



*LaPorte County Auditor
Joie Winski
555 Michigan Avenue, Suite 205
LaPorte, IN 46350-3490*

**MINUTES
LA PORTE COUNTY COUNCIL REGULAR MEETING
SEPTEMBER 23, 2013 6:30 PM**

(Please Turn Off All Cell Phones)

The Meeting was called to order by President Yagelski, who began with the Pledge of Allegiance. Auditor Winski proceeded with the Roll Call. Council Members present included: Councilwoman Lois Sosinski and Councilmen Rich Mrozinski, Matt Bernacchi, Mark Yagelski, Terry Garner, and Jeff Santana. Councilman Earl Cunningham was not present. A quorum was present for the Meeting to proceed.

President Yagelski welcomed the students from La Porte High School and asked if they had any questions.

APPROVAL OF AGENDA

A Motion was made by Councilman Bernacchi and seconded by Councilwoman Sosinski to approve the September 23, 2013 Agenda. The Motion carried 6-0.

APPROVAL OF AUGUST 26, 2013 REGULAR MEETING MINUTES

A Motion was made by Councilman Santana and seconded by Councilman Bernacchi to approve the August 26, 2013 Regular Meeting. The Motion carried 6-0.

DEPARTMENT HEAD REPORTS

Rick Brown – MS4 Coordinator

Mr. Brown spoke about the stormwater application fee that is now in effect. They are using it in the County and in the City. Per Article 20 in the Zoning Ordinance, that approval process needs to be done prior to issuing, so building permits, and hopefully some projects in the past that have slipped through the cracks, it will not slip through the cracks now. More importantly, also relating to Article 20, Mr. Brown got some numbers from Enbridge approximately 2 months ago, and with the assistance of communication that went back and forth with Mr. Garner and Mr. Biege, MS-4 was able to accept 100% bond in the amount of the BMP's that Enbridge is using across the County. They asked if Mr. Brown would take a certified check. He said of course. Now they have a check in their account for \$945,000, which will help toward the end of the project to clean up things that Enbridge doesn't. They now have a performance bond in place, a certified check in his name. He would like to talk to Mr. Biege about making that an interest account in the future. Until they get the actual performance bond itself, they've got the money in the County account. Mr. Brown said that he wanted to make the Council aware of this and that he thinks it is a good step forward.

Sheriff Mike Mollenhauer

Sheriff Mollenhauer gave the Council Members a list of expenditures for July and August, 2013 from the Commissary account. Some of it is bills that have been paid already, and the other additional amount is estimated on what they are getting done. They just haven't gotten the invoice for it yet. There are a couple of items that are not on the list. The items that have been billed and have been paid already is a total of \$5,526. Such things as Brinkmans, each year the Sheriff tries to get the Posse and Lake Patrol and Reserves, the three volunteer groups, he cannot use the word donation, but they can buy something that they need badly and he can pay that invoice, usually around \$1,000. The first one, which was some uniforms for the Posse. Cell phones for the month, if they pay their monthly cell phone bill to Verizon for the Supervisors, it is \$1,455.29. There is another bill from Brinkmans for the protective vests for the Lake Patrol Deputies for \$671. That was one vest. Emergency radio services was for a new repeater system, which went bad in the jail, Miner Electronics, a new camera. That was one that went bad for \$1,037.32 and the service call that they did on another camera for \$95.00. Nurses uniforms, 2 items for \$279.53 and 30.97. Then a service call for \$439 and also a radio duplexer service call for \$714 for the total of \$5,526.

The next category is the estimated bills. It is much to do with the new video visitation system, which isn't up and running yet. Right now they are waiting for the new kiosks to arrive from Securis. They will be mounted. The plates are in, the room is ready, the wiring is all done. There will be some odds and ends but it is coming along quickly and hopefully by late September or middle October. Emergency Radio Service was for \$1,819 for a new duplexer, switches for the video visitation, and wiring for video visitation. The first one was \$1,329 and the second is \$8,000 for the wiring. Miner Electronics for camera repair. That should be replacement for \$1,037.32. The camera video visitation, there are going to be two cameras in there and estimated cost is right around \$33,000 for those two so they can record and monitor everything that goes on. The company records all of the visitations, but they want to be able to do it also, what takes place in the room. The benches for the video visitation are \$2,997.41 those are ordered. That will be 7 benches, 8 kiosks and one will be left for ADA or wheelchair and benches in front of the other 7 for the visitors to sit on. Four document scanners for the jail tracker system, which will be in the booking area for \$1,944.36 for a total of \$20,127.09. A couple items that were not on the list were a new tractor for the range for maintenance and mowing, and that will be a large tractor - \$11,000. Two cameras are needed in the kitchen area. They are estimated around \$3,000. So a total of about \$14,000 in additional items. That should take it a little over \$40,000 that have been spent or will be spent out of the July and August estimate.

Councilman Mrozinski asked what the balance in the Commissary Fund is.

Sheriff Mollenhauer stated that it was about \$69,840 as of 2 pm today.

Seeing or hearing no other Department Head, Department Head Comment was closed.

PUBLIC COMMENT

Todd Bailey – Small Business Owner in La Porte County – 607 ½ Lincolnway Ave.

Mr. Bailey thanked the Council for allowing him to be there and stated that he wanted to ask Councilman Mrozinski a question. He stated that before he says anything, it is the first time he's had a chance to meet the Councilman, and he thinks it would be remiss if he didn't thank the Councilman for his Military Service. He stated that he is 14 months out of the Marine Corps himself, and there is a bond

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shared between anyone who signed their life over to the government regardless of politics, circumstances it's there. His question is in two parts.

First, he asked if it was true that Councilman Mrozinski went to the County Sheriff's vehicles dealership and tried to dictate what paint the service cars should have, dictating white rather than the traditional brown. If that is true, he wanted to ask if the County Council District 4 taxpayers be better served if they had paid more attention to the 2009 State Audit Exit Interview that Councilman Mrozinski was privy to that foreshadowed the \$150,000 embezzlement scandal and the sloppy accounting practices of the Auditor's Office at the time. He believes that the dichotomy of hearing about the Sheriff's paint versus \$150,000 disappearing highlights an imperfect understanding of the role of the County Council.

Councilman Mrozinski stated that he did not know what one had to do with the other. He stated that there was a discussion about the paint scheme on the cars for the Sheriff's Department that took place in the Council Meeting and not at the dealership. Councilman Cunningham is actually the one who brought that up. It would be cheaper to not only paint the cars one color because it costs a lot of money to paint the two-tone brown in case Mr. Bailey did not know that. Number two when the Sheriff's Department is done with the car, it could then be used as a pool car here or for departments that need transportation. That's where the discussion on the cars came up. It would be much cheaper for every taxpayer, not only the ones in the Fourth District. Also, when they sell the two-tone brown cars, they have to be repainted. They can't sell them that way. They would end up with someone out there pretending to be a cop with his two-tone brown car. That is where that came from. He is glad that Mr. Bailey figured out that Councilman Mrozinski works there and not at the Commissioners' Office. The State Board of Accounts comes to the County every year and goes through every Department, looking at all of their books and everything they do. In 2009, they did look at the Auditor's Office, Assessor's Office, Treasurer's Office, Commissioners, everybody.

He reminds Mr. Bailey that the Auditor, Assessor, and Treasurer are all Elected Officials in charge of their Department. The State Board of Accounts finds any discrepancies in their Department. They alert them that it's a problem. They alone have the authority to tell them how to run their Department. If it is something that is illegal, immoral, or otherwise, they do have the authority to go to the Prosecuting Attorney and turn it over to him for his action. That doesn't mean that it's going to happen. If Mr. Bailey remembers in his research there that the President of the Council, which by the way Mr. Mrozinski was not the President of the Council that year, the President did pass that the Assessor was to be removed from office. It never happened because it shows the authority that the Council has. There was also a movement from the State Board of Accounts to have the Auditor stand down and send someone up here from Indianapolis to take over that Department. That never happened either. They are the authority but they had limited authority. As far as a Department Head telling another Department Head or an Elected Official telling another Elected Official how to run their Department, they have ZERO authority. Mr. Mrozinski said that he could sit in the exit hearings just to hear what happened. Basically that is about all of the authority that the Council has. He was there because the President couldn't be there because he works and Mr. Mrozinski is retired. As far how anybody from 2009, which by the way they need to read the exit hearing, they found fault at the Treasurer's Office for not balancing the books at the end of the month. They gave kudos to the auditor's office now. As far as being able to sit in an exit hearing in 2009 and know that somebody was going to embezzle money in 2012, he can't do that. He can't see into the future. He says that Mr. Bailey is claiming that Mr. Mrozinski knew something about this money that was going to be embezzled and that is way out there.

There is no way to tie those two together and it cannot be tied together with the color of the Sheriff's cars.

Mr. Bailey said that he understood and that it is something to consider. He stated that he spoke with Mr. Mrozinski because he is the only one who signed the report who is still an elected official in La Porte. If there were others, he would want to speak with them as well. He said that he read in the report that there were instances where employees' compensation was not authorized in a Salary Ordinance, i.e., An employee was paid a \$500 Hazmat training stipend, which was not included in the County Salaries or an Ordinance. It says receipts shall be issued. All compensation and benefits paid to officials and employees must be included in the labor contract salary ordinance and resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. This is public information. He says that it is one small example of a lot of egregious examples and that he believes Mr. Mrozinski is underestimating the voice he has as a County Councilman. He stated that if he was the one who sat at an exit interview or public hearing and saw examples of the sloppiness in the Auditor's Office, he does have a public voice to speak up and say at the next Council Meeting what is an update? How are we fixing this? Then at the next Council Meeting he would say the same thing. He is not claiming that Mr. Mrozinski had forward knowledge of the actual embezzlement.

Mrs. Winski states Point of Order. She stated that Mr. Bailey's facts were a little mixed up. Theresa Schutter and Craig Hinchman couldn't have been on the same audit. Craig Hinchman followed Theresa Schutter as the Auditor.

Mr. Bailey stated that he was reading the public record that said County Auditor, La Porte County Exit Council. The contents of this report were discussed on October 26, 2009 with Theresa Schutter, former Auditor.

Mrs. Winski stated that it may have been Theresa Schutter's audit, but that Craig Hinchman was not the auditor at the time, so he had nothing to do with it. She said that is going to be similar to what her audit is going to be.

Mr. Bailey said that the contents of the report were discussed on October 26, 2009 with Craig Hinchman, Auditor.

Mrs. Winski stated that the Council is not the governing body. It is the fiscal body. The Commissioners are the governing body.

Councilman Yagelski stated that two things happen when a Department Head leaves, like Mrs. Schutter did, her name is still on the report because it was her report, and the incoming person (Mr. Hinchman) is also named on the report. They are on the report but it does not mean that those people were present at the time. An ex-department head that is not elected is never there. He guarantees that those two bodies were never in the same room, although the one body was talked about, which is Mrs. Schutter.

Mr. Bailey stated that who was in the room at the same time is not of his concern. All he knows is that there were four people that the report was discussed with. Mr. Bailey asks if that public statement is incorrect.

Councilman Garner stated that Mr. Bailey went to the right body in the first place, but he is addressing the wrong people. The Commissioners have all the power of this County. The Council does not have the power that they do. They could have corrected this and brought the Department Head in to discuss it but it has never happened with the Council and probably will never happen.

Councilman Yagelski stated that the second thing to understand is the monies. Mrs. Winski was just able to get the past years done.

Mrs. Winski stated that this is the first year in four and a half years that the Treasurer's books will be balanced.

Councilman Yagelski stated that they have been living with the numbers from 2007. They have been under a false budget since 2007. Unfortunately, it has been very difficult to give employees raises and everything. The reason the money was able to disappear was because the Council is not privy to a lot of the stuff that goes on. One more thing The State Board of Accounts does not have the final say. That is a problem. They can go to the Prosecutor or through a state agency, but they don't always do that. When the Council brings up problems to them, they often fall on a deaf ear. He states that the Council did go to the Commissioners at one point and ask for the Auditor at the time to be removed.

Mr. Bailey said that he understands that the County Council could not have called a vote and changed any of this. He said that from his perspective, if he had read this report under any capacity, even as a private citizen or a Councilman, he wishes someone would have brought this to the public's attention. The only person who he has to talk to at this moment is Mr. Mrozinski, which is why he was at the meeting.

Councilman Mrozinski said he was glad Mr. Bailey said that because he is pretty easy to get ahold of. If anyone wants to know something about what he does for the County, he is easy to get ahold of. He said it doesn't do Mr. Bailey any good to go to a public meeting that he does not attend and stand up and address him there. He was not at the Commissioner's Meeting. It also doesn't do Mr. Bailey any good, in fact it's kind of counter-productive, what he read in the newspaper. He was not here last week. He said that he was appointed by the VFW National Commander in Chief to be the Chairman of the national Legislative Committee for the Department of Indiana. He met with the Congressmen in Washington, D.C. on the behalf of all of the veterans in the United States and also every military person in the United States. He had a very highly respected position that he had to tend to. He came home and read his own name on the front page of the newspaper with a ridiculous claim that he somehow could have single-handedly stopped \$150,000 embezzlement of money from a Department that he does not work in. He got several calls from people all over the County.

He was told by several people that Mr. Bailey works for Mr. Friedman, who is trying to discredit Mr. Mrozinski personally and publicly, and that Mr. Bailey was sent by Mr. Friedman.

Attorney Biege stated that he wants to make sure the public is clear that the County Council is a fiscal body. They make monetary decisions only. The County Council does not have any supervisory authority over department heads or anything that occurs in the County. That's by State Code. These folks make the decisions on money, and that is all.

Councilman Santana clarified that it is spending of money and not receiving it.

Attorney Biege also stated that Mr. Milsap was in office at the time. The County Commissioners manage the County. They run the County, for lack of a better term. So, there is an elected official who was in office then and is still in office now.

Mr. Bailey said that he did not see Mr. Milsap on the report, so he cannot assume that he was privy to it.

Attorney Biege said that he understood, but the Commissioners still had supervisory authority. He is saying that Mr. Bailey needs to go to the right place for his complaints.

Mr. Bailey said that he is a small business owner. He owns a small business called (Celcom?). His number is 219-380-6066. He is a private consulting firm. He reserves the right as a private company to retain clients. That is all he is willing to say. He works in professional marketing and is not going to apologize for that. He is a private citizen who is concerned about an exit report that he saw. He wanted to congratulate Mr. Mrozinski for his incredibly important position in the Veteran's Association as well.

Seeing and hearing no other Public Comment, Public Comment was closed.

LIAISON REPORTS

Councilwoman Sosinski said that she will be representing Lynne Spevak, who is at the AIC this week with her request that is on the Agenda.

Councilman Bernacchi stated that his only thing on the Agenda is the request from the Assessor's Office for a transfer and that he will discuss it when it comes up on the Agenda.

Councilman Mrozinski stated that he got a text telling him that they had taken down the County Animal Shelter and are starting work on the Animal Shelter. He also asked the Auditor if she had the information that was sent by Councilman Cunningham.

Auditor Winski confirmed that she did have it.

Councilman Mrozinski stated that since Councilman Cunningham isn't there, he wanted to make sure that everyone had a copy of his information about the current state of financial affairs. He is at the AIC Conference as well. The debt has increased by \$16,833,876 over the last month, so the County is currently \$31,374,998.08 in the red in the General Fund and the cash on hand has decreased by \$33,692,000.88. The County is going in the wrong direction.

Councilman Garner thanked Mr. Brown for staying on top of the pipeline project and getting the grant to take care of issues. He said that a van was talked about during Budget Hearings for Soil and Water. They were given a van at the end of last year and the Commissioner took it back for his own personal driving. They are still needing a van. He also thanked the Sheriff for the detailed Commissary Report.

President Yagelski states if it goes to final reading and passes the cars are coming back.

Councilman Santana thanked Tony Hendricks, the County Surveyor, and Bob Young for their work on a project at 900 W and 400 N. It looks like the work is completed. He explained to the high school

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students that each Council Member is assigned to different Departments or Boards as a Liaison. He explained about the farmer whose field was collecting drainage and was unusable.

Councilwoman Sosinski spoke about the Friends of the Barn. She said that they just recently met and acknowledged a donation from the Pep Group of \$5,000.00 to the Barn Fund. They have received other funds as well and would like to thank everyone who has donated so far.

Councilman Mrozinski also stated that he went to a VFW function and a man spoke with him about the Drainage Board and that the man had nothing but praise for Ken Purze. He said that things are so much nicer because of the work of the Drainage Board.

NEW BUSINESS

There was no New Business.

OLD BUSINESS

There was no Old Business.

ORDINANCES AND RESOLUTIONS

There were no Ordinances and Resolutions.

CORRESPONDENCE

Correspondence from Patricia Spiess, Director of LaCrosse Public Library, requesting appointment of Tracie L. Vernich to Library Board.

Councilman Mrozinski made a Motion to approve. It was seconded by Councilman Garner.

Councilwoman Sosinski asked if this was just to replace the unexpired term and if they will solicit letters for anyone that might be interested.

Councilman Garner stated that they are not even tied to the La Porte County Library. They have their own separate funding, and so forth. He isn't sure why they even came to the Council.

Councilman Yagelski stated that he was asking was because last year they made a lot of appointments. He wasn't sure if it was even legal to discuss.

Councilman Garner said that he was thinking the same thing.

Attorney Biege clarified that in the letter they request the appointment through the end of the year and also the next four years.

Councilman Yagelski stated that this has also come up before and he didn't remember this position becoming available.

Councilwoman Sosinski stated that this was her question. If it is appropriate for them to do the appointing that they would just do the unexpired term and then accept letters for the first of the year. That is the question, whether they have authority over it or not.

Councilman Yagelski asked Mr. Mrozinski to change his motion to say that it would only follow through the unexpired term if that's the case and then follow it up, saying that if the position is not available it would then be null and void.

Councilman Mrozinski made a Motion to appoint this person through the end of the year if they have that authority. If it is found that they don't have that authority, then OK.

Councilman Santana seconded the motion. *The Motion carried 6-0.*

APROPRIATIONS, TRANSFERS, REQUESTS

La Porte County Park Department

Requesting Permission to Use	
Park Foundation Donation	not to exceed
For Seasonal/Part-time Help	\$7,500.00

Councilman Bernacchi made a motion to approve. It was seconded by Councilman Garner. *The Motion carried 6-0.*

La Porte County Sheriff's Department

Requesting an Additional Appropriation	
County Corrections Fund a/k/a Misdemeanant Fund (1175)	
For Inmate Safekeeping and	\$ 4,734.48
Washer, Dryer, Laundry Carts, and Locking System	<u>\$15,716.23</u>
	\$20,450.71

Councilman Santana made a motion to approve. It was seconded by Councilwoman Sosinski.

Councilman Mrozinski asked for the balance of this particular fund.

Mrs. Winski stated that it was on the form given to Mr. Mrozinski. It is around \$80,000.00

The Motion carried 6-0.

La Porte County Clerk of Circuit Court

Requesting an Additional Appropriation	
Riverboat Fund (1191) or WinTax Fund (4220)	
MCAS Special Election	\$30,000.00

Councilman Santana made a motion to approve. It was seconded by Councilman Mrozinski.

Councilman Garner asked if the council would be reimbursed for that.

Councilwoman Sosinski stated that they would be. She said she had an e-mail from Lynne Spevak. It said *The Michigan City Area Schools Referendum Special Election will be reimbursed by Michigan City Area Schools after the election. The Election Board will be meeting Friday, September 27th to pass resolutions to downsize voting locations and amount of staff needed.*

The Motion carried 6-0.

Councilwoman Sosinski asked which fund the money would be coming out of.

Councilman Santana asked which would be best.

Mrs. Winski said that it did not make a difference.

Councilman Santana said it would come out of Riverboat. *Motion carries 6-0.*

La Porte County Assessor

Requesting a Transfer

2451-30135-000-247 to 2451-10130-000-247

Professional Services to Seasonal/Part-Time Help

\$19,857.80

Councilman Mrozinski made a Motion to approve. It was seconded by Councilman Santana. *The Motion carried 6-0.*

COUNTY COUNCIL/ATTORNEY COMMENTS

Councilman Mrozinski wanted to address the high school kids from Mrs. Nix's class. He asked if the class started first thing in the morning at 7:45. The Council asked the students to come to the podium and say their names.

ADJOURNMENT

A Motion was made to adjourn by Councilman Yagelski and seconded by Councilwoman Sosinski. The Motion passed 6-0.


EXAMINED & APPROVED BY THE LA PORTE COUNTY COUNCIL, dated this 28 day of October, 2013.



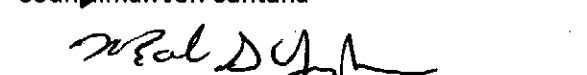
Councilman Matt Bernacchi



Councilman Terry Garner



Councilman Jeff Santana



Councilman Mark Yagelski



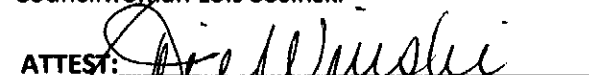
Councilman Earl Cunningham



Councilman Rich Mrozinski



Councilwoman Lois Sosinski

ATTEST: 

Joie Winski, Auditor La Porte County