

**MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT  
COMMISSION HELD AT 6:00 P.M. WEDNESDAY, NOVEMBER 5, 2008**

**Lake County Convention and Visitors Bureau  
7770 Corinne Drive, Hammond, IN**

Chairman Bill Biller called the meeting to order at 6:10 p.m. Nine (9) Commissioners were present. Pledge of Allegiance was recited. Chairman Biller thanked the visitors for coming.

**Development Commissioners:**

Mark Gordish  
Robert Huffman  
Robert Marszalek  
William Baker  
Ron McAhron  
Kent Gurley  
Bill Biller  
Dave Burrus  
Dan Dernulc

**Staff:**

Jim Pokrajac  
Sandy Mordus  
Lou Casale  
Judy Vamos  
Lorraine Kray  
Jody Melton

**Visitors:**

Steve Vekel – Munster resident  
Diane Gleason – Munster resident  
Jonathon Gleason – Munster resident  
Denis Buksa – Munster resident  
Judy Buksa – Munster resident  
Michael Kroll – Munster resident  
Thomas Hayes – Munster resident  
Marcia Taylor – Munster resident  
Mark Taylor – Munster resident  
Irene Behling – Munster resident  
Mike Wood – Munster resident  
Dick Servi – Munster resident

**Visitors:**

Bill Petrites – Highland resident  
Tula Kavadias – Munster resident  
Susan Brown – The Times  
Vanessa Villarreal - USACE  
Lynne Whelan - USACE  
Tim Hus – Munster resident  
Karen Lorenz – Hammond resident  
Mike Kenney – TSC, Merrillville  
John Mogle- Munster resident  
Patricia Piekarczyk – Munster resident  
David Nellans – Town of Munster  
Helen Brown – Town of Munster  
Bill Howard – Munster resident  
Patricia Huber – Munster resident  
Sheldon Edd – USACE  
Elizabeth Johnson - Congressman's Office  
Imad Samara – USACE  
Bridget Bodefeld – Munster resident  
Senator Frank Mrvan, Jean Mrvan  
Christine Kittler - Hammond  
Rob Mangus – Town of Munster  
Ruth Mores – Southmoor Road group  
Sean Adley – Munster resident  
Elizabeth Howard – Munster resident  
Mark Lopez – Congressman's Office  
Ronnie Smith – Munster resident  
George Janiec – Hammod resident  
Bob & Pat Olson – Munster residents  
Carol Milici – Munster resident  
Carolyn Marsh – Sand Ridge Audubon

Bob Huffman made a motion to approve the minutes of the September 29 special meeting; motion seconded by Dave Burrus; motion passed unanimously.

With two corrections to the October 1 minutes by adding Commissioner Bob Marszalek in attendance and deleting Steve Davis and a second correction in Statements from the Floor, Ron Howard stated that he said the dike was built in the 50's (not the bridge) a motion was made by Bob Marszalek to approve the minutes as corrected; motion seconded by Bob Huffman; motion passed unanimously.

Bob Marszalek made a motion to approve the minutes of the October 16 special meeting; motion seconded by Kent Gurley; motion passed unanimously.

Chairman's Report – Chairman Biller recognized the new members on the Commission. They include Ron McAhron, IDNR appointment; William Baker, Governor's appointment; Dan Dernulc, Governor's appointment; and introduced Jody Melton, appointed as Interim Director until the end of the year.

- Chairman Biller proceeded to ask members to vote by paper ballot for three Commission members to serve on the Nominating Committee. The top three vote-getters will become the Nominating Committee, in which they will meet and come back to the Board at the January meeting with a slate of officers to serve in 2009.

Action Required – Treasurer Kent Gurley presented items for action.

- Mr. Gurley made a motion to approve the October claim sheet for ongoing project development in the amount of \$121,736.57; motion seconded by Bob Huffman; motion passed unanimously.
- Mr. Gurley proceeded to make a motion to approve the O&M claims in the amount of \$20,225.77; motion seconded by Bob Huffman; motion passed unanimously. Mr. Gurley asked staff to explain the claim of \$15,689.90 to Dyer Construction. Jim Pokrajac explained the claim and why it was needed. During the peak flood period, a log jam needed to be removed west of MLK Drive and no one had the funds available to do so. Homeland Security said the removal could not be done unless someone had a signed agreement to do this work. The Commission agreed to take that responsibility and drafted an emergency agreement whereby Dyer Construction Co. would be contracted out to do the clean-up. We are hoping that this money will be reimbursed to the Commission by FEMA since it was part of emergency operations during the flood. Bob Huffman asked how long it took for this work. Mr. Pokrajac replied that they started about 3 p.m. and finished about 1 a.m. Mr. Huffman commended Dyer and Mr. Pokrajac for a job well done. Treasurer Gurley added that there is \$23,481.45 in the O&M account so we have sufficient funds on hand to pay the O&M claims.
- Mr. Biller inquired whether or not the city of Gary had already taken over O&M, and would this log jam removal been done under their jurisdiction and cost. Mr. Pokrajac replied that it would have been their responsibility but, at this point in time, there is no O&M agreement in place with the city. There is no defined procedure that identifies a responsible party to keep the river clear of log jams and debris. Usually the municipalities work together, even sharing costs, to get the job done when needed. The Commission has spent minimal dollars on O&M, and has only done so on jobs where it was absolutely necessary to keep the project features working. It is critical to turn over all the O&M to each respective municipality. There was further discussion on the Corps O&M manual and whether all O&M is addressed in that manual.
- Mr. Gurley made a motion to approve a payment of \$6,000 to USGS for the O&M for the gaging station at Hart Ditch in Munster to be drawn from the state; motion seconded by Bob Huffman; motion passed unanimously. Mr. Pokrajac explained how the gage monitors river levels and how it is helpful during emergency response.
- Mr. Gurley made a motion to approve the Munster claims in the amount of \$75,310 for DC-1223, DC-1227, and DC-1254; motion seconded by Bob Huffman; motion passed unanimously. There is only \$73,933 remaining from the original \$302,000 that Munster

approved; this is what will be submitted to Munster. The Commission will State draw the additional \$1,377 so these claims can be paid.

Land Acquisition/Management - Committee Chairman Bob Marszalek referred to an item on the agenda regarding a request from IN American Water Company who is requesting a 1-acre parcel of land in order to construct a water booster pumping station. Mr. Marszalek made a motion to table the request until the attorney can pursue additional information and bring it back to the Board when more information is acquired; motion seconded by Dave Burrus; motion passed unanimously.

• Mr. Marszalek referred to the second item on the agenda for action. We have received a request letter from View Outdoor Advertising asking for an extension of the 12 current billboard license agreements for an additional 10 years. If the approval is granted, they have indicated they are willing to pay the lease money (\$108,000 up front) as a total lump sum (instead of individual monthly payments). Attorney Casale indicated that they are currently in a 10 year lease with approximately six years remaining. This would extend the leases an additional 10 years after that. Most of the agreements with them are in the third year. Both Bill Baker and Dan Dernulc wanted to table the request until we could find out the market value to assure we will be getting the most money at the time the existing agreements expire. After a lengthy discussion, Kent Gurley made a motion authorizing Jody Melton to check the market and meet with View Outdoor and report back at the next meeting; motion seconded by Bob Marszalek; motion passed unanimously. At the Commissioners' request, staff will provide a summary of the existing sign agreements. Bill Baker also asked staff to provide information as to what other assets the Commission has.

Search Committee – As Committee Chairman, Dave Burrus referred to the proposed Request for Proposal distributed to Commission members. There are two versions of the RFP (concept is the same, different format). The Committee is now asking for member input and to get their changes to either Dave Burrus or Ron McAhron. The job has turned out to be a bigger job than anticipated and there is a need to get it out on the street as soon as possible. Mr. Burrus made a motion that would authorize the Committee to make the suggested changes as needed, work with the attorney, and produce a final document that can be advertised before the next meeting. No one will be selected without total input from the Commission; this is just the authorization for advertising; motion seconded by Bob Huffman; motion passed unanimously. Mr. Gurley asked if this would be a public document advertised in public domain. Ron McAhron replied that it would be. The State has a list of qualified firms that it will be sent to. It will also be sent to local firms, and will be published in the local papers.

Finance Committee – Treasurer Kent Gurley referred to the Financial Statement that lists Committed Funds and Uncommitted Funds. It will give the members a clearer understanding of funds that the Commission can spend. Mr. Gurley then referred to the proposed end of year cash flow/budget he has prepared, listing an interim budget of \$1,689,835. This budget is high because of immediate utility relocation costs. After having prepared this budget, he referred to a Corps letter asking for \$606,500 for the Commission's 7% cash match and if this was needed by the end of this year. Imad Samara indicated it was. A lengthy discussion pursued. Mr. Gurley explained that some kind of budget needs to be in place that would allow the Commission to keep the project from being delayed and to keep working. It is clear that funds from the RDA are frozen until the state

audit is released. With funds being needed immediately, the only other avenue is to go to the State. Some mechanism needs to be identified on how to proceed. Commissioner Bill Baker felt that a project-end figure needs to be identified and it would not be acceptable to the State to propose an interim budget figure. Mr. Gurley did not agree in that he felt it was not feasible at this time. We need an interim budget to keep from delaying the project until a final total source of funding can be identified. With condemnations taking place in Stage VIII, there is no money to pay into court to acquire these easements. Claims currently exist that total over \$299,000 that cannot be paid. We need an emergency budget; we are trying to identify the costs that are needed until FY'09. We need to identify the costs for the interim budget and will continue to further identify overall costs to complete the project. Mr. Baker questioned the method. Chairman Biller added that once the audit is complete, he is hoping that RDA will release the \$4.6 million previously approved by them. The proposed budget now shows a need for a larger amount. Ron McAhron added that we have to have a plan to obtain the money to finish the project. Mr. Gurley added that he knows a project-end figure needs to be identified quickly because of the upcoming 2009/2011 budget session. A motion was made to approve the proposed cash flow/budget as presented by the Finance Committee; motion seconded by Bob Huffman. Discussion continued. Ron McAhron asked Imad Samara, Corps project manager, when utility costs are incurred and agreements put in place, does the V-2 utilities funding have to be in place. Imad stated that all utility relocation costs are borne by the Commission. Kent Gurley asked Imad when the 7% cash match of \$606,500 was needed and does it need to be in place before Stage VII is let. Imad replied that the payment is needed for Stage VII, Pump Station 2B and V-2 and is needed in about one month. Mr. Gurley proceeded to withdraw his motion for approval of the proposed budget. The Finance Committee will meet and work on a revised document. Mark Lopez, Congressman's Office, reiterated that the Congressman wants a final number. A list needs to be identified immediately showing all costs. Senator Frank Mrvan added that the Governor will help but wants to see this project end as soon as possible. He also needs to know how much money will be required to finish it. He indicated that the Appropriations Committee will begin meeting in November to start discussions. He questioned why we have not contacted the State Board of Accounts to see when the audit will be completed; he will send a letter. Ron McAhron added that the Committee is working on a final number but there are still several unknowns; i.e. total utility cost, four houses west of Hohman, contentious Stage VIII acquisitions, and the Griffith levee. Progress will stop if no monies can be identified. Mr. McAhron made a motion to complete an end of project budget in December with the help of the Corps; motion seconded by Bob Huffman; motion passed unanimously.

Land Acquisition/Land Management Committee – Committee Chairman Bob Marszalek referred to Judy Vamos for a report. She reported that all 48 easement acquisitions in Stage VII have been accepted; we are only waiting for one utility agreement from BP Pipelines. In Stage VIII, there are 96 easement acquisitions. 23 are in condemnation; 3 in negotiations; and 70 are accepted and closed. Attorney Casale added that 16 out of 26 are in court already; 16 takings order by the Court; 10 contested or are awaiting hearings. Staff is working with CSX RR; they do not approve the Corps easement language and negotiations will continue.

• Discussion took place regarding a letter received from the town of Munster in which they requested the Commission to purchase the four homes west of Hohman. Munster Town Councilwoman Helen Brown stated that the letter was sent from staff, with no input from

the Board. Her and Mr. Nellans, also a Munster Councilman, indicated they would talk to their staff and the residents involved to determine what needs to be done. They were not aware of the letter. At this time, the Commission will not address the letter.

Project Engineering Committee – Committee Chairman Bob Huffman gave the committee report. He reported that the V-2 option was exercised and when the contractor completes the Corps paperwork, they can commence construction on the pipeline corridor. Pre-construction meetings were held on October 22 and 30. Mr. Pokrajac added that there are many ongoing issues in this pipeline corridor. There are eight pipeline agreements that covers 16 different pipelines. It has been a slow process but work should be starting soon. The Commission is responsible for all utility costs, although the Corps has to review and approve the estimated cost received from the pipeline company to determine if it is fair and reasonable. Once that is determined, the agreements are put in place. It has taken so long because the utilities will not review their cost estimates until they at least have the 100% Corps design drawings.

- Mr. Pokrajac stated that he has been, and continues to be, in contact with BP Pipelines, trying to finalize the agreement so we can give the Corps a right-of-entry for Stage VII ((Northcote to Columbia).

Operation & Maintenance Committee – There was no report.

O&M Funding Committee – There was no report.

Legislative Committee – There was no report.

Environmental Committee – Commissioner Bob Huffman commended Ron McAhron on his efforts with working with IDEM and IDNR, that the possible soils contamination issue found in the V-2 area, is no longer an issue. A letter from IDEM determined that sampling of the soil was found to have levels below the risk assessment based closure levels.

Recreation Committee – There was no report.

Policy Committee – There was no report.

Other Business – Interim Director Jody Melton stated that as a result of the post flood inspection of the levee features that the Corps and LCRBDC found that there were several different areas that contained log jams. The town of Munster took care of the log jams in their portion of the river; NSRR is taking care of the log jam at their bridge; Lake County Highway Dept. took care of the Kennedy Avenue bridge in Highland. Jody has left several messages with the other railroad west of MLK Drive, but has not received an answer yet. He will follow up.

- Kent Gurley added that now that the election is over, he hopes that the Attorney General's Office moves forward and approves the agreement for turnover of lands to the city of Gary. He asked the attorney to follow up.

- Chairman Biller announced that the Nominating Committee will consist of Arlene Colvin, Mark Gordish, and Kent Gurley.

Statements from the Floor – Numerous statements were received from the floor.

- By a request from the audience, the Commissioners, as well as staff, introduced themselves, their appointing authority or position, and how long they have been either a Board member or staff.
- Mark Taylor, resident from Munster, expressed his concern regarding the securing of the Northcote bridge before the next two years before the project is completed. His concern is that flooding could happen again. Jim Pokrajac answered that the levee construction on the east side of the bridge is being completed as part of Stage V-2 construction and should be completed very soon. The west side of the bridge will be brought up to final design elevation as part of the upcoming Stage VII construction. There will be an emergency response coordination meeting in the near future with all municipalities and agencies so coordination will be pre-established throughout the project.
- Helen Brown, Munster Town Councilwoman, informed Imad Samara that she wrote a letter to the Corps asking what they could do to pursue the continuation of the floodwall across the Northcote Bridge but did not want to hold the project up with any re-design. They also sent a letter to the Lake County Highway Dept. Imad responded that the owner of bridge decides what to do with the bridge. The Corps cannot change the plans unless the owner asks them to. Mrs. Brown would prefer eliminating the bridge and installing lines of protection both north and south of the river, as do most of the Munster residents who flooded.
- Dave Nellans, Munster Town Councilman, stated that the town works very well with the city of Hammond when it comes to clearing out debris from the river, even sharing in the cost if necessary. He stressed the need for an entity to be responsible for the O&M with the ample funds to be able to perform the O&M.
- Denis Buksa, owner of one of the four houses west of Hohman in Hammond, stated that he realizes funding is an issue. He remembers that the Commission has not received requested funds from the State to keep on schedule with the proposed Corps construction schedule. He asked for a copy of the amount of money we have asked for and what we received from the State.
- Trudy Wasik, Southmoor resident, asked if there is no budget because there is no complete plan. She feels Corps plans are inadequate and that proper drainage does not exist in the current plans. She feels the Commission is not representing the residents.
- Karen Lorenz stressed the need for an O&M plan to be put in place. She stated that the residents themselves have cleared debris from the river. She also stressed her disappointment that she had not received an answer to her letter to the Congressman's Office. She is still concerned that the Corps design for landside drainage is not adequate.
- Discussion was held on making the Southmoor Road area an option to the contract so that Stage VIII can move forward. Attorney Casale stated that making that area as an option was originally planned but the Congressman opposes options to the contract. It makes the process longer and increases the costs.
- Bob Pauslon – Inquired why the Hammond dike is higher than the Munster side. He indicated that Cabela's is raising their dike right now. Jim Pokrajac stated that some of the construction in that area is the ongoing Corps Stage V-2 construction (Kennedy to Northcote, both sides of the river) and is being built to Corps design elevations.
- When asked about the billboards, Jim Pokrajac answered that the Commission owns excess land along I-80/94 between the levee and INDOT right-of-way where we have license agreements with several billboard companies. This revenue provides administration money to the Commission.
- Discussion took place regarding the time schedule of the condemnation hearings.

- Carolyn Marsh – Expressed her concern about new development coming into the area and building in floodplains. With Phase 2 development that will take place at Cabela's and possible development at the Griffith golf course; she opposes additional development in these areas. She stated that IDNR has always sat on this Commission and they should have taken a more active role years ago. She asked to be included in any meetings the Commission may have regarding the 200 acres in Gary if it was to be developed by NRCS.
- Steve Enger – Asked Jim Pokrajac and Imad Samara to develop a time line chart to be shared with residents.
- Barbara Whitaker – Stressed the importance of maintenance now – not in two years. She inquired whether or not there were holding areas in Gary where storage water would be detained. Imad answered that there are ponding area easements as well as overbank floodwater areas between the existing levees that the Commission has secured for this purpose. She asked whether or not an agency would be forthcoming to accept the responsibility of O&M.
- It was stated that at this point in time, the four homes west of Hohman Avenue are not in the project.

There being no further business, the meeting was adjourned. The next meeting is scheduled for Wednesday, December 3. The meeting will probably take place at the Munster Town Hall.