

**TOWN OF MUNSTER
MINUTES OF A MEETING OF THE TOWN COUNCIL
JANUARY 13, 2014**

A regular meeting of the Munster Town Council convened at 7:00 p.m. on Monday, January 13, 2014, at the Munster Town Hall. Town Councilors John W. Edington, Andy Koultourides, David B. Nellans, Joseph A. Simonetto, and John P. Reed were present. Mr. Reed presided. Also present were Clerk-Treasurer David F. Shafer, Town Manager Thomas F. DeGiulio, Town Attorney Eugene M. Feingold, Assistant Town Manager Clay T. Johnson, Director of Operations/Fire Chief James J. Knesek, and Chief of Police Stephen F. Scheckel. The news media were represented by Paul Czapkowicz of *The Times*.

President Reed opened the meeting with a moment of silence followed by the Pledge of Allegiance.

OPEN TO THE PUBLIC

Ms. Amanda Hires, 9015 Bunker Hill Drive, read an article in the newspaper about the repairs to be made at the Centennial Park Clubhouse. She was concerned about construction interfering with her wedding which is scheduled for August. Staff responded that more information about the construction schedule will be available in March. Mr. DeGiulio stated a letter would be sent to all those who have reserved the facilities to explain the repairs to the Clubhouse.

Mr. Mike Dujmovic, 1833 Tulip Lane, asked why something wasn't done sooner at the Clubhouse. President Reed explained that time was needed to make a determination of whether the settling is normal or abnormal. Mr. Dujmovic also commended Public Works on the snow removal during the last storm. He is of the opinion that cars should be ticketed and towed so plows can get through. Mr. Dujmovic suggested mentioning the need to dig out fire hydrants in the News You Can Use.

There being no one else requesting to speak, the floor was closed.

CONSENT AGENDA

APPROVAL OF MINUTES

Approval of the minutes of the special meeting held on December 30, 2013

ACCOUNTS PAYABLE VOUCHER REGISTERS

Confirmation of Voucher Register #13-12T dated 12/30/13 totaling \$1,388,089.83
Confirmation of Voucher Register #13-12U dated 12/31/13 totaling \$157,599.04
Confirmation of Voucher Register #14-1A dated 01/02/14 totaling \$1,150,706.65
Confirmation of Voucher Register #14-1B dated 01/03/14 totaling \$62.76
Approval of Voucher Register #14-1C dated 01/13/14 totaling \$73,023.28
Confirmation of Voucher Register #14-1D dated 01/09/14 totaling \$956,732.20

REPORT ON TEMPORARY LOANS

On December 9, 2013, the Town Council approved Resolution 1976, "A Resolution for the Temporary Loan and Transfer of Funds Among Various Fund Accounts," to authorize temporary loans to remedy any cash deficient situations at year's end. The amounts from the originating funds and to the recipient funds were identified as "to be determined."

Five funds needed loans: Sewer Maintenance Fund for \$669,000.00, Park Bond & Interest (Non-Exempt) Fund for \$166,000.00, Redevelopment Bond & Interest Fund for \$38,000.00, TIF Allocation Fund for \$36,000.00, and Motor Vehicle Highway Fund for \$30,000.00.

On January 2, 2014, the loans were repaid in full. Exhibit A to Resolution 1976 should be amended to show the loan activity as:

<u>Fund Name</u>	<u>Amount</u>
LOANS MADE FROM:	
Water Cash Operating Fund	\$ 699,000.00
Park Bond Proceeds Fund	\$ 166,000.00
Redevelopment Operating Fund	<u>\$ 74,000.00</u>
	\$ 939,000.00
LOANS MADE TO:	
Sewer Maintenance Fund	\$ 669,000.00
Park Bond & Interest Fund – Non-Exempt Fund	\$ 166,000.00
Redevelopment B & I Fund	\$ 38,000.00
TIF Allocation Fund	\$ 36,000.00
Motor Vehicle Highway Fund	<u>\$ 30,000.00</u>
	\$ 939,000.00

WATER BILL ADJUSTMENT

At the April 8, 2013 meeting, the Council adopted a policy to allow water bill adjustments due to water leaks. Under the policy, the customer must sign an affidavit stating there was a leak, the leak has been repaired, and request an adjustment from the Water Board. Adjustments are allowed one time per twelve-month period. The adjustment is based on an average of the usage over the previous twelve-months.

Staff has received a request for an adjustment under this policy. The customer has completed the required form and the request meets all the criteria for an adjustment. The average usage for this customer is 5,000 gallons/month and the period in question (one month) had 36,000 gallons. The original bill amount was \$102.54. The requested adjustment amount is \$89.04 which represents water usage and sales tax. With the adjustment, the amount due for water and tax will be \$13.50.

2014 MUNICIPAL BOND ISSUE

Staff wants to begin both the 2014 Municipal and Park Bond issues this month with closings occurring before May 30, 2014. There are three main expenditure areas for the Municipal issue. The first is radio and communication equipment needed for Police, Fire and administration as a result of the consolidated dispatch program. The second area will be street resurfacing. Staff plans to begin work on Hohman Avenue early in the season. The third area is equipment for Public Works, specifically an early warning system.

Infrastructure (street resurfacing)	\$1,350,000.00
Communications	\$ 500,000.00
Early warning system	\$ 100,000.00
Public Works equipment	<u>\$ 20,000.00</u>
	\$1,970,000.00

Preliminary appropriation ordinances will be presented at the next regular meeting. This evening, Staff is seeking authorization to engage Barnes & Thornburg, Indianapolis, Indiana as bond counsel for both the Municipal and Park Bonds.

REQUEST FOR PROPOSAL: CENTENNIAL PARK CLUBHOUSE REPAIRS

At the January 9, 2014 work-study session, the Council reviewed a draft request for proposals for the work to be done at the Centennial Park Clubhouse with Robinson Engineering representative Joe Nordman and the Technical Committee. Staff is now seeking approval of the draft request for proposal.

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

GENERAL ORDERS

APPOINTMENTS TO BOARDS & COMMISSIONS

The term of Ken Schoon as a member of the Park Board expired December 31, 2013. The Nominating Committee recommended three candidates to be considered along with the incumbent for appointment to the Park Board for a four-year term ending December 31, 2017. President Reed and Councilor Nellans will review the candidates for this position.

Councilor Simonetto moved, with a second by Councilor Edington, to appoint Dr. Lorin M. Brown to the Board of Safety for a three-year term ending December 31, 2016. Motion carried *viva voce*.

ORDINANCE 1614: APPROPRIATION ADJUSTMENTS

Introduced ORDINANCE 1614 is AN ORDINANCE FOR TRANSFERS WITHIN CERTAIN APPROPRIATED FUNDS FOR THE YEAR 2013. Ordinance 1614 authorized adjustments to the 2013 budget to meet the certified amounts and the budget transfers between major expenditure groups. The first reading of this ordinance took place at the December 9, 2013 meeting and was scheduled for second reading at the first meeting in January 2014. The adjustments in Exhibit A are based on the final expenditures made on December 30, which were effective December 30, 2013. There is no net change in any fund.

Councilor Simonetto moved, with a second by Councilor Koultourides, to adopt introduced Ordinance 1614 on second reading as presented. Councilors Edington, Koultourides, Nellans, Simonetto, and Reed voted in favor; none voted against. Motion carried and Ordinance 1614 was adopted as presented.

ORDINANCE 1619: AMENDMENT #1 TO THE 2014 SALARY ORDINANCE

Proposed ORDINANCE 1619 is AMENDMENT #1 TO ORDINANCE #1611, THE 2014 SALARY ORDINANCE. The ordinance was adopted at the December 30, 2014 meeting. An error was discovered in Exhibit C of the ordinance which is the wage and salary distribution by fund chart. The adopted exhibit shows dispatchers paid equally from the General Fund 101 and the Cumulative Capital Development Fund 402. Ordinance 1590 changed the dispatcher distribution to 100% from the General Fund 101. The 2014 budget includes dispatchers in the General Fund 101 only. Ordinance 1619 corrects Exhibit C.

Councilor Simonetto moved, with a second by Councilor Koultourides, to suspend the rules, waive the readings, and approve Ordinance 1619 on first reading as presented. Councilors Edington, Koultourides, Nellans, Simonetto, and Reed voted in favor; none voted against. Motion carried and Ordinance 1619 was adopted as presented on first reading.

ORDINANCE 1620: AMENDMENT #2 TO THE 2014 SALARY ORDINANCE

Proposed ORDINANCE 1620 is AMENDMENT #2 TO ORDINANCE #1611, THE 2014 SALARY ORDINANCE. The ordinance was adopted at the December 30, 2014 meeting. Staff is seeking additional compensation for employees work worked the storm event from January 4 through 6, 2014. The plan is follows the practice used in 2011 as the result of a similar event and is summarized as follows.

1. All regular employees who were unable to report to work will receive eight hours of straight time for January 6, 2014.
2. All hourly employees who worked on January 6, 2014 shall be paid time and one-half for all hours worked

3. Specified salaried employees who worked during the storm event between 4:00 p.m. January 4 and 6:00 p.m. January 6, 2014 will receive additional compensation for hours worked during this period in the amount of their equivalent hourly time rate times the number of whole and partial hours worked during this period in fifteen minute increments.

Discussion ensued. By general consensus, the Council asked Staff to rewrite Ordinance 1620. For the payroll dated January 24, 2014, employees who did not work on Monday, January 6, 2014, will be allowed to use vacation or compensatory time. No additional pay will be given to employees beyond the standard overtime rules.

NEW BUSINESS

TREE REMOVAL QUOTES

On January 8, 2014, Staff opened nine quotes for the removal of ninety-five trees and stumps plus two large tree limbs. The trees are located in the easement areas adjacent to the Little Calumet River levee along Hawthorne Drive, River Drive at the Northcote Avenue Bridge, and the River Bend Pump Station. All but one tree are infected with Emerald Ash Borer. The non-infected tree is in poor condition and under wires. All trees have been measured and marked. Staff required the trees and stumps be removed by March 15, 2014 while the ground is frozen to facilitate minimal ground disturbance. The summarized quotes were as follows.

Contractor	Total Quote	Quoted Amount
Area Outdoor Services, Gary, Indiana	\$18,425.00	\$18,525.00
Russell's Tree Care, DeMotte, Indiana	\$20,925.00	\$19,920.00
R.A. Oros, Inc., Munster, Indiana	\$23,170.00	\$23,170.00
Briggs Tree Service, Lansing, Illinois	\$25,000.00	\$25,000.00
Erwin Tree Care, Inc., Hobart, Indiana	\$27,175.00	\$27,175.00
Bob's Tree Service, Hobart, Indiana	\$31,875.00	\$31,130.00
Howard's Tree Service, Hammond, Indiana	\$31,550.00	\$31,550.00
Piekarski and Sons, Lansing, Illinois	\$35,530.00	\$35,530.00
Timbermasters Tree, LLC, Dyer, Indiana	\$43,947.00	\$43,947.00

Area Outdoor Services of Gary, Indiana had the lowest quote. In verifying the amounts, an error was discovered. The total for the project is \$18,425.00. The contractor has agreed to the lower amount.

Councilor Simonetto moved, with a second by Councilor Koultourides, to accept the quote from Area Outdoor Services of Gary, Indiana for the removal of ninety-four ash trees, one cottonwood tree and two large limbs for a total cost of \$18,425.00 to be paid from the Riverboat Fund 446. Motion carried *viva voce*.

RESOLUTION 1980: 2013 PURCHASE ORDERS

Proposed RESOLUTION 1980 is A RESOLUTION TO RECORE OUTSTANDING ENCUMBRANCES FROM 2013 CARRIED FORWARD TO 2014. In 2010, the Town implemented a purchase order system for budget control purposes. Purchase orders are to be created at the time a good or service is ordered. At that time, the budget dollars needed to pay for the good or service are encumbered or set aside.

Not all purchase orders created in 2013 were used. The budget dollars encumbered remain with the purchase order. These items can be carried forward to the new year. The 2013 budget can be used to pay for the invoices when they are receiving in 2014. The se purchase orders can be used only for their original intent, payable to the original vendor.

Resolution 1980 has been drafted to formally record the 2013 purchase orders that are being brought forward to the 2014 calendar year. There were a total of 380 purchase orders representing \$1,538,287.96.

Councilor Simonetto moved, with a second by Councilor Nellans, to adopt Resolution 1980 as presented. Councilors Edington, Koultourides, Nellans, Simonetto, and Reed voted in favor; none voted against. Motion carried and Resolution 1980 was adopted as presented.

RESOLUTION 1981: EXTENSION OF HVAC CONTRACT

Proposed RESOLUTION 1971 is A RESOLUTION APPROVING AND AUTHORIZING THE EXTENSION OF A CONTRACT FOR HVAC SYSTEMS THROUGH 2016. The Town has had a service contract for quarterly maintenance and repairs to the HVAC system at Town Hall since 2002. There is a separate service contract for the quarterly maintenance and repairs to the HVAC system at the Public Works Garage on Fisher Street.

Mechanical Concepts has presented an extension of the maintenance contract with two options for each Town Hall and the Public Works Garage. The prices are for maintenance work only. Any repairs will be billed separately.

Option #1 for Town Hall continues the existing contract at an annual amount of \$7,900.00 for 2014. Option #2 for Town Hall continues the existing contract at an annual amount of \$7,900.00 for a three-year period ending December 31, 2016.

Option #1 for the Public Works Garage continues the existing contract at an annual amount of \$4,948.00 for 2014. Option #2 for the Public Works Garage continues the existing contract at an annual amount of \$4,948.00 for a three-year period ending December 31, 2016.

Staff recommends taking Option #2 for both the Town Hall and Public Works Garage. Indiana Code 5-22-17-4 allows renewal of a contract at the same prices when it is in the best interest of a municipality, and if the contractor agrees. The extension would take away uncertainty about the contract price. Staff recommends accepting Option #2 for Town Hall and Option #2 for the Public Works Garage. Both contracts will be paid from the Building Maintenance Programs 122 of each department.

President Reed asked how long it had been since this service was bid. Staff will research the answer.

Councilor Nellans moved, with a second by Councilor Simonetto, to amend and adopt Resolution 1981 to continue the contract through December 31, 2014 and to bid the work in the Fall. Councilors Edington, Koultourides, Nellans, Simonetto, and Reed voted in favor; none voted against. Motion carried and Resolution 1981 was adopted as amended.

REPORTS

GRADE SEPARATION PAYMENT SCHEDULE

The agreement with Robinson Engineering totals \$4,082,512.00 including the first \$624,000.00 for the engineer's report. The Town pays 100% of the invoice and receives an 80% reimbursement from the Indiana Department of Transportation (INDOT). Net out-of-pocket expense for 2014 will be \$240,000.00. The contract is summarized as follows.

Original contract	\$ 624,508.00	
Supplemental	<u>\$3,458,004.00</u>	
Total contract	\$4,082,512.00	
Invoiced-to-date	<u>\$1,026,068.89</u>	(includes the original \$624,000.00)
Contract Balance	<u>\$3,056,443.11</u>	

The balance of the contract will be split over 2014, 2015, and 2016. The plan is to complete the first underpass design (45th Street) in 2015 and complete the second (Calumet Avenue) in 2016. There will also be a large structural component in 2014 with environmental work for both bridges being completed this year as well. The average cost over thirty-six months is \$84,901.20.

Robinson is requesting to invoice the Town \$100,000.00 per month beginning January, 2014. By frontloading the payments, Robinson will be sure to have enough funds to pay the sub-consultant bills on time and

the Town's payments will be evenly distributed throughout the year. The monthly amounts will be reviewed at the end of each year. Staff proposed the following billing schedule.

Year	Monthly Amount	Annual Total
2014	\$100,000.00	\$1,200,000.00
2015	\$ 80,000.00	\$ 960,000.00
2016	\$ 75,000.00	\$ 900,000.00
Total		\$3,060,000.00

Appropriations are used at the time of payment. Staff will have to be vigilant and seek additional appropriations in a timely manner as reimbursements accumulate. Funds are budgeted in the CEDIT Fund 209 and Major Moves Fund 450.

Clerk-Treasurer Shafer observed that some months the payment amount would exceed the amount of work completed and other months would show the opposite. He questioned how INDOT would handle reimbursements when the amount paid to Robinson Engineering would not match the supporting documentation.

Discussion ensued.

Commissioner Koulourides moved, with a second by Commissioner Simonetto, to proceed with the monthly schedule as presented on the condition that INDOT concurs. Motion carried *viva voce*.

ANNOUNCEMENTS

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

The next regular Town Council meeting will be held on Monday, January 27, 2014. The Redevelopment Commission will hold a regular meeting immediately following the Town Council meeting.

The Town Council will hold regular meetings on Monday, February 10, and 24, 2014. The Redevelopment Commission will hold regular meeting immediately following the Town Council meetings.

ADJOURNMENT

There being no further business to come before the Council, and upon a motion by Councilor Simonetto, seconded by Councilor Koulourides, the meeting adjourned at 8:06 p.m.

John P. Reed, President

ATTEST:

David F. Shafer, IAMC, MMC, CMO, Clerk-Treasurer

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