

MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT  
COMMISSION HELD AT 6:00 P.M. TUESDAY, DECEMBER 18, 2007  
6100 SOUTHPORT ROAD  
PORTAGE, INDIANA

Chairman William Biller called the meeting to order at 6:20 p.m. Eight (8) Commissioners were present. Pledge of Allegiance was recited. Guests were recognized.

Development Commissioners:

William Biller  
Robert Huffman  
Steve Davis  
Bob Marszalek  
Mark Reshkin  
John Mroczkowski  
Kent Gurley  
Arlene Colvin

Visitors:

Bill Petrites – Highland resident  
Imad Samara – Project Manager, Corps of  
Engineers

Staff:

Dan Gardner  
Sandy Mordus  
Lou Casale  
Jim Pokrajac  
Judy Vamos  
Lorraine Kray

The minutes of the meeting held on November 7, 2007 were approved by a motion from Bob Huffman; motion seconded by Arlene Colvin; motion passed unanimously.

Chairman's Report – Chairman Biller started the meeting by saying that the date had been changed due to lack of quorum at the previously-scheduled meeting of December 11<sup>th</sup>. The originally-scheduled date of December 5<sup>th</sup> was cancelled due to bad weather.

• Chairman Biller talked about the meeting that he, Mr. Gardner and Attorney Casale had with Umbaugh Associates. The informal meeting came about after discussion was held at the O&M committee meeting regarding how to explore all the viable options to finance the O&M of the overall project and what we could do to help out communities who may not have a means to finance O&M. Umbaugh is a well known governmental accounting firm that assists in identification of financing for municipal governmental bodies. Since ongoing maintenance is a huge factor in communities taking over O&M, all areas of potential funding needs to be explored. Commission discussion involved setting a policy as a first step in identifying what the Board's responsibility is after the construction phase is complete. We need to work with the Corps in getting an updated schedule to explore what options are available to us. Attorney Casale was directed to look at other options; one of which was establishing a user fee. The LCA clearly states that the Commission is responsible for O&M, or a successor entity the Commission would morph into as each segment of construction is completed. Discussion was held on forming a separate committee, probably a committee of the whole, to focus on just the financing options of O&M and that committee could establish a policy for the ongoing responsibilities of the Commission after the capital project is complete.

Commissioner Gurley asked whether the Commission should remain in perpetuity in order to address the O&M issue. Commissioner Mark Reshkin stated concern that it appeared that we were off in a different direction after he has talked about establishing a conservancy district for years. He sees the Commission, as it is presently formed; dissolving after the construction is complete. If the Commission did not resolve, he felt that the membership needs to change and that only members (one from each municipality) should serve that are in the project area. Effective storm water management has to be done by the affected communities. Chairman Biller stated that a conservancy district was discussed with Umbaugh and will be one of the options, and then he only contacted Umbaugh as a place to start discussion and objectively look at all options, especially since they are recognized as experts in their field. Commissioner Reshkin stressed that any plan will only work if each community and INDOT are intensely involved in every event. He felt we need more than just the Corps analysis of the O&M costs. Jim Pokrajac will get the latest O&M cost chart that R. W. Armstrong prepared to the members. Commissioner Arlene Colvin stated that she thought we needed timelines and time frames so we know what we are up against. Commissioner Gurley said this committee should be separate from the Finance Committee. It would be difficult to generate revenue in perpetuity. It was also stated that the FEMA status was important because no one could come out of the flood plain until they re-map. Then Commissioner Kent Gurley made a motion directing staff to draft an item for January meeting to establish a committee that addresses the continuation of the Commission's work after capital work is completed in order to address the Commission's concerns; motion seconded by Bob Huffman; motion passed unanimously. It was again stated that the committee should be a committee of the whole.

- Chairman Biller stated that a finance committee meeting was held prior to tonight's meeting.

**Action Required** – Treasurer Kent Gurley presented items for action. He proceeded to make a motion to approve the revised monthly claims of \$216,737.65; the motion was seconded by Bob Marszalek; motion passed unanimously.

- Mr. Gurley then made a motion to approve the revised O&M claims in the amount of \$12,787.88; motion seconded by Bob Marszalek; motion passed unanimously.

- Mr. Gurley then made a motion to approve the additional claims payout in Stage VII for Munster easements (payable out of earmarked Munster funds) in the amount of \$15,178; motion seconded by Bob Huffman; motion passed unanimously. Remaining funds from Munster total \$94,915.

- Commissioner Gurley made a motion to approve a total budget transfer of \$6,500 into the Budget Line 5812 (NIRPC services). The \$6,500 monies will incorporate \$1,000 from Budget Line 5821 (Travel/Mileage); \$1,500 from Budget Line 5822 (Printing/Advertising); and \$4,000 from Budget Line 5825 (Meeting Expenses). We are hoping that this is the only budget transfer we will need for the year end.

- Land Acquisition/Land Management chairman Bob Marszalek made a motion to direct staff to approve condemnations on DC-1226 and DC-1233 if needed; motion seconded by Arlene Colvin; motion passed unanimously.

- Commissioner Bob Huffman made a motion to accept the lowest bid for sluice gate/flap gate repair which was Austgen Electric for a cost of \$60,529; motion seconded by Arlene

Colvin; motion passed unanimously. Quotes were solicited from four companies and two responded with a bid. Commissioner Gurley asked why Dyer Construction did not bid, considering they were just awarded the Stage V-2 contract. Jim Pokrajac replied that they had intended to but just did not have the time to submit a bid.

Executive Director's Report – Mr. Gardner talked about the Commission's request to the RDA for \$6 million gap funding to be used for the non-Federal project costs to complete the flood control construction. At their study session, it was approved 5-0 to approve the funding to the Development Commission. The Board deferred approval because they wanted their economic consultant to look it over to make sure everything was OK because we are not one of their four direct areas listed in the RDA legislation. They could not meet in January because they could not get a quorum; they will be meeting in mid-February. We are hoping for approval to start drawing the funds at that point. Mr. Gardner has asked for an updated funding schedule from the Corps so we will know what escrow payments will be requested. A proposed "draw-down" schedule will be submitted to the RDA.

- Mr. Gardner informed the Board that we have received a notice of records request from the counsel for the town of Highland regarding the flooding lawsuit that was filed against them.
- Mr. Gardner then reported that we have been working with the Corps to keep the residents updated in Stage V-2. The Corps has updated their web site; we have hand delivered information material to them; we have offered to meet with the residents at their request at any time. Chairman Biller stated that is a good approach; it is imperative that we keep them informed.

Finance Committee – Committee Chairman Kent Gurley reported that finance action was already taken. The financial statement for end of November is in the agenda packet.

Land Acquisition/Land Management Committee – Committee Chairman Bob Marszalek stated action has already been taken. He referred to Judy Vamos to give the report. Mrs. Vamos distributed a real estate report to all members. In VIII, there are 75 out of 89 property owners whose easements are ready to be mailed out. Once we are assured of the RDA funding, those offers will be mailed. Ms. Vamos personally thanked Lorraine Kray and Lauren Grimm for working so quickly in assembling the offers.

- Jim Pokrajac referred to Dan Gardner for an update on the 26 acres east of Clay Street. Mr. Gardner indicated that we sent out a Request for Proposals to several firms with bids due back on January 7. He has talked to two of the firms. At this point, he is not expecting any bids back. They have indicated that, although interested, the land needs some work on it first; then they would be in a better position to offer restoration to mitigation. We are planning to have it farmed this farming season; they will disk it and plow it and get it ready. Staff will obtain bids to farm the property adjacent to both sides of Clay Street, the farm land between Chase and Grant outside of the line of protection, and the farm land at I-80/94 & I-65.
- Mr. Pokrajac distributed a current lease update.

Project Engineering Committee – Committee Chairman Bob Huffman referred to Mr. Pokrajac for a report. He stated that the first progress meeting for Stage V-2 was held on

November 28. We still have two options to the contract. Staff is working on obtaining the easements needed from NIPSCO and NSRR.

- Mr. Pokrajac stated that he has been working with Huntington District for obtaining costs from the pipeline companies, and to determine if they are fair and reasonable. He distributed a cost sheet of the pipeline relocation costs. We received concurrence back from the Corps on several of the pipeline costs. Staff is now beginning the process on getting the pipeline agreements and subordinated agreements. Imad Samara added that we need to have all agreements in place by September 2008. Chairman Biller questioned Imad on the completion schedule for V-2. Originally the date given for completion was the end of 2008. Imad is now stating that in the Notice to Proceed given to the contractor for V-2, they were given 750 days to complete. Calculated out that comes to the end of 2009. The Corps is hoping all 750 days will not be needed. Imad stated that the Corps estimates the number of days to complete based upon past projects. Commissioner Gurley asked Imad if we are on schedule to complete the project by the end of December 2009. Imad stated that we are close; they may miss it by a few months. He added that Stage VIII is a large segment and will also take a long period of time to complete. The schedule currently shows a June 2008 award of Stage VIII and maybe one and one half years for completion. Mr. Gurley made a motion asking staff to write a letter to the Corps for dates of duration of the remaining contracts in order to stay within the time table and do what is possible to reduce the construction duration to stay within the project schedule; motion seconded by Arlene Colvin; motion passed unanimously. Mr. Gurley added that staff should include in the letter that the Corps needs to look at other options when advertising to stay within schedule. Imad added that they are trying to keep the levee projects on schedule as much as possible; the Chicago District has two other districts helping them. He added that they cannot do construction until we have all the real estate. Mr. Pokrajac stated we cannot get all the real estate until the Corps completes their engineering.

- Mr. Pokrajac stated that he has been talking with Arnie Muzumdar of Northwest Engineering, who is working on behalf of the city of Gary to design a pump station east of I.U. Northwest. The LCRBDC has a flowage easement on the area that they are looking to construct upon. The Corps needs to review the plans and specs to assure it is in compliance with Corps requirements impacting completed lines of protection and then approve it before anything can happen on the property.

Operation & Maintenance Committee – Committee Chairman Bob Huffman stated that a committee meeting was held on November 14. It is still the intent to turn over all O&M, at one time, to locals as soon as possible.

- It was reported that the emergency response meeting that was scheduled with the Corps and Lake County Emergency Management on December 7, 2007 was cancelled and will be re-scheduled.

- Jim Pokrajac added that the pump station plan-in-hand meeting was held on November 27. Highland is already doing the O&M on the five stations completed. Staff will put together agreements for official turnover of pump stations to the town of Highland.

- Commissioner Gurley asked what the status was regarding the FEMA process. Imad Samara answered that they are in contact with FEMA. FEMA is not changing their rules and regulations but they have gotten stricter. They are trying to start the process now so

that when the project is completed, it will be ready to be declared out of the floodplain. All levees have to be certified by the Corps. The Corps is developing a schedule for FEMA. Regarding the Griffith levee, Imad will get a schedule to us within the next several weeks. Due to weather, the Corps will not be going out to inspect it until at least March.

Legislative Committee – There was no report.  
Environmental Committee – There was no report.  
Recreation Committee – There was no report.  
Policy Committee - There was no report.

Other Business – Commissioner Bob Marszalek thanked staff for their dedication and energy put forth to keep the project moving along.

Statements from the Floor – Bill Petrites asked why the Wicker Park Manor levee portion need to be re-certified. Mr. Gardner replied that we received a call from FEMA indicating that paperwork needs to be resubmitted so the area can remain out of the floodplain. FEMA indicated that the NSRR embankment to the east of Wicker Park Manor is not certifiable. FEMA also requested maintenance records. This segment could be de-certified if it is out of compliance. It was not known whether the Corps ever officially wrote a letter to FEMA certifying the levee. Mr. Gardner has been in contact with Siavash Biek of Christopher Burke Engineering. He played a key role for the town of Highland in working with FEMA for that floodplain designation removal. He is willing to help out any way he can. We will remain in contact with him.

There being no further business, the meeting was adjourned. The next scheduled Board meeting is set for 6:00 p.m. on Wednesday, January 9, 2008.  
Please note that this is not our regular schedule due to holiday conflict.