



*LaPorte County Auditor
Joie Winski
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**MINUTES
SPECIAL MEETING OF THE LAPORTE COUNTY COUNCIL
FEBRUARY 9, 2017 AT 5:30 P.M.**

(Please Turn Off All Cell Phones)

The Special Meeting of the La Porte County Council was held on February 9, 2017 at 5:30 p.m. (local time) in the Assembly Room of the La Porte County Government Complex located at 809 State Street, La Porte, Indiana, 46350.

CALL TO ORDER

La Porte County Council President Jeff Santana called the Meeting to order at 5:30 p.m. He added that this meeting is to discuss and commit funding for the double track project for NICTD.

PLEDGE OF ALLEGIANCE

President Santana said that the Pledge of Allegiance was completed at the prior meeting.

ROLL CALL

Auditor Winski took the Roll Call. Council Members present were Councilmen Garner, Kirkham, Novak, Santana, and Yagelski. Councilman Sullivan was absent. A quorum was noted.

PUBLIC COMMENT

Senator Michael Bohacek, 220 Pokagon, Michiana Shores, IN 46360

Senator Bohacek stated that he hopes the Council moves forward with this project. He added that he is working hard for this project and the Governor also supports it.

Dennis Metheny, 6757 West 450 North, Michigan City, Indiana

He has attended two of the meetings in both Chesterton and Michigan City. He feels the funding is double taxation. He stated that Michigan City, which is a town that pays both City and County tax and contributes money to the railroad. In addition, the County pays a tax of taxpayers' money to the railroad, which he feels is a double tax. He added that South Bend railroad pays \$1.4 million to the County and La Porte income taxes will be \$23 million over 30 years, which equates to less money than what is currently being paid. As a taxpayer, he doesn't ride the train and feels he should not pay such a high percentage and the riders should pay any necessary increase instead of the taxpayers.

Rich Mrozinski, La Porte County Commissioner

Commissioner Mrozinski stated that the Commissioners and Council have already passed resolutions in favor of this project. He feels there are a lot of good reasons for it and should be taken out of RIVERBOAT.

State Representative Jim Pressel, 1770 N Lofgren Road, Rolling Prairie, IN

He stated that he feels this is a good project but the benefits may not be immediately recognized. He applauds the efforts of the Council to support this effort.

Hearing or seeing no additional Public Comment, President Santana closed Public Comment.

SPECIAL MEETING DISCUSSION

Councilman Yagelski stated that approximately 3.5 million people use the train on a yearly basis. If the idea of the railroad was unsuccessful, that many people would be on the street and traffic in Northwest Indiana is challenging. He added that the future is youth and the mode of transportation has changed. To prepare for the next one hundred years of the railroad, updating the track is a necessity. It is also important to keep Michigan City and La Porte viable. In addition, over three-quarters of the people who work for NICTD live in La Porte County. This is a chance to gain some of the federal money that may have been sent down state. A positive aspect is that parties are working together and a project to which all four counties are agreeable. It has been a dream of NICTD to get to this point, especially because the single track going into Michigan City has a problem with service. It is also important because trains are repaired in this area.

Councilman Kirkham stated it is possible that the double track will bring increased traffic to South Bend Airport.

Councilmen Garner asked Attorney Friedman if a certain percentage of Council members need to give approval or just the majority. Attorney Friedman replied a majority is sufficient.

Mike Noland, President of the South Shore line addressed the Council. He said this day has been anticipated for 104 years, the same time it took for the Cubs to win the World Series. When he was hired, he was presented with a twenty-year plan that included the double track project. However, it is instead being done in five years because it makes sense to do so. The return on investment for this plan is approximately \$4.00 for every \$1.00 the state invested in the plan because ridership will be doubled. The average household income in the County is \$85,000 without benefits. These people go into Chicago for a job that pays 40% more and then bring that money back to this County to spend. Therefore, this region can achieve growth, but in the past has not because people grow up and leave the area, which leaves an aging population. If the commute time to Chicago is reduced, the millennials will be attracted to this area due to lower taxes, better quality of living, and the lake at their doorstep. In addition, due to the single-track railroad, on-time performance suffers; with the double track express is opened up. In Michigan City, ridership will increase by 1000; the anticipated amount of jobs is 2,000 and revenue is \$23.4 million. This is a multi-county effort with bi-partisan support, and probably the biggest regional cities' project in the State of Indiana.

Councilman Garner asked how many people in La Porte County currently ride the train. Mr. Noland said that in Michigan City, approximately 400 people ride per day. It is anticipated that ridership will increase from 400 to 1300 per day. Councilman Garner asked about the expansion to Lowell. Mr. Noland replied yes and agreed that it is a major transportation project for Northwest Indiana. Councilman Garner asked if the South Shore is tied to Kingsbury but that Mr. Noland replied South Shore Freight operates on that line. However, he added that this project would positively impact that area.

Councilman Kirkham asked about using the Major Bridge investment. Auditor Winski replied that yearly tax dollars are received in Major Bridge but doesn't believe using this fund has been approved. Attorney Friedman explained that the legislators are working to approve legislation for use of the excess funds in Major Bridge to service bonds on long-term funding. However, he said that tonight's vote is for pre-engineering expense. He said that if the County share of the bond expense is in the \$17 to \$18 Million range, it would have to be divided between Michigan City and La Porte County. Therefore, the County could be on the hook for 40 to 50 percent of the bond cost. If the legislation is approved, an amount will be set aside yearly for the bond cost. He also said that the Major Bridge Fund routinely runs a surplus and the time of the bond may be between 20 to 30 years. Being able to use the Major Bridge Fund surplus would be a way to reduce or eliminate any tax impact on citizens.

Auditor Winski said \$1,738,399.00 was receipted into the Major Bridge Fund. She added there is also a \$6.5 Million Investment with this Fund.

Councilman Novak added that if this was a business coming into the County saying they were going to bring approximately \$390,000,000 in revenue over the next 30 years, it would be foolish not to support it. He feels this what the County needs if it works as planned.

Attorney Friedman stated that a 30% share of the total or \$250,000.00 expenditure, with 70% of the expenditure of pre-structural engineering for Michigan City.

A Motion to approve \$250,000.00 out of RIVERBOAT was made by Councilman Novak and seconded by Councilman Kirkham. Motion carried 5-0.

Councilman Yagelski attempted to discuss an issue related to the salary of an employee and that Council direction is not being followed. President Santana asked that items be put on the Agenda for February 27, 2017 and Attorney Friedman agreed.

ADJOURNMENT

A Motion was made by Councilman Novak and seconded by Councilman Kirkham to adjourn the meeting. Motion passed 5-0.

EXAMINED & APPROVED BY THE LA PORTE COUNTY COUNCIL this 27th day of February 2017.



Councilman Terry Garner



Councilman Randy Novak

N/A

Councilwoman Lois Sosinski



Councilman Mark Yagelski



Councilman Cary Kirkham



Councilman Jeff Santana

Absent

Councilman John Sullivan

ATTEST: 
Joie Winski, La Porte County Auditor