

**MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION**  
**HELD AT 6:00 P.M. WEDNESDAY, May 5, 2004**  
**6100 SOUTHPORT ROAD**  
**PORTAGE, INDIANA**

Chairperson Arlene Colvin called the meeting to order at 6:10 p.m. Nine (9) Commissioners were present. Pledge of Allegiance was recited. The guests were recognized.

**Development Commissioners:**

Arlene Colvin  
Bob Marszalek  
Robert Huffman  
Mark Reshkin  
George Carlson  
Mark Lopez  
Steve Davis  
Bill Biller  
Charlie Ray

**Visitors:**

Jomary Crary – IDNR, Div. of Water  
Phil Gralik – R.W.Armstrong Company  
Kelsee Waggoner – Congressman's Office  
Sandy O'Brien - Hobart  
Spike Peller – GSD/GSWMD  
Steve Enger – Munster citizen

**Staff:**

Dan Gardner  
Sandy Mordus  
Lou Casale  
Judy Vamos  
Lorraine Kray

A motion to approve the minutes of the April 7, 2004 meeting was made by Bob Marszalek; motion seconded by Bob Huffman; motion passed.

**Executive Director's Report** – Mr. Gardner reported on the Executive Session meeting that was held on April 28. The meeting discussed issues on real estate acquisition/condemnation. Staff is pursuing easement acquisition in the west reach. Also discussed were some conditions that were in the IDNR west reach permit. Mr. Gardner added that the meeting was in compliance with open door laws and was advertised.

- Mr. Gardner referred to the letter from the town of Highland whereby they are communicating their action taken in regard to rejecting the easement offers made to them and entering into a "friendly condemnation" in an attempt to establish a higher market value. Attorney Casale added that the court hearing date is set for May 26.
- Mr. Gardner referred to the letter he wrote to Mayor King regarding donation of Commission surplus property in exchange for operation and maintenance of the east reach levee easements. We enclosed a map showing land that is surplus. We are committed to working with the city to transfer surplus land to them for development purposes to (1) complete the Federal flood control project construction in Gary, (2) successfully cause FEMA to de-designate Gary from the floodplain as early in 2004 as possible, and (3) put in place a Federally acceptable and funded operation and maintenance plan to the project area in Gary. We also transmitted a letter to them from the COE where FEMA has stated that the city must provide certification to FEMA that they agree to operate and maintain the levee system before floodplain removal designation is declared. Staff will follow up with discussions with the Mayor. Commissioner Huffman asked about the legalities of transferring property to the city. Attorney Casale stated that there is a prescribed format that the Commission must follow before transfer can take place but the Commission is willing to pursue those steps that are required by the State.
- Commissioner Mark Reshkin added that he thinks this is a good idea. The Commission was established to deal with the flooding problem and we have to involve the communities to take charge of the O&M. That goes hand in hand with the building of the levees. We were charged with solving a problem and we are doing that but it is important that the communities take over now to manage them. It is for their benefit.

- Mr. Gardner stated that no action was needed tonight. We will seek a meeting with the Mayor and Commissioners will be informed of that meeting. There are still technical issues that need to be resolved. He did state that the O&M manual has been given to the city. There is still ongoing work being done on the manual and a summary chart will be shared with them when available. The preliminary costs that have been identified in regard to O&M at this point we feel are high. Staff is continuing to work on it.

- We are still talking with INDOT regarding bridge/highway credits where INDOT has used state dollars to re-construct bridges. We are waiting for a letter from INDOT listing out the state monies that were spent. It is also anticipated that we would receive about \$700,000 in additional crediting for the Cline Avenue interchange project. The FHWA has written a letter approving the process. Mr. Gardner also referred to the letter from INDOT to the COE whereby INDOT is requesting they pay the levee work with 100% state funds and then the Commission be credited that amount.

We are also pursuing county bridge credits with Lake County Highway Department.

**Outstanding Issues** – Demolition on the barn in the ERR area will happen very shortly. Demolition contractor has been contacted. Squatter with horses has been evicted from the property.

**Finance Committee** – Treasurer Mark Lopez gave the financial report. He proceeded to make a motion to approve the financial status and the claims for April; motion seconded by Bob Marszalek; motion passed unanimously. Mr. Lopez then made a motion approving O&M claims for a total of \$30,212.61; seconded by Mark Reshkin; motion passed unanimously. Mr. Lopez then made a motion approving the re-investment of \$700,000 into a one year CD at a rate of 2.07% (the highest percentage the Commission was able to obtain with area banks); motion seconded by Bob Marszalek. Mr. Lopez then made a motion to approve the transfer of \$73,000 from an original CD amount of \$258,000 into the Administrative account to cover anticipated costs through the end of the year; and then to re-invest the CD amount of \$185,000 into a one year CD at a rate of 2.07% (the highest percentage the Commission was able to obtain with area banks); motion seconded by Bill Biller; motion passed unanimously.

A discussion ensued on what the Commission's policy has been as far as investments are concerned. When a CD note comes due, staff takes a telephone poll of the area banks in order to establish the highest percentage rate they will give us on the monies. The bank that offers the highest interest rate is where the CD is placed. Additional monies are needed in the Administrative budget because those monies have primarily come from leases and interest. Since interest rates are at an all time low and since we do not have as many leases as we used to have, we do not generate enough money to cover administrative expenses.

**Land Acquisition/Land Management Committee** – Committee Chairperson Arlene Colvin gave the Land Acquisition report. Ms. Colvin made a motion to ratify action taken by the attorney in filing an exception to the Court's ruling on the court-appointed appraisal amount that has come back on the Krosan property; motion seconded by Charlie Ray; motion passed unanimously.

- In regard to the Bailey property acquisition, Ms. Colvin made a motion approving a 30 day extension (to end of June) on the Memo of Understanding for the deed restriction transfer of property to IDNR; motion seconded by Bob Huffman; motion passed unanimously.

**Operation & Maintenance Committee** – Committee Chairman Bob Huffman stated that O&M has already been discussed. He indicated that a committee meeting will be scheduled before June.

**Environmental Committee** – Mark Reshkin reported that since that the 173 acre parcel in Hobart Marsh has been purchased, TPL has an option on an additional 48 acres and is in negotiations for another 85 acres. This would bring the total acreage to about over 300 acres to meet mitigation requirements. More acreage is still needed, as well as additional monies to purchase additional land.

- Dr. Reshkin reported that the house we purchased on the 173 acre site has deemed to be a historical landmark (which means it cannot be demolished). IDNR has its Historic Preservation and Archeology dept. visiting the house in the next couple of weeks. Even with the house remaining, the purchase of the acreage will still be mitigation purposes.
- Commissioner Huffman asked Mr. Gardner that if we had to approach the State Budget Agency for more mitigation money, can we ask for additional monies to allow the construction of Stage V-2 so that INDOT can build the pump station. Mr. Gardner replied that Stage V-2 is not approved under the DNR permit for the west reach. Burr Street and Stage VI have to be built first. After that, if there was enough money to build V-2, we could approach DNR for approval but with the high land costs coming in for the VI area, that is not likely. We are continuing to spend the monies as efficiently as possible.

Legislative Committee – Committee Chairman George Carlson stated that he and Bill Biller met with Stan Dostatni, city engineer for Hammond, to discuss how the NSRR could be used as a tieback levee after construction is completed in that area that would then allow that particular area to come out of the floodplain. This would allow the people living in that particular area the initial benefit and not have to wait for the entire line of protection to be completed. The Mayor is in favor of this also. Mr. Gardner has furnished to the city the name and company of the engineering firm that worked to remove Highland Wicker Park Manor sub-division from the floodplain using the railroad embankment as the tie-back. The argument is that if it worked for Highland, it should work for Hammond also. Mr. Carlson felt that the COE was not supportive of this concept but Mr. Gardner assured him that is not the case. Imad is supportive and will assist anyway he can. Hammond is now pursuing this and they are planning to meet with the engineering firm next week.

• Mr. Carlson also stated that in talking with the city engineer, he indicated that he thought the levee west of Kennedy Ave. (by the hotels) was built at a later date and was already built to COE standards. Staff will pursue if this is the case.

Mr. Gardner added that we are talking to a developer regarding the Interstate plaza by K-Mart on Indianapolis Blvd. in Hammond. The developer is working with the city; we have shared mapping with him and requested they consider “donating” the easement needed for the levee to quicken the process and assist in getting construction potentially extended.

Project Engineering Committee – Bob Huffman referred to the list of upcoming construction contracts currently scheduled for the 2004-05 construction seasons. If all goes well, there are six contracts that would be built.

Recreation Committee – There was no report.

Marina Committee – There was no report.

Policy Committee – There was no report.

Public Relations Committee – There was no report.

Other Issues – There were none.

Statements from the Floor – There were none.

There being no further business, the next meeting was scheduled for 6:00 p.m. Wednesday, June 2, 2004