

MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION
HELD AT 6:00 P.M. WEDNESDAY, APRIL 5, 2006
6100 SOUTHPORT ROAD
PORTAGE, INDIANA

Chairman William Biller called the meeting to order at 6:15 p.m. Eight (8) Commissioners were present. Pledge of Allegiance was recited. The guests were recognized.

Development Commissioners:

George Carlson
Arlene Colvin
Robert Huffman
William Biller
Steve Davis
Mark Reshkin
Robert Marszalek
John Mroczkowski

Visitors:

Steve Enger - Munster
Imad Samara - Army Corps
Jomary Baller - IDNR
Phil Gralik - R. W. Armstrong Company

Staff:

Dan Gardner
Lou Casale
Jim Pokrajac
Judy Vamos
Sandy Mordus

A motion to approve the March 1, 2006 minutes was made by Bob Marszalek; motion was seconded by Bob Huffman; motion passed unanimously.

Chairman's Report – Chairman Biller reported on a meeting held on March 27 with the city of Hammond and the IN Economic Development Commission, regarding the financing for Cabela's. The State is trying to work with Cabela's on what type of a financing incentive package they would accept. They are getting closer to a mutual agreement. Cabela's would like to have their store open by 2007 and completed in 2008. They have come to an agreement with INDOT for an entrance road into the property. One of the problems is having the levee construction completed there so they can be out of the floodplain. Even if the store is built on higher property, all of the out lots would still be in the floodplain. Cabela's want a guarantee that the entire area can come out of floodplain. Mr. Gardner gave a presentation on what is needed for that to happen. With no guarantee for funding in place, it makes it hard to plan ahead. We are moving as fast as we can with the funding we have. Discussion took place on where funding may be able to come from. One of the problems is that if the State does not come up with the state incentive that Cabela's is looking for, they very possibly may want to get money for the easements we need from them and not donate them to us. Commissioner Reshkin stated that it may be a good idea to have an economic study for the entire project area in total but especially the Cabela's area. Imad Samara stated that a cost ratio was done years ago by the Corps and maybe we could update it but Mr. Gardner thought it did not look at economic development. Jomary Baller from IDNR mentioned that we need to think about the FEMA process also. That is not a quick process and relative to areas being petitioned to come out of the floodplain, we'll need to start the process with FEMA early.

• Chairman Biller reported on the meeting held on March 31 with IDNR. They are doing their own review of the Commission to better understand our funding process. They have asked for some information from us; i.e. contracts, acquisitions, local participation, budgets, claims, funding projections, etc; also, if municipalities could help with engineering fees for local participation with utility coordination or engineering reviews. Staff will assemble whatever information is needed. Chairman Biller stated that the process we have is the Federal Corps rules and regulations that we are required to follow.

- Chairman Biller mentioned that he is in the process of scheduling a date to meet with Hammond Councilman Dan Repay to provide a project overview and answer questions from residents. He will look into a public facility, i.e. possibly a library, to have a public meeting.

Executive Director's Report - Mr. Gardner referred to the Addendum #1 that was approved by the City of Gary for the funding of the Burr Street Phase II Gary portion of the levee construction. Since the Commission is capped at a 25% cost share level, the Gary Storm Water Management will fund the gap between what the City will pay and we will pay. The lowest bid came in higher than what the COE had estimated (bid amount was \$2,492,245).

- Mr. Gardner went on to emphasize the need for the Burr Street Little Cal portion of the levee to be under contract. The #1 item holding up the signing of a right-of-entry for the Corps is the NSRR. The attorneys have been talking but there has been no resolution yet. We are trying to separate the ROE agreement language from the language for a right to construct. It is hoped that a solution could be found that would be acceptable to all parties; if it is not, we are still in condemnation proceedings with them.

- Mr. Gardner shared a "public information/communication sheet" that staff developed to try to identify where we could improve communications with local residents, especially once construction starts. After listening to some residents' complaints where VI-2 construction is going on, it appears that we, as well as the Corps and the contractor, could do a better job of addressing their concerns. This was a draft document; any comments Board members may have, could be forwarded to staff to incorporate into the draft. There was also discussion on conceptals of before-and-after construction conditions that staff had done using the NIRPC Graphics Dept. This shows what the line of protection would look like behind residents' houses. Discussion ensued if the quality of the pictures would depict actual conditions.

Action Required - Treasurer Arlene Colvin referred to page 8 for the claims. She proceeded to make a motion to approve the claims in the amount of \$92,795.71; motion seconded by John Mroczkowski; motion passed unanimously.

Ms. Colvin then presented the O&M claims for approval in the amount of \$54,548.26. Ms. Colvin made a motion for approval; motion seconded by Bob Huffman; motion passed unanimously.

- Commissioner Bob Marszalek made a motion to approve a 15% increase on DC1120, increasing the amount to \$4,370; motion seconded by Bob Huffman; motion passed unanimously.

Finance Committee - Treasurer Arlene Colvin presented the financial status sheet on page 6 & 7 in the agenda packet.

Land Acquisition/Land Management Committee - Committee Chairman Bob Marszalek referred to Judy Vamos to give the report.

- Ms. Vamos stated that there are 37 acquisitions in Stage V-2 (Kennedy to Northcote, both north and south levees); 26 offers have been sent out; we are negotiating with 8; we have accepted offers on 15 properties (4 acquisitions may or may not be needed).

- Ms. Vamos reported that there are 54 acquisitions in Stage VII (Northcote to Columbia). This stage is in two sections: Hammond (north of the river) where appraisal are complete and Munster (south of the river) - appraiser is now completing a gross appraisal to obtain approximate total land values for budgeting purposes and discussions with town of Munster officials.

- Jim Pokrajac reported that we are working with Chicago Tower for an additional leasing area by Verizon Wireless. This will increase the monthly lease amount of the current license agreement. Chairman Biller inquired whether we had any other properties that we could lease to tower companies; it appears we do not at this time.

Project Engineering Committee - Committee Chairman Bob Huffman that Lawson-Fisher inspected the Griffith levee on March 28 and they are developing a report on what needs to be done to certify the levee. That report should be available soon. Staff will have a walk-thru with them to discuss the items they have found. Commissioner Reshkin recommended that a Corps person attend as well. It was noted.

- Mr. Huffman reported that Cabela's has agreed to the Corps re-design of the levee alignment on their south line of protection. This is extremely important to proceeding with Stage V-2 construction on time.

Operation & Maintenance Committee – Committee Chairman Bob Huffman reported that the legal descriptions for the area that the pump stations in Stage III Remediation area sits on are complete. Jim Pokrajac added that they were given to the attorney today for him to proceed with the agreements.

- Jim Pokrajac referred to pages 6-12 in the agenda packet that lists out a punch list of items and their status. We have received a complete billing from Austgen Electric (the Corps sub-contractor for the construction) in the amount of \$58,753, as well as a summarization of items that R. W. Armstrong completed for us in the amount of \$20,962. Mr. Pokrajac explained the charges in that it made more sense to repair the four pumps when they were pulled out rather than just note them and then bid them out and have them pulled and repaired the second time. It is estimated that we saved a lot of money by just having Austgen repair them. We will not have to bid out now.
- In regard to the North 5th Avenue pump station in Highland, the contractor is correcting a problem with the trash rack. Highland has been maintaining this station several years now without a formal agreement in place. Staff will pursue the official turnover of this station to the town and have an agreement put in place.
- Jim Pokrajac reported that he wrote a letter to the Corps transmitting Gary's request for the landscape contract to specify native grasses instead of turf-type grass for their maintenance along the levee. The city did not want to do the controlled burns that would be required with the turf-type grass. In the Corps' response letter, they said it was not possible, at this point in time, to make the change in the landscaping contract.

Environmental Committee – There was no report

Legislative Committee – Mr. Gardner referred to a meeting held on March 14 with Clarence Ehlers, who was asked by the Governor to help facilitate the review of Indiana commissions. Mr. Ehlers is reviewing the shoreline Commission, N.W. IN Advisory Commission, Kankakee River Basin Commission, Lake Michigan Marina Development Commission, and the LCRBDC from our area. He had the packet of information we had previously sent down state, which stated our purpose and why we felt we were a viable body that needs to remain in tact to finish this project. We shared some figures with him, comparing the monies we received from the State from the monies we had requested to keep up with the federal schedule. Mr. Gardner referred to the sheet showing the figure of almost \$6 million needed to get through the Stage V-2 area.

- Committee Chairman George Carlson talked about the construction contract going on in Stage VI-1 South. He thought the length of the contract time was too long. He visits the site each day and thinks they could be moving much faster. He still did not feel that the same contractor should have both contracts on both sides of the river.
- Mr. Carlson still has a concern regarding the area behind the Southeast Hessville pump station. Staff will meet with him on site to visually see the area. Project Manager Imad Samara also invited him to attend the any one of the construction progress meetings with the contractor that is held monthly in the Griffith Corps office.

Recreation Committee – Committee Chairman Bob Huffman questioned why a meeting to discuss some of the recreation had not been scheduled yet. It was discussed that a meeting could be held to discuss recreation issues in Stage V-2 only.

Marina Committee – Dan Gardner reported that we received a copy of the permit application that the city of Portage had submitted to the IDNR for the construction of additional slips at the marina.

Policy Committee – There was no report.

Other Issues/New Business – Bob Huffman inquired what else was needed besides the NSRR easement for Burr Street Phase 2 Little Cal portion to allow us to sign a right-of-entry for the Corps. Mr. Gardner replied the only other thing would be the money. We only have a small portion to get us started and not enough to complete.

Statements from the Floor - Munster resident Steve Enger expressed his concern about the loss of aesthetics along Hawthorne Drive adjacent to Hart Ditch with our project coming. He stated that he is still waiting for a letter from the Corps answering his questions. Project Manager Imad Samara stated that he would get a letter out to him. It was explained to Mr. Enger that the design plans are not completed yet for this area, and that the residents' concerns that live in that immediate area would be taken into account. We have met several times with the residents and we will meet again with them, as soon as a written response is available. Mr. Gardner added that with Cabela's approving their design change in this area, it will greatly help the overall design of the project along Hawthorne Drive.

There being no further business, the next meeting was scheduled for 6:00 p.m. Wednesday, May 3, 2006