

**LAPORTE COUNTY
COUNTY COUNCIL MEETING
December 29, 2008**

The LaPorte County Council met in regular session the 29th day of December, 2008, in the assembly room of the LaPorte County Government Complex. The meeting was called to order by President Mark Yagelski at 7:00 p.m. due to the length of the previous public hearing on LOIT.

Roll call was taken.

Mrs. Shuter:	Councilman Cooley:	Present
	Councilman Cunningham:	Present
	Councilman Garner:	Present
	Councilman Jones:	Present
	Councilman Ludlow:	Present
	Councilman Mrozinski:	Present
	Councilman Yagelski:	Present

Mrs. Shuter: "All members are present, sir."

ADOPTION OF AGENDA: Mr. Yagelski asked that two (2) items be removed from the agenda; the Ordinance for Affordable Housing and the request for Johnson Road in the amount of \$355,000.00. Mr. Yagelski commented that these items would be postponed until next year. Mr. Cunningham made a motion to approve the agenda as amended and Mr. Ludlow seconded. The motion carried by voice vote 7 – 0. For clarification, Mrs. Shuter asked if the Council is withdrawing the request for \$355,000.00 or is the motion to table it. Mr. Yagelski responded that the motion is to table it.

DEPARTMENT HEAD REPORTS:

EMERGENCY MANAGEMENT:

Paul Young, EMA Director, addressed the Council regarding air cards and a project they would like to get started; the whole County will benefit.

Mr. Yagelski asked if Michigan City is getting air cards. Mr. Young responded that they can have them if they want but they will get all of the modems that we have. Commissioner Mike Bohacek reported that he met with Chief Ben Neitzel and Michigan City will receive the modems so that they can move forward with the 900 megahertz system; originally the 900 megahertz canopy was planned for the entire County but it is cost prohibitive; another option was found which is the use of air card software. Mr. Bohacek reported that we already own the laptops and we can give them to LaPorte City, LaPorte County, any of the municipalities such as Wanatah, Westville, Kingsford Heights so all will have the technology as far as the money we are going to spend goes. Mr. Bohacek reiterated that Michigan City will continue to move forward with the 900 megahertz system because of their specific needs; Long Beach and Trail Creek are going with Michigan City.

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Mr. Bohacek commented that this is a nice piece of technology which is relatively inexpensive; this option puts the project way under budget. Mr. Young stated that if we have any problems, Verizon will take care of it; we pay the rental for the cards and that's it. Mr. Young commented that if they get new equipment, Verizon will come and get our old. Mr. Bohacek added that any software downloads are downloaded right through Verizon to the laptops.

Mr. Yagelski asked what LaPorte City is getting. Mr. Bohacek responded that they already have the laptops, they will get the Verizon air cards and we will pay the service on those cards for three (3) years. Mr. Yagelski again asked if Michigan City is going to have air cards. Mr. Bohacek responded they can if they want; they were given about a quarter of a million dollars (\$250,000.00) worth of 900 megahertz modems that they would have had to purchase. Mr. Yagelski asked why Michigan City couldn't go with the air cards since they are cheaper. Mr. Bohacek replied that we already had the modems as part of a grant; they were either going to sit in the basement and do nothing or we give them to Michigan City since they wanted to go on 900 megahertz.

Mr. Yagelski questioned if LaPorte City didn't want to go on 900 megahertz. Mr. Bohacek responded that to implement the 900 megahertz system in LaPorte City, it would have cost over \$1 million; the air cards use similar technology.

City of LaPorte Assistant Police Chief, Tom Heath, Chief Deputy Jim Sosinski and Fran Tibbott, EMA, were also in attendance. Asst. Chief Heath stated that they have run tests with the air cards and they will work with the Sheriff's Department; Michigan City will get the 900 megahertz modems that the County purchased. Asst. Chief Heath commented that when this whole project initially started, 900 megahertz was anticipated county-wide.

Ms. Tibbott reported that everyone was given the Verizon cards to try; Sprint cards didn't work well for anyone; she commented that this has been needed for a long time and a lot of research was done; they can afford to take care of everyone for about three (3) years. Ms. Tibbott distributed a handout; it was explained that a fiber optic line will be brought over from the City of LaPorte to the 911 Center.

Chief Deputy Sosinski commented that Michigan City basically had all of the infrastructure, or towers, in place; the cost for the County to go with the 900 megahertz would be that we do not have that infrastructure in place which made it cost prohibitive. Chief Deputy Sosinski reported that the coverage down south was very limited and in some places there was no coverage at all; with the Verizon cards we are able to get about 98% coverage of the whole County. Chief Deputy Sosinski stated that the officers in their cars will be able to type their reports on their laptops and the reports will be sent right to the station; they won't have to come in to the station at all. Chief Deputy Sosinski stated that the same is true for the Detectives and the Patrolmen; he explained the process.

Mr. Yagelski commented that there was a lot of wrong information given at the meeting regarding this project; after the meeting it was stated that there was a lot more cost for the 900 megahertz. Mr. Yagelski asked what will happen after three (3) years; Michigan City will be setup and we'll be out money-wise. Chief Deputy Sosinski responded not necessarily; we don't own anything and if something goes down all of that cost is absorbed by Verizon. Ms. Tibbott stated that, at the most, the cost per car will be \$44.00 per month for the air card.

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Mr. Young stated that this is not just for the police but for fire as well. Ms. Tibbott commented that they will be able to see the 911 screen from their computers. Mr. Bohacek asked how many other counties use this system. Chief Deputy Sosinski responded that he is aware of St. Joe County, Lake County and Porter County. Mr. Young commented that he and Mr. Jones made a trip to Ft. Wayne and they have it plus Indianapolis, Evansville and all of the big cities are running it.

Mr. Ludlow stated that this isn't what the Council voted for; he about choked when, at the time it was initially presented, it was reported that \$500,000.00 would cover the whole County. Mr. Ludlow commented that the money was approved for a specific project; if the project is changing then the money will need to be appropriated for this project. Mr. Jones commented that is exactly why they are here because the money was appropriated for the towers; Mr. Ludlow is not wrong. Mr. Jones further commented that this project wasn't the original intent of any of the committee or group; however, it is an MDT project and it remains to be an MDT project, a Mobile Data Terminal project which enhances capabilities. Mr. Jones reported that this project does it just like the original project; the problem is that the money was appropriated for 900 megahertz tower infrastructure that the grants were supposed to pay for.

Mr. Jones stated that at no fault of the committee, he believes it was the vendor to begin with who said the County could do everything for \$600,000.00 and they were off by 50% since it would cost \$1.2 million. Mr. Jones commented that in the time it took to think whether or not we wanted to put another \$600,000.00 commitment in, the technology changed; the number of infrastructure needed almost doubled the number of towers since there was better technology but a shorter span "line of flight" distance connection. Mr. Jones explained that now we are at the point where Michigan City has the towers, they still want to go with 900 megahertz and it is absolutely impossible for the County to go this route since it is cost prohibitive. Mr. Jones further commented that the air cards are what most cities are using; they will admit that 900 megahertz is better but it cost more. Mr. Jones asked how much are you willing to pay for a better system if the other one works.

Mr. Jones commented that if Michigan City is still "in the game" of the original intent, which is to get MDT solution throughout the County, we may want to give them 1/3 of the cost that is still on the table. Truthfully, according to Mr. Jones, nobody is wrong in saying that this isn't what we appropriated the money for because, if you get down to brass tacks, it was appropriated for towers; we can still get the MDT, and the money has been appropriated, but they want the County's blessings to say it is o.k. now to do air cards and towers; Michigan City is still going to have to kick in about another 50% to make that project happen because the money we are giving them isn't going to buy their project.

Mr. Mrozinski asked where approximately \$199,000.00 is going. Ms. Tibbott commented that they don't need that money. Mr. Jones responded that, except for the air cards, the rest of the money will go to Michigan City for their towers. Mr. Jones stated that the grants have dried up; there is no more money coming but the fact remains that they were all intended for interoperable communications which this project fits. Mr. Jones stated that, as Mr. Bohacek mentioned, there is \$250,000.00 worth of modems already purchased and if they aren't used for the 900 megahertz system, they won't be used.

Mr. Ludlow asked if Michigan City will still be able to interact with the County, LaPorte City and the 911 Center or will it call for significant upgrades in the 911 Center. Chief Deputy Sosinski responded that they will not be able to access as much information as those with the air cards will; they won't be able to communicate through the computers but they can talk back and forth. Mr. Ludlow asked if any of this money will be encumbered. Ms. Tibbott stated that it will be; Mrs. Shuter commented that they actually came back this year for appropriation since they didn't have an invoice or a contract to encumber the money last year.

Mr. Jones stated that the issue tonight is that the Council's blessing is needed to use the money for something other than the towers. Mr. Garner made a motion to allow Emergency Management to proceed with the MDT project and to encumber the funds into next year. Mr. Mrozinski seconded. The motion carried 7 – 0 by voice vote.

PUBLIC COMMENTS:

COMMISSIONER MIKE BOHACEK:

Commissioner Mike Bohacek stated that the Council had made a change in a position in the Auditor's Office; a part-time Draftsperson and a part-time Real Estate position was combined into one full-time job. Mr. Bohacek commented that he doesn't know if the Council knew that what they did was lay someone off. Auditor-elect Craig Hinchman and Barb Cromey also approached the podium. Mr. Bohacek commented that at the Commissioners' Meeting a few weeks ago, insurance benefits for this person was addressed along with vacation time. Mr. Bohacek stated that in speaking with the incoming Auditor, he is asking that the salary and the person be put back in place because of what is going on in the Auditor's Office. Mr. Bohacek further stated that it would seem reasonable that the incoming Auditor should make that change.

Mr. Bohacek referred to the employee, Barb Cromey, and stated that she does not want to retire; she certainly had the time to retire but her job was eliminated two (2) weeks before Christmas with no notice. Mr. Bohacek commented that this position came before the Personnel Committee back in July and if it was the intent of the Auditor to remove this person, then the employee should have been noticed back in July; he stated that if the employee was told in July that the job would be eliminated at the end of the year this would be fine since it is the discretion of the officeholder to do so and it is the Council's discretion to eliminate the position.

Mr. Bohacek informed the Council that this matter will probably come back on the agenda after the first of the year when Mr. Hinchman will request that the salary ordinance be changed back. Mr. Bohacek just wanted to make the Council aware that this should be addressed.

Mr. Yagelski stated that he has no problem with this matter being addressed but if an employee is going to be brought before the Council, there should have been a "private" meeting of the Council and Commissioners with the employee for discussion. Mr. Bohacek responded that this matter did not qualify for an "exec" (executive session) because it is not really an employment matter, employee performance matter or under litigation; he stated that it really doesn't qualify anywhere but, in talking to a couple of members of the Council, he didn't think that it was realized that it was a person the Council laid off.

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MARK DANIELSON:

Mr. Danielson was in attendance regarding the additional appropriation for the LaPorte County Office. Mr. Danielson stated that the billing has not been certified by an architect as required; he further commented that approval by the project architect is a critical step to assure the amount billed by the contractor is appropriate and corresponds with the work completed. Mr. Danielson stated that if such review and approval does not take place, there is no confirmation that the billing is correct or represents work actually completed.

Mr. Danielson further stated that the partial waiver of lien attached to the billing further supports the conclusion that the Commissioners intend to carry forward with the contract to complete the project; if this were the final billing for the contract a final waiver of lien would have been included. Mr. Danielson commented that by submitting a partial waiver of lien the contractor retains the price on the remaining balance of \$1,005,964.84.

Mr. Yagelski referred to two (2) signatures and asked Mr. Bohacek if he attended the meeting; Mr. Bohacek responded that he was out-of-town.

DENNIS METHENY:

Mr. Metheny stated that he is sorry if Mr. Bohacek thinks that he “blindsided” him but he received an e-mail that talks about a free number for calling businesses for getting information; he gave the number as 1-800-GOOD411. Mr. Metheny reported that when you dial that number, they ask for the business and the city and then they dial the number for you; he was at a meeting where the Council gave \$100,000.00 to the Commissioners to go to South Bend and tie into a 2-1-1; he can’t see why the County would want to spend \$100,000.00 for a 2-1-1 when there is a “google” for free.

Mr. Bohacek commented that 2-1-1 isn’t just information but information referral; it is for people who don’t know what services are available and functions as reverse 911.

MIKE KOBOS:

Mr. Kobos asked if 2-1-1 will be part of the phone bill like 911 is. Mr. Bohacek responded that it isn’t part of a phone bill or a surcharge; it is a service. Mr. Bohacek explained that 2-1-1 was funded by the County for four (4) years with the anticipation and expectation that United Way and other not-for-profits will pick up after that along with grants from other for profits. Mr. Kobos stated that is fine as long as it doesn’t hit his phone bill. Mr. Bohacek responded that if it hits Mr. Kobos’ phone bill, he will pay it.

JERRY COOLEY:

Mr. Cooley reported that Bob Bannwart, who had been Emergency Management Director and Democrat Chairman, passed away; he worked for the County for many years.

TERESA SHUTER:

Mrs. Shuter referred to Mr. Bohacek’s comments; she stated that the request to eliminate the position and to combine two (2) positions was presented to the Personnel Committee this summer but was not acted upon until the Council’s November 24th Meeting which was the final Budget Adoption. Mrs. Shuter reported that at that time, Ms. Cromey was spoken to; there were very specific reasons made for that request which she will not go into at a public meeting. Mrs. Shuter stated that this is the second time that Mr. Bohacek has interfered in a personnel issue in

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her office with absolutely no authority to do so. Mrs. Shuter further stated that she will be gone in two (2) days and it will be up to the Council, but if the Council decides to undo their decision after the first of the year, the salary ordinance will need to be amended; she would be happy to speak with any of the Council Members or all of the Council to discuss the reasons. Mrs. Shuter commented that when she walked out of the Personnel Committee, Pat Pease, Barb Huston, Darlene Hale and Joyce Leon were all in agreement that it was the correct thing to do at the time.

TRANSFER/ASSESSOR: Mr. Ludlow made a motion to approve the transfer of \$909.90 from Postage to a new line item, Mileage, in the Reassessment Fund, Assessor's Budget. Mr. Cunningham seconded. Mr. Cunningham asked about one of the mileage claims since only \$.39 per mile is charged and the rate is \$.505. Mrs. Shuter explained that most likely the mileage rate was adjusted by the claimant to come up with the approved amount of the original budget for Mileage; they are just requesting the approved amount of the budget. Mr. Cunningham withdrew his concerns. The motion carried 7 – 0 by voice vote.

TRANSFER/CLERK: Mr. Mrozinski made a motion to approve the transfer of \$1,383.13 from Election Night Support to Election Board Members in the General Fund, Clerk's Election Budget. Mr. Garner seconded. The motion carried 7 – 0 by voice vote.

TRANSFER/MICHIGAN TOWNSHIP ASSESSOR: Mr. Cunningham made a motion to approve the transfer of \$7.51 from Mileage to Office Supplies in the General Fund, Michigan Township Assessor's Budget. Mr. Ludlow seconded. The motion carried 7 – 0 by voice vote.

TRANSFER/TREASURER: Mr. Cunningham made a motion to approve the transfer of \$1,051.85 from Printing O/T Office Supplies to Bookkeepers in the General Fund, Treasurer's Budget. Mr. Cooley seconded. The motion carried by voice vote 7 – 0.

ADDITIONAL APPROPRIATIONS/COMMISSIONERS:

COUNTY OFFICE BUILDING:

Mr. Bohacek stated that the request for \$42,335.16 advertised in the River Boat Admissions Tax Fund is to pay for the flatwork that was started on that building (LaPorte County Office Building). Mr. Bohacek, after speaking to Mr. Danielson who brought up a very good point, asked that approval be contingent upon the architect's review and final waiver of lien and to encumber the money under those stipulations.

Mr. Yagelski asked if Mr. Bohacek is in favor of paying this amount. Mr. Bohacek responded that it was an amount of money that was incurred by the County and we owe the person who did the work. Mr. Ludlow commented, no offense, but he doesn't think it should be done on contingency or waiver but it should be tabled until a final waiver is received.

Mr. Yagelski asked for the attorney's opinion. Attorney Baugher stated that he doesn't believe that there is a valid contract for a couple of reasons; a government can't commit to owe money when the money has not been appropriated since that is an invalid, unenforceable contract; he would like to see the opinion from the County Attorney as to if the bid was actually allowed in a proper way given that it wasn't given to the low bidder. Mr. Baugher commented that those are two (2) areas that he thinks are of serious concern. Attorney Baugher doesn't know if he would be satisfied with a final waiver of lien; he would want a release of contract if you are going to pay the money to make sure that it doesn't come back to "bite" the County, not in the form of a

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lien because the property isn't lienable anyhow. Attorney Baugher stated that he suspects, when it gets down to push and shove, that someone authorized these guys to proceed; he doesn't know why they did that or how they did that but they apparently did it without a valid contract and it was surely done without any valid appropriations.

Attorney Baugher commented that he thinks that a lot of money is going to be spent litigating over the issue. Mr. Cunningham stated that the County will either have to pay this or litigate it which will cost more in the long-run. Attorney Baugher commented that he sure wouldn't pay out the money unless there was a total release from the contract.

Attorney Baugher stated that the County should make sure that they have the right amount to pay; this is typically done in a process where an Owner's representative, either the architect or the engineer, reviewed the claim and agree that the percentage of work that has been completed is what they are certifying. Attorney Baugher commented that this is the first contingency; is the amount right. Second of all, Attorney Baugher stated that if there is a total release of the contract, and the thought is that it is better for the County to pay the money than get involved in litigation, that is the way to go.

Mr. Garner asked if the architect has been paid yet. Mr. Bohacek answered that he doesn't know; this has been a curious project to say the least.

Mr. Jones made a motion to table this request until the Commissioners come back with the legal documentation. Mr. Cunningham seconded. The motion carried 7 – 0 by voice vote.

Mr. Garner asked Mr. Bohacek what the plans are for the building. Mr. Bohacek responded that the Commissioners have a new member on their Board, too, and there will be further discussions regarding this building and plans to move forward.

Mr. Garner asked Mr. Bohacek what his commitment is toward the building. Mr. Bohacek responded that there are two (2) options; one option is to re-bid the project and option two is to do nothing. Mr. Bohacek commented that it will become an issue between the Commissioners and Council again; if we want to build a building or if we want to abandon the project. Mr. Bohacek stated that it is his opinion that the project will not be put out for bid unless there is appropriation for funding. Mr. Garner stated that both sides committed to this and there was a break-down which he hope doesn't happen in the future.

S.S. MEDICARE:

Mr. Jones made a motion to approve \$222,000.00 as advertised in the General Fund for S.S. Medicare. Mr. Cooley seconded. The motion carried 6 – 1 by voice vote. Mr. Garner voted "Nay."

RETIREMENT:

Mr. Jones made a motion to approve \$171,000.00 as advertised in the General Fund for Retirement. Mr. Ludlow seconded. The motion carried 7 – 0 by voice vote.

EMPLOYEE GROUP HEALTH INSURANCE:

\$800,000.00 was advertised in the General Fund for Employee Group Health Insurance. Mr. Bohacek introduced Gordon Snyder with APEX, the County insurance provider with Blue Cross/Blue Shield and Anthem. Mr. Bohacek commented that there is concern when a reduction

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was expected in the benefit cost and now more money is being requested. Mr. Bohacek stated that when you are self-insured, as the County is, the health care claims are dynamic and will change every year; it is not like homeowners insurance that stays pretty stable.

Mr. Bohacek referred to the pamphlet that was distributed. Mr. Bohacek commented that there is still a significant cost-savings but the County had a rough claims year last year. Mr. Yagelski commented that there were two (2) major claims; he asked how one person got on the County insurance without authorization when they shouldn't have been on the insurance at all. Mr. Bohacek responded that this is the first he has heard that there is an employee who is ineligible on the County health insurance; he would be curious to see who the person is and how this occurred. Mr. Jones suggested that personal issues not be discussed; this is valid concern and needs to be discussed in an executive session.

Mr. Cunningham made a motion to table this request and have Mr. Bohacek, or his designee, pursue this issue. Mr. Bohacek questioned payment of claims the rest of the year. Mrs. Shuter responded that we don't have money to pay the claims through the end of the year; the account is already in the "red" and the last pay run was approximately \$400,000.00. Mr. Jones commented that the other issue is still before us and the appropriation is in the "hole" if the request isn't approved.

Mr. Bohacek stated that our savings amounted to \$1.6 million, KBA versus Anthem on an "apples to apples" comparison based upon this claims exposure paid by the discount structure. Mrs. Shuter reported that total claims paid out of First Source were \$5.8 million this year. Mr. Yagelski commented that the only issue he has is regarding employee contributions; every year employee contribution is to be agreed to but it was done without approval of the Council.

Mr. Jones stated that he is not discounting Mr. Yagelski's concerns as they are valid, but the issue previously discussed needs to go to an executive session. Mrs. Shuter commented that since the employee insurance comes over to the Auditor's office from HR (Human Resource), they should be involved.

Mr. Bohacek again referred to the handout and what was paid through Anthem from November, 2007, through October, 2008, which is the policy period; he reported there were a couple of months of KBA run-out in the amount of approximately \$887,000.00.

Mr. Yagelski suggested making the motion to approve this amount based upon the contingency that at least a member of the Council and Commission get together to see how a certain employee was added. Attorney Baugher commented that the money is owed and how the employee got on the insurance will be an issue after the fact that will need to be rectified.

Mr. Cunningham revised his motion to follow the motion suggested by Mr. Yagelski. Mr. Ludlow seconded. Mr. Ludlow stated that it should be clarified that the amount isn't \$800,000.00 but over \$900,000.00 since the next item on the agenda is a request by the County Highway.

Mr. Ludlow objects to Mr. Bohacek publicly stating that the County saved over \$1 million in insurance costs this year and get the cities all fired up with residents saying why isn't the City renegotiating their insurance contract because the County saved so much money; now Mr. Bohacek is here at the last moment asking for almost \$1 million to cover it not to mention the

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bad press and the fear put in the employees when St. Anthony's was having problems with Anthem. Mr. Ludlow stated, "Mike, if you are going to compare apples to apples then please do." Mr. Ludlow further commented that Mr. Bohacek came to Budget Hearings and said, "Please don't raise the employees benefit costs because we're making up the difference." Mr. Ludlow stated that he doesn't see where the difference is since last year we didn't have to put \$1 million into the health benefits. Mr. Bohacek responded that it depends upon the claim exposure; if the County would have paid on this series of claims, \$5.6 million would have been paid excluding the drug benefit with KBA; with Anthem about \$4 million was paid.

Mr. Cunningham asked if the request would be for \$2 million instead of about \$1 million if the County were still with KBA. Mr. Bohacek responded, "\$2.6 million." Mr. Yagelski stated that this was negotiated in fair discussions between the Commission and the Council; it was decided to keep the employee contribution the same. Mr. Yagelski commented that if the Council isn't going to be included in the process, he isn't going to wait until the 11th hour every year to vote for something like this. Mr. Bohacek asked if Mr. Yagelski means to pay this money or the employee's share. Mr. Yagelski responded that he talking about the Commissioners making decisions and over-riding the Council. There was "discussion" about whether action was taken by the Commissioners before coming to the Council. Roll call was taken to approve \$800,000.00 for the group health insurance.

Mrs. Shuter:	Councilman Cooley:	Aye
	Councilman Cunningham:	Aye
	Councilman Garner:	Aye
	Councilman Jones:	Aye
	Councilman Ludlow:	Aye
	Councilman Mrozinski:	Aye
	Councilman Yagelski:	Nay

The motion to approve carried 6 – 1.

ADDITIONAL APPROPRIATION/HIGHWAY:

GROUP HEALTH INSURANCE:

Mr. Ludlow made a motion to bulk the three (3) together, Highway Administration in the amount of \$14,000.00, Highway Maintenance & Repair in the amount of \$92,000.00 and Highway Undistributed in the amount of \$5,300.00, and to approve as presented. Mr. Cunningham seconded. The motion carried by voice vote 7 – 0.

JOHNSON ROAD PROJECT:

Mr. Yagelski stated that this request, as previously discussed, is tabled.

ADDITIONAL APPROPRIATION/PLAN COMMISSION:

Mr. Garner reported that he talked to Porter County and they just received the Blue Prince program in August; they bought the entire package at once and they thought it was a foolish thing to do since you can only learn so much as once; by that time they are updating so it is better to learn portions of the program first before the rest of it is purchased. Mr. Garner stated that Mr. Mrozinski, Ray Hamilton, Darlene Hale and he met with Blue Prince; he further commented that they are the leaders in the country with this program and a reputable firm.

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There was discussion regarding the actual cost of the program. Mr. Hamilton stated that he believes that the actual cost would be \$117,000.00 plus \$8,000.00 in maintenance fees per year. Mr. Hamilton commented that once they are familiar with the program, the Inspectors will be able to take a laptop and a printer out into the field. Mr. Mrozinski stated that after looking at where we are with IKON, he doesn't see any progress; this is a much better run operation for a lot less money.

Attorney Baugher questioned if this money would be expended by the end of this year. Mr. Hamilton responded, "No, but he doesn't think it can be tabled until next year." Attorney Baugher stated that he is worried about whether the funds can be encumbered because the appropriation runs out at the end of the year. Mr. Garner commented that there is a contract but it is contingent upon the Council approving the funds.

Mr. Cunningham commented that he has heard the figure of \$120,000.00 not to exceed but \$207,757.00 is actually advertised. Mrs. Shuter responded that there is actually a quote for \$119,000.00 including the maintenance; \$207,757.00 was IKON's proposal originally. Mrs. Shuter further stated that if there isn't a signed contract or an invoice by December 31st, the funds can't be encumbered.

Mr. Garner made a motion to table this request until January. Mr. Ludlow seconded. The motion carried by voice vote 7 – 0.

ADDITIONAL APPROPRIATION/PROSECUTING ATTORNEY: Mr. Ludlow made a motion to approve the appropriation of \$3,163.00 for Clerks and \$4,746.00 for Victim Advocate Officer in the General Fund, Prosecuting Attorney's Budget. Mr. Cunningham seconded. The motion carried by voice vote 7 – 0.

ADDITIONAL APPROPRIATION/WELFARE FAMILY & CHILDREN:

Mr. Yagelski stated that everyone has a packet and he has discussed the request for a loan to the Children's Psychiatric Fund with Attorney Baugher. Attorney Baugher stated that if the Council is going to approve this, and he doesn't see how they have a whole lot of choice, it would be nice, rather than to make them go out in the market and borrow the money, pay interest and pay the County back, if the Council would consider loaning them \$250,000.00 directly; this is contingent on the Department of Local Government Finance saying that we can do that. Attorney Baugher tried to get the answer over the last couple of days and, like everyone else's, their offices are moving a little slower.

Terry Ciboch, with the Department of Child Services and formerly County Director, stated that the Children's Psychiatric Residential Fund was created a few years ago and was intended to cover the State's portion of the federal Medicaid payment. Mr. Ciboch reported that it is actually a Welfare Program but they have no control over who goes there; any child who has Medicaid who gets committed to one of the centers, this fund pays the State portion of the Medicaid payment.

Mr. Ciboch further stated that the Division of Family and Social Services Administration sends a billing but they aren't very quick in doing so. Mr. Ciboch stated that they would pay these bills as tax revenue came in; the budget was \$300,000.00 but some bills came in greater than that. Mr. Ciboch reported, because of HB 1001, that they are at the end since this fund disappears at

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the end of this year but it disappears when all of the obligations are taken care of; the State has said that we will be short \$250,000.00 and that is why this request has been submitted.

Mr. Ludlow made a motion to approve the loan of \$250,000.00 contingent on DLGF's approval from the Emergency Reserve Fund. Mr. Cunningham seconded.

Mr. Cooley commented that he will vote "no" because the State "messes with us" with our tax bills and now they want us to loan money; tell them Mitch Daniels will loan them the money. Mr. Cooley stated that he knows that these are our kids, and he doesn't have a problem with that, but we are in the problem we are because of his agency, they don't like LaPorte County and they have been messing with us all of this time.

Mr. Ludlow, for the eight (8) years he has been on the Council, thanked Mr. Ciboch for his hybrid department, which walks a thin line between State and County; he has done a magnificent job of management and keeping the Council informed financially. Mr. Ludlow stated that even though the Council's obligation has been decreasing over the years, it is directly related to Mr. Ciboch and a few years ago when he stood up for the County downstate against the new Director who wanted an obscene amount of money. Mrs. Shuter seconded that. Mr. Cooley stated that he appreciates it also but he is tired of the State of Indiana. Mr. Yagelski also expressed his appreciation to Mr. Ciboch for his assistance. Mr. Ciboch commented that he didn't go through the budget cycle this year but this is a big change for them; life is full of changes.

The motion to approve this loan carried by voice vote 4 – 3 with Mr. Cooley, Mr. Cunningham and Mr. Mrozinski voting, "Nay." Mr. Cunningham stated that he voted "nay" as a tribute to Mr. Cooley since it might be the last opportunity he gets to hear a political speech from him.

NEW BUSINESS:

AUDITOR'S OFFICE:

Mr. Jones made a motion to approve vacation pay in the amount of \$3,247.50. Mr. Ludlow seconded. The motion carried by voice vote 7 – 0.

EMERGENCY ORDINANCE FOR SHORT TERM LOAN:

Mr. Ludlow made a motion to hear Ordinance No. 2008-07, "Emergency Ordinance to Make a Short Term Loan from the LaPorte County Emergency Reserve to the LaPorte County General Fund" by title only. Mr. Jones seconded. The motion carried 7 – 0 by voice vote. Mrs. Shuter read the ordinance by title only. Mr. Ludlow commented that for public knowledge, this is a \$5 million loan.

Mr. Ludlow made a motion for unanimous consent to hear Ordinance No. 2008-07 on second reading by title only. Mr. Jones seconded. The motion carried by voice vote 7 – 0. Mrs. Shuter read the ordinance by title only.

Mr. Ludlow made a motion to approve Ordinance 2008-07. Mr. Jones seconded. Mr. Cunningham asked if the loan is like what was talked about with the other units since we don't have our tax draw. Mrs. Shuter responded, "Yes. We are roughly \$4.4 in the red right now. You need to know that this is not going to be paid back by the end of the year, obviously." Mrs. Shuter stated that last year we were in the same predicament and \$9 million was borrowed from Emergency Reserve to keep afloat; State Board did not take an exception to that when the

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Auditor's Office was audited. Mrs. Shuter reported that we were told at Auditor's Conference that they may take exception but they would duly note the reasons for the delay. Mr. Cunningham commented that he would like to take this opportunity to commend the previous Council Members who had the forethought, foresight to setup the Emergency Reserve Fund; Kenny (Layton) was involved in that as well as other Council Members who led the way; we are in much better financial shape because we aren't going out on the open market to borrow money from local banks and can borrow from ourselves. The motion carried 7 – 0 by voice vote.

2009 MEETING SCHEDULE:

Mr. Yagelski stated that letters are due by the first Monday from interested Board Members; the second Monday is the Reorganization Meeting and then there will be a meeting at the end of the month as usual. Mr. Garner, for the record, stated that normally the Reorganization Meeting would be the first Monday; his vacation is scheduled during the time of this meeting. Mr. Yagelski apologized but he wanted to give time to allow interested parties to respond to the newspaper article.

COMMENTS BY THE COUNCIL:

MARK YAGELSKI:

Mr. Yagelski thanked the "administrative staff" and presented a token of appreciation to Auditor Teresa Shuter and her Chief Deputy, Rita Layton.

RICH MROZINSKI:

Mr. Mrozinski expressed appreciation to the Councilmen leaving. Mr. Mrozinski stated that a lot of people don't know how much time Jerry Cooley has put in; he is passionate about his job and he wears his heart on his sleeve. Mr. Mrozinski commented that he has learned a lot from Mr. Cooley and it is more than just showing up month to month but a lot of dedication, hard work and effort.

Mr. Mrozinski, regarding Brother Ludlow, stated that a trait that he has tried to emulate is that when the election is over you hang up your "R's" and your "D's" and you get down to business. Mr. Mrozinski stated that there are many times that he has called Mr. Ludlow to ask for his advice and opinions; Mr. Ludlow has always been very open and honest and sets an excellent example for the Council Members.

Mr. Mrozinski commented that Mr. Jones, who he will probably miss most of all, is one of those guys he calls "scary smart." Mr. Mrozinski stated that Mr. Jones is not only smart but witty; when Mr. Jones tells him something he knows he can "take it to the bank." Mr. Mrozinski commented that he has learned a lot from Mr. Jones and he will miss his sense of humor.

Mr. Mrozinski stated that all three (3) departing Council Members can hold their heads up high knowing that they left LaPorte County a better place.

JOHN JONES:

Mr. Jones commented to Jerry and Mark that it has been a pleasure; they have been great assets. Mr. Jones further commented to Teresa and Rita that it has been an extreme pleasure; you are very professional and do your job very well and have always been a support and always had time when called; there have been a lot of questions and requests for financial help which he appreciates.

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EARL CUNNINGHAM:

Mr. Cunningham commented that President Yagelski ran two (2) meetings this evening and he “nailed it.”

ADJOURNMENT: Mr. Jones made a motion to adjourn at 8:25 p.m. and Mr. Garner seconded. The motion carried by voice vote 7 – 0.