

**TOWN OF MUNSTER  
MINUTES OF A REGULAR MEETING OF THE TOWN COUNCIL  
OCTOBER 21, 2019**

A regular meeting of the Munster Town Council convened at 7:00 p.m. on Monday, October 21 2019, at the Munster Town Hall. Present were Town Councilors Andy Koultourides, Lee Ann Mellon, David B. Nellans, and Joseph A. Simonetto. Councilor John P. Reed was absent. Councilor Koultourides presided. Also present were Clerk-Treasurer David F. Shafer, Town Manager Dustin Anderson, Chief of Police Stephen F. Scheckel, Planning Director Tom Vander Woude, Town Attorney David W. Westland, and Town of Munster Representative to the Hammond Sanitary District Michael R. Hawkins. The news media were not represented.

President Koultourides began the meeting with a moment of silence followed by the Pledge of Allegiance.

(Clerk-Treasurer's Note: Due to an extended power outage, the meeting was held under emergency lights and individual LED flashlights.)

**45<sup>th</sup> STREET CONSTRUCTION UPDATE**

DLZ representative Lee Randell reported that the shoo-fly is operational, with trains traveling at about 30 mph on the shoo-fly. Fiberoptic relocation is in progress. Work is complete on the storm sewer system on west 45<sup>th</sup> Street, and street paving has begun. Work is progressing on the median of Calumet Avenue. Other items are progressing. Calumet Avenue and west 45<sup>th</sup> Street should be open by mid-November.

**OPEN TO THE PUBLIC**

Ms. Julie O'Connor, 1104 Elliott Drive, referred to the monthly Treasurer's Report and asked for details regarding the excess bond proceeds.

No one else rose to claim the floor, and the floor was closed.

**CONSENT AGENDA**

**APPROVAL OF MINUTES**

Approval of the minutes of the regular meeting of October 7, 2019

**ACCOUNTS PAYABLE VOUCHER REGISTERS**

Confirmation of Voucher Register #19-9AA dated 09/09/19 totaling \$0.22  
Confirmation of Voucher Register #19-10D dated 09/16/19 totaling \$156.16  
Confirmation of Voucher Register #19-10E dated 09/16/19 totaling \$29,675.37  
Confirmation of Voucher Register #19-10F dated 09/19/19 totaling \$112,692.76  
Confirmation of Voucher Register #19-10G dated 09/19/19 totaling \$88,742.41  
Confirmation of Voucher Register #19-10H dated 09/23/19 totaling \$485,087.88  
Confirmation of Voucher Register #19-10I dated 09/23/19 totaling \$410,450.57  
Confirmation of Voucher Register #19-10J dated 09/24/19 totaling \$381,810.81  
Confirmation of Voucher Register #19-10K dated 09/26/19 totaling \$80.84  
Approval of Voucher Register #19-10L dated 10/07/19 totaling \$151,081.93  
Confirmation of Voucher Register #19-10M dated 09/27/19 totaling \$776,718.66

## **LETTER OF ENGAGEMENT – BOND COUNSEL**

Mr. Bradley Bingham of the law firm of Barnes & Thornburg submitted a proposed letter of engagement for his services as bond counsel for the 2019 General Obligation Bond Issue and the 2019 Park District Bond Issue. Mr. Bingham proposed (1) a fee of \$7,500.00 (plus out-of-pocket charges and expenses) for his services as bond counsel for the general obligation bond issue, and (2) a fee of \$7,500.00 (plus out-of-pocket charges and expenses) for his services as bond counsel for the park district bond issue. The base fees are consistent with last year's base fees. The Clerk-Treasurer's Office estimated that out-of-pocket charges and expenses will not exceed \$500.00 for each issue. Confirmation of the letter of engagement with Barnes & Thornburg was requested.

## **TREASURER'S REPORT**

The September 2019 Treasurer's Report was presented for acceptance.

## **WATER LEAK ADJUSTMENTS 2019-40, -41, AND -42**

Staff received three requests for adjustment under the leak adjustment policy adopted by the Town Council on April 8, 2013. The customers completed the required form and the requests meet all the criteria for adjustment as follows.

| Adjustment Number | Average Usage | Actual Usage | Length of Time | Original Bill | Requested Adjustment Amount | Adjusted Bill |
|-------------------|---------------|--------------|----------------|---------------|-----------------------------|---------------|
| 2019-40           | 4,000         | 52,000       | 2 months       | \$ 160.67     | \$ 133.89                   | \$ 26.78      |
| 2019-41           | 18,000        | 46,000       | 1 month        | \$ 136.52     | \$ 79.55                    | \$ 56.97      |
| 2019-42           | 2,000         | 45,000       | 2 months       | \$ 140.22     | \$ 120.34                   | \$ 19.88      |

Councilor Simonetto moved, with a second by Councilor Mellon, to suspend the rules, waive the readings, and adopt the Consent Agenda as presented. Councilors Mellon, Nellans, Simonetto, and Koultourides voted in favor; none voted against. Motion carried and the Consent Agenda was adopted as presented.

## **GENERAL ORDERS**

### **ORDINANCE 1777: WAIVER OF WATER UTILITY BILLING**

Introduced ORDINANCE 1777 is AN ORDINANCE OF THE TOWN OF MUNSTER, INDIANA WAIVING INTERNAL WATER BILLING DURING 2020. The Council had first reading on Ordinance 1777 at the October 7, 2019 meeting. The proposed ordinance would waive water utility payments by Town operating funds supported by property taxes during 2020, and only during 2020. The savings to the operation funds would preserve both cash and appropriations.

For the year 2020, waiver savings to the operating funds would total approximately \$50,000.00. Simultaneously, the Water Cash Operating Fund revenue would decrease by approximately \$50,000.00, but this revenue loss is judged to have little effect on the fund that normally receives approximately \$3.4 million in water revenue annually.

Councilor Simonetto moved, with a second by Councilor Mellon, to adopt Ordinance 1777 on second reading as presented. Councilors Mellon, Nellans, Simonetto, and Koultourides voted in favor; none voted against. Motion carried and Ordinance 1777 was adopted as presented.

## **NEW BUSINESS**

### **ORDINANCE 1779: SURPLUS BOND PROCEEDS**

Proposed ORDINANCE 1779 is AN ORDINANCE OF THE MUNSTER TOWN COUNCIL DECLARING CERTAIN BOND PROCEEDS AS SURPLUS AND ALLOWING THE TRANSFER OF SURPLUS BOND PROCEEDS TO THE TOWN OF MUNSTER GENERAL FUND. Several measures are being taken to address the challenges facing the Town in 2020 due to the full impact of the circuit breakers. One of these measures is making use of surplus bond proceeds.

The Town issues general obligation and park bonds each year. The bonds are repaid from ad valorem property taxes. These bonds are used to finance large, capital expenditures such as street resurfacing, equipment purchases, and major park and building improvements. There are times when a project does not proceed because a higher priority situation presented itself unexpectedly. There are times when a project or piece of equipment comes in at a lower price than expected at the time of bond issuance. In these instances, the amounts not spent are considered surplus bond proceeds.

I.C. 5-1-13-2 et seq. has the effect of allowing the Town Council, as the local issuing body, to reduce the rate or amount of ad valorem property taxes imposed by or allocated to the local issuing body. Basically, the proceeds can be transferred to a property tax supported fund to reduce the tax rate in that fund.

Under advice of bond counsel, surplus bond proceeds from 2006 through 2014 can be transferred in this way. These bonds are fully amortized and total \$648,409.73. Under this ordinance, these surplus proceeds would be transferred to the General Fund and used to offset the circuit breaker losses anticipated in 2020.

The Park Board is being asked to adopt a resolution determining \$12,521.31 in surplus bond proceeds be transferred to the Park & Recreation Fund. The Council will then be asked to adopt an ordinance approving the transfer.

Councilor Mellon moved, with a second by Councilor Simonetto, to hear proposed Ordinance 1779 on first reading and schedule second reading for the next regular meeting. The motion carried *viva voce*.

### **2020 ANNUAL MEDICAL, VISION AND DENTAL RATE RENEWAL**

The Town became members of the AIM Medical Trust effective January 1, 2016 for medical insurance. Staff has been notified that the renewal rate for the 2020 plan year will be 8% over the 2019 rates. The Town will add 0.04% beyond the 8% to account for the rising administrative costs of providing dental coverage, long-term disability insurance, the Town's Section 125 Flexible Spending Arrangement (FSA), and the employee assistance program (EAP). The increase would have been larger (15.3%) but the Trust's board of directors chose to allocate reserves to reduce the increase in premiums. Staff believes the increase would have been twice that if the Town were still self-insured.

The Town covers 82.5% of the premium costs for the employees, regardless of coverage level, with the employee paying the remaining 17.5%. Staff recommended keeping these cost-sharing percentages the same. Monthly premiums are as follows for the current medical insurance plans, vision insurance, and dental insurance.

### PPO Plan B

| Tier                  | 2020 Rates  | Town Monthly Share 87.5% | Employee Monthly Share 17.5% |
|-----------------------|-------------|--------------------------|------------------------------|
| Employee Only         | \$ 999.41   | \$ 824.51                | \$ 174.90                    |
| Employee & Spouse     | \$ 2,036.90 | \$ 1,680.44              | \$ 356.46                    |
| Employee & Child(ren) | \$ 1,838.88 | \$ 1,517.08              | \$ 321.80                    |
| Employee & Family     | \$ 2,876.37 | \$ 2,373.01              | \$ 503.36                    |

### HDHP Plan F

| Tier                  | 2020 Rates  | Town Monthly Share 87.5% | Employee Monthly Share 17.5% |
|-----------------------|-------------|--------------------------|------------------------------|
| Employee Only         | \$ 937.63   | \$ 773.54                | \$ 164.09                    |
| Employee & Spouse     | \$ 1,910.28 | \$ 1,575.98              | \$ 334.30                    |
| Employee & Child(ren) | \$ 1,724.64 | \$ 1,422.83              | \$ 301.81                    |
| Employee & Family     | \$ 2,697.28 | \$ 2,225.26              | \$ 472.02                    |

### Vision Insurance

This is the same plan currently in force. The Town pays 100% of the premiums for the employee regardless of the coverage level chosen.

| Tier                  | Enrollment | 2020 Rates | Total Cost   |
|-----------------------|------------|------------|--------------|
| Employee Only         | 34         | \$ 4.59    | \$ 156.06    |
| Employee & Spouse     | 19         | \$ 9.20    | \$ 174.80    |
| Employee & Child(ren) | 14         | \$ 9.82    | \$ 137.48    |
| Employee & Family     | 32         | \$ 15.70   | \$ 502.40    |
| Monthly Total         |            |            | \$ 970.74    |
| Annual Total          |            |            | \$ 11,648.88 |

### Dental Insurance

The dental coverage remains self-funded through Delta Dental. The 2020 rates reflect actual claims experience for 2019. Staff is looking to have the premium levels be sufficient to cover the anticipated 2020 claims. The Town pays 100% of the employee-only premium. Dependent dental premiums are covered by the employee.

| Tier                  | 2020 Rates | Town Monthly Share Employee Only | Employee Monthly Share Dependent Coverage Only |
|-----------------------|------------|----------------------------------|--|
| Employee Only         | \$ 39.35   | \$ 39.35                         | \$ -   |
| Employee & Spouse     | \$ 69.18   | \$ 39.35                         | \$ 29.83                                       |
| Employee & Child(ren) | \$ 87.13   | \$ 39.35                         | \$ 47.78                                       |
| Employee & Family     | \$ 119.14  | \$ 39.35                         | \$ 79.79                                       |

Councilor Simonetto moved, with a second by Councilor Mellon, to authorize the Town Manager to adopt the 2020 health, vision, and dental rates for the Town of Munster as presented. Motion carried *viva voce*.

#### **ORDINANCE 1780: SMOKING/VAPING**

Proposed ORDINANCE 1780 is AN ORDINANCE ADOPTING SMOKE FREE AIR REGULATIONS FOR WORKPLACES AND PUBLIC PLACES. Town Attorney Westland explained the need to restate the Town's smoke-free regulations for workplaces and public places. The proposed ordinance identifies enclosed public places, enclosed places of employment, and outdoor public places where smoking, which includes the use of e-cigarettes, will be prohibited. Private residences are exempted unless used as a licensed childcare, adult day care, or health care facility. The proposed ordinance also describes methods of enforcement and recites penalties for violations.

Councilor Simonetto moved, with a second by Councilor Nellans, to hear proposed Ordinance 1780 on first reading and set second reading and possible adoption for the next regular meeting. Motion carried *viva voce*.

#### **LETTER OF INTENT – TOWN OF MUNSTER, TOWN OF HIGHLAND, & NIPSCO**

The Town, with significant assistance from the Northwestern Indiana Regional Planning Commission, has proposed a pedestrian bridge connection between Munster and Highland as a connection between the Town's trail network and both Wicker and Bluebird parks. This will include significant trail construction in Highland and in Munster along the existing right-of-way of the Northern Indiana Public Service Company (NIPSCO).

If this project is to advance with a grant through the Indiana Department of Natural Resources (InDNR), then all applicable parties must state their interest in pursuing the project. A Letter of Intent has been drafted to demonstrate the parties' interest.

Councilor Simonetto moved, with a second by Councilor Nellans, to authorize the Town Manager to sign the Letter of Intent on behalf of the Town of Munster. Motion carried *viva voce*.

#### **LETTER OF ENGAGEMENT – 2020 TOWN OF MUNSTER LEGISLATIVE LOBBYING**

The Town has an interest in engaging the law firm of Barnes & Thornburg as its state legislative relations counsel. A letter of engagement has been drafted for Barnes & Thornburg to provide certain lobbying service. Fees for this service would be \$5,000.00/month from November 1, 2019 through March 31, 2020, and \$3,000.00/month from April 1, 2020 through October 31, 2020. These rates are unchanged from the prior year. Additional expenses, including but not limited to lobbying compliance fees, would also be allowed.

Councilor Mellon moved, with a second by Councilor Simonetto, to authorize the Town Manager to sign the letter of engagement with Barnes & Thornburg for legislative lobbying services. Motion carried *viva voce*.

### **RESOLUTION 2057: RELEASE OF LETTER OF CREDIT FOR WEST LAKES SUBDIVISION**

Proposed RESOLUTION 2057 is A RESOLUTION ACCEPTING CERTAIN INFRASTRUCTURE IMPROVEMENTS IN THE WEST LAKES PHASE IV SUBDIVISION AND RELEASING THE DEVELOPER'S LETTER OF CREDIT. Mr. Vander Woude explained that in August of 2017 the Munster Plan Commission granted final plat approval for the West Lakes Phase IV Subdivision. As a condition of receiving the approval, the developer, Blackhall Chicago Partners, LLC, provided two letters of credit to the Town: a two-year warranty bond in the amount of \$90,585.28 and a completion bond in the amount of \$44,541.00. In August 2019 the Town released the warranty bond.

Blackhall Chicago Partners, LLC has completed installation of the road final surface course of the roadways and asked that the \$44,541.00 completion bond be released. Blackhall provided a new letter of credit in the amount of \$4,838.24 as a two-year guarantee of the improvements.

Councilor Simonetto moved, with a second by Councilor Mellon, to adopt Resolution 2057 accepting the West Lakes Phase IV streetlights and road final surface course and releasing the \$44,541.00 letter of credit that was posted by Blackhall Chicago Partners, LLC in August of 2017. Councilors Mellon, Nellans, Simonetto, and Koultourides voted in favor; none voted against. The motion carried and Resolution 2057 was adopted as presented.

Without objection, the item "Purchase of Replacement Vehicles" was moved on the published agenda to be heard next.

### **PURCHASE OF REPLACEMENT VEHICLES**

Mr. Vander Woude explained that the Community Development Department asks to purchase two vehicles to replace Unit #51, a 2005 Chevrolet model 1500 pickup truck, and Unit #53, also a 2005 Chevrolet model 1500 pickup truck. Staff solicited and received quotes for a 2019 Ford Escape and a 2019 Ford Fiesta, summarized as follows.

|                     | Currie Ford         | Paul Heuring<br>Ford | Lake Shore<br>Ford   |
|---------------------|---------------------|----------------------|----------------------|
| 2019 Ford Escape    | #####               | \$ 19,981.00         | \$ 21,316.00         |
| 2019 Ford Fiesta    | #####               | \$ 13,000.00         | No response          |
| Trade-in allowances | <u>\$(5,500.00)</u> | <u>\$ (4,500.00)</u> | <u>\$ (4,000.00)</u> |
| Net purchase price  | #####               | \$ <b>28,481.00</b>  | \$ 17,316.00         |

Councilor Simonetto moved, with a second by Councilor Mellon, to approve the purchase of two replacement vehicles from Paul Heuring Ford at the total net price of \$28,481.00. Motion carried *viva voce*.

### **FOUNTAIN REPLACEMENT: WHITE OAK ESTATES AND WEST LAKES SUBDIVISION**

Staff recommended replacement of three floating aerator fountains located in two retention ponds in the White Oak Estates Subdivision and in one retention pond in the West Lakes Subdivision. The fountains range in age from 16 to 19 years and are beyond the point of economical repair. Aquatic Control proposed installing new fountains, including a five-year warranty, in the spring of 2020 at a total cost of \$30,294.25. Funds for this purchased would be sourced from the Sewer Depreciation Fund 283.

Councilor Simonetto moved, with a second by Councilor Mellon, to authorize the Town Manager to purchase three floating aerator fountains from Aquatic Controls for a price not to exceed \$30,294.25. Motion carried *viva voce*.

**ALLEY SANITARY SEWER REPLACEMENT: FOREST AVENUE/HOHMAN AVENUE**

The Town solicited quotes to remove and replace a section of failing sanitary sewers between two manholes in the alley between Forest Avenue and Hohman Avenue north of Broadmoor Avenue. Three contractors responded, summarized as follows.

|                                  |                     |
|----------------------------------|---------------------|
| Gatlin Plumbing & Heating, Inc.  | <b>\$ 82,000.00</b> |
| Hasse Construction Company, Inc. | \$106,000.00        |
| Grimmer Construction, Inc.       | \$136,750.00        |

The engineer's estimate for the project is \$92,750.00.

Councilor Mellon moved, with a second by Councilor Simonetto, to award the contract to Gatlin Plumbing & Heating, Inc. for a not-to-exceed price of \$82,000.00. Motion carried *viva voce*.

**ANNOUNCEMENTS**

(Unless state otherwise, all meetings of the Town Council begin at 7:00 p.m. at the Munster Town Hall.)

The regular Town Council meeting of November 4, 2019 has been canceled to accommodate municipal elections of November 5, 2019. Instead, the Town Council will conduct a special meeting at Munster Town Hall at noon on Monday, November 4, 2019, for the purpose of holding a public hearing on the issuance of general obligation bonds, adopting two bond ordinances on first reading, and approving the payment of claims.

The Town Council will hold regular meetings on Monday, November 18 and December 2, 2019. The Redevelopment Commission will hold special or regular meetings immediately following the Town Council meetings.

**ADJOURNMENT**

There being no further business to come before the Council, and upon a motion by Councilor Nellans, seconded by Councilor Simonetto, the meeting adjourned at 7:53 p.m.

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**Andy Koultourides, President**

**ATTEST:**

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**David F. Shafer, Clerk-Treasurer**