger and beautifying that corner there. So, again I congratulate you for upgrading your property.

NEW AND UNFINISHED BUSINESS cont.

ROLL CALL VOTE (passage)

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

NAYS: None

ABSENT: None

Motion carried 9/0/0 ORDINANCE NO. 9234 PASSED

Councilman Kalwinski, supported by Councilman Spitale, moved to cancel the council meetings scheduled for November 11th and November 25th and to schedule one council meeting only for November 18th. For December, to cancel December 23rd meeting, which will leave us with one scheduled meeting only, which is on December 9th.

ROLL CALL VOTE (council meeting dates)

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

NAYS: None

ABSENT: Higgs

Motion carried 8/0/1 MOTION CARRIED

Councilwoman Venecz - I'd like to announce some upcoming crime watch meetings. For those who wish to do good in their community. For those who wish to keep their neighborhoods safe and make their neighborhoods better.

Tues. Oct. 29	Pulaski Park C.W.	American Legion	6: 30 p.m.
Fri. Nov. 1	Irving Community C.W.	Irving School	9:15 a.m.
Wed. Nov. 7	Edison Community C.W.	Edison School	6:30 p.m.
Thur. Nov. 8	Edison Community on th Road	Golden Manor Building	6:00 p.m.
	Indi-Illi C.W.	First Methodist Church	7:00 p.m.

Councilman Emerson - Since we last met, in the 4th District a very notable landmark has been razed. Kenny Mays was a strip club, gentleman's club, that had been there for many years. Being a resident of the neighborhood, many years ago Mrs. Rush, who lived a block south of me at the time, spearheaded a protest. Among her complaints at the time were the posting of the measurements of the dancers on the marquis which prompted parents driving their children to an elementary school, which is several blocks away on the same street, to explain what those numbers meant. Also two blocks from a long standing Methodist Church. Later another church was next to it. But this is somewhat of the history. Mrs. Rush moved from Hammond. I don't know if she's still with us today. But there were many people in the neighborhood that were not happy. Now, I

NEW AND UNFINISHED BUSINESS cont.

Councilman Emerson cont. - don't know the gentleman who owned the establishment and this is not a Carrie Nation kind of thing that I'm doing, I just know that the neighborhood wanted that gone for a long time. If it's out in a farm field I have no problem with it. I'm not telling people what to do. But in a community with an elementary school, residents across the alley butted up against the club for years had many stories which I won't go into tonight. Special thanks should also be given to our colleague Councilwoman Venecz who early on got involved when there appeared to be, and I have to say that, I'm not an attorney, more than just dancing going on at the establishment. It's her efforts and the efforts of Code Enforcement, the Hammond Police, everyone else, that finally sent the establishment to greener pastures and I think it's a good thing for the city and the 4th.

Councilwoman Venecz - Everyone has heard me announce over the past few meetings about the Trunk or Treat that took place at Home Depot this past weekend. Edison Community Watch and the Eastside Community Council partnered with Home Depot on that event and it was a huge, huge, success. We saw over 500 children. Home depot donated water, popcorn, water, S'mores. There was a jumpy house. I really want to thank, publicly, Home Depot for their partnering and their community efforts. They really step up in the neighborhood.

Councilman Emerson - As some know, November 11th is Veteran's Day, and in Hammond we have the usual celebrations with one honoring Veterans and one new one this year. The new one, at 11 a.m. at Lyman and Douglas, actually starts about 10:30, the dedication of a new memorial being built there but that's for another time. So they do help in the community, I'm agreeing. That will be the dedication of the new memorial to Iraqi Vets. The only one in the area, by the way. At 11:00 a.m. Also, I think simultaneously at 11: am. At Harrison Park, the traditional Veteran's Day honorarium. And I want to say at 11:00 a.m. at Hessville Park, 173rd and Kennedy, but I don't want to hold that time because I'm not sure about that. If someone wants to call me they can, I'll find out exactly when that one is. Thank you.

Councilwoman Venecz - Since June, Edison Community Watch has been collecting plastic bottle caps. Plastic bottle caps of all sorts. We were working with the Golden Manor Senior Apartments and they were participating in a contest that the Lake County Solid Waste District had that if you collected 400 pounds of plastic bottle caps you would get a park bench made out of recycled material. Well, the seniors collected not only 400 pounds but they collected 800 pounds, so they qualified for two of the recycled park benches. They did receive their first one on Thursday and I have to say, it's beautiful and congratulations to the seniors. Congratulations to the Edison neighborhood for really coming together and supporting the seniors. So, as we always say at Edison Community Watch, community is not just about me, it's about us, and we really proved that with this effort.

PUBLIC EXPRESSION

George Stoya - For clarification, Mr. Wielgos said the city of Hammond sued in this Hammond Sanitary District lawsuit. No, Hammond was sued. Secondly, there was never a straight answer on where the report was. Wants clarification on mayor's statement on Ordinance 13-47. Did he go back on what he had vetoed?

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

AYES: ALL

Michael Opinker, President
Hammond Common Council

ATTEST:

Robert J. Golec, City Clerk

Minutes approved at the Council meeting of November 18, 2013.

Time: 7:55 pm

cb