

WHEREAS, in the opinion of the County Auditor, the public interests required that the Lake County Council, should be called to meet in special session at this time, for the purpose of considering Removal of Library Board Member, a written notice was sent to each member of the Council, and proper advertisement made, and all other acts performed in accordance with the laws governing such matters.

And now in obedience to such call, come Jerome Prince, President, Michael Repay, Elsie Franklin, Daniel Dernulc, Christine Cid, Ted Bilski, and Rick Niemeyer County Councilpersons, together with Ray Szarmach, County Council Attorney.

In the Matter of Public Hearing – Removal of Lake County Council Appointee – Cynthia Watts – Gary Library Board

Attorney Szarmach explained that pursuant to Indiana Code I.C. 36-12-2, the Statute calls for the establishment of the Public Library Board. The County Council of Lake County, Indiana has (1) appointment to that Board.

That Board member can be removed for very narrow issues.

Attorney Szarmach said under I.C. 36-12-2-20, A Library Board Member can be removed at any time by the appointing authority, in this case, it's the County Council, after public hearing, for any cause:

1. that interferes with the proper discharge of the member's duties as a member of the board; or
2. that jeopardizes public confidence in the member.

Attorney Szarmach said, in this case, we have given notice to Cynthia Watts. We have received petitions from the citizens of Gary, with 3,000 signatures on it calling for her replacement and removal from the Board.

The section of the code which the petition is based on is I.C. –36-12-2-20 (a) (2). It's a cause that "jeopardizes public confidence in the member".

Attorney Szarmach said that the Council members decided to have a public hearing on that, and each side of that issue will have 30 minutes to present.

The petitioners who filed the petition will have the first 30 minutes, and then Ms. Watts, and her speakers will have another 30 minutes. Attorney Szarmach said you can divide that time any way you wish, in the 15 minute intervals, or 30 minute interval. The County Council will then listen to the evidence, review the documents, and then make a decision.

The issues are very normal. It is whether or not, the member did something that jeopardizes public confidence in the member. Attorney Szarmach said he would like to keep the evidence on that issue.

President Prince said there has been a list of speakers submitted by the petitioner, as the Attorney stated, you are not necessarily relegated to stick to a particular list, but what is important is that both sides stick to the half an hour time-frame that has been established as procedure by this Body.

President Prince asked that the petitioner, or their representatives step to the microphone.

Mary Jenkins, a student at Indiana University, currently working on her Master' Degree, in Public Management, has consistently patronized the main public library for 40 years. She resides at 139 W. 35th Avenue, Gary, Indiana.

Ms Jenkins said that she thinks it is very sad that the main library is being closed. She spoke about how the library has helped her because it had all of the resources that she needed. She spoke of how she has consistently been on the Dean's List for 5 years, because of the books that she used from the main Library, which has helped her to have a better understanding of her University text books.

She has been put in charge of the Reading Lab at the University because she reads a lot. She said that the library has been the backbone of her education.

Ms. Jenkins said that the issue is about the library closing, as well as the value and benefit that the citizens gain from the use of the library. She said she has become who she is today strictly because of her consistent use of the main library. Not only has it enhanced her learning, but has contributed to her success.

Ms. Jenkins said that when she found out about the library closing, she wrote a letter to the Board, which included a Plan, with the hope that they would re-consider their decision to close the library. She wrote a

letter dated 3-22-11, which is "Exhibit 1", expressing to the Board, that the public was outraged regarding the Board's decision to close the library.

She said that she never received a response from the Board. She made calls, but Ms Watts never returned her calls.

Ms. Jenkins said that Ms. Watts, and the Board disregarded her letter, her calls, her suggestions, and the people were not allowed to speak, nor give their opinions until after the Board members had made their decision.

Robert Buggs, who resides at 4002 Rhode Island St., Gary, IN said that he submitted a packet to each councilmember, and if you have any questions about the packet that he proposed to the Council, in reference to I.C. 36-12-2-20(a)(2) – Jeopardizing Public Confidence, that they could contact him.

Mr. Buggs said that basically what he did was provide some examples, by way of the news media, and he said, very briefly, there was a vote to close the library, which Ms. Cynthia was actually put in place to be the President, so she actually officiated the closing of the library.

Mr. Buggs spoke about on 2-28-12, according to the news media, there was a vote to give a contract of \$2.7 million dollars to renovate the library to turn it into a museum. He also said that, in the packet, there are 3 different references from the news media, and by way of the library board minutes that said that they had an operating budget of \$3 million dollars.

Mr. Buggs asked, if you have a \$2.7 million dollars, just to renovate the library, that doesn't take into account, the other 4 Branches, nor does it take into account the specialized staff for the museum.

Mr. Buggs also wanted to speak about an article in the newspaper in which Mr. Walker said that "there is no reasonable basis for her to be removed because she was fiscally responsible for trying to balance the budget."

Mr. Buggs said, so if you have an operating budget, and some reports in the packet that you have, of \$2 million, or \$3 million, totally, and you vote in the affirmative to give a Contract of \$2.7 million dollars, and she was also told at that meeting that it would cost \$400,000 dollars to renovate the parking lot of the Brunswick Branch, so, you do the math.

Dr. Richard Barnes, who resides at 739 N. Montgomery St, Gary stated that he is a resident of Gary, who has a library card, and is concerned about the state of the Gary Public Library.

He said that according to *findthedata.org*, which you can go to, there are 78,000 registered users of the Gary Public Library. He said that the signatures on the petitions were so easy to get because there are 78,000 people in the City of Gary who use the library.

He said, that same source said that more than 86,000 people last year, used the Gary library to access the internet. He also said these are young people, these are homeless people, they are poor people who rely on the Gary Public Library for this particular service.

As a young person, you can't get a job at McDonalds without registering and applying online. If you take that service away, Mr. Barnes said, you are going to block their employment, you're going to block their future.

Mr. Barnes said that having a library card for the City of Gary gives you a common level. If he wanted to check out a book, and there was someone at the library who wanted that same book, but got there before me, his library privileges are just as valuable as mine. It's a level playing field in the library.

Mr. Barnes said, the reason that we are here is because one of the Trustees that you appointed to the Gary Public Library who was charged to protect the library, to keep it open, to provide that service for the people, voted to close the library, and gut the building.

He said today we are here because Cynthia Watts has lost her vision, she has lost the responsibility of being a Trustee on our behalf, and reflecting your interest for the people in the City of Gary.

Mr. Barnes said that he hopes the Council can support the motion to have her appointment rescinded, and appoint somebody in there who is going to protect and serve the library, and the City of Gary.

Benjamin Coleman, wanted to give the definition of a Trustee, which is from the American Library Association, which states:

"A Library Board Member is often referred to as a Trustee because as such, one is expected to be a good steward or caretaker of the library, or the library system. This does not refer to the physical or historical maintenance of the building, but to stewardship of the library' growth and success.

It is also a reference of care taking of the library' needs of the community you serve.

As Trustee you are a public servant endowed with the people' trust to take care of the community library and it's citizens."

Mr. Coleman said if this sounds like a grave responsibility, it is. He said he hopes she was told that when she took her code, as a public librarian trustee.

He said that's the announcement that all Trustees should be concerned about, in that, their concern about the community and this is one instance where the community has not been involved in the process of changing from a library to a museum. This is something that shocked the entire community when we were told that this building was of poor condition, we had no money, and we have to close it because of the budget restrictions. But, in the next month, we were told we would have a museum. That shocked the people in the City of Gary. Mr. Coleman asked, how can you have money for a museum, but can not maintain a library? He said that's the question that went through the City of Gary, that's how we obtained 3,500 signatures so easily.

Mr. Coleman said that in 2010, we were told that they were going to have to cut back on our library, and he understood because downsizing is going on now because we don't have the money. But when you downsize, it seems as though a business person, would think, before I close, let me explore my options. Mr. Coleman said they could have gone to a 4-day week, from 2010, to 2011, to the present time. That's over 2 years that we could have reduced the workforce. Mr. Coleman asked, how much money would that have saved? Wouldn't that have been much better than say, let's shut it down?

Mr. Coleman said, but if your intent is to shut it down, it makes no difference. He said his intent, or someone else would be, let me save this library, and I will find options to do that. That didn't happen.

Mr. Coleman said on 3-20-11, they decided to close the library. On 10-24-11, they voted to establish a museum, sad thing, no public hearing. There was no public hearing, you are changing the entire face of an institution, and you had no public hearing.

On 11-28-11, the Board passed the Resolution on what they had voted on in October, to have a museum, no public hearing. Mr. Coleman said, but remember, we vote first, and the community comes in later to try to respond, it should be just the reverse, the Community should have input, you vote, then we make a decision together. If you're going to have a museum, it takes people to work that museum to make sure it's workable. No one in the City of Gary, wanted to see, then Mr. Coleman said, it may have been a few, but as a whole, no one wanted to see a museum. He said that's why we lost confidence in Cynthia Watts, because we expressed to her, but it was only after the fact, that a decision could be made.

Mr. Coleman said they moved rapidly on establishing a museum. During all of this, Nipsco came in the picture, they offered the building on 8th and Broadway. Mr. Coleman said someone on the Board decided that might be a good site for an administrative building for the library. Mr. Coleman asked, if you are going bankrupt, why would you want a modification, and spend money on a building that you know nothing about? Mr. Coleman said the Board spent \$9,700 dollars to inspect that building, and said that's a hell of an inspection, \$9,700 dollars for an inspection.

He said in December, architect drawings were made, and a contract was given, from December to January, \$91,000 dollars on drawings, but remember, the estimate for this museum would be \$3 million dollars. We have \$6 million dollars in reserves. Take \$3 million from that, and we have \$3 million dollars left. It takes \$2.7 million dollars, average, the way it is now, to run that institution. Reducing it might be \$2.1, or \$2.5 million, but if you pull it out, this library is running on fumes. No one in their right mind would let their institution run on fumes, when you don't have to. That's why the public was disgusted with this.

The reserves were established for a reason, that reason, we have repairs, we have roofs on the existing building that we have that need repairs, that's why, but if you pull it out for a museum, that no one had to get, then you have just destroyed this institution. Mr. Coleman said, the maintenance problem alone, if we have a leaky roof, if we have something else, would just cripple us.

So, Mr. Coleman said, I have no problem, the citizens have no problem, we have lost our confidence in the representative Cynthia Watts, to carry out her responsibility for our institution, and we ask respectfully that you withdraw.

Attorney Douglas Grimes, stated that he is a resident in the City of Gary, and he pays taxes in the City of Gary. He said that he agrees with everything that has been said. One point that he would like to make is that the library has a levy. It receives taxpayer' money for a library, not for a cyber café, not for a cultural center, but for a library. He said the question in his mind is, the legality of using taxpayer money, collected and dedicated to a library, and use that money to close the library, and replace it with something else, and continue to use tax money dedicated to a library for this alternative purpose.

Mr. Grimes stated that he thinks that is very important and that not only applies to Ms. Watts, but it applies to all of those who are on the Board, who have voted for this proposal, for this change.

Mr. Grimes said, from his perspective, that is an issue that is going to be out there, if this situation goes forward, and the library is transformed to something other than the tax money that is dedicated to it is used, and it may already have been. Mr. Grimes asked how do you spend \$2.7 million dollars, and you

are running a deficit? You are taking those dollars that have been set aside as part of a rainy day fund, to make that purchase, or to engage that Contract. Mr. Grimes asked, so where did that money come from? Was that part of the rainy day fund, or was that established in some other manner?

Mr. Grimes said, if the tax money is part of the rainy day fund, then you've got a problem, I believe, because you're using money that is suppose to maintain the library, and you're saying we are not going to use that money anymore for that, we're going to use it for a different purpose.

Mr. Grimes said, I join with the others, at the outrage of closing our symbol, the people of Gary, their symbol of literacy, in a City such as ours, or any place. It may not equate to book burning, but it is very close. When you're saying to people, "look, you don't need a library", where you can go and access computers, people who don't have computers, who can only apply for jobs on-line, and it's only going to get worse.

Mr. Grimes said probably the one place in the community where there is the highest concentration of technology, outside of the school system, than anyplace else. You have a community with 37% poverty rate, and you're going to take the little technology they have and change it to something else, using their money.

Robert Campbell said the library is "something that's very dear to me". He said that reading is fundamental. If you want to enslave a people, take away their libraries. He said that sometimes I think some people want to go back to the plantation life to take people back into slavery, mental slavery, and I'm not with that. Mr. Campbell stated that wrong is wrong, and I don't care who does it.

Dr. Linda Peterson is a retired postal worker, who said that after she retired, she frequently used the library. She said her concern as a citizen is that we have been bamboozled by members of the Library Board, who voted for a museum. She said we have repeatedly asked for documentation to support this endeavor, and if our taxpayer money is being used, then we ought to be able to see how that plan is going to be implemented. At the last board meeting she said that one of the board members said, there was no plan, we plan to fail. Dr. Peterson questioned, so how is it that some say that we can do this, and then there are other members on the Board that said there was no plan?

Bill Kosarch, a citizen of Gary, and user of the library said he has attended 150 library board meetings since 2006. That's policy, committee, and general board meeting, and Ms. Cynthia Watts' stock and trade answer, when it comes to board comment is "we'll take this under advisement". I have never heard that board member, in 6 years, have an opinion on anything.

Mr. Kosarch said, we don't need rubber stamps. We need pro-active visionary people on that Board. I've seen the Gary Public Library go from a top institution, to a piece of something to really be ashamed of. He said the Library Board consistently, for decades has played lousy rotten politics, and it shows. Now Gary is a disgrace, this Board, not all, but most of them should be ashamed of their political appointment, they do nothing on that Board but worry about where they are going to travel, which they've done plenty of, over the years, believe me. They all have their opinions about getting out of town and going to professional conferences, which is a privilege that should have been given to the staff. All these Board members have taken advantage of travel, and Ms. Watts has been on a whole lot of trips.

What I have to tell you folks is this, there is an uprising, right here in Gary, and people, I understand budgets. The budget is tight, and the main library had to be closed because it's falling apart, according to the architects. Now there is a "hair brain" scheme out there to make it a museum. It's unsubstantiated, it's just the whimsy of the political faction that controls that Board, and that's just the way it is.

Attorney Tony Walker said this all comes about because the Governor, the State, and then the voters of the State saw fit to constitutionalize a property tax cap, in the State of Indiana. Attorney Walker said, as a result of that, we projected what amounted to somewhere between 44 and 60% cut in our anticipated annual tax revenue.

Attorney Walker wanted to respond to some of the comments from some citizens who previously spoke.

He said that he doesn't disagree with 90% of what they all said, in fact if you look on the Petition, you will find my name, because I am against the closing of the library. He said most of the members of the Board are against the closing of the library; however, what it means to be a Trustee, is putting your personal feelings aside. It means putting your personal ambitions, and objectives aside, and operating with a fiduciary responsibility to the taxpayers.

He said it doesn't matter what I think, or what I feel, if I am told by my Financial Controller, and by my Financial Consultant, that you will have 50 or 60% less tax dollars, I can't go somewhere and act like I didn't hear it.

Ms Watts can't go somewhere and act like she didn't hear it. We have to deal with the financial realities we are faced with.

He said the Library Board in Gary, including Cynthia Watts, all of you, everyone of you in this County, deals with the same financial realities. We are all undergoing the same thing, so in fact, as you sort of sit in judgment of this situation, "but for the Grace of God, there go all of us", because we all are going to have to make decisions that are tough financially, but then there again that comes down to what the real medal of leadership is about doesn't it? Not always doing what's comfortable, what's convenient, knowing that you have to make decisions at times that are tough, and people aren't going to like them, but you do it anyway, because it's the right thing to do, right?

That's what we all stand for, that's what Cynthia Watts stood for, but just based upon what I heard, there is an issue here of credibility. I've only been on the Library Board for just under 3 years. Ms. Watts has been on the Library Board for 15 years, representing the County Council, almost 15 years. Ms. Watts also serves on the Sanitary District Board, which also is facing real tough decisions. She serves on the Steel City Hall of Fame Board. She is an elected precinct committee person. She is in the words of your own colleague here, "a lady of integrity", and I agree with that.

The reality is, there are people on the other side of this issue that are exploiting this unfortunate circumstance for their own particular reason. The people in Gary, by and large, understand what's going on with that. I don't think it's appropriate to bring it up here, and I will not, but as it relates to the issue before us, I have to ask a couple of questions.

Number 1, who is the definer of public opinion? Ben Coleman? Me? I mean which any one of us speak for 80,000 people? Who is the barometer really of what people really think?

When you start looking at the details of this situation, Councilmembers, let's start on the face value of the people that we've heard from.

In the almost 3 years I've been on the library board, how many meetings has Ben Coleman been to? He is sort of the leader of this pack, from what I can ascertain. One meeting, he repeated, one meeting, one Gary Public Library Board meeting, and yet we have 15 minutes worth of conversation of conclusions, after attending one meeting.

Dr. Barnes, how many meetings has he been to? Two. Two, does that make him an expert? Probably not, in relation to Mr. Coleman it might. Two meetings.

We have people here that, if you just look at it objectively, can I come to one of your meetings, and come up with conclusions or actions that you have worked on for over 2 years? Attorney Walker said, this isn't new, this isn't new at all. I've given you a chronology that sort of details where this has come from. It's been a long road, and it's been a long road that we haven't traveled alone, as a Board.

Attorney Walker said we have had some of the best minds in Gary, some of the most competent professional staff, and professional consultants working on this issue for over 2 years. Attorney Walker said he gave the Council Exhibit books, and he outlined some notable things in them, and one thing that you will see throughout most of the meetings, through our Board minutes, we were represented not only by our executive staff, who is very competent, we were represented by one of your Professional Consultants, Curtis Whittaker and Associates. Super CPA, they call him, here in Indiana.

We were represented throughout this whole process by one of the best Attorney' in the State, who is now Mayor, in the City of Gary, Karen Freeman-Wilson. This isn't some group of ad hoc people that got together to cook up something. These are serious people that for a period of 2 years, dealt with the issue.

I will start at January 25, 2010, but it goes back before that. On January 25, 2010, GPL projects a 44% decrease in anticipated property tax revenue. We immediately knew that with the implementation of the property tax caps, we had to do something. We put out an RFP for a financial consultant to come in and just focus on this issue, and develop a range of options after looking at a lot of different scenarios, and we unanimously voted to retain Curtis Whittaker & Assoc. on June 28, 2010.

On July 1, 2010, we entered into a contract with Mr. Whittaker, you will see that his scope of work included looking at patron usage information, per branch for the last 5 years, looking at the cash flow statements, and preparing short and long term financial plans, which he has done very well, by the way.

On July 26, 2010, Mr. Whittaker came to the Board meeting and reported that there is a serious cash flow crisis coming our way, that we have to immediately start looking at serious budget cuts, and that 75% of our budget, at that time was personnel related expenses.

Attorney Walker said that you will see in the hand-out that I gave to each Council member, exactly where the source for all of these different statements are in your exhibit package.

On September 30, 2010, Mr. Whittaker, after our asking him to really define how much money we were talking about, possibly cutting, he told us that our anticipated tax revenue for 2011 would be \$3.5 million dollars. It's important to note there, that our budget for that year was \$5.7 million dollars, so we knew immediately that we're about \$2.2 million in the red.

Attorney Walker said without getting into an elaborate discussion of municipal finance, which he's sure the Council knows about, but he said he is tempted to do it for people that have not had the opportunity to serve on Municipal bodies. Basically speaking, you set your budget against your anticipated revenue. You don't set your budget against total assets, you set your budget against anticipated revenue, so we're looking at what we are projected to have coming in, and what we are spending. We have other funds, which we will address later. So on November 22, 2010, at a Board meeting, Mr. Whittaker presented a booklet that he had prepared with our executive staff, of what they believed were the 5 best options to consider, for dealing with the budget shortfall. At that meeting, we decided immediately, we need to invite our appointing authority to hear this. This is not something that we wanted to take on, without talking to anyone, so in fact, we did invite our appointing authorities. I have the list, and the letter here.

Many of you here that were sent letters inviting you to come on December 11th to a meeting with all of our consultants, and our Attorney, to discuss the options, five options that we were considering. In fact there was a Post-Tribune article on December 11th actually stating the Library is having a meeting today for the appointing authorities, and the public, to discuss the options to deal with the budget crisis. Nevertheless, at that meeting, we had every single appointing authority represented, except the Lake County Council.

Not only did we have every single appointing authority represented there, some of the members from the other appointing authority that came said, we need to put you on our agenda at our meeting so that you can come and make this presentation to the other members that couldn't make it today. We did that, for instance with the Gary Community School Corporation, we took all of our Consultants, all of the school corporation appointees and said, here are the 5 options, what do you want to do?

During this time period, not only did no one from Lake County Council show up to the presentation that we gave, there was never an invitation for us to come here, which we would definitely have done, to be on your agenda.

We had those 5 options, on November 22, 2010, we presented them to the public, and appointing authorities December 11th, by January 18, 2011, our Library Director was ready to make a recommendation, and the minutes to that meeting are in there as well, "Exhibit 11".

The Library Director recommended, closure of the Main and Tolleston Branches to reduce operating expenses from \$5.7 million to \$3.4 million. These weren't some Trustees that got together and decided we knew what was best for the Library. We followed the guidance and counsel of our Consultants, our Attorney, and most importantly, the Library Director, and Financial Consultant who made a recommendation to us on January 18, 2011 to close the Main and Tolleston Branch. Attorney Walker asked, now did we rush and close it? No. That was January 18, 2011. At that point, in that meeting, and you will see that in the minutes, it actually says, we want to consider whatever other options that are out there, anyone in the meeting, any other staff members that have options they want to have considered, please bring those to us and let us consider them. We didn't do take any actions on that January 18th recommendation for 2 months.

It goes to March 28, 2011 before the Board took any action. Attorney Walker said just to show you the lack of due diligence of the people putting together these charges, they don't even have it right, as to who voted for this. They accused Jonathan Boose, who is in the audience here, of voting to close the library months before he was even on the Board. That's one example of how much research, and deliberation they did for their whole presentation.

Actually directly, from people I've talked to, actually one petition I signed, the person came up to me and said, "hey they are closing the library". No, Gary Public Library, at the time was 6 Branches. A 6 Branch footprint of the Gary Public Library was set up to serve a population of 160,000 people.

Attorney Walker said I don't know if any of you have had access to the latest census statistics in Gary, but they show that the population is half of that, down to 80,000 people. The population has so decreased, that we've even had within our different Election Board here see fit to remove precincts from the City of Gary, due to dwindling population. So a library that was set up for 160,000 people, with 6 branches, wasn't closing, it was going down to four full-service branches. Four, which were spread out in different neighborhoods across the City where school kids could get to them. There was an argument that reasonable people could disagree, where we were considering what to do with those 5 options. They are all essentially boil down to, over a period of time, keeping the Main, and closing the 4 other branch locations, or closing the Main and Tolleston, and keeping 4 full service locations open in the neighborhood. We felt at the time, due to the usage, due to access to students and neighborhoods, it was better to keep open 4 libraries, than to require someone on 49th Street to come down to 5th Avenue to go to the library. It wasn't going to happen for the students. So that was a discussion that went in favor of the decision that was made, but it's important to keep in mind here, and I think the Council members that do not live in Gary, ask yourselves, how many libraries are servicing your communities now?

For most of you, I think is one or two. We still have four full service library in Gary, after these closures.

So on March 28, 2011, Nancy Valentine, and myself moved to approve the Library Director's recommendation and close the Main and Tolleston Branches of the library, to effect that reduction in cost from \$5.7 million dollars, to \$3.4 million.

On August 22, 2011, the Controller for the Gary Public Library reports that Gary Public Library is on track to spend \$4 million in 2011, so we had had some success in terms of freezing, hiring, and reducing costs in other expenditure line items to get from what was initially a \$5.7 million dollar budget for 2011, to get down to now being on track for \$4 million in expenditures. During that period, we were projecting revenue, and for the benefit of the public, this is somewhat of a guessing game, you really don't know because there are a lot of moving variables in deciding how much money you're actually going to get. What is the tax collection rate?

We just found out, not too long ago, in Gary it's 68% right now. What are the assessed values going to come back at? So, all you can really do is try to pinpoint a range of where you think the revenue projections are going to come in, we were feeling that it was going to be somewhere between \$2.5, and \$3 million, and that's somewhat been consistent of how we've looked at the implementation of the property tax caps, over 2011, 2012, and 2013.

On October 24, 2011 we had a Board meeting, but to really explain that I have to go back to March of 2011, and unfortunately we couldn't have some people who I thought would have been helpful here to sort of get this out. When we made a decision on March 28, 2011, you will see in your packets, the decision was to take effect on January 1, 2012. Well, we did that for several reasons:

First, we wanted to afford the employees of the libraries that were going to be affected, the maximum amount of time possible, to find additional work, and make adjustments to any type of reduction in force we had. So that was going to give them roughly 8 months to try to do that. That was number 1.

The Second thing that was voiced at that March meeting, and most of the subsequent meetings, was that we do not want to leave another "eyesore" abandoned building in the center of downtown Gary.

We were looking at the options there which essentially would require us, if we couldn't find a tenant, to board that building up, and that was unacceptable, I know for Ms Watts, it was unacceptable for me, it was unacceptable for several members of the Board, no matter how we felt about what was going on. If you look at the comments made in that March 28th meeting. No one, everyone voiced a displeasure with the idea of having to leave another boarded up building in downtown Gary, so Attorney Walker said that they approached several stakeholders in the Community, the most importantly, and the one they spent the most time with was Indiana University. He said they had conversations with Steve McShane, and Ronald Cullen, that run their Calumet regional archives, asking that they try to put together a project where they unite all of their archives. He said the Gary Public Library has a great archive special collection. He said they probably have one of the most extensive and best in the region. Calumet Regional Archives has a great collection. He said they had several meetings, and conversations in which we asked Indiana University to take over this building and make it one big regional archive for scholars, students, and all of that?

Attorney Walker said they had several meetings, and there was an attempt to set up a meeting with the Chancellor. He said we were unsuccessful trying to find someone to come in to operate and man that facility, and they are coming close to a December 31st deadline to close it. He said this isn't the way that any of them would have liked to have presented it, but we were feeling like their backs were up against the wall. He said we have a closing date, in two months. We have no one coming into this building. We are going to have to board it up. He said it was at that point that they said, we had the financial consultant look at some numbers to see what is driving the cost for this facility? He came back and indicated in the notes of the minutes of October 24th that to operate the full service library, at the main branch, was costing us \$2 million dollars. He came back and told us however, the basic cost of just having the building open is \$154,000 dollars. He said they began thinking that there may be a possibility here of being able to bring our budget within alignment with our anticipated revenue, while at the same time, finding a use and function for that facility that adds value to the community.

He said Mr. Grimes, who hasn't really been a part of this issue, until today, brought up the legal question, and Attorney Walker directed a question to Attorney Grimes.

Attorney Walker stated I.C. 36-12-3-4c, specifically and explicitly states: "that a Public Library is also a Museum Authority, and can expend its' funds operating a museum".

Attorney Walker said that there are 5 Public Library systems, in the State of Indiana, that are operating museums. We called the Indiana State Library to get some guidance on this issue, and they said, " that's happened across the state in several different public library systems". "Why don't you go and talk to the folks that have already done this"? Attorney Walker said, I did, he went down to Crawfordsville, Indiana, met with their Board, met with their Library Director who turned out to have grown up in Gary. He met with their curator, who grew up in East Chicago, and Gary, to Attorney Walker's surprise, but he found that they had actually made successful transitions of buildings from libraries to museums, and were running it at a fraction of the cost that it took to run the library.

Attorney Walker said, just to give you a snapshot as to why you would do this. Whereas on one hand, \$2 million dollars to run a full service library there, on the other hand, our operating budget now, for the Museum cultural center is \$265,000 dollars. Attorney Walker said, that's almost a no brainer. That's almost \$1.7 million dollars savings in operating costs.

Attorney Walker said, on October 24th, the Board voted to establish the South Shore Museum and Cultural Center, on December 13th of that year, we came back, after meeting with the building trades unions, and agreed on a project labor agreement for any work that would be done in the renovation of the South Shore Museum and Cultural Center, and on January 6th, there was the official release of Mayor Karen Freeman Wilson' New Day Advisory Task Force final report.

Attorney Walker said he called this the official release because they were actually meeting at our facility, there was interaction between that Body, and some of our Trustees. One of the things that they were working on, was after 6 months of study, you can call it a feasibility study, if you want. The Arts and Cultural Committee, appointed by the Mayor, came out with a major recommendation for the City of Gary, and Attorney Walker quoted, "the City of Gary should create a state of the art Cultural Arts Center that host fine arts collections, art gallery, arts education, and cultural programs, performing arts, community events, exhibitions, gift shop, and tourist center". Attorney Walker said, that is a direction we took to inform the work that we were doing of what he provided the Council with as "Exhibit 28", which is the architectural designs, of the South Shore Museum and Cultural Center.

Attorney Walker said that he thinks that it is important to ask the question, for all of us to think about, which is what is a library? What makes a library a library? Books? How true is that now a days, with a lot of things being digital, E-Books. He said, matter of fact, we are losing a lot of patron usage to the Lake County Library because they have a very advanced E-Book service there, that we don't have.

Attorney Walker asked, so what exactly makes a library? When you go back and look at the usage statistics for what was our main branch library, what do you think is the number one library service that patrons come into the library for? His answer was computers, the computer room. People check out books there, but most of our people are computer users. If you go back and look at how the petition was shopped around, the person that came to me with the petition said, "hey they are closing the computer access at the Main library". That's the way that was being sold. Even today, people are asking how are people going to have access, you can't even apply on-line, if you can't go to the library.

Attorney Walker spoke about page 3 of the architectural design, and you will see an area marked, computer room. There is a computer room that will still be at this facility. He said it's expanded because they are adding a wi-fi café, in addition to the computer room where the same computer training programs, that we offer now, will be offered.

Attorney Walker said we have an Indiana Room, which is part of the archives, which is at that facility now, and it will still be at the facility at the South Shore Museum and Cultural Center. In fact, there will be increased archival, and special collection space because you will see on page 4, not only is the Indiana Room, at it's exact location, and enhanced, but a new area which contains bookshelves, and special collections as well. Part of the objective here, was to build out a facility that would highlight what really is one of the treasures of Gary Public Library, and that is our archives of special collections, which now are sort of pushed in the background, in the basement.

You will still have bookshelves, our government documents that come in. You will still have computer rooms, but now you will have a lot of extra enhancements, that you don't currently have, that you can read about here.

He said in terms of function, library services function, the one thing that you won't be able to do in this facility, that you could do there, as the main branch of the library is, check out a book. You still have 4 other branches where you can do that, as well as we are rapidly moving now into our increasing our e-book offerings, where soon you will be able to check out a book from your office, your home, or your I-pad.

Attorney Walker said bringing you up to date on where we are now. We have been working rapidly to make this adjustment, part of the issue has been, we closed that facility in January, the 1st week of January, this year. We want to get it back open, and on-line, as quickly as possible and that's why we've been pushing things out the door, so folks don't have to be excluded from the building, they can have access to that computer room location again, and all of the other enhancements that will be there, as quickly as possible.

In the last week we've had several meetings with the administration in the City of Gary, they are helping us put building permits out quickly. We are moving very rapidly to what will be an August re-opening of that facility.

Just last night, the Gary Public Library Board, who has been fixed and steady toward making sure we are at all times, working in the space of fiscal responsibility, went in and made a final adjustment that we

needed to make to bring our operating expenses in line with our anticipated tax revenue. We approved a re-organization plan last night, that reduce our payroll expenses from \$1.95 million to \$1.42 million, giving us a total budget of about \$2.75 million dollars, which is balanced, and Attorney Walker said that's what people in honoring their fiduciary responsibility are supposed to do. Attorney Walker said, and that's what Cynthia Watts has done.

Attorney Walker wanted to also point out that Ms. Watts has never had anything like this charged against her, and it would be an absolutely horrible precedent, a horrible precedent, not just for the Lake County Council, for anybody, for any governmental body to remove somebody for voting to be fiscally responsible, and for a balanced budget, and Attorney Walker asked the County Council not to do that.

Council lady Franklin stated that she enjoyed Attorney Walker's presentation, and said that she certainly wanted the public to know that Ms. Watts is an honorable lady. This has nothing to do with her character, it has to do with her fiduciary responsibilities, as a Board member. Franklin said, in order to do that, you must be informed of the materials that you're being presented. You need to know what is going on around you.

Franklin said, the comments from Ms Watts, to Franklin was that she hadn't read the information. Franklin said in order to make an informed decision on anything, you have to read it, and not having it given to you by anyone else. You need to understand what you are reading.

The issue, as it relates to the outrage in the community is not about closing of the library, it's the fact that the citizens did not want the library closed, and then 5 minutes later you say that you have enough money for a cultural center. Their feelings are, if you have money to run a cultural center, then you can keep our library downtown, that's the issue, with the people in the community. All of this other rhetoric that we've heard, has nothing to with that. It has to do with location. They want to keep the public library downtown, that's what that's about, so when we were told about the cultural center, I spoke with one of the Board members, and I asked if we could talk about it, and the comment was, no, it's a done deal.

Franklin said she couldn't believe it, but what she wanted to say to all who are present was, that she wanted to thank them, and said that she has some problems with not just one Board member, but the understanding for a couple of more that sit on that Board. Franklin said you have Board members that she has seen sit there, on that Board that don't have an opportunity to express their concerns because they are out-voted by 4 people. She said when you look at their minutes, the same 4 people are ones that's making all of the decisions for the Board. The other 3 that vote "no" never get the opportunity to vote because they are always out-voted by those 4. Franklin said that she thinks that the Gary Public Library Board members need to have a more cohesive working relationship among themselves. Franklin said you are supposed to think for yourselves, and vote your conscience, and not based on what some else told you, which is not happening on that Board, which is where the situation comes from, of violating of public trust comes from. You are supposed to think, and that's not happening on that Board.

Prince said that this is an emotional issue, which has two different opinions. He said we they didn't allow speculation from either side, we wanted to deal with what you considered to be the facts. Prince asked for everyone to be cognizant of what the issue is, and what we're here for, which is the charge that was read by the Attorney. Prince asked the Council, in making your comments, to stay as close as possible to the particular issue, or the charge that we're hearing.

Bilski wanted to clarify to the public that the Lake County Council does not set the tax levy for the Gary Public Library, it is done by that Board, that is not done by the Lake County Council. The Lake County Council also does not make binding, or non-binding recommendations. If the Board's tax collections are anticipated at 64%, then he would hope that they would have based their budget on that 64%, just as we do here on our anticipated tax collections. We do not have any control over those types of finances, or who sets that.

Bilski said he does not recall the invitation to the Public Library, he does attend the Public Library meetings, that he can in his communities, however, Bilski said he is not aware of and is not familiar with this invitation. He said he would like to address anytime any one of our appointees has an issue, that he sits with, they have every opportunity to meet with this Body, and attend our workshops, and to have a session with that Committee, as well. Bilski said he doesn't recall being approached, or ever being asked to be involved in these types of discussions.

Cid asked if at the public forum that you had, in which the Lake County Council did not show, how many Gary residents were at that meeting?

Attorney Walker answered, I can only guess, but that the room was full.

Cid asked so the public was there, they had a chance?

Attorney Walker answered, yes there were people on both sides of the issue, at that point, the question was which of these 5 options would you like? Some people wanted to keep the Main, and close all of the other Branches, some people wanted to keep the Branches, and close the Main.

Cid asked, so the public did have a chance to speak?

Attorney Walker answered, yes, it was specifically for that purpose.

Cid asked is Ms. Watts the first one being petitioned, or is she the only one being petitioned at this time? Are there petitions out there for other members to be removed?

Prince interjected, actually that comment should go to the Petitioner, and you wouldn't be qualified to answer that.

Cid said, I see it in the petition, it names a few.

Cid asked Attorney Szarmach, the State Statute require that there be a public hearing, because I heard that brought up that there was no public hearing, which I don't know does that forum constitute a public hearing?

Attorney Szarmach asked, a public hearing for what action?

Cid answered for closing of the main library.

Attorney Szarmach answered, I can probably give you a good guess, probably not.

Cid asked how many members in the Main library, and the Tolleston, how many workers were let go, do you know that?

Attorney Walker answered, no one was let go as a result of that action March 28th, it was all part of a system-wide re-organization plan that was actually just approved last night, where we've gone from 51 employees full-time, to down to 37 employee, full-time.

Cid asked if any of those employees are in the audience today, that worked at the main library?

There was one in the audience.

Cid said she works in downtown Gary, and noticed a library that she past everyday, which is a blue building, and asked how far is that one from the main library that was closed?

Attorney Walker answered, they have 2 libraries within 1.5 miles of the one that's being closed, or re-purposed, which are Brunswick, and DuBois. The one you pass is Brunswick.

Cid asked at each Library Board meeting, just like here at our meeting, I believe every member does have a right to raise their hand, or ask to be heard.

Attorney Walker answered, and they do.

Council Dernulc asked Attorney Walker if he has a copy of that invitation?

Attorney Walker answered, yes, I do.

Councilman Niemeyer commented that in 2010 he was not a Councilman, so he didn't know about these meetings, but he did become a Councilman on January 1, 2011, and the only comment that Niemeyer said he has is that this is a very important decision for that Community in closing what Branches you were going to be closing, that Niemeyer said he would have liked to have heard from our representative that's on that Board at one of our workshops. Niemeyer said I'm not able to keep up on everything that's going on in the County, in these areas. He said he would have loved to have heard back on that issue, because that's our appointee, and something as important as this, it would have been great to have received some information and have a little bit of a heads up on what was going on there. We appoint these, and we have other committees too, and nobody wants to micro-manage, and get involved with everyday budgets, and stuff, that's what the Boards are set up for. The Community Boards are set up for people to participate in, but important decisions, such as this, I sure would have liked to have heard from our representative on there that this was going on.

Repay had a question for Attorney Walker, regarding "exhibit 15", in which October 24th 2011, where Whittaker reports to the Board that it cost approximately \$2 million dollars annually for a full-service library, however, the Museum, the Cultural Center will have a basic cost of \$154,000. Repay asked what accounts for the \$1.9 million dollars difference, if you know?

Attorney Walker answered, basically personnel, most of it is personnel.

Repay an annual \$1.9 million dollars swing?

Attorney Walker answered, yes, it was \$2 million dollars annually, to operate that facility as a full-service library. Right now, it's budgeted into our 2012 budget, as of last night, at around \$265,000 dollars, which includes the costs, that are given to you in "Exhibit 26", and Personnel cost of a Curator, Archivist, and an Arts and Graphic Designer, in the neighborhood of \$111,000.

Franklin made a motion to take all of the evidence that this Council has heard this evening, under advisement. Franklin said, it is so much to review, and it would be unfair to them to not have had an opportunity to look at all of the evidence. Franklin asked that we re-schedule for a final decision on this entire matter.

Dernulc seconded the motion.

Dernulc agreed with Franklin and said that there is a lot of information that he did not know about, that was presented to the Council today, and he needs some time to ponder his decision. Repay said that he appreciates everyone coming in today, and Attorney Walker's presentation, but his preference was to make a decision on the matter this evening.

Cid asked if there a target date of when this Council will make our decision, the next Council meeting, or a special meeting?

President Prince said he doesn't have a date at this particular time, and asked the maker of the motion, Council lady Franklin if she if she wanted to set a date today?

Franklin said, I was giving my colleagues an opportunity to review the information, she said she doesn't know how much time it would take for everybody to go through all of this because this is a lot of information that has been presented, and we need to make an informed and intelligent decision on this whole matter.

All voted "Yes", except Repay, "No". Motion to take this matter under advisement, and re-set for a future date carried 6-yes, 1-no.

There being no further business to come before the Council, it was moved and seconded that the Council does now adjourn, to meet again as required by law.

Jerome A. Prince,
President, Lake County Council

ATTEST:

Peggy Holinga Katona,
Lake County Auditor