

**Enrolled Memorandum of the Meeting
Study Session/Meeting (Convened Electronically/Hybrid)
Twenty-Ninth Town Council of Highland
Monday, August 02, 2021**

The Twenty-Ninth Town Council of the Town of Highland, Lake County, Indiana met *electronically* in a study session on **Monday, August 02, 2021**, at 6:30 O'clock P.M., in the regular place, the Highland Municipal Building, 3333 Ridge Road, Highland, Indiana.

Special Note. This meeting was convened as an electronic meeting, pursuant to Governor Holcomb's Executive Order 20-04, 20-09 and 20-25 allowing such meetings for the duration of the COVID-19 public health emergency, now extended by Executive Order No. 21-18, pursuant to IC 5-14-1.5-3.7. Some persons were participating remotely on a Zoom platform that allowed for real time interaction between and among all the Town Council and supported the public's ability to observe and record the proceedings. People were able to participate in person and remotely, allowing for all councilors to be simultaneously seen and heard. When the agenda item provided for public comment, this was supported as well. All councilors were able to participate on the Zoom platform.

All members of the Town Council were present in person, in the plenary meeting room of the Highland Municipal Building.

The meeting was streamed live on the Town of Highland, Indiana Facebook page and participation was supported by the Zoom on-line communication platform.

Silent Roll Call: Councilors Bernie Zemen, Tom Black, Mark Herak, Mark Schocke and Roger Sheeman, were present in person as indicated. The Clerk-Treasurer, Michael W. Griffin was present to memorialize the proceedings. *A quorum was attained.*

Officials Present: John P. Reed, Town Attorney; (in person); Peter T. Hojnicky, Police Chief; and William R. Timmer, CFOD, Fire Chief were also present. (both of them electronically)

Additional Officials Present: Ed Dabrowski, IT Consultant (Contract) and Board of Waterworks Directors, was present in person.

General Substance of Matters Discussed.

- 1. Discussion:** *American Recovery Plan Act (ARPA) possible bonus for public safety workers in the amount of \$5,000 each.* The Town Council discussed the proposal posited by Councilor Schocke at the plenary meeting of July 26, 2021, to use ARPA Fiscal Recovery Funds to support a five thousand dollar bonus for all public safety or first responders. The proposal included a suggestion to make a separate fund into which the separated amounts needed to support the bonuses be used.

It was noted that owing to further information made available by US Treasury and the Indiana Finance Authority (IFA), the town's share of the American Recovery Plan Act is now \$ 5,038,339.91 as a non-entitlement unit (neu). This amount is higher than earlier estimates.

A colloquy ensued between Councilor Herak and Councilor Schocke regarding the approach of presenting the idea in the Town Council meeting, with no advance conversation or consultation during a study session. It was suggested that manner in which the motion was raised in the previous meeting could only put any councilor who offered reservations based upon the needs to which the funds were to be dedicated in a possible poor light with regard to the police and firefighters.

There was a consensus amount the elected officials of great support for the public safety force. The discussion included a concern regarding the need to fund the compliance and repair for the Sanitary Sewer Overflow remediation plan that has a significant funding gap as outlined in a memorandum, originally transmitted by electronic mail, provided by the Clerk-Treasurer on March 30, 2021. In it the needs for the Highland Sanitary district remediation were estimated at \$55,211,900. It was further noted that when the allocation for Highland's beneficiary share of costs for Hammond's treatment system were included, the total needed rose to an estimate of \$76.882 million.

The Clerk-Treasurer provided a seven page excerpt (pages 45-51) from the Federal Treasury Interim Final Rule of 151 pages, on the use of ARPA regarding "Premium Pay." The discussion included the provisions defining terms such as "eligible workers" performing essential work during the COVID-19 public health emergency. It was further noted that the rule further described these workers as those *"who have been and continue to be relied on to maintain continuity of operations of essential critical infrastructure sectors, including those who are critical to protecting the health and wellbeing of their communities."*

The discussion also included a discussion noting that the interim rule defines essential work *"as work involving regular in person interactions or regular physical handling of items that were handled by others."*

It was still further noted that the interim rule further defined eligible workers as workers needed to maintain continuity of operations of essential critical infrastructure sectors as may be designated by each Governor. Critical infrastructure sectors include healthcare, public health and safety, childcare, education, sanitation, transportation, and food production services among others as noted. It was still further noted that the *"chief executive of each recipient has discretion to add additional sectors to this list so long as additional sectors are deemed critical to protect the health and well-being of residents."*

The Clerk-treasurer stated that any premium pay, while it could be delivered as a lump sum, still must be tied to an hourly rate in the amount of up to \$13 per hour, not to exceed \$25,000 per worker. Further, when adding the premium pay, it must not increase a worker's pay above 150% of the resident state's average wage for all occupations as defined by the Bureau of Labor Statistics or 150% of the average annual wage in the resident county as defined by the Bureau of Labor Statistics, whichever is higher.

The Statewide Average mean wage is \$48,650 at 150% is \$72,975.

The Lake County Average mean wage was not obtained.

Also based upon the proposal first suggested by Councilor Schocke, the following estimate of the cost for bonuses for all police officers, fire fighters and public works employees was provided. It was noted that this calculation did not take into account any issue with eligibility or use of Fiscal Recovery Act proceeds.

Police Officers	\$ 197,827.50
Firefighters	\$ 209,917.50
Public Works	<u>\$ 215,300.00</u>
Total:	\$ 623,045.00

This included the employer taxes that would still be due on this compensation.

The discussion noted that a plan to offer pay bonuses styled as “bonuses “ could not be pursued. However, if workers are determined to be eligible and performing essential work as defined in the interim rule, a payment of *premium pay* retroactive from January 1, 2020, could be proffered from the APRA Fiscal Recovery Funds.

During the discussion Councilor Schocke stated that the Town of Merrillville gave bonuses. It was not clear whether this was to the Fire Department and the Police Department. Further it was not revealed whether this was done with Fiscal Recovery Funds.

The discussion included whether the Fiscal Recovery Funds could be used to offset the expected increase to customers on the next utility bills. It was not addressed.

Councilor Schocke objected to further reporting from the Clerk-Treasurer invoking HMC Section 2.05.310 styled “Visitors and petitioners.” It reads: “ *Except during the time allotted for public discussion and comments, no person other than a member of the Town Council shall address that body, except with the consent of a majority of the members present.*”

Councilor Schocke noted that the Clerk-Treasurer was not a member of the Town Council and there was no vote to ascertain whether a majority of the Town council consented to further reporting by the Clerk-Treasurer. The Town Council President noted that no votes can be taken during a study session and proceeded, inferring that a majority did wish to allow the Clerk-Treasurer to further address the Town Council.

It was noted that the matter of premium pay would require further deliberation.

2. **Discussion:** *Budget Memorandum and Calendar for FY 2022.* The Town Clerk-Treasurer briefed the Town Council on the plan for budgeting for FY 2022. It was noted that the plan was to receive the first requests for spending from all departments in order to allow time to enter the spending plans into the Gateway Portal before the Department of Local Government Finance budget workshop, which for Highland is August 11, 2021.

Councilor Herak as budget chair, reported the departments with which he had already met and expected to meet further by the deadline.

The discussion included the manner in which the meetings with departments were conducted and whether the public could observe. It was noted that the public could observe.

3. **Discussion:** *Water Utility rates and charges with Agreement now approved and the ways and means to cover the wholesale rates from January through August.* The Town Council President indicated that he intended to offer during his segment for remarks at the plenary business meeting, a narrative related to the new wholesale rate process and its impact on Highland customers.

The Clerk-Treasurer provided to the Town Council the list of the wholesale rates for the next ten years, a schedule of the net impact from the new rates, and the current rates and charges of the Water Department. It was further noted that the Board or Waterworks Directors was reviewing the rates and charges for a possible general increase.

It was still further noted that under the terms of the wholesale rate tracker provision in the current water rates and charges, with notice of a single billing cycle, the new wholesale rate could be implemented. The bills being prepared for mailing in August were carrying the notification to allow the increase to go into effect in September.

It was still further noted that the new wholesale rate with City of Hammond was retroactive to January 2021. The amount of arrearage through June 2021 was \$264,319.20. The Clerk-Treasurer recommended that the Town Council authorize the use of the surplus in the Water Cash Reserve Fund to pay the arrearage through August, that will be due by November. It was further noted that the amount on deposit to the Cash Reserve Fund at June 30, 2021, was \$355,838.38.

4. **Discussion:** *Lake County Department of Development HUD CDBG COVID PPE money that is available to the Town of Highland in the amount of \$18,805.28.* The Town Council President indicated he was aware of a communication from the Lake County Department of Development regarding the eligible allocation of CDBG Funds for use under the terms of the CARES Act.

The Fire Chief reported that he had communicated with the executive director regarding the terms of the grant to be sure that Highland was eligible. The Fire Chief noted that the money would be drawn down for the lawful uses if the Town was eligible.

There being no further matters to discuss, the Town Council President adjourned the standing study session of Monday, August 02, 2021, at 7:21 p.m.

Michael W. Griffin, IAMC/MMC/CPFA/ACPFIM/CMO
Clerk-Treasurer