

**MINUTES OF THE MEETING OF THE BOARD OF PUBLIC WORKS & SAFETY  
VALPARAISO, INDIANA  
June 9, 2023**

The Board of Public Works & Safety of Valparaiso, Indiana met June 9, 2023, at 3:00 p.m. in City Hall. Present were Steve Poulos and Holly Howe. Mayor Murphy was absent. Steve Poulos called the meeting to order and led the Pledge of Allegiance.

**Motion:** Holly Howe moved that the minutes of the May 26, 2023 meeting be approved. Seconded by Steve Poulos and so approved with a 2-0 vote.

**Motion:** Holly Howe moved that the claims be approved for payment subject to appropriation balances. Seconded by Steve Poulos and so approved with a 2-0 vote.

**Unsafe Building Code Matters – 1425 Glendale Blvd.**

Attorney Alfredo Estrada presented his Pre-Hearing Submission of Evidence. For the hearing on the Demolition Order issued by the City of Valparaiso Building Commissioner and Enforcement Authority.

**Motion:** Steve Poulos moved to accept the Pre-Hearing Submission of Evidence. Seconded by Holly Howe and so approved with a 2-0 vote.

Attorney Paul Chael addressed the Board. He has been appointed Receiver of this property by Judge Clymer. His job is to manage and maintain the building as best he can as well as get it sold. He has a buyer, CPC, LLC, under contract. The amount will come very close to satisfying all the Mechanic's Liens. There is litigation in Judge Clymer's Court about the applicability of covenants that Northwest Hospital has. The covenants were not recorded so many of us believe they are not enforceable against our buyer or subsequent owners of the building. The original owner is not involved anymore. It is believed he is in jail in Missouri. The best solution for everyone is a sale of the building. The property is fenced in. It is a two-story building with cabling for safety. The roof is covered and three sides are enclosed. He inspects the building regularly. It has not deteriorated at all. Outside is being mowed regularly. There are \$3.5 Million Dollars in lien claims outstanding. He believes demolishing the building would be a great disservice. He came into this with no money. The contractors that were already owed money put up more to secure the property. He is willing to report back to the Board regularly. A closing can happen within 45 days once the issues are fixed.

Holly Howe clarified there is no proof of the covenants but because the hospital is suing they are in litigation for that and that is the holdup.

Attorney Patrick Lyp asked for clarification on the appeal. The Court has empowered Attorney Chael to sell the property. The covenant issue is out there. There was an Agreed Order that was set aside. So in terms of the appeal, is the appeal on the issue of the enforceability of that

covenant? Attorney Chael replied Yes. There is a hearing scheduled for July 18<sup>th</sup> to determine the applicability of the covenants. It could resolve the issue, or it could continue. That is the basis of his offer to come to the meetings or give a written report to Attorney Estrada to keep the City advised.

Holly Howe asked about the contractors that were not paid. What happens if the Demolition goes through? Attorney Chael replied they will be out of luck. There is no other money to satisfy their liens.

Attorney Estrada advised the City could ask for a Receiver which would put the City in control and they could auction the property. That is a statute that deals with abandonment of property. So it is different from the unsafe. The Board has to determine the building is unsafe and abandoned. He hasn't followed this yet because of Notice. He will advise if they decide to do this. It is a risk because you never know what an auction will bring.

Attorney Patrick Mysliwy represents Kleckner Interior Services. They are owed over \$750,000 for work done at the property including fencing. They would like a sale of the building and completion so they can receive payment on their Mechanic's Liens. The original Demolition Order was released because of the work of the businesses that have Mechanic's Liens. It would be inequitable to allow this property to be demolished when they tried to get the project back on track in good faith. Allowing additional time would be the prudent thing to do.

Steve Poulos asked if Kleckner has received any funds as part of the job. Attorney Mysliwy replied they have received about \$200,000. In January TRK gave them another check for \$200,000 and it bounced. Kleckner still went and worked to try to get the project to a completed state.

Attorney Tom Moss represents Imboden Construction. They are owed over \$1 Million Dollars. His client has been paid a couple of hundred dollars and then got a couple of hundred dollars in bad checks.

Attorney Matt Olson represents Porter Hospital. He introduced himself and reserved the right to make comments until after the City makes its presentation.

Attorney Lyp stated Attorney Chael mentioned the appeal is on a preliminary matter. Is it fair to say that more likely than not that whatever Judge Clymer does at the July hearing, is it a pretty good bet that will be appealed? Attorney Chael said he would not bet against it at this point.

Attorney Estrada addressed the Board. Everyone wants this building to be completed. A continuance has been recommended. He could agree to a continuance for 30 days to July 28, 2023 with the possibility of a special meeting. This is contingent on the Receiver mowing inside

and outside of the property starting hopefully within one week but within two weeks at the latest.

**Motion:** Holly Howe moved to continue the case for Demolition of 1425 Glendale Valparaiso, IN for thirty days – July 28, 2023 with the possibility of a special meeting. Contingent on the Receiver having the property mowed inside and outside of the fence hopefully within one week but within two weeks at the latest. Seconded by Steve Poulos and so approved with a 2-0 vote.

### **253 Lincolnway**

Pat McGinley addressed the Board. Americo has been hired to do an asbestos study. They have accepted the bid from C. Lee Construction for the demolition of the building. The demolition will be at the end of July or early August.

### **Canadian National Railroad Crossing Improvements**

Mike Jabo presented a list of road closures for the Canadian National Railroad to do crossing repairs. Streets to be closed are:

Roosevelt Road – This was supposed to be closed for three days but it was decided to do a rubberized crossing so they added a week to the time. The road was opened today.

Lafayette Street – This is expected to be closed starting June 7<sup>th</sup> for a period of three weeks for maintenance.

Silhavy Road and Yellowstone Road Crossings – These crossings are expected to be replaced. The closures will be for periods between 1 to 2 weeks.

**Motion:** Holly Howe moved to approve the road closures as presented for the Canadian National Railroad maintenance/replacement. Steve Poulos seconded the motion and so approved with a 2-0 vote.

### **Request for Street Closures**

- Greenfield Creek Block Party, July 22, 2023 9:15 am-10:00 pm
- Valpo Wine Fest, July 22, 2023, 7:00 am-8:00 pm
- Valparaiso Market – moved to accommodate Wine Fest, July 22, 2023 7:00 am – 3:00 pm
- Valpo Parks – Valpo Market, City Parking Lot for Vendor Parking (Jefferson & Lafayette) Tuesdays and Saturdays 8:30 am – 1:30 pm starting June 3, 2023 through the end of the season.
- Benefit at Hilltop House, August 6, 2023 10:00 am – 6:00 pm

These have been reviewed and approved by all impacted departments.

**Motion:** Holly Howe moved to approve the Requests for Street Closures as presented. Steve Poulos seconded the motion and so approved with a 2-0 vote.

### **Opioid Grant Application Checklist**

Attorney Patrick Lyp requested approval to submit an Application Checklist to apply for an Opioid Grant.

**Motion:** Steve Poulos moved to approve submitting an Application Checklist for an Opioid Grant. Holly Howe seconded the motion and so approved with a 2-0 vote.

### **Hatch Lake Parkway**

Max Rehlander presented a Request for Street Closure of Hatch Lake Parkway. This road will be closed for approximately two months beginning on or about July 5<sup>th</sup>. Staff has contacted and informed the four lots specifically affected by the construction (805-808 Hatch Lake Parkway), handed out flyers to surrounding residents and informed the Hatch Lake HOA and Shamrock HOA. The construction project was initiated due to a failing sanitary sewer line due to infrastructure being built on poor soils. The design will construct new storm sewer and sanitary sewer saddled on piles to adequately carry the loading.

**Motion:** Holly Howe moved to approve the closing of Hatch Lake Parkway for approximately two months beginning July 5, 2023. Steve Poulos seconded the motion and so approved with a 2-0 vote.

### **Flock Safety License Plate Readers**

Chief McIntyre addressed the Board. In December of 2022 the City had 17 cameras installed on a trial basis. This has been a successful program. Now the 10 most productive cameras will stay. Seven will be removed and returned. The new subscription cost for the first year is \$28,500. The annual re-occurring subscription is \$25,000.

**Motion:** Steve Poulos moved to approve the new contract with Flock Safety for a total of 10 cameras. Holly Howe seconded the motion and so approved with a 2-0 vote.

### **Public Comment**

None

There was no further business, and the meeting was adjourned.