

**MINUTES OF THE MEETING
OF THE COMMON COUNCIL
VALPARAISO, INDIANA**

September 13, 2021

The Common Council of the City of Valparaiso, Indiana, met on Monday September 13, 2021 at 6:00 p.m. in City Hall. Mayor Murphy called the meeting to order. The Pledge of Allegiance was said. Present were Councilmembers Reed, Cotton, Schmidt, Pupillo, Anderson, Costas and Douglas.

MINUTES

Councilmember Douglas moved to approve minutes of the August 23, 2021 meeting. Councilmember Reed seconded the motion. Upon voice vote the motion to approve passed with a 7-0 vote.

Councilmember Reed added that she followed up on mopeds being licensed. She has discovered that mopeds do have to be licensed through the BMV.

ORDINANCE NO. 28, 2021

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO,
INDIANA, AUTHORIZING THE ISSUANCE OF THE CITY OF VALPARAISO,
INDIANA MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2021 (GREEN
OAKS OF VALPARAISO PROJECT) IN ONE OR MORE SERIES, TAXABLE AND/OR
TAX-EXEMPT, IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO
EXCEED TWENTY-FIVE MILLION DOLLARS (\$25,000,000) AND APPROVING AND
AUTHORIZING OTHER ACTIONS IN RESPECT THERETO**

Councilmember Douglas moved that Ordinance No. 28, 2021 be read a first time and considered on first reading. Councilmember Reed seconded the motion. Clerk-Treasurer Taylor read Ordinance No. 28, 2021.

Attorney Patrick Lyp addressed the Board. This project spans two administrations. No decision needs to be made this evening. The presentation is totally informational. Today the Economic Development Commission met and recommended approval of this project. The BZA has reviewed, granted some variances and approved moving forward with this project. Tyler Kent, when he was City Planner, visited several locations where the developer has similar facilities. Tyler found those to be appropriate. It has been determined there are no other facilities of this type in the area. The EDC wants to make sure they are not using incentives to bring in a business that will compete with already established businesses.

Councilmember Douglas stated he has no conflict of interest in Evergreen. However, he recently joined the Pines Village Retirement Board of Directors. He has no financial interest in Evergreen project. He intends to participate in discussion and will vote on this project.

Attorney Matthew Carr addressed the Council. He gave a presentation on Green Oaks of Valparaiso Affordable Assisted Living Facility. His presentation is attached to the minutes.

Mayor Murphy stated this project along with Uptown gives the City 250 units of affordable housing. He welcomes this project. The City has no liability in issuing these bonds.

Councilmember Cotton asked about the distinction of Medicaid versus Medicare. He would like clarification if this is exclusive to Medicaid constituents or if Medicare also qualifies. He asked about Indiana ranking 51st in terms of long care services. Yet the State is doing well with reimbursement for these types of facilities. Matthew Carr replied this benefit is for Medicaid only. Section 1915c of the Social Security Act provides the States with authority to provide for certain home and community based services in lieu of more institutional based services. This is a product the State of Indiana believes in. Councilmember Cotton asked to see the report prepared to help with the decision to do this project in Valparaiso. He also discussed the current cost of construction material and how it has skyrocketed. Matthew Carr explained because of Covid and the cost of construction prices, they did an analysis and decided it would be cheaper to do steel rather than lumber. Prices have since fallen so this project will be built with lumber.

Councilmember Reed asked the average rate of employees to residents. Matthew replied he is not sure but will get an answer.

Mayor Murphy stated Green Oaks is an LLC. Does the issuance of the bonds preclude Green Oaks from property taxes? Matthew Carr replied they do not expect to ask for any relief from property taxes. Mayor Murphy asked if Matthew knew the anticipated taxes. Matthew replied in the area of \$50,000 to \$60,000 when it is fully stabilized. The amount is based on the gross rents received for the prior year.

Councilmember Douglas pointed out the fastest growing segment of the City's population is the senior level. This project will meet a need plus the affordability side.

Councilmember Douglas moved that Ordinance No. 28, 2021 be carried over to the September 27, 2021 meeting. Councilmember Reed seconded the motion. Upon voice vote the motion passed with a 7-0 vote.

ORDINANCE NO. 27, 2021

2022 VALPARAISO COMMUNITY SCHOOL BUDGET

Councilmember Douglas moved that Ordinance No. 27, 2021 be read a first time and considered on first reading. Councilmember Reed seconded the motion. Clerk-Treasurer Taylor read Ordinance No. 27, 2021.

Sharon Qualkenbush addressed the Council. They are advertising a certified budget of \$85,931,332. They are advertising a total property tax rate of 1.3910 which is 6 cents lower than last year. The School Board has reviewed the budget. They are asking for budget approval on September 27, 2021. The presentation is attached to these Minutes.

Mayor Murphy announced Ordinance No. 27, 2021 requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will hear comments on the VCS 2022 Budget. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Councilmember Douglas moved that Ordinance No. 27, 2021 be carried to the September 27, 2021 meeting. Councilmember Reed seconded the motion. Upon voice vote the motion passed with a 7-0 vote.

ORDINANCE NO. 14, 2021

AN ORDINANCE ANNEXING CERTAIN TERRITORY TO THE CITY OF VALPARAISO, INDIANA, PLACING THE SAME WITHIN THE CORPORATE BOUNDARIES THEREOF AND MAKING THE SAME A PART OF THE CITY OF VALPARAISO, INDIANA (THE "PRAIRIE RIDGE SUBDIVISION")

Councilmember Douglas moved that Ordinance No. 14, 2021 be read a second time by title and a third time in full and be considered for adoption and the opportunity be given for the offering of amendments. Councilmember Reed seconded the motion. Clerk-Treasurer Taylor read the Ordinance.

Beth Shrader addressed the Council. She went through the process of annexation. First reading was in July after six public meetings. Tonight is a Public Hearing. No response is required. Staff will take notes and will address concerns going forward. The next step will be the availability for adoption which will be at the October 25th meeting. After that meeting, they will publish how to remonstrate. Citizens will have 90 days to remonstrate. The City will work with the County Auditor to vet the remonstrances to make sure they are valid. If all goes as expected, the annexation will take effect in December of next year.

Mayor Murphy announced Ordinance No. 14, 2021 requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will hear comments on the proposed Prairie Ridge Subdivision annexation. Attorney Patrick Lyp advised a letter has been received from Harris, Welsh & Lukman regarding this matter. It is attached to these minutes.

Attorney Charles Parkinson of Harris, Welsh & Lukman, 107 Broadway, Chesterton, addressed the Council. He represents the Prairie Ridge Home Owners Association. The subdivision has approximately 70 homes. This is an involuntary annexation being pursued by the City. He asked that members of the HOA stand so the Council knows how many are present tonight. Approximately 35-40 people stood. Attorney Parkinson advised about 18 more residents were watching on Facebook. The primary opposition to this annexation is that it has no measurable benefit to the owners. No additional services will be provided. It is strictly taxation with no benefit. He stated it is too late to use the waiver of annexation. A waiver was signed in December of 2004. The 15-year window expired in 2019. If the owners have to remonstrate and determine the validity of the waivers, they believe it is going to be the one signed in December 2004. That was the only waiver that conferred any measurable benefit on the property owners.

He has reviewed the other waivers and does not believe they are legally affective. He is asking that in October the Council reject the Ordinance.

Charles Vanderstelt – 2002 Arrow Leaf Lane. He knows that all the residents use City streets and businesses. But the property owners are in the County now and like it. No one showed up to say anything about an \$85 Million School Budget. But a lot showed up for the proposed annexation. They do not want an extra tax bill. They are happy with what they have. When voting, think about all the people who showed up that are not in favor of this.

Bethany Crofton - 3450 Field Hawk Drive. She and her husband picked this location because they wanted to be away from the City. They like the freedom to be close to the City but chose their own garbage collector etc. She feels if they get annexed, she and her husband will look at moving. She reminded the Council the people sitting before them tonight elected them to where they are so she asked them to consider their voters.

Seeing no one else wishing to address the Council, Mayor Murphy declared the Public Hearing closed.

Attorney Patrick Lyp advised there is a difference of opinion between Attorney Parkinson and the City, but he appreciates what he has presented. Mayor Murphy advised they will respond to items brought up in the Public hearing at the next meeting or the meeting in October.

Councilmember Cotton asked if the ones who stood up are remonstrators and what percentage of the subdivision does this represent. That number of people should be in the record.

Councilmember Douglas moved that Ordinance No. 14, 2021 be carried to the October 25, 2021 meeting. Councilmember Reed seconded the motion. Upon voice vote the motion passed with a 7-0 vote.

ORDINANCE NO. 23, 2021

AN ORDINANCE APPROPRIATING FUNDS IN THE MUNICIPAL EXCISE SURTAX FUND AND PROVIDING FOR PUBLICATION OF NOTICE

Councilmember Douglas moved that Ordinance No. 23, 2021 be read a first time and considered on first reading. Councilmember Reed seconded the motion. Clerk-Treasurer Taylor read Ordinance No. 23, 2021.

Clerk-Treasurer Taylor explained this Ordinance is to appropriate money in the surtax fund. This money is being appropriated for matching funds for the community crossing grant.

Mayor Murphy stated Ordinance No. 23, 2021 requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will hear questions and comments on the appropriation of \$734,000 in the Municipal Excise Surtax Fund. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Councilmember Douglas moved that Ordinance No. 23, 2021 be carried to the September 27, 2021 meeting. Councilmember Reed seconded the motion. Upon voice vote the motion passed with a 7-0 vote.

ORDINANCE NO. 24, 2021

AN ORDINANCE APPROPRIATING FUNDS IN THE MUNICIPL WHEEL TAX FUND AND PROVIDING FOR PUBLICATION OF NOTICE

Councilmember Douglas moved that Ordinance No. 24, 2021 be read a first time and considered on first reading. Councilmember Reed seconded the motion. Clerk-Treasurer Taylor read Ordinance No. 24, 2021.

Clerk-Treasurer Taylor explained this is the wheel tax appropriation that goes with the surtax appropriation. This money is appropriated for matching funds for the community crossing grant.

Mayor Murphy stated Ordinance No. 24, 2021 requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will hear questions and comments on the appropriation of \$208,000 in the Municipal Wheel Tax Fund. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Councilmember Pupillo asked how many miles of roads have been paved his year. Mike Jabo replied outside of alleys they intend to do 7.8 miles. The number last year was slightly higher. This year they are doing more roads with more than two lanes. If you do lane miles, it comes to 20 miles for this year.

Councilmember Douglas moved that Ordinance No. 24, 2021 be carried to the September 27, 2021 meeting. Councilmember Reed seconded the motion. Upon voice vote the motion passed with a 7-0 vote.

ORDINANCE NO. 25, 2021 2022 BUDGET

Councilmember Douglas moved that Ordinance No. 25, 2021 be read a first time and considered on first reading. Councilmember Reed seconded the motion. Clerk-Treasurer Taylor read Ordinance No. 25, 2021.

Mike Jessen addressed the Council. They have been conservative with the budget. They have asked Department Heads to stay underspent on their budget by 10%.

Clerk-Treasurer Taylor did a presentation on details of the budget. She went over expenditures, taxes, revenues, tax rate and tax caps. There is a 4% raise for employees. A copy of her presentation is attached to the minutes.

Councilmember Douglas thanked all that worked on the budget. It looks like there are a total of five new employees. The level of services provided with the number of employees is amazing for the City.

Councilmember Costas asked how it is gaged when more police officers are needed. Chief Balon replied they use the national average of how many citizens per officer. His goal is to have four crews of 10 officers each. Mike Jessen added for the three new officers requested in the 2022 budget one is due to annexations and one is for traffic enforcement. Over the next few years, he would like to add one more person to the detective bureau and have one officer for special assignments. If the population of the City stays the same, this should be ample coverage.

Councilmember Cotton asked about response time. Hopefully this is something that can be improved. Chief Balon said as there is increased manpower this will cut down response times.

Clerk-Treasurer Taylor added the cost per officer is \$125,000. They try to add at least two new officers per year.

Councilmember Costas asked if the 4% raise is standard for all employees or is it up to the Department Head? Clerk-Treasurer Taylor replied 4% across the board was discussed by the Mayor, Mike Jessen and herself. There are a few cases where the Department Head may feel they have an employee that should have more. Mike Jessen added last year no raises were given. They appreciate the attitude of employees in accepting that. This year they feel comfortable with the 4% raise. Baker Tilly has reviewed and feels this is not a problem. Mike added the grant for the social worker at the Police Department takes her salary through September of next year. In the event they do not get the grant again next year, they have included that wage in the salary budget.

Councilmember Douglas asked about the Rainy-Day Fund. Clerk-Treasurer Taylor said some amount will be put in this year. It has not been decided yet. Councilmember Douglas discussed investing back into the community, growing the assessed valuation, and making Valparaiso a great place.

Mayor Murphy stated Ordinance No. 25, 2021 requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will hear questions and comments on the 2022 Budget. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Councilmember Douglas moved that Ordinance No. 25, 2021 be carried to the September 27, 2021 meeting. Councilmember Reed seconded the motion. Upon voice vote the motion passed with a 7-0 vote.

ORDINANCE NO. 26, 2021
2022 SALARY ORDINANCE

Councilmember Douglas moved that Ordinance No. 26, 2021 be read a first time and considered on first reading. Councilmember Reed seconded the motion. Clerk-Treasurer Taylor read Ordinance No. 26, 2021.

Mike Jessen addressed the Council. He advised that in 2022 a wage study analysis will be done. This will give the City more accurate information as they work on Budget 2023. There is a 4% raise for 2022. For 2022 a couple of jobs have had a reclassification. A few employees have been moved from non-exempt to exempt. Mike explained the incentive programs in the Police and Fire Departments.

Councilmember Douglas asked who will do the wage study. Mike Jessen replied it will be the same consultant that was used a few years ago. Councilmember Douglas commended the Chiefs for looking at different compensation opportunities for the officers and Fire Department. Clerk-Treasurer Taylor explained this will be added to their pay in increments over 24 pays.

Councilmember Cotton asked if this applies to advanced degree people as well. Mike Jessen said that is correct. He added the employees could get veteran pay, or active duty pay in addition to advance education pay.

Councilmember Reed stated she has heard good comments regarding the social worker in the Police Department. She asked if the Department is looking to keep that position. Chief Balon replied HealthLinc applies for the grant and then gives it to the City. HealthLinc has indicated they intend to continue to apply for the grant. Mike Jessen added they want to be able to keep the position. Clerk-Treasurer Taylor added they budgeted for October through December for next year.

Councilmember Schmidt stated the City does a great job of looking forward and getting prepared for what is coming. He commends everyone for being ahead of the game and being there when there are questions.

Councilmember Douglas moved that Ordinance No. 26, 2021 be carried to the September 27, 2021 meeting. Councilmember Reed seconded the motion. Upon voice vote the motion passed with a 7-0 vote.

Council Reports

Councilmember Douglas thanked all for doing an awesome Popcorn Fest.

Public Comment

None

The meeting adjourned at 7:42 p.m.

/s/ Holly Taylor, Clerk-Treasurer