



BOARD OF COMMISSIONERS LAPORTE COUNTY

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Barbara Huston
President
Mike Bohacek
Vice President
Ken Layton
Member

LAPORTE COUNTY COMMISSIONERS

Tuesday, September 21, 2010

The LaPorte Board of Commissioners met in a regular meeting on Tuesday, September 21, 2010, at 10:00 a.m. in the LaPorte County Complex Meeting Room #3.

CALL MEETING TO ORDER

Mrs. Huston, President, called the meeting to order at 10:00 a.m.

PLEDGE OF ALLEGIANCE

Mr. Bohacek led the Pledge of Allegiance.

ROLL CALL

All present

APPROVAL OF AGENDA

Mr. Layton made a motion to add under Old Business, B., Open Ambulance Bids and under New Business, C., Approve K-9 Lawsuit Settlement, seconded by Mr. Bohacek, motion carried by voice vote 3-0.

APPROVAL OF MINUTES

Mr. Bohacek made a motion to approve the minutes of September 7, 2010, as presented, seconded by Mr. Layton, motion carried by voice vote 3-0.

WEEKLY REPORTS

Commissioners review and sign the weekly reports during the meeting.

CLAIMS

Payroll Ending Oct. 1, 2010, Mr. Layton made a motion to approve as presented, seconded by Mr. Bohacek, motion carried by voice vote 3-0.

Regular Claims---\$1,080,611.86, Mr. Bohacek made a motion to approve, seconded by Mr. Layton, motion carried by roll call vote 3-1.

Misc. Claims -----\$200,479.72, Mr. Bohacek made a motion to approve as presented, seconded by Mr. Layton, motion carried by roll call vote 3-0.

Public Comments.

Mr. Mike Seitz, President of the Chamber of Commerce, Santa is requesting that his image be placed on the Court House lawn for the holidays.

Mr. Bohacek, I make a motion to grant Santa his request, seconded by Mr. Layton, motion carried by voice vote 3-1.

Mr. Earl Cunningham, 6311 W. Shiva Dr., LaPorte, IN. I am asking that the commissioners send a letter of request or an email request to the sheriff asking for copies of the credit card statements as they are paid each month from the commissary fund. It would behoove the Commissioners and Council to have them for each credit card. I believe they have three. The council has asked our attorney to request statements from 2008 and 2009.

Mr. Mike Charbonneau, Manager of Public Affairs in the area for NIPSCO. I want to thank the board for the opportunity to come and speak with you . There were some points and items that were addressed at the last meeting and I would talk a little bit about that and our company as well. Three things I want to touch on briefly; first, the process of a rate case, two, what we are doing at NIPSCO to improve as a company and help our customers and finally, how those positive changes that we are making are paying off. The process of a rate case; what we have to do to alter our rates is to take that to the Indiana Utility Regulatory Commission, make a case on our behalf and say this is where we think rates need to be and this is why. On the other side is the Office of the Utility Consumer Councilor or the OUCC which is the unity that represents all consumers of all utilities in the state of Indiana. They present their case and then the Indiana Regulatory Commission takes a look at all the testimonies from all the interested parties, deliberates, and makes a decision on where rates should be set that are fair to rate payers and fair to the company and they issue an order. When we filed the electric rate case in August, 2008, there were interveners, including the county here. After two years of hearing all sides of the testimony, an order was received just a few weeks ago. So, this process did take over two years from start to finish. We have continued to provide financial assistance and increase our contribution to help our customers. We have a new program called Energy Harvest that is trying to help customers take control of their own energy costs by purchasing energy efficient appliances. Customers receive a rebate from the company if they are willing to purchase and install in their home. This year we had a group that went to many different festivals and community events across our service territory, called our Save in the Shade Tour. The purpose was not only to have a public outreach but to show our customers how they are able to cut down on their own energy consumption. We have a new web site now that allows our customers to seek financial assistance. On the natural gas side, we used to have a window of an entire day to have a service man come to the home; we have narrowed down that window of time to two hours. With these improvements that we have made, the public outreach that we have had, one important thing that needs to be addressed is the J.D. Power and customer satisfaction numbers. We are continuing to make positive impacts in that area. On the gas side we have gone from the bottom quarter of utilities in 2007 to now to the top quarter of utilities in 2010. Additionally, our residential electric service J.D. Power numbers, we are the third most improved utility in the nation. Finally, when a customer has a dispute, they can go to the office of the Utility Consumer Councilor or file a complaint directly with the Indiana Utility Regulatory Commission. The commission takes a look at the case being made by the customer, looks at all the evidence and asks us for a response and then issues a decision. In 2007 there were 47 justified complaints by our customers to the commission. In 2010 there has been one justified complaint. As a combined utility, NIPSCO has been able to provide their customers with the lowest gas bills in the state for over twelve months. For electric and gas, we are below the Indiana average for overall costs for combined bills. We have had to tighten our belts as well. We know that any kind of increase for customers is challenging especially during this economic time.

Mr. Layton, I did talk to you after the last meeting. I posed some questions to you brought to us by Mr. Friedman in his presentation. One was that there would be a 15%-25% increase in the utility rates for the industries. You told me you would get me an answer. I hope your answer will be given today.

Mr. Charbonneau, looking at the overall class with this order, the increase is about 4%. That being said, usage varies from different customers.

Mr. Bohacek, the more they use the less they pay or vice versa?

Mr. Charbonneau, when you are talking about a customer who has a high demand earlier in the month and that typically trails off, they are going to see the higher percent impact than the customer who is using a higher load during the entire month.

Mr. Bohacek, are you going to help these customers?

Mr. Charbonneau, we do have a department which we call Major Accounts that deals with these large industrial customers and try to help them find the best use of their energy, how they are able to manage their costs that is going to be the most effective for them in the long run. We have several community representatives on the Economic Development side who work with those customers as well.

Mr. Layton, this morning on WEFM news there was a news presentation put on that said NIPSCO had released some kind of compliance that said it wasn't really a 10% increase but actually a 16% increase and would be \$12-\$14 a month more per household.

Mr. Charbonneau, the entire residential class across our service territory, the average increase is going to be 10%. The 16.8%, that is based strictly on the usage of an example of 735 kilowatt hours. Using that number, that is a 16.8% increase. When you look at all residential customers across the board, the average increase is going to be 10%.

Mr. Bohacek, what is kilowatt, how is that measured and what does a typical house use?

Mr. Babcock, kilowatts are an instantaneous demand on energy, how much you use at any single point in time. Kilowatt hours are the number of kilowatts used over the course of time. You get your bill in kilowatt hours. A 100 watt bulb is one 1/10 of a kilowatt. A kilowatt is 1000 watts. If you run a 100 watt bulb for 10 hours, that is going to be one kilowatt hour (10 x 100). 735 is a number used per month. The more you use, the cheaper the rate.

DEPARTMENT HEAD COMMENTS

Mr. Rich Mrozinski, LaPorte County Council Vice President, we the council would ask that you prepare a letter on behalf of the Commissioners and Council to inform the Sheriff that effective immediately he will go through the Human Resource Department for all non-merit employees or the positions will not be funded.

Mr. Tony Hendricks, LaPorte County Surveyor, we were down with individuals from the drainage board from Starke County asking for funding for silt trap removal of the sand and we successfully got that funding from the state of Indiana. We are going to commence with some silt trap removal studies in the Kankakee and Yellow Rivers to help get some data to find out how much sand and sediment ends up down the Kankakee. I would like to thank everyone involved so we can go forward on this large project.

Mr. Jeff Wright, LaPorte County Highway Engineer, last night the County Council approved funds for the Michigan City parking lot, \$100,000. We got quotes for that parking lot and subsequent to those quotes there will be another bill from NIPSCO coming through for about \$8,000. I just wanted to bring that to your attention that maybe next month we will have to come back to ask for an additional \$8,000 to rework the power.

Mr. Layton, I thought we were at the \$100,000 figure for doing the parking lot and then we were going to be comped about \$5,000 for the highway doing the sign removal and the tire bumper removal. That \$5,000 would be used to go towards the \$7,900 to put the new transformer in.

Mr. Wright, there is a trade off there.

CORRESPONDENCE

None

REQUESTS

None

OLD BUSINESS

Attorney Shaw Friedman/Consideration of Appeal-IURC Decision in NIPSCO Electric Rate Case

Attorney Michelle Bazin-Johnson, I am here on behalf of Mr. Friedman. He had to be in Indianapolis for a hearing. I believe that he and Mr. Braje have had correspondence and can address the issue and he is just looking for me to report back the result of the Commissioner's decision.

Mr. Braje, pursuant to the request of the Commissioners, I had an opportunity to do the investigation concerning the appropriateness of the appeal. As part of that process, I received information from the public relations department of NIPSCO which I passed on to the Commission. I called a number of the attorneys who represent parties who have been affected by the decision. To summarize the result, there are two basic categories of affected parties; industrial and residential which are represented by a series of municipalities and the OUCC. I called first the attorney for the OUCC to determine whether or not they intend to file an appeal. That can be their statutory duty. They have the discretion whether to appeal or not to appeal but first and foremost they are the party that is obligated to represent the individual consumer in Indiana. I did not get a response back yet so I don't know what their plans are. However, Mr. Friedman and I have been in contact and he has advised me that the city of Hammond intends to appeal and that the city of Hammond has agreed to pay his attorney fees relevant to that representation. In review of the various interveners in this issue, there seems to be a commonality of interest between at least LaPorte County, Crown Point, and Merrillville. Mr. Friedman in his request now has indicated to me that he has asked LaPorte County to contribute only to the portion of the cost that will be necessary to bring an appeal. That cost is for preparation of the transcript which is estimated to run between \$7,000 and \$10,000. In a conversation I had with the city attorney for the town of Crown Point, he believes they may be willing to also contribute towards those costs. There is a possibility that we will get contributions from one or more parties towards that cost. So the exposure of LaPorte County could probably run anywhere from between \$2,000 - \$3,000 to a high level of \$7,000 - \$10,000. Given the fact that Hammond has already made the decision to appeal this matter and also give the decision that they are going to undertake the cost of representation, the issue for LaPorte County is whether or not this issue should or should not be appealed is probably moot. So the issue then really comes down to, is LaPorte County willing to participate in the cost of the transcript preparation for purposes of an appeal. At least as far as I have observed, I am trying to give information and not recommendations, it seems given the money we have spent already towards this issue, that the further commitment of \$7,000 to \$10,000 makes economic sense.

Mr. Bohacek, this sum of \$10,000, this is an expense the city of Hammond would have to expend anyway just to go forward?

Mr. Braje, they would. They would have to pay that if they are going to go forward.

Mr. Layton, I make motion that we concur with the information of counsel and come on board saying that we would be supportive of the \$7,000 - \$10,000 for the transcripts that are needed by the city of Hammond.

Mr. Bohacek, this is not to exceed \$10,000?

Mr. Layton, yes.

Mr. Bohacek seconded the motion, motion carried by roll call vote 3-0

Pat Pease, Administrator, EMS/Open Ambulance Bids

Mr. Bohacek made a motion to close the bids, seconded by Mr. Layton, motion carried by voice vote 3-0.

Mr. Braje, we only have one bid. It is from Med Tec and the bid for the 2010 Chevrolet 3500, 2 units, a unit price of \$118,816. Then to that a multiple purchase discount of \$3,000 per unit and then there is a trade in option for the 2004 wheel coach E 350 of \$8900 and a 2003 wheel coach E350 of \$9200. The gross bid for two units minus those discounts would be \$213,532.00. There is an alternate for a 2010 Chevrolet 3500 for \$118,816 with a trade in option of the 2003 wheel coach 350 of \$8900 for a total of \$109,916.00.

Mr. Bohacek made a motion to turn over to Pat Pease for her recommendation, seconded by Mr. Layton, motion carried by voice vote 3-0.

Mrs. Pease, I am disappointed that we only received one bid. We solicited six vendors. We will be back in two weeks with our information.

NEW BUSINESS

Matt Reardon, SEH, of Indiana, In. LaPorte County Redevelopment Commission Activities

Mr. Matt Reardon, of SEH, Munster, Indiana. I wanted to give the commissioners a brief update of the redevelopment activities of 2009-2010. (Please see attached Memorandum)

Mr. Layton, thank you for the report.

Howard Ewen/Drainage Problem in Hanna

Mr. Howard Ewen, LaCrosse, IN. Mr. Layton came to Hanna examining some of the drainage problems in Hanna. I am particularly interested in the drainage of the First Lutheran Church. Do you have a copy of the proposal I got? I am not presenting any proposal or asking for any money but I think we need to talk about this and decide which direction we are going. I haven't said anything to the church to see what they want to do.

Mr. Layton, I did meet with Mr. Ewen in Hanna and several other individuals. It was brought to our attention that there was problem at the church and the basement had become flooded. Some of our reconstruction of roads had something to do with it, not all of it. What we found out is there is an infrastructure underneath the town of Hanna and put in place years ago by the state of Indiana when U.S. 30 used to run through Hanna.

Mr. Ewen, I got Mr. Huhnke to look at the job and we probed across the street from the elevator and uncovered a drain. The proposal would take care of the problem at the church.

Mr. Layton, we met with Mr. Bannwart who owns the elevator property, and there was some concern about how much property Mr. Bannwart owned and how much was railroad property. There was concern that if we came in and fixed it now, in the future, if anything happened to it, if we would have the right to go in and replace it and clean it. We have not deciphered that at this point in time. We have been in front of the county council during budget hearings earlier this month and asked for a portion of funds that would take care of funding this project and it was approved.

Mr. Ewen, I think it would be better to get the project done at one time. Mr. Huhnke advised five manholes.

Mr. Layton, if this is Mr. Bannwart's property, and I hope it is, we need some kind of living document that will allow us ingress and egress to this system even if he sells it in the future. We will have to have this surveyed. I don't see that this project will be fulfilled until next year. We will keep you abreast of everything we do.

Approval of K-9 Lawsuit Settlement

Mr. Braje, as you know we were sued by two officers of the county sheriff's department relative to violations of wage and hour law in the dog handler K-9 unit. When you have officers that handle dogs they must be provided overtime payment under non working hours or propensatory time during working hours for their portion of time they care for those dogs in their homes. Federal Law has provided time of ½ hour to one hour that they must be compensated. Under this act you can go back a period of three years. After quite a bit of investigation and review, we made an assessment of the potential liability for LaPorte County for not providing this full propensatory time or the overtime hours and this exposes the county not only for the unpaid wages but for damages and attorney fees. As a result we have reached a settlement that has been reduced to a gross payment of \$138,000.00. I am asking that the board approve that settlement subject to the county attorney's approval of final settlement document and also subject to the Sheriff's final approval.

Mr. Layton, I reluctantly make a motion to approve and concur with the advice given by counsel.

Mr. Bohacek, I reluctantly second the motion, motion carried by voice vote 3-0.

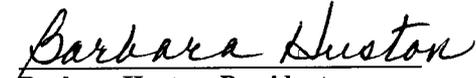
COMMISSIONER'S COMMENTS

Mr. Layton, I would like to have Mr. Wright and Mr. Hendricks stay after the meeting so that we can discuss Mr. Ewen's drainage problem.

ADJOURN

Mrs. Huston, president, adjourned the meeting at 10:54 a.m.

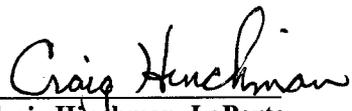
LAPORTE COUNTY BOARD OF COMMISSIONERS


Barbara Huston, President

Michael Bohacek, Vice President



Ken Layton, Member

ATTEST: 
Craig Huchman, LaPorte
County Auditor



TO: LaPorte County Commissioners
FROM: Matt Reardon, Principal
DATE: September 21, 2010
RE: LaPorte Redevelopment Activities 2009-2010
SEH No. ALAPCO0601.00

Current Redevelopment Commission Membership

Don Przybylinski-President
Jim Roy-Vice President
Mike Gondor-Secretary/Treasurer
Sam Ferguson-Member
Tony Wintek-Member
Dr. Kora-Member

Emmy LeDonne-Recording Secretary

In 2010 the Redevelopment Commission had three meetings (2/23/10, 3/31/10, 5/18/10). The RDC meets on an as needed basis.

Activities for 2010:

- Finalization of the LaPorte Cancer Center Abatement 421/94 @ PNC. Total investment \$8.8 MM. Total projected new tax revenue real and personal \$767,120. 28 total jobs with 20 being new to LaPorte County with a total payroll exceeding \$1MM. Company will also remit upon occupancy \$20K in fees for Economic Development in LaPorte County.
- Finalization of the Kingsbury Industrial Park Redevelopment Area Plan and Allocation area for the development of the Kingsbury Logistics Park. Coordination of MOU with State, County, ICS, CSX and Providence Logistics for a \$50 MM investment. This effort is ongoing.
- Creation of the Amended Plan Area for 421/94 Redevelopment Project and creation of Allocation Area #2. This activity allows for the use of new tax increment to service debt on bonds issued for an estimated \$2MM in public improvements on the Northeast corner of the 421/94 interchange. Total anticipated investment \$21MM, including medical, restaurant, hotel, and field house facilities.
- Continued cooperative efforts with the LaPorte County Alliance on projects not located within the Cities of Michigan City and LaPorte. Current major effort is being put forth is at the Kingsbury Industrial Park.

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