

**MINUTES OF THE MEETING
OF THE COMMON COUNCIL
VALPARAISO, INDIANA
April 11, 2022**

The Common Council of the City of Valparaiso, Indiana, met on Monday April 11, 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, and Costas.

REORGANIZATION

Mayor Murphy announced Councilmember Douglas has resigned from the Council and has taken a job with the City. Therefore, a new Council President needs to be elected.

Motion: Councilmember Costas moved to nominate Casey Schmidt as President of the Council. Councilmember Anderson seconded the motion. Upon roll call vote the motion passed with a 6-0 vote.

Councilmember Cotton stated he feels consideration should be given to have Vice President of the Council, Councilmember Reed, move up to President rather than a new election. Councilmember Reed stated with her other commitments she is not able to dedicate the time to being President and declined.

Monarch City USA

Mayor Murphy announced that Valparaiso has been designated the first Monarch City USA in the State of Indiana. The City was recognized for its support of the monarch population by providing habitats and awareness. He introduced those in attendance who have led this project to protect the monarch butterflies. Jerry Newman, Steve Martinson, Jessica Coral and Mike Bendicson are a few who have helped with this. Mayor Murphy read a Proclamation.

Outreach Representative-Northwest Indiana- Office of Attorney General

John Cannon addressed the Council. He discussed the various duties of the office of Attorney General. They handle unclaimed property, consumer protection, product safety warnings and recalls, data, cyber security and Medicaid fraud control. Councilmember Cotton asked how long they hold abandoned property. John Cannon replied they hold property for 25 years.

MINUTES

Attorney Patrick Lyp addressed the Council. He discussed that at the last meeting a citizen wished to speak but would not give her address. Historically it has been rare for someone to make that request. After the meeting the speaker's address was identified. He was asked if the address could be inserted in the minutes. There is nothing illegal or improper about requesting an address for a citizen to speak at a Public Hearing. It helps put the speaker's comments in context. It also helps if the speaker needs to be contacted after the meeting regarding an answer. The City has followed this procedure but does not have a rule regarding it. That has been changed going forward. There are other ways a person can make their statements to the City. They can email them or call them. He recommended adopting the minutes with an amendment taking out the address and listing the person as "not a resident of the City".

Councilmember Cotton moved to adopt minutes of the March 28, 2022 meeting with the amendment. Councilmember Reed seconded the motion.

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

ORDINANCE NO. 6, 2022

AN ORDINANCE REESTABLISHING THE CUMULATIVE CAPITAL DEVELOPMENT (CCD) FUND AND PROVIDING FOR PUBLICATION OF NOTICE UNDER INDIANA CODE 36-9-15.5

Councilmember Schmidt moved that Ordinance No. 6, 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. Clerk-Treasurer Taylor read the Ordinance.

Eric Walsh of Baker Tilly addressed the Council. Once a municipality hits a maximum rate of .04 cents they do not have to reapply yearly as they have in the past. The City's current rate is .0124 cents. The City of Valparaiso has not raised this tax in over 20 years. The extra revenue expected to be generated is approximately \$500,000. If passed tonight, this will not show up until next year's tax bill. Currently this income is \$240,000 per year. If a property owner is at their tax cap they will not see an increase. These funds can be used for any legal purpose of the City.

Councilmember Cotton restated currently the income is approximately \$200,000 and the increase will be approximately \$500,000. This is \$700,000 combined. He asked if other entities are doing this when most are scaling back and sending tax dollars back to the citizens. It seems the most impact is on those on the lower end of the scale. Eric Walsh replied most municipalities are raising their rates

Councilmember Pupillo addressed the Council. He asked how they are going to come up with \$510,000 and potentially there will not be any impact on the \$150,000 and above homes. Eric Walsh replied most of the revenue will be generated on secondary homes, rental properties, all commercial property, and industrial property. Homesteads are at the 1% cap and commercial is at a 3% cap.

Public Hearing

Kevin Cornett – 452 Northview. His concern is – Why Now? Currently gas is going up, groceries, utilities. He would like to see this put off for a year so people can adjust to the other increases they are experiencing. This affects the people at the lower end of the income scale. He also feels this is shifting the burden of taxes from businesses to citizens.

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

Eric Walsh replied by statute this process must be started by April 1st. There is a 30 day filing period. If this is passed tonight there is a 30 day dead period. It must be certified by the County Auditor and then filed by May 1st. All property is a little under 1% increase. This is applied to real and personal property.

Mayor Murphy stated he is a fan of tax caps. However, since they were imposed municipalities have had a decrease in revenue. The rate needs to be adjusted to where it should be. There are projects that citizens and the City want done.

Councilmember Cotton says he has a problem with the 1,2,3 deal with respect to the disproportionate effect on homes. The Million Dollar home is saving a huge amount of money. This is a remarkable disparity with respect to how much is saved. Eric Walsh replied the higher value of the home the more benefit of the tax caps. The lower value saves a lesser amount.

Councilmember Anderson stated the amount of tax will be a benefit to infrastructure.

Councilmember Schmidt asked where these funds have been spent over the last few years. He was told among others, it has been spent on dump trucks and sidewalks.

Councilmember Reed stated this should have been increased. She suggested that it be passed tonight and then hold off until 2024 to implement it.

Eric Welsh replied it cannot be delayed.

Councilmember Schmidt moved to adopt Ordinance No. 6, 2022. Councilmember Costas seconded the motion. Upon roll call vote the motion passed with a 4-2 vote. Councilmembers Cotton and Reed voted No.

ORDINANCE NO. 10, 2022

AMENDMENT TO THE 2022 SALARY ORDINANCE

Councilmember Schmidt moved that Ordinance No. 10, 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. Clerk-Treasurer Taylor read the Ordinance.

Clerk-Treasurer Taylor explained this is a change in job titles - Director of Development and Associate Planner. There is no salary change.

Councilmember Cotton stated with respect to who assumed this position and the fact that this is a public entity, he believes he was told the job has a compensation range of \$70,000 to \$101,000. He wants it disclosed how much the person hired received in compensation since he was a Councilmember. Clerk Treasurer Taylor replied they budgeted a little over \$101,000. And the salary was under that amount. Councilmember Cotton stated the salaries of City employees were brought into the mid-range section of the wage study. This salary exceeds the mid-range. Clerk-Treasurer Taylor added that the RDC 100% reimburses the City for this salary.

Councilmember Schmidt moved to adopt Ordinance No. 10, 2022. Councilmember Reed seconded the motion. Upon roll call 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 Schmidt moved that Ordinance No. 11, 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. Clerk-Treasurer Taylor read the Ordinance.

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.

Councilmember Cotton asked how many combined sewers are in the City. Steve Poulos answered 12% of the sewers are combined.

Councilmember Pupillo asked about the schedule for this project. Mike Jabo replied he hopes to go to bid in the fall and next spring begin the project.

Mayor Murphy announced that Ordinance No. 11, 2022 requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will consider an appropriation of \$655,000.00 in the Cumulative Sewer Fund. There were no electronic requests for information. Seeing no one wishing to address the Council, Mayor Murphy declared the Public Hearing closed.

Councilmember Schmidt moved to adopt Ordinance No. 11, 2022. Councilmember Reed seconded the motion. Upon roll call vote the motion passed with a 6-0 vote.

Council Reports

Councilmember Reed asked if the other Councilmembers would consider adjusting the schedule for school board appointment meetings by moving the date two weeks out. This would put the first interview date at May 16th and the final interview on May 30th. Councilmember Cotton pointed out that is Memorial Day, and it was decided to have the last interview date on May 31st. Two applications have been received to date. Councilmember Cotton asked that the portal for applications be open longer. That was agreed to be pushed out two weeks also.

Councilmember Costas announced the RDC meets Thursday the 14th.

Councilmember Cotton started talking about annexing Aberdeen. Mayor Murphy reminded Councilmember Cotton that this portion of the meeting was for Council liaison reports. This item is not on the Agenda.

Public Comment

JoAnn Mosby -1404 Beech Street. She would like to know about the process for Public Comments. Her relationship with the City government is that of employer. The City government works for citizens. Imagine an employer asking an employee a question and not receiving an answer. Only Councilmember Cotton answers questions. How long is a reasonable amount of time to respond to requests?

Kathy Watts – 2518 Eisenhower. At the last meeting she asked a question and followed up with an email to each Councilmember. She got an answer from Attorney Lyp and Councilmember Cotton. She wants to know how many responded that they want ARPA money to go to parks. She asked them to share where that information is documented. She discussed Brookings Institute and their three prong approach to spending ARPA Funds. Stabilize, strategize and organize.

Karen Robeson – 311 West Prairie Lane. The portion that went to non-profits is not fair. They gave Dress for School \$25,000 to support 900 students. This figures out to \$27 per child. How were the amounts determined for non-profits? Were they able to give input?

Melody Novak – 356 Worchester Drive. Is the City open to spending ARPA Funds stated for parks on new equipment, issues related to water management and perhaps community gardens to help reduce the amount of unused grass in the area?

Deb McLeod – 454 Marian Drive. She has sent three FOIA requests and has not gotten an answer. The Mayor said he would love to fix sidewalks yet none of the ARPA money is going toward sidewalks. Instead they are going to raise taxes for the sidewalks. The Mayor has been rude to Councilmember Cotton. The Council needs to remember they work for the citizens.

Thomas Museus - 503 Jefferson. He thanked Councilmember Cotton. He feels it is bad if a Councilmember is not allowed to ask a question.

Duane Davison – 701 Elmhurst. He is in favor of non-profits receiving ARPA money. He is not happy with the percentage that was given to them. He would like to know how much revenue was lost during Covid.

Ellen Capitan – 108 Washington. The City cannot stop with saving the Monarch butterflies. There is a lot that needs to be done.

The meeting adjourned at 7:14 p.m.

/s/ Holly Taylor, Clerk-Treasurer