

**MINUTES OF THE MEETING
OF THE COMMON COUNCIL
VALPARAISO, INDIANA
March 28, 2022**

The Common Council of the City of Valparaiso, Indiana, met on Monday March 28, 2022 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. Councilmember Costas was absent.

MINUTES

Councilmember Douglas moved to adopt minutes of the March 14, 2022 meeting. Councilmember Reed seconded the motion.

Upon voice vote the motion to approve the minutes as presented passed with a 6-0 vote.

RESOLUTION NO. 6, 2022

**A RESOLUTION OF THE CITY OF VALPARAISO, INDIANA COMMON COUNCIL APPROVING
OF AN AMERICAN RESCUE PLAN ACT PLAN FOR THE CITY**

Councilmember Douglas moved that Resolution No. 6, 2022 be read and considered for passage. Councilmember Reed seconded the motion. Deputy Clerk-Treasurer Cook read Resolution No. 6, 2022.

Mayor Murphy gave a review of how the Plan was prepared, the different ways comments from the Public were accepted, and what procedure will be followed tonight so that everyone has a chance to voice their comments. Mike Jessen will give an overview. Public comments will be heard with answers given to the comments after all have had a chance talk. And then the Council will give their comments. The Plan being discussed tonight addresses the challenges the youth and seniors faced along with collective challenges. They have worked to balance needs and support organizations that serve our community.

Mike Jessen presented the proposed Plan. There was an interim rule on this Plan and then the US Treasury released a Final Rule. The Final Rule stated it is up to communities to decide how the money is spent. Over the last two years there have been many ways for citizens to engage with the City and let them know where they feel the money should be spent. More than 2,000 thoughts were compiled. Mayor Murphy, all Councilmembers and Mike Jessen have reviewed comments. None of the money has been spent to date. They have not hired any consultants to prepare this plan. They did have Barns and Thornburg review the completed plan to make sure it meets the Rules.

The City is receiving \$7.7 Million Dollars in ARPA funds. The first payment was received last year in the amount of \$3.8 Million Dollars. The remaining payment will be made this May. There are four groups the money will be divided into. Public Health Emergency and Its Negative Impact - \$575,000; Premium Pay for Eligible Employees - \$600,000; Provision of Government Services - \$6,458,012.00; Audit Costs and Consultants - \$20,000.

Under Public Health Emergency and its negative impact, the not-for-profits who will receive a payment are: Respite House - \$150,000, Boys and Girls Club - \$150,000, Hilltop Neighborhood - \$100,000, Caring Place - \$50,000, Opportunity Enterprises – \$50,000, MAC Foundation - \$50,000, and Dress for School - \$25,000.

Premium Pay for Eligible Employees in the amount of \$600,000 will be paid to current active employees. Amounts will vary based on job classification and work they performed during the pandemic. First Responders will receive the higher proration of those dollars.

Provision of Government Services Used for Lost Revenue Dollars - \$6,538,012. These funds will be used for two pieces of property which will be developed by the Park Department. It will also include sidewalks, pathways, and older utility infrastructure.

The Police and Fire Departments are receiving \$25,000 each.

Audit and Consulting will get \$20,000. As this Plan progresses there will be the need for oversight and consulting.

Approval tonight is to approve the Plan only. Approval to spend will come later. Mike Jessen's recommendation is to approve the Plan.

Mayor Murphy called on each of the recipients of money to speak to the Council.

Boys and Girls Club – Mark Jones. They are currently working on a new building. The project cost is \$9 Million. They have raised \$8.4 Million so far. Larry Moore, board member, thanked the City. This Boys and Girls Club is the 13th largest in the Country. They serve eight communities in Northwest Indiana. In Valparaiso membership is around 1,000.

Dressed for School – Lisa Houser. They provide school clothes to students at no cost. They have this set up in a shop like atmosphere. Students get to shop twice a year for a week's worth of clothing.

Respite House – Ryan Peters. These funds will be used to provide a resource center for wellness and counselling, a warming shelter and emergency drop off for extreme weather, and transitional housing.

MAAC Foundation – Celina Weatherwax. This organization works with first responders and training. They will use these funds to expand the infrastructure needed including the expansion of the residential tactical training village. They intend to do more. They are going to build an indoor training facility that will support and continue to draw first responders from the Midwest area.

The Caring Place – Denise Koepke. Their facility provides free and immediate safe shelter primarily for women and children. During the pandemic domestic violence deaths in Indiana rose 181% from the year before. These funds will be used to help fill some gaps and mitigate some of the huge challenges of requests they have received from citizens.

Opportunity Enterprises – Neal Samahon. Their organization is one of the largest employers in the City. They provide residential and supportive living homes for handicapped citizens. During the pandemic their essential workers sheltered in place to make sure the clients were taken care of. These funds will be used to offset lost revenue that has occurred since 2020.

Hilltop – Jennifer Wright. Jennifer was not present because tonight is the Board meeting for Hilltop. She sent an email. Currently they have a 17 month waiting list for child care. These funds will be used to expand their day care program.

Valparaiso Fire Department – Chief Dutz and Steve Jacobs. Chief Dutz thanked the City for the funds and stated how proud he is of his men and women. They do their job because they want to serve. Steve Jacobs discussed a State meeting he was at. At that meeting the State leaders said they received many requests for PPE

but never had a person say that due to the pandemic they were not going to show up for work. The first responders showed up every day.

Valparaiso Police Department – Chief Balon. Due to the pandemic his Department went from guardians to pandemic warriors. He thanked the City for the funds.

Valparaiso Park Department – John Seibert. Since 2019 they have been working on the strategic planning. In March they presented Valpo for all Generations. They have set priorities and now are working on how to accomplish them.

Public Comment

Kathy Watts – 2518 Eisenhower. Her concern is that the RDC purchased the property in February, and it was to benefit the Valparaiso Parks. Now ARPA money is being spent to purchase the land from the RDC. When was this proposed purchase and resale planned? Was it before the portal opened and closed? Who was part of the planning process? What impact did covid have on the RDC?

Walt Breittinger – 608 Academy. Our Lt. Governor said the ARPA money is to go towards water, sewers, clean drinking water and to support vital wastewater and storm water management. His concern is that no money is going towards water quality. Northwest Indiana has the dirtiest water in the country. He is not sure that all not-for-profits had a chance to request funds. His request is that as they look at this that a major portion be allocated to protecting our water quality and our water resources.

Suzie Talevski – Speaker did not provide an address; however, does not appear to be a city resident. Her concerns are that there was a lack of public process. The Final Rule says there needs to be public comment. The allocation of \$5 Million Dollars to purchase land for the Park Department is egregious. Piddly amounts were allocated to the not-for-profits. The intent of ARPA is for pandemic relief and recovery. The City is violating ARPA and if it goes through, the Treasury Department will take the funds back. Her request is to start the entire process all over again. Reconsider all allocations. The meetings should have been in public.

Rebecca Reiner – 408 Lafayette. Her concern is the City should pause and look at reallocations of the money. More should go to the not-for-profits.

Sue Baxter – 656 Franklin. She has spent several hours reading the final document from the US Treasury. That document says there should be a primary focus on care for the impact to the under privileged communities that were adversely affected by the pandemic. It also says to limit how much is spent on capital expenditures. She read a list of eligible ways to spend the money. She has not heard any of these mentioned today. She is not aware of any public hearings. She went to the portal but did not think there was an opportunity to submit anything. They are going to purchase the land but don't know how they are going to pay for the structures that are going to go on there.

Duane Davison – 701 Elmhurst. He supports all social service agencies and the groups that spoke tonight. He appreciates the Park projects. He is concerned that the land was purchased before the allocations were announced. This was under the Revenue Loss section. What was the revenue loss? He also supports the environmental groups.

Paul Schreiner – 1755 Lawndale. He did not submit anything for Project Neighbors. However, for 52 years he has been quietly building houses and providing a home for those who could not afford it. No one reached out to him to see if he needed anything. The poor were the most impacted by the pandemic. Most of them did not know about the portal. Thanks for the mundane work the City administration has to do. But on reaching out they get a D-. The City needed to go out into the community and ask what they need. Councilmember Cotton is the only one who approached him and asked what he needs.

Thomas Museus - 503 Jefferson. He agrees with all that has been said. If everyone likes what the City is doing but hates the process, that is a problem. He feels they should quadruple the pay for essential workers.

Deb McLeod – 454 Marian Drive. She is appalled the public cannot ask questions. The portal was hidden. She knows people at the US Treasury Department and they have told her the purchase of land for the Park Department does not qualify. People are being overlooked. The process is disingenuous. Councilmember Cotton is the only one who tried to do a town hall. This process should be started over and done right.

Kenard Taylor – 306 Napoleon. The ARPA money is for the future. The future of the community is the children. During the pandemic Billions of dollars were given out to help people. This Plan has \$5 Million going toward kids and seniors. Any plan that is developed will have someone who doesn't like it. Anyone who didn't know these funds were available and didn't know the City was considering it, was hiding under a rock. All the leaders of organizations are always looking for any funds available to them. It is wrong that his councilman could not make time in a two week period to meet with the Mayor to discuss these allocations.

Public Hearing Closed

Mike Jessen replied to the reference of a statement made by our Lt. Governor. This was a recommendation. Not a rule. OCRA was geared towards rural communities. Seven not-for-profits were picked by the City. They will be able to help a lot of people. The premium pay for employees will go to those that helped the City run during the pandemic. The highest percentage will go to first responders. There were not many questions, just opinions. It is difficult to speak for everyone.

Attorney Patrick Lyp stated in the Rules for a cost to be eligible for ARPA funds or reimbursement, it must be incurred by 3/1/2021, obligated by 12/31/2024 and spent by 12/31/2026. He was advised by an attorney in Indianapolis to keep it simple. The interim Rule was not clear regarding lost revenue. It was prudent for the City to wait until the Final Rule came out. The Final Rule says it is presumed a community has had a loss of at least \$10 million dollars so they can take up to \$10 Million Dollars in Lost Revenue. The City could have listed each individual aspect of where money would go to the Park Department which would have been numerous. Or in keeping it simple they could use the two closing statements for the purchase of the land. The money will be spent on sidewalks, pathways and a number of other projects. Most of the RDC money will find its way back to the Park project.

Attorney Lyp replied to comments made about small businesses. The City of Valparaiso was the only one in Northwest Indiana to apply to OCRA for a grant and got \$350,000. That money was distributed to 40 small businesses. In regard to broadband, The RDC has worked with the Valparaiso Community School system and has offered to subsidize any student who is on the reduced lunch program for internet service. Comcast has a comparable program. There should not be any child that does not have internet in their home.

Attorney Lyp advised this Plan has been reviewed and there are no violations. It has been said that it is one of the better Plans prepared.

At the Mayor's request, Mike Jessen explained the four pillars of the Valpo for all Generations project. They are: The Adult Center for Enrichment, the Skate Park, the Legacy Parks, and the Park Complex for Youth Sports and Seniors.

Councilmembers

Councilmember Cotton – His concern is the number of people missing at the table. It was the City's responsibility to go out and seek every potential stakeholder. The County had a complaint and it ended up in a reversion to what the process is supposed to look like. He discussed the portal. He felt he had more due

diligence to do. He discussed not meeting with the Mayor. He still has not had his meeting to go over the plan with the Mayor and Mike Jessen. The process is not adequate. He feels everyone in here knows that. He suggested a motion to table the vote. This makes the Memorial Opera House look like a picnic.

Councilmember Anderson – He understands that reasonable people can disagree about how the process can proceed. It bothers him that citizens feel the Council is acting in a disingenuous way. That is not the case. He is excited about premium pay for first responders. The not-for-profits are deserving and help the community. The Parks are a long term investment in the Community.

Councilmember Schmidt – All Councilmembers reached out to the Community. They have been actively seeking comments. He is very pleased with the Plan and supports it. He has stopped by City Hall several times to see how the process is going. It is longevity and it is for everyone.

Councilmember Douglas – This has been ongoing for a long time. All the Councilmembers have been out in the community and have received comments. He has been touting this Plan for a long time. He let organizations know they did not have to wait for a portal. It is still a planning process. There is flexibility. This reminds him of Major Moves when there was a major influx of money. That money went to Central Park. This park process is going to be the same for generations to come.

Councilmember Pupillo – This process has been going on for quite some time. He is happy to see some go towards public safety. The not-for-profits are very deserving. The park project is similar to Central Park. There was a windfall of money that came to the City and those funds went to Central Park. Citizens were upset about that project. However, now they all use it.

Councilmember Reed – This Plan can change. The Plan is diverse. Not everything she wanted was included in the Plan but many were and she is grateful for that. Even if this passes tonight, she feels they should still look at the water and environmental issues.

Attorney Lyp reiterated the Resolution was introduced. There was discussion. Now it is time to move forward with a vote.

Councilmember Cotton stated there was no discussion. We have gone down the line and said what we like or had problems with. There is a certain amount of equitable treatment that is missing with regard to the dominating view that this is like Major Moves money. Major Moves was economic development money. They are losing focus on the intent of the ARPA Plan. He feels he should at least have his meeting with the Mayor and Mike Jessen before a vote is taken. It was all rushed.

Councilmember Douglas moved to adopt Resolution No. 6, 2022. Councilmember Reed seconded the motion. Upon roll call vote the motion passed with a 5-1 vote. Councilmember Cotton voted No.

ORDINANCE NO. 8, 2022

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, AUTHORIZING THE ISSUANCE OF THE CITY OF VALPARAISO, INDIANA, ECONOMIC DEVELOPMENT REVENUE BONDS AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO

Councilmember Douglas moved that Ordinance No. 8, 2022 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. Deputy Clerk-Treasurer Cook read the Ordinance.

Attorney Patrick Lyp addressed the Council. These are developer backed bonds. Any default goes to the developer and not on the City. Later this year there will be a second bond issuance for the parking garage and most likely this bond issuance will be wrapped into that.

Councilmember Douglas moved to adopt Ordinance No. 8, 2022. Councilmember Reed seconded the motion. Upon roll call vote the motion passed with a 5-1 vote. Councilmember Cotton voted No.

ORDINANCE NO. 9, 2022

AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF VALPARAISO

Councilmember Douglas moved that Ordinance No. 9, 2022 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. Deputy Clerk-Treasurer Cook read the Ordinance.

Beth Shrader addressed the Council. The Comprehensive Plan lists that this property should be zoned Commercial General which is what this Ordinance is doing. This received a unanimous favorable recommendation from the Plan Commission. It is staff's recommendation to adopt this Ordinance.

Councilmember Douglas moved to adopt Ordinance No. 9, 2022. Councilmember Reed seconded the motion. Upon roll call vote the motion passed with a 6-0 vote.

ORDINANCE NO. 10, 2022

AMENDMENT TO THE 2022 SALARY ORDINANCE

Councilmember Douglas moved that Ordinance No. 10, 2022 be read a first time and considered on first reading. Councilmember Reed seconded the motion. Deputy Clerk-Treasurer Cook read Ordinance No. 10, 2022.

Mike Jessen addressed the Council. This is a change in job titles - Director of Development and Associate Planner. There is no salary change. Councilmember Douglas announced he has accepted a job with the City and therefore is recusing himself from this vote.

Councilmember Cotton asked about the salary. Mike Jessen replied the Director of Development salary range is \$70,000 to \$101,000

Councilmember Reed moved to carry Ordinance No. 10, 2022 to the April 11, 2022 meeting. Councilmember Schmidt seconded the motion. Upon voice vote the motion passed with a 6-0 vote.

ORDINANCE NO. 11, 2022

AN ORDINANCE APPROPRIATING FUNDS IN THE CUMULATIVE SEWER FUND AND PROVIDING FOR PUBLICATION OF NOTICE

Councilmember Douglas moved that Ordinance No. 11, 2022 be read a first time and considered on first reading. Councilmember Reed seconded the motion. Deputy Clerk-Treasurer Cook read Ordinance No. 11, 2022.

Mike Jabo addressed the Council. This money will be used for the design engineering, construction, and inspection in the replacement of aged infrastructure in the area of Daley Street and Boundary Street connecting

to Campbell Street. Currently it is a combined sewer system. They are making other improvements with the storm water so it is no longer combined which relieves the Waste Water Treatment Plant.

Councilmember Douglas asked when this project will start and was advised it is anticipated later this year.

Councilmember Douglas moved to carry Ordinance No. 11, 2022 to the April 11, 2022 meeting. Councilmember Reed seconded the motion. Upon voice vote the motion passed with a 6-0 vote.

Attorney Lyp addressed the Council. He received an email from Liz Wuerffel regarding the ARPA Plan. He neglected to read it under Public Comment. It is included in the minutes in its entirety.

Dear Marci and Patrick,

I ask that these comments be read as written during the period allotted for public comment.

I'm surprised and dismayed to see that there is already an ARPA resolution on the agenda. I can't be at the meeting tonight due to my work schedule, but I wanted to ask our City Council to reconsider the process. There needs to be more and better public engagement, and the funds really should be used in a way that is more directly relevant to the funding requirements. How is Valpo not using these funds to help our most vulnerable neighbors and community members who have lost the most during COVID? How are we not using it to support organizations like Housing Opportunities and Project Neighbors that directly engage with those in need? Why is the city using the funds to buy land? I understand the desire to have a sports complex. That can be funded in more appropriate ways. But this is such a great chance to direct special funding at the people who need it the most and the organizations that serve them. What an opportunity to save lives and make lives better for the least among us. Let's seize this opportunity, not squander it.

Sincerely,
Liz Wuerffel
401 Institute Street

Council Reports

Councilmember Douglas stated the Park Board meets tomorrow night in the Welter Room.

Councilmember Reed stated the school board appointment applications are due April 22nd. Two applications have been received so far.

Public Comment

Ellen Capitan – 108 Washington. She is concerned about transparency. What goes on here requires trust. She has trouble trusting the transparency of a lot of the elected officials. There are many departments that are missing minutes for many months on the web page. The community is ready to engage. She appreciates the town hall Councilmember Cotton held over the weekend.

Thomas Museus - 503 Jefferson. Councilmember Cotton is the only one with open communication. To say "our doors are open" is not good enough. The city needs to go to the people.

Suzie Talevski – Speaker did not provide an address; however, does not appear to be a city resident. She feels it is remarkable that no one except for Councilmember Cotton listened to the people. That is shameful. The decision was made and they tolerated the people. This is worse than the Memorial Opera House allocation with the County. Councilmember Cotton did not get any respect. The vote should have been held off until he got his meeting. The attorney glossed over the land purchase. The allocations can be revised. This was not open and

transparent. When the City Administrator was given that job, he stated he would not run for County Council again. He is now running for County Council.

Ms. Davis- 56 Chicago Street. She recently moved here and was told not to go to the City Council meetings because the deals were already made and the votes are decided before you go to the meeting. Those people were right.

Tom Davis - 56 Chicago Street. He has seen sketches, but he would like to know what is going up across the street from him. It is a four-story apartment complex. Please don't destroy what Valpo is.

Kenard Taylor – 306 Napoleon. This money the City is receiving is not Federal tax dollars. It is tax money from the residents of the City of Valparaiso that they are giving back to us. Also State law says people serving in a government job and are elected officials can hold both positions. When people who don't live in the City and criticize the Council's attorney when they are an attorney themselves, it sounds like it is just sour grapes from a person who lost an election. The City Administrator has done an excellent job.

Suzie Talevski – Speaker did not provide an address; however, does not appear to be a city resident. She has a concern with concentrated power.

The meeting adjourned at 9:05 p.m.

/s/ Holly Taylor, Clerk-Treasurer