

Russo, Stephanie

From: by way of Jack Lund <londonjack@sbcglobal.net> [Beach46403@aol.com]
Sent: Monday, February 23, 2009 1:53 PM
To: Russo, Stephanie
Subject: BEACH's "Prebuttal" to Clay's State of the City Address

"Beach" offers his own 'State of the City of Gary' analysis, before Rudy Clay delivers his. This is something for everyone concerned with the City of Gary to take cognizance of - and to investigate, if they have any doubt of the truth or accuracy of what follows on this page. Londonjack

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Will he still claim that he has cut the City's budget by over a million a month since becoming mayor--even though he hasn't cut it at all? Will he still claim that Obama stimulus dollars will soon be raining down on the city to save us? (Even though we now know that any money coming to Gary will have to first pass through Governor Daniels' hands?) Or will he propose that the rest of the state will bail Gary out?

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His administration has become a veritable employment agency for individuals with criminal backgrounds and questionable pasts. He has not done even ONE substantial thing since grabbing the job as mayor. He has however done substantial, horrible, nearly irreparable damage. Is he smooth enough to pull the wool over everyone's eyes yet again? Or have the citizens of Gary finally had enough of the lies and inadequacies of his and his administration's lack of performance? Being the mayor of a medium-size American city is not some joke--not something to be taken lightly. But he has. He has made it a joke. We can either laugh or cry. It's easier to

laugh, even though it's not the slightest bit funny. Laughter; a defense mechanism, a human frailty that sometimes helps us deal with disaster and tragedy. But this is a very serious business, and as such, warrants equally serious action. Not just more of this administration's inaction and refusals to deal with these most serious of realities. We can't just continue to laugh them off indefinitely. These most real of problems require the most decisive of actions.

So Rudy, if you have a chance to read this before tomorrow; I encourage you to instead tell us like it is. Tell the truth. It will be quite liberating. We can take it. What we can't take--or don't choose to want to hear is more of the same old crap you've been shoveling our way for the past three years. Throw Linda Key's prewritten, stock speech in the trash where it belongs. Tell us instead that the city has finally reached bottom during your tenure. Because now, we have nowhere to go but up. Now it is time to quit waiting around for some savior to bop into town to save the city. Gary's salvation is going to require every man, woman, and child to pitch in and reach down and do anything and everything they can to pull it up from the morass. There is not enough money around to save Gary unless we all pitch in and assist in helping ourselves. Once others recognize that we are willing to roll up our sleeves to help ourselves, they will then know that the time has come whereby it is now safe for them to help us. They say God helps those who help themselves. This also holds true of men and women. Our neighboring communities will be far more likely to jump into the fray to help us once they see we are willing to help ourselves--whereas before no one was willing to go near the dangerous edge of our infamous black hole. Tell us and everyone else that; Yes. the city has finally reached rock-bottom. But along with this realization, we can fall no further. And that the city having reached the bottom, and unable to fall any further, presents no more danger to those formerly unwilling to near its dangerous, slippery edge.

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From: andrea basarich [abasarich@sbcglobal.net]
Sent: Monday, February 23, 2009 6:13 PM
To: Russo, Stephanie
Subject: Fw: "Prebuttall" to Clay's State of the City Address

--- On **Mon, 2/23/09**, **Beach46403@aol.com** <Beach46403@aol.com> wrote:

From: Beach46403@aol.com <Beach46403@aol.com>
Subject: "Prebuttall" to Clay's State of the City Address
To: nglenn@netnitco.net
Date: Monday, February 23, 2009, 12:15 PM

So what's he gonna' talk about? What can he possibly say? Aren't his puppetmasters at all concerned about what will slip out? How will they keep the press away from him at this, so public an affair? Will he, like all other addresses before, just mindlessly rattle on about a long series of "projects" that have no foundation in reality?

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A Good Credit Score is 700 or Above. See yours in just 2 easy steps!

Russo, Stephanie

From: Beach46403@aol.com
Sent: Tuesday, March 03, 2009 7:25 AM
To: Russo, Stephanie
Subject: Just another scam of many

The following articles from yesterday's papers, just begin to tell the horror story finally unfolding as it pertains to this "project"--which has been a showcase for the current and past administrations. As bad as it already sounds, I am afraid this is only the tip of [this](#) iceberg. It took the full cooperation of several departments, and a big extra effort by the Empowerment Zone to fail this miserably. But Scott Upshaw shouldn't take all the blame. Most of this "work" has Venus Cobb's fingerprints smeared all over it. He just sat in the back row silently for the majority of it. But then again, since he became director, he hasn't lifted a finger to stop the bleeding.

This project has been a drain on taxpayers for over a decade--and there's no end in sight!

Someone needs to stop this insanity. We're counting on the DUAB!

There is going to be no shortage of money or the cooperation needed to straighten this city out. All we need is some good administration and leadership. I am confident that your group can provide both. We're ready--make that way past ready. We're just waiting on you!

Nonprofit sues developer after Gary housing fails to net tax credits

BY DAN HINKEL

dhinkel@nwitimes.com

219.852.4317 | Monday, March 02, 2009 | ([4 comment\(s\)](#))

GARY | Years after a Florida developer said he would sink \$10 million into rehabilitating a historic downtown Gary building into an apartment complex, the building remains vacant, and one of the project's nonprofit investors is suing the developer for almost \$1 million.

The lawsuit filed in Hammond federal court claims developer Shawn Loyden owes the investor \$921,619 because the vacant 57-unit Dalton Apartments failed in 2008 to generate any low-income housing tax credits. The plaintiff, National Equity Fund Assignment Corp., is a Chicago-based nonprofit middleman that connects private investors with projects that will generate low-income tax housing credits.

The plaintiff is seeking a judgment of \$871,619, the amount of the plaintiff's investment, plus \$50,000 for the allegedly breach of contract.

Loyden did not return calls for comment. A lawyer for the plaintiff routed questions to the plaintiff. A spokeswoman from NEF did not return a call for comment.

The stately but bedraggled Dalton Apartments building sits on the south side of Fifth Avenue just east of Broadway and just south of U.S. Steel Gary Works. The building remains a construction site in obvious need of significant repair, but the building has been improved recently. New windows, still marked with factory stickers, have been installed on the building's west side.

Scott Upshaw, director of the Gary Empowerment Zone, said the first apartment units previously were supposed to be ready by April 1. Upshaw said he does not know when the project will continue or finish.

Upshaw believes NEF is trying to pull its investment because Loyden didn't meet deadlines to receive credits. The tax

credit issue is hanging up the project, Upshaw said.

"The project was moving forward, and then NEF decided that they didn't want to be a part of it anymore," Upshaw said.



Dalton Arms project in Gary languishes

Recommend
Comments

March 2, 2009

By Jon Seidel

Post-Tribune staff writer

GARY -- Millions of tax dollars and more than a decade after talk of restoring the dormant downtown structure began, little information seems to be available about the status of repairs at the Dalton Apartments building.

Shawn Loyden, managing member of Florida-based Gary Progress Development LP, hasn't returned several phone calls about his work at the building in the 100 block of East 5th Avenue, despite signs of new construction.

Mayor Rudy Clay referred questions about the project to Gary-East Chicago-Hammond Empowerment Zone Director Scott Upshaw.

"The project was moving along as far as I knew," Upshaw said.

Upshaw and Jacquelyn Drago-Hunter, director of Gary's Community Development department, said their offices have invested a combined \$5.4 million in federal funds into the project.

The developers are expected to pay back the \$2.5 million Empowerment Zone loan in July, Upshaw said. Drago-Hunter, however, said payments on her office's \$2.9 million loan will be made secondary to a private bank's investment.

Payment will also depend, Drago-Hunter said, on completion of construction. Viewings of the building's units were supposed to begin as early as this month, Upshaw said. He and Drago-Hunter estimated work there to be 50 percent to 65 percent complete.

No definite completion date was given, though.

"You probably should talk to Shawn Loyden," Drago-Hunter said.

For more than 10 years, various developers talked about renovating the empty building. Several bonds and loans have been issued, but it still stands empty. Loyden took over the project in 2003.

In 2005, Loyden said he would restore the 1928 Art Deco building to serve as a 57-unit apartment building with restaurants and businesses on the ground floor. He said he hoped to finish the work as early as 2007.

"As of right now, because of the Wall Street cave-in, we can ask for an extension if a project needs additional time," Drago-Hunter said.

Contact Jon Seidel at 881-3148 or jseidel@post-trib.com.

Russo, Stephanie

From: by way of Jack Lund <londonjack@sbcglobal.net> [Beach46403@aol.com]
Sent: Tuesday, March 03, 2009 11:30 AM
To: Russo, Stephanie
Subject: Just another scam of many: Gary's DALTON APTS. Fiasco - Millions Lost!

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Russo, Stephanie

From: AYoung7550@aol.com
Sent: Friday, March 06, 2009 10:35 AM
To: Russo, Stephanie
Subject: City of Gary department head makes the front page

The individual that is prominently featured in the following article is one of the City of Gary's department heads that provided testimony on behalf of the City at the first DUAB public hearing.

Gary official denies role in missing money

Recommend (3) <<http://www.post-trib.com/news/1463305,Gary-mortgage-funds-0306.article#none>>
Comments <http://www.post-trib.com/news/1463305,Gary-mortgage-funds-0306.article#Comments_Container>

March 6, 2009

By Jon Seidel

Post-Tribune staff writer

GARY -- Gary's director of Community Development helped run a now-defunct title company where as much as \$400,000 meant to pay off clients' mortgages went missing, records show.

Jacquelyn Drago-Hunter, who now oversees millions in federal dollars in her position with the city, denies playing any role in the scheme at Maximilian Title Corp.

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<http://media1.post-trib.com/multimedia/306gdrago.jpg_20090305_19_54_02_125-116-165.imageContent>

Norman Ginn and his wife were taken to court by their insurance company last year and accused of defaulting on their mortgage.

(Scott M. Bort/Post-Tribune)

State filings list Drago-Hunter as Maximilian's secretary. One of its principals. Elsward Hunter, her husband and president of the company, died in 2007.

Indiana Commissioner of Insurance James Atterholt ordered Maximilian to cease and desist all business in June after its underwriter accused it of "improperly withholding, misappropriating, or converting monies received in the course of doing insurance business."

Drago-Hunter was the settlement agent in at least two documented cases. A letter written by an attorney for the Indiana Department of Insurance to one victim last month suggests the issue could spill back into court.

"Your presence as a witness may be requested," attorney Kathy Hulbert told Miller resident Norman Ginn Jr.

Drago-Hunter said the missing money was taken by two employees she wouldn't name and who she said were deceased. She said she isn't aware if a police report was ever filed against the thieves, but she said she is the person who uncovered the discrepancies and told the underwriter.

"I was the one that shut the company down," Drago-Hunter said.

'What payment?'

Norman Ginn and his wife, Willena Ginn, visited Maximilian's offices at 5th Avenue and Broadway in 2006 when they decided to refinance the mortgage on their Miller home. Wells Fargo, the bank doing the refinancing, referred them to Maximilian.

The meeting was cordial. Drago-Hunter notarized the new \$73,000 mortgage for the Ginns and the Ginns considered their first mortgage debt satisfied.

Two years later, the Ginns' phone rang. It was a collection agent, wondering why the couple stopped making payments on that debt.

Norman Ginn's response: "What payment?"

"After two years, you know, I had totally forgotten about it," Norman Ginn said.

According to court records filed in July, the Ginns still owed \$51,792 in principal on their 2001 mortgage. Collectors came down hard on the couple, Norman Ginn said, threatening to kick them out of their home.

"They were real nasty," Norman Ginn said. "They wouldn't listen to a word I had to say."

Maximilian dissolves

The Ginns were forced to hire an attorney to help them clean up the mess. United General Title Insurance Co. wrote a check for \$59,047 to pay off the original loan with interest, documents show, terminated its contract as Maximilian's underwriter and called the Indiana Department of Insurance.

Hulbert, an attorney in the department's title division, petitioned for a cease and desist order against Maximilian on June 5.

According to that petition, United General said Maximilian continued making monthly payments on clients' mortgages instead of paying them off. Mike Trimble, a title division investigator, filed an affidavit confirming that claim.

"United General has reported that the missing funds total between \$300,000-\$400,000," Hulbert wrote in her petition.

Commissioner Atterholt granted the order the next day. By then, however, state records show Maximilian had voluntarily dissolved. The case appeared to be dormant until last month, when Hulbert mailed Ginn a letter.

"I am pleased that there was a successful resolution of your title insurance issue, and I am closing your file," Hulbert wrote. "It will become a part of the litigation file that I am preparing for Maximilian Title."

Stephen Robertson, director of the Indiana Department of Insurance's title division, declined to comment this week on the specifics in the Maximilian case beyond the public record. He said his office has no law enforcement authority, but it can take several regulatory actions against an agency.

Robertson also said his office could refer a situation to state or local law enforcement agencies.

"We want to make sure that we have a basis to do so," Robertson said.

A United General representative said the company doesn't comment on pending litigation. Frank Jury, Drago-Hunter's attorney, declined comment as well.

Drago-Hunter, meanwhile, said she's received no correspondence from United General or the Indiana Department of Insurance.

"Obviously, I'm not a part of it because I don't have a letter from them," Drago-Hunter said. "I'm sure that if I were guilty of anything I'd be getting some letters."

Lakefront property

The Ginns weren't the first homeowners to have trouble with Maximilian Title. A similar problem nearly scuttled the sale of a house on County Line Road overlooking Lake Michigan, according to court documents.

Anna Panagiotaros refinanced that home in 2003, records show, closing the deal in the same office as the Ginns and working with the same closing agent: Drago-Hunter.

Drago-Hunter denied ever being a co-owner of the company, despite her identification as such in Panagiotaros' complaint. She said she was merely a board member.

Panagiotaros expected \$254,104 owed to Washington Mutual Home Loans for the mortgage on that property to be paid off, but Washington Mutual said it was still receiving monthly payments on the mortgage one year later, court records show.

Meanwhile, a buyer had committed to purchasing the home from Panagiotaros, according to one filing, but the sale couldn't go through until Washington Mutual released the mortgage.

The case was eventually dismissed with prejudice after Maximilian wired \$254,212 to Washington Mutual to pay off the mortgage, records show, and Panagiotaros transferred the property to a new owner through a warranty deed in July 2004.

The title division of the Indiana Department of Insurance didn't exist until 2006, Robertson said, and the Panagiotaros case doesn't appear to be a part of Hulbert's file. Panagiotaros declined to comment for this story.

Drago-Hunter pointed to her dismissal from that case as proof of her innocence. She again insisted that the employee who took the money died before the scam was uncovered.

"There was nothing you can do about that," Drago-Hunter said. "What are you going to recover?"

Contact Jon Seidel at 881-3148 or jseidel@post-trib.com. Comment on this story at www.post-trib.com.

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<<http://www.pluck.com/>>

[Unable to display image] berealistic wrote:
This is just disgusting....

She now oversees MILLIONS of dollars for the city!? She needs to immediately be removed from that post and given some other responsibilities that do NOT include handling money.

Not only is she a crook, but a low down dirty crook who places the blame on people who are no longer with us... She knew if her hubby was coming home with things that they could NOT afford and the same for those other employees. When people are stealing they ALWAYS get too confident and start making extravagant purchases.... Come on now, be realistic.

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[Unable to display image] melvinowens wrote:

why doesn't she just plead guilty and agree to make compensation to the people who she stole from.

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[Unable to display image] d chicago wrote:

If it looks and smells like a crook, then it's probably a crook.

Her attitude (as perceived by her quoted statements) is insulting.

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[Unable to display image] justmyopinion2 wrote:

AS i read this article it sure sounds like she is accusing her dead husband of all this mess and is taking no responsibility for anything. I would be angry with this company.

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Russo, Stephanie

From: andrea basarich [abasarich@sbcglobal.net]
Sent: Sunday, March 08, 2009 8:57 AM
To: Russo, Stephanie
Subject: Fw: So many elected officials...so little leadership!

--- On Sun, 3/8/09, Beach46403@aol.com <Beach46403@aol.com> wrote:

From: Beach46403@aol.com <Beach46403@aol.com>
Subject: So many elected officials...so little leadership!
To: nglenn@netnitco.net
Date: Sunday, March 8, 2009, 8:30 AM

It seems that the State and the Feds are prepared to let us stew in our own juices--at least until such a time as we can prove to them that we are willing to help ourselves--until such a time that WE demand better.

I don't think that anyone has ever stated it any better or more succinctly than Governor Daniels. At yesterday's meeting in Griffith, he was quoted as saying, "I believe in home rule, and **you are entitled to all the lousy, crummy, graft-ridden government you are prepared to pay for.** But if you are ready to do better and believe in this state like I do, a good starting point would be to take some of the steps ... recommended." Making this statement took some guts. We should all consider ourselves lucky that we have a man in his position with the courage to make a statement like this AND back it up! Mitch Daniels knows what it is going to take to fix Lake County and Gary, AND he is willing to fix it. All we have to do is let him. All we have to do is ask him to. And maybe just give him a little encouragement and let him know that we also think it's the right thing to do--that we want change--that we want better. But instead, in so many different ways, one way or another, this area sends the opposite signals.

"Leave us alone. We're fine. We're different. We don't need an outsider telling us what to do."
Wrong. Wrong. Wrong. Wrong. We need help. We're nowhere near OK. We are not different. And we need anyone's help that is offering.

I don't think we'd be wise to pass up this possibly once-in-a-lifetime offer. There is no guarantee that Gov. Daniels' successor, whomever that may be, will have the same soft spot for Northwest Indiana. While he has said that he has made it a priority to cleanup and improve NWI, Indiana's a big state, if we make the job more difficult by putting up unnecessary resistance, he might decide; to hell with us, I'll focus my attentions elsewhere. That would be a terrible shame. NWI has a good friend and a great leader in Mitch Daniels. The Daniels administration is entirely capable of fixing OUR mess. He gets it. He understands the problem perfectly. He has a plan to fix it. All we have to do is help a little.

It seems to me that a great many citizens of Lake County and Gary ARE ready for this long-awaited change--are ready to roll out the welcome mat. But the problem is; our "leaders", our wonderful elected officials, continue running interference. How can they keep getting away with this childish crap? Because WE let them!

We need to be able to convince the State and Federal governments that once they come in and clean house for us, that we are willing to put forth the necessary effort to keep it clean. It doesn't make a whole lot of sense for these governmental bodies to devote resources to cleaning up the mess that WE allowed to happen--and have allowed to happen over and over--unless they can be reasonably certain that we'll do the best we can to keep it clean from then on. While all of these indictments and convictions make for juicy headlines, and may look good on the prosecutors' resumes, it really doesn't do the government as a whole much good if things continually revert back to the same corrupt BS.

And congratulations Rudy Clay! Thank you for losing the election today! This speaks volumes about your leadership "skills". Even your own organization rejected you. You did everything you could to stack the deck in your favor and you still got your ass handed to you! But really...congratulations! The "work" you did today will have more of a positive impact than anything you've done--or claim to have done as mayor.

Next stop, resign from the Special Administrator position at GSD!

PS. All Obama stimulus dollars have to come through the Governor's Office. He is not going to be the one to prevent them from reaching Gary...our lousy, crummy, graft-ridden, corrupt, and incompetent local elected officials will be to blame!

Check all of your email inboxes from anywhere on the web. Try the new Email Toolbar now!

Russo, Stephanie

From: nglenn [nglenn@netnitco.net]
Sent: Sunday, March 08, 2009 8:46 PM
To: Congressman Pete Visclosky; Russo, Stephanie
Subject: What the hell?!

Importance: High

My GSD bill is \$139! It is usually around \$40.
I am being charged \$48 for trash collection for Jan.-April, 2009, \$12/month for 4 months.
This bill is due by April Fool's Day.

My Indiana American Water bill is \$76.18. It is also usually around \$40.
This is based on an ESTIMATED usage of 21. The last ACTUAL usage was 7.
I just had to have the meter moved outside so it could be read from the street, so why the ESTIMATION?
This bill is due March 16th.

(My GSD sewage is based on my Indiana American Water usage.)

I thought the trash collection contract was illegal. Are they really shutting off my water if I don't pay for the illegal trash collection?

HELP!

Russo, Stephanie

From: andrea basarich [abasarich@sbcglobal.net]
Sent: Monday, March 09, 2009 9:00 AM
To: Russo, Stephanie
Subject: Fw: QUOTE: "I'm not going to mislead you...."

Personnaly I hope the state does take over and oversee the spending in Lake County and the city of Gary...
--- On Sun, 3/8/09, nglenn <nglenn@netnitco.net> wrote:

From: nglenn <nglenn@netnitco.net>
Subject: Fw: QUOTE: "I'm not going to mislead you...."
To: Undisclosed-Recipient@yahoo.com
Date: Sunday, March 8, 2009, 8:17 PM

----- Original Message -----

From: Jack Lund
To: nglenn@netnitco.net
Sent: Sunday, March 08, 2009 2:56 PM
Subject: QUOTE: "I'm not going to mislead you...."

Did you see what The Times quoted Governor Daniels (p. 9) as saying????? I just read it late last night (in Saturday's paper):

"I'm not going to mislead you", Daniels said. *No one is going to send money up here.*"

"Ultimately, I can't get a business to come to Lake County if they think they are going to get ripped off on arrival."

"There is no part of Indiana with a greater stake in reform, with more to gain than (local) taxpayers who are among the most overtaxed in the state of Indiana."

It sure sounds as if the Governor's pre-condition for sending money (only if Gary streamlined its budget) has not been met - hence no money will be sent "up here". Even if *DUAB* hasn't issued a formal rejection of the City's petition for financial aid, that commission is clearly unable to act favorably on it without the Governor's acquiescence and directive.

Now what? With no additional monies in sight, will the mayor lay off policemen and firemen, so that he won't have to lay off workers at or around city hall? Or is bankruptcy next? Or can and will the State intervene, and take over Gary's financial affairs

Russo, Stephanie

From: Mtc1956@aol.com
Sent: Monday, March 09, 2009 2:29 PM
To: nglenn@netnitco.net; pete.visclosky@congressnewsletter.net; Russo, Stephanie
Subject: Re: Gary Sanitary Fee Increase

Don't forget the fine print on the bill: ***"Payments are Applied First to Trash Collection Fee and Then to Sanitary Fee..."***

so even if the citizen's "protest" by not paying the trash collection fee, it will be applied to the garbage fee and you'll be delinquent on the sewer fees. I would have thought this would have been handled by the court when it ruled that the garbage contract was void. Is the Miller Citizen's Corp. going to be taking a stand?

Therese

In a message dated 3/8/2009 7:55:16 P.M. Central Daylight Time, nglenn@netnitco.net writes:

My GSD bill is \$139! It is usually around \$40.
I am being charged \$48 for trash collection for Jan.-April, 2009, \$12/month for 4 months.
This bill is due by April Fool's Day.

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This bill is due March 16th.

(My GSD sewage is based on my Indiana American Water usage.)

I thought the trash collection contract was illegal. Are they really shutting off my water if I don't pay for the illegal trash collection?

HELP!

A Good Credit Score is 700 or Above. See yours in just 2 easy steps!

Russo, Stephanie

From: Mtc1956@aol.com
Sent: Monday, March 09, 2009 5:40 PM
To: Russo, Stephanie
Subject: Re: Gary Sanitary Fee Increase

Thanks, Stephanie.

There is nothing more frustrating than getting laid off and being taxed and over charged for city services. My new bill was \$156.00 for sewer and trash pick up. Gary may pick up one can of garbage a week from me but they do not pick up anything that doesn't fit in that trash can. They don't pick up yard waste or old appliances or old furniture. For those services, you have to pay even more (private contractor) for pick up and disposal.

My taxes are high for no apparent reason: Gary has cut fire and safety and hasn't repaired any of its roads throwing dry patch in a hole does not repair a road. I don't have children yet I'm paying for a school system that is one of the worse in the state. My mortgage payments went up due to the tax rates.

When I come home to Indiana after a visit to Chicago, I'm mocked by a billboard welcoming people to come to Indiana --- and one of the reasons is that is less expensive taxes. You can't prove it in Lake County.

People in NWI need relief!

Sincerely,
Therese Carey

In a message dated 3/9/2009 3:52:09 P.M. Central Daylight Time, srusso@sba.in.gov writes:

Therese,

I am in receipt of your email. I will add it to other constituent emails and comments we have received regarding Gary. Your email will be available on the DUAB website. Thank you.

Sincerely,

Stephanie N. Russo
Executive Assistant to Ryan Kitchell and Chris Ruhl
Indiana Office of Management and Budget
State House Room 215 | Indianapolis, IN 46204
Phone: 317.232.5617 | Fax: 317.233.3323 |

Email: srusso@sba.in.gov

From: Mtc1956@aol.com [mailto:Mtc1956@aol.com]
Sent: Monday, March 09, 2009 2:29 PM
To: nglenn@netnitco.net; pete.visclosky@congressnewsletter.net; Russo, Stephanie
Subject: Re: Gary Sanitary Fee Increase

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I thought the trash collection contract was illegal. Are they really shutting off my water if I don't pay for the illegal trash collection?

HELP!

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Russo, Stephanie

From: Beach46403@aol.com
Sent: Wednesday, March 11, 2009 8:37 AM
To: Russo, Stephanie
Subject: Now they're just rubbing our faces in it!

What happened to the requirement to have to bid out a contract over \$25,000.00?

Clay's son gets Gary Sanitary District video services contract

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March 11, 2009
By Jon Seidel

Post-Tribune staff writer

GARY -- The Gary Sanitary District approved a new contract for Rudy Clay Jr. on Tuesday to provide it with video

Rudy Clay Jr. is the son of Gary Mayor Rudy Clay, who is also special administrator at the Sanitary District. The contract with the Gary Sanitary District (GSD) is for 12 months and is worth \$39,960.

That amount is an increase from the \$30,000 contract approved last year by the GSD board for Clay Jr., who was present at the meeting.

Mayor Clay's critics have zeroed in on his son's contracts as Gary struggles with deep budget cuts and layoffs. It is the Gary Sanitary District's appeal to the Indiana Distressed Unit Appeals Board for tax relief this year. The Gary Sanitary District is part of that petition.

The appeals board's members have said the city must show it has done all it can to help itself financially before relieving the contract.

Mayor Clay adamantly defends his son's contracts, calling him the "best that I know anywhere in editing, graphics, and video."

A \$25,000 contract for Clay Jr. to provide video services to the city in 2008 was rescinded in August, shortly after a contract was announced for Mayor Clay's employees.

That move didn't affect Clay Jr.'s contract at the Sanitary District, officials said.

Contact Jon Seidel at 881-3148 or jseidel@post-trib.com. Comment on this story at www.post-trib.com.

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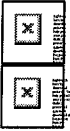
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[Clay's Choice: Jorge Campillo](#)

From RBI Magazine Baseball News

The views expressed in these blog posts are those of the author and not of the Post-Tribune.



vaughn219 wrote:

[Unable to display image] I guess it is not a recession in the Clay's family...or will it ever be seeing one is the mayor, one is t
for the county, and one is sinking in all the money from taking pics or videotaping.
3/11/2009 7:23 AM CDT on post-trib.com

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rattus regionaris wrote:

[Unable to display image] Rudy Jr. must be taking a break from making fake ID's.
3/11/2009 4:45 AM CDT on post-trib.com

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Russo, Stephanie

From: Beach46403@aol.com
Sent: Wednesday, March 11, 2009 9:39 AM
To: Russo, Stephanie
Subject: So many elected officials...so little leadership!

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Russo, Stephanie

From: KRISeKRIS00@aol.com
Sent: Friday, March 13, 2009 9:39 AM
To: Russo, Stephanie
Subject: Fwd: Rudy Clay at it again. This is how HE cuts the budget!
Attachments: Rudy Clay at it again. This is how HE cuts the budget!

A Good Credit Score is 700 or Above. See yours in just 2 easy steps!

Russo, Stephanie

From: KRISeKRIS00@aol.com
Sent: Thursday, March 12, 2009 10:09 PM
To: Russo, Stephanie
Subject: Rudy Clay at it again. This is how HE cuts the budget!

Sanitary contract roils leaders

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By Christine Kraly
christine.kraly@nwi.com, (219) 662-5335 | Thursday, March 12, 2009 | [\(14 comment\(s\)\)](#)

GARY | A sizeable pay hike for city work given to Gary Mayor Rudy Clay's son has Clay defending and other officials boiling.

Sanitary District board members awarded this week a 33 percent raise -- to \$39,960 -- to Rudy Clay Jr. for video recording and editing services.

Merrillville Town Councilman Richard Hardaway called the new 12-month contract -- up from \$30,000 last year -- a "slap in the face" to residents.

"I just think that it's horrible," said Hardaway, whose town relies on the district's services. "I was totally appalled."

Meanwhile, Mayor Clay again backed his son's controversial deal Wednesday, calling him the best person for the job and questioning the criticism.

"Why him?" Clay asked, incredulous. "He's just a citizen."

The contract pays Clay Jr. \$200 apiece to record meetings, with the lion's share of the deal paying for editing.

Board members did not respond to calls from The Times seeking comment.

In addition to Gary, the district provides sewage treatment to 180,000 residents, including those in Merrillville, Hobart, Lake Station and New Chicago.

The contract boost never would have passed if proxies for those communities were on the board, Hardaway said.

"I'm sure that anybody we would've appointed to serve on that board would have spoke out against that," he said.

In March last year, the Merrillville Town Council sent a letter to several agencies, including the U.S. attorney's office in Hammond, calling the district's structure "unfair and inappropriate," and requested the other neighborhoods be represented on the board.

A year later, the town had yet to receive a district response, said Stephen Bower, Merrillville's attorney who penned the letter.

Hobart 4th District Councilman David Vinzant berated the contract as "more of the same. To me, it's a waste of money."

"They have such financial problems," he said. "It's just another example that they don't know how to manage their money."

He questioned why the district would spend so much on videotaping when "others survive just fine with a tape recorder."

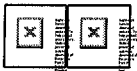
Vinzant has pushed Hobart to build its own sewer plant separate from Gary, and openly chastised the district last year for hitting local customers with an 85 percent rate hike.

"Then they turn around and give this guy 9,000 more dollars," Hardaway added. "Surely, people have to see there's something wrong with that."

Along with the city of Gary, the district is pleading to the state Distressed Unit Appeals Board for relief from tax caps that would kill millions from spending budgets.

Clay rationalized his son's new agreement, noting that last fall, the city canceled Clay Jr.'s separate \$25,000 photography deal.

A woman at the Sanitary District on Wednesday said Clay Jr. does not have an office there nor is reachable there. An attempt to reach him through his father also was unsuccessful.



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John wrote on Mar 12, 2009 7:53 PM:

"Wow, i can hardly hold my mouth about this bunch of lowns, shame i can not write here wat i really want to say, too much for a freedom of speach, but it is a shame how this dug run the city, if you can call this hellhole city. what is the next step? give him a raise next year and give to the police bb guns? If the cuts were to be real he will cut that and all the other fake jobs in the city held by his family and friends. "

Queen wrote on Mar 12, 2009 2:32 PM:

"Have you every heard of a government employment receiving a 33 percent raise? I am just asking the Lord to help me find a buyer for my home and job so I can say bye-bye to Gary. Maybe I will get a 33 percent increase in salary. "

GFD wrote on Mar 12, 2009 1:34 PM:

"Wow, Rudy's kid makes more money videotaping 1 meeting a month than I do crawling through burning buildings in Gary EVERY day. I feel so respected by my boss. "

we are entitled wrote on Mar 12, 2009 12:02 PM:

" to all the graft ridden, lousy government we can pay for. "

TAX PAYER wrote on Mar 12, 2009 9:57 AM:

" I'm surprised that Governor Daniels hasn't gotten involved to fix this. Put all the sewer and water districts under Lake County. "

What wrote on Mar 12, 2009 9:56 AM:

" Mayor Clay's "rationale" that because his son's \$25,000 photography contract was cancelled means he deserves a \$9,000 raise for his editing is astounding.

Almost as bad as his statement about his new Hummer: "I saved the city money by not buying something more expensive." "

Indiana Please Help wrote on Mar 12, 2009 9:27 AM:

" When is the State of Indiana going to tell the City of Gary enough? Clay's arrogance is unbelievable. Doesn't the Sanitary District have a steno for these meetings. She can tape record and transcribe. That should be sufficient. That's almost \$40,000 right there the district will save not having a video taped session. Mitch wants Lake County to clean house. How about taking over the City of Gary for starters. It's bleeding the county dry. "

Apalled wrote on Mar 12, 2009 9:10 AM:

" How long do we have to wait until the state/federal government looks into the mis-management of funds in the city of Gary? Clay distinctly does NOT know what he is doing!! He continues to make decisions that are not in the best interest for the city's financial crisis. There have been several petitions and calls to the state to investigate and throw this clown out of office! How long will we have endure his nescient, unintelligent, egotistical decisions! I AM APALLED!!! "

Voter wrote on Mar 12, 2009 8:50 AM:

" The arrogance is astounding! And the rest of us will continue to pay because of it. "

SUE wrote on Mar 12, 2009 7:36 AM:

" i CAN'T BELIEVE THE STATE DOES NOT STEP IN SOME HOW ! cLAY'S ARROGANCE IS DISGUSTING AND HE'S LAUGHING AT EACH AND EVERYONE OF US ! he SAYS HE HAS MAD ALL CUTS POSSIBLE, WELL NO YOU HAVE NOT. DUMP THE HUMMER AND BODY GUARDS THEN WE THE CITIZENS WILL SEE WHAT A BIG MAN YOU REALLY ARE ! "

Jack wrote on Mar 12, 2009 7:26 AM:

" Can't wait for Gary to go bankrupt and cease to exist. The we can bulldoze it into the lake and start over. "

Nisey wrote on Mar 12, 2009 7:20 AM:

" Clay stated, "Why him?..He's just a citizen." What are the policemen, firemen, and other city employees. I do believe some of them are CITIZENS also - when you decided to cut their pay. "

UnReal wrote on Mar 12, 2009 6:13 AM:

" And you wonder why Rudy needs bodyguards! People are ticked off to say the least. "

wet hen wrote on Mar 12, 2009 5:24 AM:

" Once again the City of Gary will ask money from the state of Indiana, saying they cut everything they could to the bone. Is this part of the cut, please Mitch Daniels and the Distressed Tax Board reject Mayor Clay's request until everything is cut. "

A Good Credit Score is 700 or Above. See yours in just 2 easy steps!

Russo, Stephanie

From: nglenn [nglenn@netnitco.net]
Sent: Saturday, March 14, 2009 12:04 AM
To: Congressman Pete Visclosky; Russo, Stephanie
Subject: Rudy Clay, Jr.

Importance: High

Clay's son gets Gary Sanitary District video services contract

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March 11, 2009
By Jon Seidel

Post-Tribune staff writer

GARY -- The Gary Sanitary District approved a new contract for Rudy Clay Jr. on Tuesday to provide it with video recording and editing services.

Rudy Clay Jr. is the son of Gary Mayor Rudy Clay, who is also special administrator at the Sanitary District. The contract, approved unanimously by GSD's board of commissioners, lasts for 12 months and is worth \$39,960.

That amount is an increase from the \$30,000 contract approved last year by the GSD board for Clay Jr., who was present and videotaping Tuesday's meeting.

Mayor Clay's critics have zeroed in on his son's contracts as Gary struggles with deep budget cuts and layoffs. It is the only city petitioning the Indiana Distressed Unit Appeals Board for tax relief this year. The Gary Sanitary District is part of that petition.

The appeals board's members have said the city must show it has done all it can to help itself financially before relief will be granted.

Mayor Clay adamantly defends his son's contracts, calling him the "best that I know anywhere in editing, graphics, etc." last year.

A \$25,000 contract for Clay Jr. to provide video services to the city in 2008 was rescinded in August, shortly after a 20 percent pay cut was announced for Mayor Clay's employees.

That move didn't affect Clay Jr.'s contract at the Sanitary District, officials said.

Contact Jon Seidel at 881-3148 or jseidel@post-trib.com. Comment on this story at www.post-trib.com.

Russo, Stephanie

From: Marie Plesko [mplesko@netnitco.net]
Sent: Sunday, March 15, 2009 2:13 PM
To: Russo, Stephanie
Subject: See What Rudy Clay Does with Our Money
Attachments: Clay-1.doc

Clay's son gets Gary Sanitary District video services contract

Recommend (6)
Comments

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