

**TOWN OF MUNSTER  
MINUTES OF REGULAR TOWN COUNCIL MEETING  
MAY 12, 2008**

The regular meeting of the Munster Town Council convened at 7:00 p.m. on Monday, May 12, 2008, at the Munster Town Hall. Town Councilors Helen Brown, John W. Edington, Robert H. Mangus, Michael Mellon, and David B. Nellans were present. Mrs. Brown presided. Also present were Clerk-Treasurer David F. Shafer, Town Manager Thomas F. DeGiulio, Director of Operations/Fire Chief James J. Knesek, Town Attorney Eugene M. Feingold, Chief of Police Nick Panich, Police Lt. Kurt Matz, and Town Engineer James M. Mandon. The news media were represented by Carolyn Thompson of *The Times*.

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

**OPEN TO THE PUBLIC**

Ms. Jennifer Varkalis, 14 Timrick Drive, reported that motorists are driving at excessive speeds and, at times, recklessly on Timrick Drive. She also stated that the standing water between the homes on the south side of Timrick Drive and the railroad right-of-way is a breeding ground for mosquitoes. Councilor Mellon responded that the Town pumped the water from the area last week, and the condition should improve after the Town gains control over the right-of-way.

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

**EXEMPLARY SERVICE AWARDS**

The Town Council recognized the following employees. Deputy Clerk Christine Campbell; Superintendent of Park Maintenance Jerry Rosko; Maintainer III Kevin Dark; Maintainer II Linda Dillon; Maintainer II Kevin Higgins; Maintainer II Michael Talarico; Sergeant Raymond Schweitzer; Police Officers Michael Janiga and Brian Ayersman.

President Brown noted that today is the 79<sup>th</sup> birthday of Town Attorney Gene Feingold. Mr. Feingold was first appointed Town Attorney on January 1, 1962, and has become the "institutional memory" for the Town of Munster. Mr. Feingold responded that it was his pleasure to serve.

**CONSENT AGENDA**

**APPROVAL AND ACCEPTANCE OF MINUTES**

Approval of the minutes of the regular meeting held on April 14, 2008

**ACCOUNTS PAYABLE VOUCHER REGISTERS**

Confirmation of Voucher Register #08-4H dated 4/15/08 totaling \$2,000.00  
Confirmation of Voucher Register #08-4I dated 4/15/08 totaling \$372.16  
Confirmation of Voucher Register #08-4J dated 4/18/08 totaling \$23,227.90  
Confirmation of Voucher Register #08-4K dated 4/17/08 totaling \$212,149.08  
Confirmation of Voucher Register #08-4L dated 4/24/08 totaling \$303,583.65  
Approval of Voucher Register #08-4M dated 4/28/08 totaling \$106,042.56  
Confirmation of Voucher Register #08-4N dated 4/25/08 totaling \$282,873.98  
Confirmation of Voucher Register #08-4O dated 4/30/08 totaling \$233,573.78  
Confirmation of Voucher Register #08-4P dated 4/15/08 totaling \$257,276.52  
Confirmation of Voucher Register #08-5A dated 5/01/08 totaling \$34,507.72  
Confirmation of Voucher Register #08-5B dated 5/06/08 totaling \$9,403.75  
Confirmation of Voucher Register #08-5C dated 5/08/08 totaling \$116,870.58  
Approval of Voucher Register #08-5D dated 5/12/08 totaling \$65,989.05  
Confirmation of Voucher Register #08-5E dated 5/09/08 totaling \$339,722.33

## **TREASURER'S REPORT**

The Treasurer's Report of April 2008 was distributed and placed on file.

### **CONFIRMATION OF PEPSI TAX ABATEMENT COMPLIANCE**

One of the economic development incentives available to the Town is the ability to provide tax abatement on personal property for major equipment that is newly purchased or new to the State of Indiana. Projects must meet a series of criteria including overall cost, employment targets and public art contributions.

In March, 2003, Pepsi received personal property tax abatement as a portion of its total operation expansion. The actual investment exceeded the original estimate by \$5.3 million and twenty-one employees were added or retained as a result of the project.

As part of the annual Compliance with Statement of Benefits Personal Property Forms (CF-1) which Pepsi must file, the Town has been requested to certify that Pepsi has substantially complied with their obligations under the tax abatement agreement.

### **DISPOSAL OF EQUIPMENT: SURPLUS SNORKEL**

Resolution 1736 authorized the long term loan of the 1971 Pierce Maxim Snorkel to the Fire Museum of Greater Chicago. The apparatus has been stored at the bus barn of the School Town of Munster until the Fire Museum of Greater Chicago has a permanent location to display it.

The School Town needs the space where the snorkel is currently stored and had requested its removal from the bus barn. The Fire Museum has informed the Town that they are unable to accept the snorkel due to space limitations. Other fire museums in the area have been contacted and none have the necessary space. The equipment is only valuable to a collector as it is no longer certified as firefighting equipment. Staff is seeking authority to appraise the snorkel and sell it to the highest bidder. A minimum bid amount will be set based on the appraisal.

### **GRANT OF EASEMENT: FRAN-LIN & CALUMET AVENUE**

The Town has been seeking easements from various property owners along Calumet Avenue in order to relocate the NIPSCO lines on Calumet Avenue from Fisher Place to 45<sup>th</sup> Street. Mr. Feingold clarified that, following execution of a grant of easement, the Town will make a payment of \$13,517.00 to Timothy and Frankie Fesko, beneficiaries of North Star Trust Company Trust #3518. The payment covers the damages for taking the property as well as the initial and supplemental appraisals. The beneficiaries of the trust will make the payments to the appraiser, James Lee. Approval of this process was recommended.

### **ORDINANCE 1395: 2008 TAX ANTICIPATION WARRANTS**

Without objection, this item was removed from the Consent Agenda for consideration under General Orders.

### **RESOLUTION 1840: SURPLUS PARK BOND PROCEEDS**

Proposed RESOLUTION 1840 is A RESOLUTION TO AUTHORIZE EXPENDITURE OF SURPLUS BOND PROCEEDS (Receipt 01-323941 & 03-737628). Proceeds from the 2006 Park Bond Issue were used for work done at Centennial Park. A portion of these payments were also paid by First Midwest Bank. The contractor, Larson-Danielson, reimbursed the Town for the over payment in the amount of \$45,928.39.

Indiana Code 5-1-13-2 requires a resolution authorizing the appropriation of these "surplus bond proceeds." The Park Board adopted Resolution 2008-04 for this purpose. Resolution 1840 has been prepared to authorize the appropriations.

### **RESOLUTION 1841: SURPLUS BOND PROCEEDS**

Proposed RESOLUTION 1841 is A RESOLUTION TO AUTHORIZE EXPENDITURE OF SURPLUS BOND PROCEEDS. Proceeds from the 2006 Municipal Bond Issue were used for street resurfacing, a new phone system and related upgrades. A refund in the amount of \$545.41 was received for the phone system. A portion of the street resurfacing was funded by grant proceeds. The money has been received by the Town in the amount of \$25,000.00.

Indiana Code 5-1-13-2 requires a resolution authorizing the appropriation of these "surplus bond proceeds." The Park Board adopted Resolution 2008-04 for this purpose. Resolution 1841 has been prepared to authorize the appropriations.

Beginning in July 2008, the Council will no longer have the option of reappropriating grant funds that are received into the Municipal or Park Bond Proceeds Funds. House Bill 1001 requires all surplus bond proceeds to be transferred to debt service.

### **RESOLUTION 1842: MONTHLY APPROPRIATION ADJUSTMENTS**

Proposed RESOLUTION 1842 is A RESOLUTION FOR TRANSFERS WITHIN CERTAIN APPROPRIATED FUNDS FOR APRIL 2008. Funds controlled by the Department of Local Government Finance must not be overspent within each major expenditure group (Personal Services, Supplies, Contractual Services, and Capital Outlays). Municipalities are allowed to transfer budget amounts from one major expenditure group to another within the same fund in order to avoid overspending the budget. The transfers must be authorized by ordinance or resolution.

Transfers are scheduled for three funds. The General Fund (101) needs a transfer to cover costs associated with meetings in the Town Council and Town Manager programs, specifically for the ethics and strategic planning sessions. The Sewer Maintenance Fund (280) requires a series of transfers primarily related to the Vehicle Maintenance program. The Solid Waste Management Fund (623) also needs a transfer for the Vehicle Maintenance program.

The Local Road and Street Fund (202) remains over budget for salt and road materials due to the number of snow events this season. The overall budget for this fund can be increased with an additional appropriation, if necessary, once the budget is certified. Expenses that are covered by this fund can also be paid from the Motor Vehicle Highway Fund (201).

Line items within the General Fund (101) continue to be used with no budget amounts. These include fees paid to the Town Attorney and NIPSCO charges for Fire Station III. This same situation is occurring in the Park and Recreation Fund (204) for Centennial Park activities. In addition, the Administration program within the Park Fund is being overspent for overtime. While not included in this resolution, transfers will need to be made to cover all of these expenses.

As reported last month, expenses for wages and salaries for various administrative employees need to be shifted out of the Solid Waste Management Fund and back to the other operating funds, including property tax supported funds. A series of vouchers were charged against the fund in error. Correcting journal entries were made for these in April. The refuse disposal line item in the Solid Waste Management Fund needs to be addressed. This is used for debris hauled from the Public Works garage as a result of street sweeping and other items collected by the Town.

Resolution 1842 has been prepared to authorize budget transfers known to be required so far this year. There will be no net change in any fund.

### **FOUNTAINS FOR CENTENNIAL PARK PONDS**

Without objection, this item was removed from the Consent Agenda for consideration under General Orders.

**LEASE/PURCHASE AGREEMENT: PUBLIC-FINANCE.COM**

The purchase of marked and unmarked police vehicles and computers was approved at the April 14, 2008 meeting. In addition, bidding will take place for sport utility vehicles for the Police Department and Town Manager. Delivery will occur over the next several months. The Council is being asked to execute the lease/purchase documents for these acquisitions. The Town has used publicfinance.com for several years. A master lease will be executed with future purchases made under it. The approved purchases are as follows.

<u>Vehicle/Equipment</u>	<u>Term</u>	<u>Pay-off Date</u>	<u>Funding Source</u>	<u>Amount</u>
3 marked squad cars	2 years	April 2010	CCD Fund	\$41,100.00
2 unmarked squad cars	3 years	April 2011	CCD Fund	\$33,133.00

The purchase of five mobile data terminals (MDT) was approved at the April meeting in the amount of \$26,300.00. The terms for the lease of the MDTs have not been established.

**PURCHASE OF FIRE DEPARTMENT SUBURBAN**

The Fire Department received quotes on March 27, 2008 for the purchase of one 2008 Chevrolet Suburban. No trade-in is being offered. The quotes are as follows.

Harbor Chevrolet, Portage Indiana	\$32,959.00
Carroll Chevrolet, Crown Point, Indiana	\$33,124.00
Christenson Chevrolet, Highland, Indiana	\$33,360.00

Staff recommended accepting the quote from Harbor Chevrolet. The vehicle will be paid from the 2007 Municipal Bond Issue.

President Brown noted that the proposed modification to the take-home vehicle policy was not being considered as part of the Consent Agenda, and will be discussed in the future.

Councilor Mellon moved, with a second by Councilor Mangus, to suspend the rules, waive the readings and adopt the items on the Consent Agenda as amended. Councilors Edington, Mangus, Mellon, Nellans, and Brown voted in favor of the motion; none voted against. The motion carried and the Consent Agenda was adopted, including Resolutions 1840, 1841 and 1842.

**GENERAL ORDERS**

**FOUNTAINS FOR CENTENNIAL PARK PONDS**

Staff presented a change order for Hubinger Landscaping to install three fountains at Centennial Park. Hubinger was the landscape contractor at Centennial Park. The Town has an annual maintenance contract for the non-golf areas of the Park with Hubinger. Staff believes that handling this matter as a change order expedites the installation and keeps the costs down. Clerk-Treasurer Shafer questioned the legality of processing this matter as a change order as opposed to going through the bidding process. Discussion ensued.

In answer to the question from Councilor Mellon, Mr. Feingold stated that it is not a violation of Indiana law to handle this matter as a change order as long as the work is done by Hubinger Landscaping.

Councilor Mellon moved, with a second by Councilor Mangus, to purchase and install fountains for the ponds at Centennial Park. Motion carried *viva voce*.

Councilor Mellon moved, with a second by Councilor Mangus, to award the change order as presented to Hubinger Landscaping for the installation of fountains in the ponds of Centennial Park. Motion carried *viva voce*.

#### **ORDINANCE 1395: 2008 TAX ANTICIPATION WARRANTS**

Proposed ORDINANCE 1395 is AN ORDINANCE AUTHORIZING THE TOWN OF MUNSTER TO BORROW MONEY AND TO ISSUE TAX ANTICIPATION WARRANTS FOR THE YEAR 2008. Clerk-Treasurer Shafer explained that this item was removed from the Consent Agenda so the Council could determine whether to adopt this ordinance on first reading, or consider it on first reading tonight with adoption at a special meeting to be scheduled by the end of May. The expedited handling is necessary to facilitate a June sale.

Lake County will not issue the first installment of 2007 pay 2008 property tax bills timely. House Bill 1001 makes major changes to the state statute and is the cause of the delay in issuing certified budgets and property tax bills. The Town will need to meet debt service obligations and standard operating expenses before property tax distributions will be available. The Town will need to issue tax anticipation warrants in order to meet these obligations.

Tax anticipation warrants (TAWs) are needed to give us the necessary infusion of cash. TAWs are temporary loans until the actual tax revenues are received. TAWs must be repaid on or before December 31 of the year in which they are issued unless otherwise extended.

Ordinance 1395 has been prepared to authorize \$9,679,000 in warrants. The intention is to sell the warrants on an as-needed basis. The first sale of \$1,667,000 in warrants will take place in June to cover the debt service funds payments due that month.

Normally, the ordinance would be the subject of two hearings. In order to complete the sale and closing in a timely manner, the Council would need to hold a special meeting before the end of May. In the alternative, the Council can suspend the rules and adopt on first reading.

Councilor Mangus moved, with a second by Councilor Edington, to suspend the rules, waive the readings and adopt Ordinance 1395 on first reading as presented. Councilors Edington, Mangus, Mellon, Nellans, and Brown voted in favor of the motion; none voted against. The motion carried and the ordinance was adopted.

#### **ORDINANCE 1391B: AMENDMENT #4 TO 2008 SALARY AND PAY PLAN**

Introduced ORDINANCE 1391B is AMENDMENT #4 TO ORDINANCE 1375, 2008 SALARY ORDINANCE. The Council considered this matter on first reading on April 14, 2008. In order to comply with IRS regulations, a cellular telephone policy is being added to the salary ordinance. The policy gives employees the option of itemizing their personal calls from business calls on a monthly basis and paying a pro-rata share or paying a monthly amount. Personal income taxes will be incurred based on the type of phone.

Councilor Nellans moved, with a second by Councilor Edington, to adopt Ordinance 1391B as presented. Councilors Edington, Mangus, Mellon, Nellans, and Brown voted in favor of the motion; none voted against. The motion carried and the ordinance was adopted.

#### **SPECIAL USE PERMIT: DUNKIN DONUTS**

Diversified Real Estate requested a special use permit from the Board of Zoning Appeals to have a drive-through window at the Dunkin Donuts located in the Cobblestone Commercial Center at the northeast corner of the intersection of Main Street and Calumet Avenue. This matter was the subject of a public hearing with no remonstrances. At its meeting of April 22, 2008, the BZA voted four to zero with one abstention to send an unfavorable recommendation to the Council. The findings of fact are scheduled for review and adoption by the BZA on May 27, 2008. Staff recommended denying the special use permit.

Councilor Nellans moved, with a second by Councilor Edington, to accept the recommendation to deny the special use permit for Diversified Real Estate for a drive-through window. Motion carried *viva voce*.

## **NEW BUSINESS**

### **ORDINANCE 1396: AMENDMENT #5 TO 2008 SALARY AND PAY PLAN**

Proposed ORDINANCE 1396 is AN ORDINANCE AMENDING ORDINANCE 1375, 2008 SALARY ORDINANCE. The Council has been reviewing the salary and pay plan for several months during work-study sessions. As a result of these deliberations, Staff is recommending the following changes to be effective with the first payroll in July 2008.

1. Grant a 3.00% global increase to the matrix effective
2. In Grade 10 – Police, move Steps 7, 8 and 9 to Steps 4, 5 and 6 respectively
3. In Grade 10 – Police, add three with each step 2.50% higher than the previous
4. Move Police Sergeants from Grade 12 to Grade 13
5. Move Aide to C.O.P. from Grade 13 to Grade 14
6. Move Police Lieutenant from Grade 14 to Grade 15
7. Move Parks and Recreation Director from Grade 15 to Grade 18
8. Redistribute Step locations of First Class Police Officers at the current Grade 10, Step 9 as shown in Exhibit B

Step increase will be determined after certification of the 2008 budget is received and reviewed in light of the 2009 budget implications of the recent legislation passed by the General Assembly.

Councilor Nellans moved, with a second by Councilor Mangus, to hear Ordinance 1396 on first reading and set second reading for the regular meeting in June. Motion carried *viva voce*.

## **REPORTS**

### **CENTENNIAL PARK CONSTRUCTION UPDATE**

Mr. Mandon provided a report showing the status of the work being done at Centennial Park regarding the retaining walls, clubhouse basement floor, bridge, and turbines.

### **CALUMET AVENUE FUNDING UPDATE**

Calumet Avenue was scheduled to be widened and resurfaced in 2006 at a projected cost of \$1.08 million using \$862,400 in federal funds. Various events delayed the project which is now scheduled to bid later this year with construction in 2009. The cost has increased to \$2 million with an additional \$200,000 for construction engineering. The Town requested an additional \$897,600 in federal funds. The NIRPC (Northwestern Indiana Regional Planning Commission) Lake-Porter Highway Stakeholders recommended the request be funded. Approval from the full NIRPC Commission and TPC (the NIRPC Transportation Planning Committee) is anticipated.

### **SUPPORT OF CN RAILROAD**

On December 10, 2007, the Town Council adopted a motion to support the Canadian National Railroad (CN) in its efforts to acquire the Elgin, Joliet, and Eastern Railway West Company (EJ&E). At the time, it was intended that the Council formally state its position in a resolution to be drafted, but no resolution has been presented for the Council's consideration.

Since last December, communities in northwest Indiana and northeast Illinois have expressed opposition to the proposed acquisition. The Surface Transportation Board (STB), the economic regulatory agency of the U.S. Department of Transportation that is charged by Congress with reviewing proposed railroad restructuring transactions, received over 3,600 comments about CN's proposal, the most comments the STB ever received on a single proposal. Locally, the towns of Griffith, Dyer, Merrillville, and Schererville have been very vocal in their opposition, primarily because the proposed acquisition would significantly increase train traffic in those communities.

Clerk-Treasurer Shafer recently commented that the Munster Town Council should consider rescinding its resolution of support for the CN. However, because the Council never adopted a resolution of support, there is nothing to rescind. Clerk-Treasurer Shafer suggested that Munster would recognize the regional impact of CN's proposal and would support the opposition of neighboring communities.

#### **COMPUTER UPGRADE UPDATE**

The Council approved upgrades to the Pentamation software and website. Contracts have been signed and training dates are being scheduled. Staff has agreed to be a beta site for the Parks and Recreation software. This allows the Town to get the software at a reduced rate and to receive the other upgrades more quickly. In addition, modifications to the software can be made to meet the needs of the Town at no cost or reduced rates.

#### **ANNOUNCEMENTS**

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

A special meeting with the Town Council, Redevelopment Commission and the Economic Development Commission that was scheduled for May 19, 2008, has been postponed and will be rescheduled.

Town Hall will be closed Monday, May 26, 2008, in observance of the Memorial Day holiday.

The Town Council will hold a work study session June 2, 2008, to discuss the rental registration ordinance and code enforcement issues.

#### **ADJOURNMENT**

There being no further business to come before the Council, and upon a motion by Councilor Mangus, seconded by Councilor Nellans, the meeting was adjourned at 8:40 p.m.

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Helen Brown, President

ATTEST:

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David F. Shafer, IAMC, CMC  
Clerk-Treasurer