

Little Calumet River Basin Development Commission

8149 Kennedy Avenue Highland, Indiana 46322 (219) 923-1118

JOHN DEMEO, Chairman
Governor's Appointment

DOYLE NIEMEYER, Vice-Chairman
Governor's Appointment

ARLENE COLVIN, Treasurer
Mayor of Gary's Appointment

CLYDE BAUGHARD, Secretary
Governor's Appointment

CHARLES AGNEW
Governor's Appointment

GEORGE CARLSON
Mayor of Hammond's Appointment

WILLIAM CRITSER
Governor's Appointment

JERRY PAGAC
Dept. of Natural Resources' Appointment

DAVID SPRINGMAN
Governor's Appointment

JACK SWIKE
Lake County Commissioners' Appointment

WILLIAM TANKE
Porter County Commissioners' Appointment

DAN GARDNER
Executive Director

MEETING NOTICE

THERE WILL BE A MEETING OF THE
LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION
AT 6:30 P.M. THURSDAY, MARCH 2, 1989
AT THE OFFICE OF THE REGIONAL PLANNING COMMISSION
8149 KENNEDY AVENUE
HIGHLAND, INDIANA

A G E N D A

Page

1. Call to Order by Chairman John DeMEO
2. Recognition of Visitors, Guests
3. Approval of minutes of February 2, 1989 meeting
4. Reports of Standing Committees

1-4

- A. Finance/Policy Committee -
Arlene Colvin, Chairperson

- Financial status report
- Approval of claims for February
- Other issues

5
67

- B. Legislative Committee - George Carlson,
Chairman

- Federal issues:
 - Report on Washington trip with area elected officials Feb. 8-10
 - Status of Sec. of Army decision on Little Cal project
 - Project review by O.M.B.
Support letter by Senators, Congressman

8-11

- State legislative issues:
 - 1989-90 biennium budget issues
Senate Finance letter
Indianapolis briefings (LMMDC)

12-14

- Other issues

*Don - you said we sent
copies of our ltr. to Mts. to
Buckner? - We didn't.*

*Call m 41579
3rd reading - did it pass?*

C. Land Acquisition/Management Committee -
Charles Agnew, Chairman

- Committee meeting at 5:30 p.m.
- Appraisals, offers, acquisitions, recommended actions
- Other issues

D. Interim Flood Control/Planning Committee - Clyde
Baughard, Chairman

- Report of projects progress

E. Breakwaters/Marina Committee - Bill Tanke,
Chairman

- Committee meeting at 6:00 p.m.
- Letter from Paul Benkowski re. Tract 12 acquisition
- Solicitation for market feasibility study
- Other issues

15, 16

5. Other Business

6. Statements to Board from the floor

7. Set date for next meeting, adjournment

MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION
HELD AT 6:30 P.M. THURSDAY, FEBRUARY 2, 1989
AT THE COMMISSION OFFICES
8149 KENNEDY AVENUE, HIGHLAND, INDIANA

Chairman John DeMeo called the meeting to order at 6:40 p.m. There were eight (8) Commissioners present. Guests were recognized and quorum was declared.

Development Commissioners:

William Critser
George Carlson
Charles Agnew
Arlene Colvin
Doyle Niemeyer
John DeMeo
David Springman
Clyde Baughard

Visitors:

Richard Bundy-Salmon Unltd.
Don Ewen
Elinor Ewen
Harold Mauger - Gary
Ricky Austin - Gary
Steve Davis - IN. DNR
Pete Zak - South Shore Marina
Mary Jane Zak
Robin Biesen - Post Tribune
Terry McCloskey - Izaak Walton

Staff:

Dan Gardner
Lou Casale
Sandy Mordus

A motion was made by Clyde Baughard to approve the minutes of the January 5th meeting; seconded by Arlene Colvin; motion passed unanimously.

Finance/Policy Committee - Treasurer Arlene Colvin presented the financial report for December as well as the claims. Ms. Colvin made a motion to approve the claims as presented; seconded by Clyde Baughard; motion passed unanimously.

Legislative Committee - Committee Chairman George Carlson spoke about NIRPC's briefing held on January 11th to inform the new Senator Dan Coats on northwest Indiana projects. He and Mr. Gardner both found the Senator very receptive and eager to support the Little Calumet River project.

Mr. Gardner reported that he, Doyle Niemeyer and Arlene Colvin appeared before the Ways & Means Committee in Indianapolis on January 31 to document support for the Commission's \$3 million budget request for this biennium. Lane Ralph from Senators Lugar & Coats' offices and Mayor Thomas Barnes of Gary both spoke in support of the request. They were able to meet with Governor Bayh and also with Lt. Gov. Frank O'Bannon and gave them an update of project status. Mr. Niemeyer stated that, although he was disappointed with the Ways & Means Committee attendance, he felt they were well received. They also were able to meet the new Director of DNR and updated issues with him. Mr. Gardner further explained that the Ways & Means Committee will mark up the budget and send it to the House. They may possibly have to appear again before the Senate Finance Committee. Clyde Baughard publicly thanked the group for representing the Commission.

Mr. Gardner stated that we have not received an official decision from Washington yet. It is expected any day now. February 17th was the date given to us as a deadline for their response. The Senators are planning to contact John Doyle, Principal Deputy Assistant Secretary of the Army for Civil Works. Dan has been in contact with Col. Franco. He will be meeting with the Senators in Washington also.

Land Acquisition/Management Committee - Committee Chairman Chuck Agnew reported that the Directors & Officers liability insurance policy has been renewed. Property closings this month were DC188 and 189. He also reported that \$2,000 has been received from Warren Greer for past farm lease money due to the Commission; a balance of \$2,200 still outstanding.

Mr. Agnew made a motion to refund money to Harold Evers (\$200.36) and Don Ewen (\$106.97) for overpayment on pump expense. They were charged \$16 per acre for the 1988 farming season; actual expense was only \$15.06. Refund due is 94 cents per acre. Motion seconded by Clyde Baughard; motion passed unanimously.

Mr. Agnew made a motion for the attorney to proceed with having Tract 12 (adjacent to marina property) appraised. Although other tracts have been acquired, Tract 12 has not been and is needed by the Corps for survey purposes. Mr. Casale stated that it probably will be necessary to enter into a friendly condemnation suit to acquire Tract 12. After appraisal, an option to purchase will be sent. If the option is refused, then he will proceed with condemnation. Motion seconded by Clyde Baughard; motion passed unanimously.

Mr. Agnew stated that bid specifications are being prepared for the maintenance building at Lake Etta.

Interim Flood Control/Planning Committee - Committee Chairman Clyde Baughard reported that Harrison Street bridge construction is complete; Northcote Bridge reconstruction is underway. He also stated that the Lake County Highway Dept. has cleaned out culverts at Chase Street. The river sediment removal project from Indianapolis to Kennedy will begin in the spring. Mr. Baughard stated that the project to construct additional flow culverts at Penn Central R.R. is proceeding. Ten Ech Engineering is on contract with the Little Calumet River Basin Commission to do the preliminary design and apply for permits for the approval of the construction.

Breakwaters/Marina Committee - Mr. Gardner reported on the meeting in Indianapolis with Ice, Miller, Donadio & Ryan and the Indiana State Bond Bank. The meeting was held to gather information in regard to the Commission's revenue bonding options.

Lou Casale, Commission attorney, reported that the Marina Committee had met to discuss proposals submitted for development of the marina. He stated that after review of the two proposals received, it was the committee's recommendation to reject both proposals. He went on to report that the Marina Committee furthermore recommends the Commission remain receptive to such additional proposals which might be made for a joint-venture marina development either by the original firms submitting proposals or by any new firm. As a result of this information, a motion was made by Doyle Niemeyer and seconded by Arlene Colvin and the following resolution was adopted: Be it resolved that the Little Calumet River Basin Development Commission hereby rejects the proposals made for the development of a Burns Waterway Small Boat Harbor marina, said proposals being received and opened on the 1st day of November, 1988, from Portage Marina, Inc. and the Simonton-Abonmarche-Morren joint venture. Furthermore, the Commission shall remain receptive to such additional proposals that might be made for a joint venture marina development either by the original firms or by any new firm. Motion was unanimously adopted.

Doyle Niemeyer made a motion for staff to solicit for proposals for a firm to do a marketing feasibility study to address bonding options for the development of a marina; motion seconded by Clyde Baughard; motion passed unanimously.

LCRBDC Minutes
February 2, 1989
Page 4

Mr. Gardner referred to an editorial by Bob Ashley in the Post Tribune in which incorrect information was given. It was stated that the Development Commission has received \$27 million to date from the General Assembly. The correct amount received to date is only \$12,468,800. Mr. Gardner stated he called Post Tribune and brought it to their attention.

Richard Bundy, Salmon Unlimited, informed the Commission that the pending bill allowing free access to marinas in Lake County has passed the House.

Terry McCloskey, Izaak Walton, expressed concern on the number of boats that will be on the lake if all marinas come into being. He also felt that some policy needed to be adopted or an entity needed to be identified to handle complaints of dumping in the Gary area.

Harold Mauger, Gary resident, stated that at his persistence, the Lake County Highway Dept. cleaned out Chase St. culverts. He is now trying to get NIPSCO to clean their culverts on NIPSCO right-of-way property.

The next meeting was scheduled for Thursday, March 2, 1989.

There being no further business, the meeting was adjourned.

/sjm

MERCANTILE NATIONAL BANK

JANUARY 1, 1989 - JANUARY 31, 1989

CASH POSITION - JANUARY 1, 1989

Checking Account		
Land Acquisition	\$	17,248.62
General Fund		21,502.53
Tax Fund		1,126.60
Investments		<u>896,500.00</u>
		\$936,377.75

RECEIPTS: January 1, 1989 - January 31, 1989

Lease Rent	\$	19,960.02
Interest		3,432.89
Land Acquisition		<u>4,929.88</u>
TOTAL RECEIPTS:		\$ 28,322.79

DISBURSEMENTS: January 1, 1989 - January 31, 1989

1988 Expenses paid in 1989	\$	9,945.02
L/A Legal Services		1,320.00
L/A Professional Services		
(a) Appraisal Services		600.00
(b) Land Purchase Contractural		1,000.64
(c) Operational Contractural		1,536.75
L/A Land Purchase Cost		1,082.14
L/A Land Capital Improvements		<u>90.00</u>
TOTAL DISBURSEMENTS:		\$ 15,574.55

CASH POSITION - January 31, 1989

Checking Account		
Land Acquisition	\$	16,353.61
General Fund		35,072.92
Tax Fund		1,199.46
Investments		<u>896,500.00</u>
		\$949,125.99



**NORTHWESTERN INDIANA
REGIONAL
PLANNING COMMISSION**

8149 Kennedy Ave.
Highland, Indiana 46322

219-923-1060
312-731-2646

DATE: January 20, 1989

CONTRACT NO: P1.01

CONTRACT CODE: 952

INVOICE NO: P1.01.12

ORGANIZATION: LITTLE CALUMET RIVER BASIN
DEVELOPMENT COMMISSION

PROJECT: FOR SERVICES PERFORMED DURING DECEMBER 1988

I N V O I C E

Project Salaries (Dan gardner) @ 75% of 50% of time	\$ 1,312.91
Porject Salaries (Sandy Mordus) @ .75%	1,147.50
Associated OH Charges @ 35% of Project Salaries	861.14
Staff Mileage/Expenses	65.94
Room Rental	-0-
Accounting Service	150.00
Graphics/Printing Time @ \$15/hr. (Attachments)	7.50
Telephone : Local Service	60.00
Telephone: Billable Charges (Attachments)(11/28-1/2)	87.83
Postage	59.25
Copying Charges @ \$.07 per Copy	94.92
Material Costs (Attachments)	3.78
Other Costs (Attachments)(Misc Supply)	<u>2.08</u>

TOTAL DECEMBER 1988 COSTS \$ 3,852.85

OUTSTANDING PAYMENT DUE -0-

TOTAL PAYMENT DUE \$ 3,852.85



**NORTHWESTERN INDIANA
REGIONAL
PLANNING COMMISSION**

8149 Kennedy Ave.
Highland, Indiana 46322

219-923-1060
312-731-2646

DATE: February 24, 1989

ORGANIZATION: LITTLE CALUMET RIVER BASIN
DEVELOPMENT COMMISSION

CONTRACT NO: P1.01

CONTRACT CODE: 952

PROJECT: FOR SERVICES PERFORMED DURING JAN. 1989 INVOICE NO: 01

I N V O I C E

SALARIES AND FRINGE BENEFITS: DAN GARDNER & SANDY MORDUS	\$ 3,600.00
ROOM RENTAL FOR ADDITIONAL LCRBDC STAFF	200.00
ACCOUNTING SERVICES	150.00
TELEPHONE: LOCAL SERVICE	60.00
TELEPHONE: BILLABLE CHARGES (ATTACHMENTS) (1/2/89-2/10/89)	38.93
POSTAGE	61.65
COPYING CHARGES @ \$.05 PER COPY (2000)	100.00
COPYING CHARGES @ \$.025 PER COPY (97)	2.43
GRAPHICS/PRINTING TIME @ \$16.00 PER HOUR (ATTACHMENTS)	40.00
STAFF MILEAGE/EXPENSES	180.60
OTHER CHARGES (ATTACHMENTS)	-0-
TOTAL JANUARY 1989 COSTS	\$ 4,433.61
OUTSTANDING PAYMENT DUE	3,852.85
TOTAL PAYMENT DUE	\$ 8,286.46

RICHARD G. LUGAR

INDIANA

2400 SENATE OFFICE BUILDING
WASHINGTON, DC 20510
703-226-4814

United States Senate

WASHINGTON, DC 20510

February 15, 1989

The Honorable Richard G. Darman, Director
Office of Management and Budget
Old Executive Office Building
Washington, D.C. 20503

Dear Director Darman:

We would like to indicate our strong support of Alternative 3A for the Little Calumet River Project in Indiana.

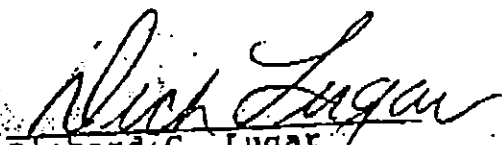
The Little Calumet River Project is a key flood control and recreation project in Northwest Indiana, affecting two counties and over 9,500 homes and businesses in Gary, Griffith, Hammond, Highland and Munster. This project will also be a catalyst to future economic development.

In 1986, Congress specifically authorized Alternative 3A for the Little Calumet River Project. This was the only plan to afford full and equitable flood-control protection; it was also the only alternative which was acceptable to the non-federal interests who must cost-share on this project.

We are pleased to learn that the U.S. Army Corps of Engineers has recently reevaluated a modified version of Alternative 3A. Costs have been cut and additional benefits have been identified in a Decision Document of January 17, 1989 by the Chicago District of the Corps.

We recently met with top officials of the U.S. Army Corps of Engineers to indicate our strong support for the 3A plan as modified. We would like to make you aware of our strong interest in this project and to request your timely and favorable consideration of this issue.

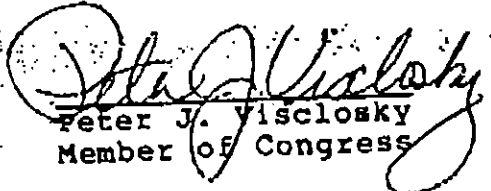
Sincerely,



Richard G. Lugar
United States Senator



Dan Coats
United States Senator



Peter J. Visclosky
Member of Congress

cc: Robert Grady, Associate Director
The Honorable Dan Quayle

U.S. Senator Dan Coats

of Indiana

FOR IMMEDIATE RELEASE
CONTACT: CURT SMITH
(202) 224-5623

FEBRUARY 16, 1989

COATS SIGNS LETTER IN SUPPORT OF LITTLE CALUMET RIVER PROJECT

(WASHINGTON) - Senator Dan Coats, R-IN, today sent a letter to the Bush Administration indicating his strong support for the Little Calumet River Project.

Coats, who met with U.S. Army Corps of Engineers officials last week, said that it is time for action on the project. "The Little Calumet River Project is vitally important to future economic development and flood control for Northwest Indiana," said Coats. "We need to get this project started before we face a repeat of the Flood of 1982."

The letter, which was also signed by Senator Richard Lugar, R-IN, and Representative Peter Visclosky, D-IN, was sent to Office of Management and Budget Director Richard Darman. The letter requests a "timely and favorable consideration" of Alternative 3A, which has the support of state and local officials.

While Congress specifically authorized Alternative 3A for the Little Calumet River Project in 1986, the project has been delayed by debate over another proposal. Recently, however, the Army Corps of Engineers announced that it had reevaluated a modified version of Alternative 3A.



RECEIVED

FEB 21 1989

H. L. E. P. C.

Working For You!

C O N G R E S S M A N

PETE VISCLOSKY

News Release

1st Congressional District

Indiana

FOR IMMEDIATE RELEASE

DATE: February 16, 1989

CONTACT: RUDY MURRIETA, PRESS ASSISTANT, (202) 225-2461

VISCLOSKY PUSHES COMPREHENSIVE FLOOD CONTROL PLAN TO OMB CHIEF

U.S. Rep. Pete Visclosky, D-Merrillville, in a letter to Richard Darman, Director of the Office of Management and Budget, has indicated his strong support for a plan (Plan 3A) which would provide full and equitable flood control protection for the Little Calumet River.

Visclosky said, "This project is very important to our region because of what it means to future economic development in areas that now have to worry about flooding. Improving flood control for the Little Calumet River will improve our economy and will improve the quality of life for residents affected by the river's flooding."

Visclosky and Indiana's two senators recently met with top Army Corps officials for a second time to stress the importance of Plan 3A, which provides protection to areas east of Cline Avenue, to the region. The U.S. Army Corps of Engineers is currently reviewing several plans that can be used and the Corps is expected to make its decision soon.

In the 1986 Water Resources Development Act, Visclosky added and guided into law language which authorizes Plan 3A for the Little Calumet River flood control Project.

Plan 3A will provide greater protection to more people in the region than any other plan, and Plan 3A is estimated to provide about \$9.7 million worth of economic benefits per year.

The letter, which was also signed by Sen. Richard Lugar and Sen. Dan Coats, stated, "The Little Calumet Project is a key flood control and recreation project in Northwest Indiana, affecting two counties and over 9,500 homes and businesses in Gary, Griffith, Hammond, Highland and Munster. This project will also be a catalyst to future economic development."

#####END#####

Visclosky expects modified '3a' Little Cal plan to win approval

The Army Corps of Engineers will probably adopt a modified version of the most extensive flood control plan under consideration for the Little Calumet River, U.S. Rep. Peter Visclosky said Monday following a meeting with corps officials in Washington.

Although the Merrillville Democrat said he received no absolute guarantee that the so-called "3A" plan would be approved, "the sense I took away from it was that the corps will in the next several weeks recommend a slightly modified 3A proposal."

John S. Doyle Jr., principal deputy to the assistant secretary of the Army for civil works, met for about 30 minutes with Vis-

closky and Indiana's two Republican senators, Richard Lugar and Dan Coats.

Prior to that meeting, Army officials in Washington had favored a less expensive plan known as "3B," which does not include 10 miles of levees in Gary to protect the Black Oak community from flooding.

Modifications to the more extensive proposal discussed at Monday's private meeting would cut about \$10 million from the flood control plan's \$87.1 million price tag, Visclosky said.

But he insisted that those changes were technical in nature and would not affect any substantive aspect of the 3A proposal.



State of Indiana

Senator Morris H. Mills
Assistant President Pro Tempore
7148 West Thompson Road
Indianapolis, IN 46241

Senate

Committees:
Finance, Budget Subcommittee, Chairman
Commerce, Chairman
Education

February 13, 1989

Mr. Dan Gardner
Little Calumet River Basin Commission
8149 Kennedy Avenue
Highland, IN 46322

Dear Mr. Gardner:

As Chairman of the Senate Budget Committee, I am writing to inform you that we do not plan to hold a formal hearing before the Senate for the Little Calumet River Basin Commission.

By now you are undoubtedly aware of the recommendations that were placed in the budget for your agency for the next biennium by the State Budget Committee. If there are any changes in your agency's budget that you wish to have the Senate Finance Committee to consider, please reduce them to writing and forward them on to me by Friday, February 17, 1989. If you feel the need to talk with me personally about any changes in your budget, please call my office at 232-9465 and arrange a time for an appointment.

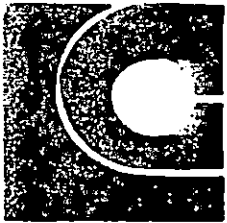
In the meantime, I look forward to hearing from you.

Sincerely yours,



Morris H. Mills, Chairman
Budget Committee

MHM:clc



Little Calumet River Basin Development Commission

8149 Kennedy Avenue Highland, Indiana 46322 (219) 923-1118

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Governor's Appointment

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*Dept. of Natural Resources'
Appointment*

DAVID SPRINGMAN
Governor's Appointment

JACK SWIKE
*Lake County Commissioners'
Appointment*

WILLIAM TANKE
*Porter County Commissioners'
Appointment*

DAN GARDNER
Executive Director

February 21, 1989

Senator Morris H. Mills, Chairman
Senate Finance Committee, Budget Subcommittee
7148 West Thompson Road
Indianapolis, IN 46241

Dear Senator Mills:

We acknowledge the receipt of your letter concerning the Senate Finance Committee not intending to hold a formal hearing for the Little Calumet River Basin Development Commission.

There are no changes in the Commission's capital budget request of \$3,000,000 made to the State Budget Committee in September. We are aware of the Budget Committee recommendation of 0 funding for the upcoming biennium. While we do not feel it is necessary to seek a personal appointment, we do feel compelled to reiterate our plea for a continuity of State capital funding for the Little Calumet River Project. At the time the project is coming to Federal construction the need for adequate levels and continued commitment of State support for the project is critical.

As you are aware, the Federal budget mark-up process is currently underway. Senators Lugar and Coats and Congressman Visclosky are presently seeking Office of Management and Budget approval to include construction funding in the 1989 Federal budget (See enclosure). We are optimistic this will occur. Federal construction funding will finally place the Little Calumet River Flood Control/ Recreation Project on a fast track schedule where availability of non-Federal funding must be assured. The Development Commission will be called

Senator Morris H. Mills
February 21, 1989
Page 2

upon to negotiate and sign the Local Cooperation Agreement prior to any Federal construction being permitted. This agreement needs to certify ability of the non-Federal sponsor to be legally and financially responsive. All of the foresighted commitments of over \$12,468,000 of General Assembly appropriations to date will be called to question if State support is not shown in this biennium budget. With a continued commitment outlined in our budget request, a successful project schedule can be negotiated to access the \$46,500,000 in Federal construction funding.

We urge your continued leadership and support in including funding for this much needed project. Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dan Gardner".

Dan Gardner
Executive Director

/sjm
encl.



DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
219 SOUTH DEARBORN STREET
CHICAGO, ILLINOIS 60604-1797

REPLY TO
ATTENTION OF

7 FEB 1989

Real Estate Office

Subject: Acquisition of Tract 12 for the Burns Waterway Small
Boat Harbor, Indiana Project

Mr. Louis M. Casale
Attorney-at-Law
8300 Mississippi Street, Suite E
Merrillville, Indiana 46410

Dear Mr. Casale:

This letter is to advise you to proceed with the acquisition of the remaining interests in Tract No. 12 which are required for operation and maintenance of the subject project.

The proposed easements are needed in connection with the establishing of a survey baseline alongside the subject waterway and are to be used by the Government when carrying out condition surveys and locating the waterway channel throughout the life of the project. As condition surveys are part of Government maintenance responsibility, said easements must be acquired by the local sponsor and conveyed to the Government. If you have any questions on this matter please contact the undersigned at (312) 353-4719.

Enclosed is a copy of EC 1165-2-144 which has been extended to 30 June 1989, and also enclosed is a copy of EC 1105-2-180 which you requested.

Sincerely,

PAUL H. BENKOWSKI
Chief, Real Estate Field Office
Chicago District

Enclosures

(1) The assignable right, power, privilege and easement to enter upon (Tract number) (the land herein described) for the purpose of installing and maintaining thereon (a) permanent survey monument(s) for use in surveying in connection with and during the operation and maintenance of the _____ project, authorized by the Act of Congress approved _____ (Public Law _____), reserving, however, to the owners, their heirs and assigns all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby conveyed, subject however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

Visclosky probably will ask for Little Cal project funds

States News Service

Rep. Peter J. Visclosky, D-Merrillville, probably will ask Congress to fund construction of the Little Calumet River flood control project during the 1990 fiscal year, said Rudy Murrieta, an aide to the congressman.

The proposal, which calls for building a series of levees along the river, would be undertaken to stem the \$10.9 million in damages done every year when the Little Calumet floods.

The Army Corps of Engineers recently endorsed a version of the plan calling for construction of levees along 13 miles of the river from the Illinois-Indiana line to Martin Luther King Drive in Gary.

Since President Bush's fiscal 1990 budget did not include money for the project, it would be necessary to have the funds appropriated by Congress.

But because this year promises to be a tight one, Congress may not be in the mood to fund the project, said Dave Hunter, a spokesman for the Corps of Engineers in the Chicago district office.

Environmental projects that were included in the administration's budget or that seem very likely to start within the next 12 months include:

- Completion by the Army Corps of Engineers of design of an erosion control project for the Dunes park. The undertaking would replace sand along the beach front that has been lost because of

interference by harbor structures. □ Release in April of an environmental impact statement on the effects of dredging the Indiana Ship Harbor and canal.

The impact statement will suggest several sites for disposing of toxic dredge spoil from the harbor and canal, including a 65-acre tract between the U.S. 90 toll road and 141st Street in Hammond, a 150-acre site in the Black Oak area of Gary and a site in Lake Michigan owned by Inland Steel in East Chicago, which the company is filling in.

Jan Miller, project manager for the Indiana Harbor Project, said actual dredging could not begin earlier than 1992. Construction of a containment facility for the dredge spoil would take two years, he said.

□ Capping of the toxic waste dump Lake Sandy Joe near 25th Avenue and Chase Street in Gary.

The site, which was placed on the Environmental Protection Agency's superfund list in September 1983, will be capped so that no rain water reaches the dump, allowing toxic material to leach into the ground water, said EPA spokesman Art Gasior. He also said monitoring wells will be established around the site to detect any leakage.

Plans are underway, he said, to pipe in water for 75 nearby residents whose wells will be plugged up to minimize the danger of contaminated drinking water.

Cleanups of four other superfund sites, three of them in Gary and one in Griffith, will not begin for one to four years, Gasior said.

Diane Newberg, a legislative assistant to Visclosky, said the Environmental Protection Agency is changing the criteria to allow more sites to be added to the list. But placement of additional sites from northwestern Indiana on the list because of the change is 18 months away, she said.

Some environmentalists believe the federal government's response to northwestern Indiana's many environmental problems is inadequate.

Executive director Terry Donovan of the Grand Calumet Task Force, said toxic sediments in the Grand Calumet River have limited fish, bird and aquatic life.

The environmental group wants the Corps of Engineers to dredge the Grand Calumet as well as the Indiana Ship Harbor and canal and to treat the sediments to reduce their toxicity, he said.

"People in this area do not want ... a toxic island," which would have resulted several years ago, he said, if a Corps proposal had been approved allowing dredge spoil to be used to create an island in Lake Michigan.

Miller said the Corps is authorized to dredge to improve commercial navigation, which limits the agency's dredging activity to the harbor and canal.

Newton airport study OK'd

Lake legislators grumble over threat to Gary site

By THOMAS INKLEY

Times Staff Writer

INDIANAPOLIS — A surprise amendment for a study of locating the Chicago area's third major airport in Newton County was approved by the House Thursday over the objections of Lake County lawmakers.

"What that really is," said Rep. Jerome Reppa, R-Munster, "is the first seed planted to take away the possibility of having the third major Chicago area airport in Gary."

But Rep. Walter Roorda, R-DeMotte, insisted the study would be complementary, not competitive.

Roorda said the study would set the stage for the 23,000-acre Prudential Farm becoming an alternative site for Northwest Indiana if the Federal Aviation Administration rejects Gary because it's in a too populated area.

He said Indiana has no open space site to compete with Illinois' Kankakee area site.

Roorda said the Peat Marwick study eliminated the Newton County site because the group studying the site was dominated by Illinois members.

His explanation didn't satisfy Reppa.

"This flies in the face of everything the Northwest Indiana Forum and most of the legislative delegation from Lake County stand for," Reppa said. "I hold my nose and vote for this, but I will work tirelessly for the rest of this session to see to it, when it the budget comes back from the Senate that item is not in there."

The Lake County delegation had no option at this point in the legislative process but to vote for Roorda's request for \$12,500 for the study because it was sandwiched into an amendment with

funding for 13 other special projects.

One of the projects included \$2 million for the Little Calumet River Basin Commission.

Roorda said the state funds are a match to the \$12,500 raised by people in Jasper and Newton counties wanting a feasibility study for locating the airport in their area.

Rep. Earline Rogers, D-Gary, said Roorda's proposal was frustrating.

"The airport in Gary is important to our revitalization of Gary," Rogers said. "We don't feel there is any need for looking at another site."

"I very much resent state monies being used for a study when the task force and the governor's office have already said that Gary, Indiana, is the place for a third major airport for the Chicago area."

Rogers also vowed to have the study

funding removed from the budget before the end of the session.

Rep. Claire Leuck, D-Fowler, supports the study.

Leuck said consideration of locating a major airport in the Newton County area is vital to the area's planned economic development.

The proposed budget also contains \$8.8 million for construction of a business science and administrative building in Lake County and \$286,000 for land acquisition. Another \$1.5 million is provided to complete the renovation of Indiana University Northwest's Tamarack Hall.

The proposed budget contains no special funding for Northwest Indiana's marinas or any other projects.

The budget bill — House Bill 1410 — was approved by a 98-2 vote and will now be considered by the Senate.

Indiana House likes budget

INDIANAPOLIS (AP) — The Indiana House voted 98-2 Thursday for a two-year state budget that exceeds \$17 billion and adds \$260 million to a spending plan endorsed last month by a bipartisan budget panel of representatives and senators.

Lawmakers voted to send House Bill 1410 on to the Senate after a 50-minute debate in which representatives approved an amendment to add \$11.1 million in new spending and rejected another proposal that would have cost the state about \$60 million over the two-year period that begins July 1.

Rep. B. Patrick Bauer, D-South Bend, said the budget bill reflects unusual bipartisan cooperation among Democrats and Republicans in the House.

However, Frank Sullivan, budget director for Democratic Gov. Evan Bayh, said the budget represents a more ambitious spending plan than the state can afford.

Bauer noted that the proposal won the unanimous approval earlier this week of the 26-member House Ways and Means Committee, which added more than \$248 million in spending not endorsed previously by the State Budget Committee.

Most of the added spending would go for public schools, which in the House bill would get \$81.7 million more than the budget committee had recommended, and to higher education, which would get \$57.4 million more in the House plan as compared with the budget committee proposal.

Mental health would get \$16 million more under the House plan than under the budget committee recommendation.

"This makes it a truly statewide budget," said Bauer, arguing H.B. 1410 meets needs of all parts of state government.

Rep. Patrick J. Kiely, an Anderson Republican who co-chairs the Ways and Means panel with Bauer, said, "I think the priorities are right in this budget."

On Thursday, lawmakers accepted one more bipartisan amendment to the budget bill. Among the major expenditures in the \$11.1 million amendment are \$3.1 million for the Indiana Port Commission, \$2 million for the Little Calumet River Basin Commission, \$2 million for mental health programs and \$1.1 million for the Dunn Mental Health Center in Connersville.

The only part of the amendment that drew criticism on the House floor was a \$12,500 appropriation to study the feasibility of locating a major airport in Newton County.

Gary lawmakers argued that study would detract from the state's effort to win a third major Chicago-area airport for their city.

After the House vote, Sullivan said the budget bill "is more expensive than the state can afford."

Little Cal project is discussed

As the area around the Little Calumet River and the surrounding flood plain is improved, Munster residents can rest assured their property will remain their own, according to Dan Gardner, executive director for the Little Calumet River Development Commission.

At Tuesday's Plan Commission public forum, Gardner told members that no private property will be purchased in town. The state will only need easements, for which landowners will be compensated, he said.

"We can work within existing easements," Gardner explained. "So, the good news is that property in town is protected. What we're hoping to do in the Mun-

While Gardner said it will be approximately seven years before any work is done in the Munster area, he added the project will save individuals currently paying flood insurance up to \$1.2 million per year.

"The biggest advantage to our residents is the fact that they're going to get away from flood insurance," Lawrence Illingworth, member of the commission, explained. "When these levees are built, FEMA will take this area out of the flood plain. Once it's no longer in the flood plain, residents will no longer be required to have flood insurance."

Munster

ster area is not actually buy private property. We'd do work on easements on private property and the property owners would be compensated for it."

Gardner also expressed his disappointment that no residents showed up for the forum. "It is unfortunate that there aren't more people here," he stated. "I think, within the next several months, we'll have more interest. People start getting excited. They start getting worried. But I don't think there's cause for worry."

The \$67,340,000 project was initiated in the 1960s, but even with construction funding the earliest point at which work can begin is in 1990, Gardner said. The plans call for the construction of wide levees to contain flood waters along the flood plain surrounding the river.

State agency fines truck stop

Orders business to halt pollution

By Jim Procter

Staff writer

GARY — The Indiana Department of Environmental Management (IDEM) has fined a Gary truck stop \$25,000 and imposed a \$500 a day fine until the business stops polluting and cleans up ditches that border its property.

Acting IDEM commissioner Thomas Rarick signed a cease and desist order Wednesday requiring Truckstops of America, 2510 Burr St., to stop discharging

diesel fuel into ditches on truck stop property.

IDEM representative Nell Smith said the order also requires that the truck stop remove contaminants in the area by March 1.

Rarick's order says that the truck stop "shall receive a penalty of \$25,000 for allowing the release of contaminants." It imposed a \$500 a day fine beginning Wednesday "until the site is cleaned up," Smith said.

Representatives of BP Oil Co. of Cleveland, which is Truckstops of America's parent company, could not be reached for comment Thursday.

The environmental agency's action comes after more than two months of complaints by neighbors of the truck stop who became concerned when pollutants were found in the ditches.

Residents in Gary's Black Oak section get their water from wells they feared would be contaminated by the discharges into the ditches.

IDEM investigators gathered evidence at the truck stop late last month and then allowed the truck stop to conduct its own investigation and propose a corrective plan.

Residents reported fresh dis-

charges into the ditches earlier this week, said Kathleen Rhyne, who lives nearby.

"We had people on site Tuesday and Wednesday and as soon as we discovered the situation had worsened we went this way with it," Smith said of the decision to fine the company.

She said the site will be monitored until the situation is corrected.

The IDEM has jurisdiction because the ditches empty into the Little Calumet River. Smith said the truck stop was cited for violation of federal and state clean water laws.

Sandy Jo cleanup near, officials say

By Jim Procter

Staff writer

GARY — The sand pit in the Black Oak section that became a small lake and then a contaminated landfill listed on the federal government's Superfund cleanup list will begin to be cleared and sealed this month, state and federal officials said Wednesday.

Later this year, residents living near what was once Lake Sandy Jo — who have used well water they fear was contaminated by the toxic dump site — are to get water mains.

Then for a generation and longer if needed, environmental officials will monitor the site.

Given the delays and red tape that have bogged down the cleanup work for years, residents might be forgiven for saying seeing is believing.

This week or next they could see a work trailer set up by Wes-

ton Consultants of Bannockburn, Ill., the contractor hired by the U.S. Environmental Protection Agency (EPA) to oversee the project, said Allison Hiltner, remedial project manager for the EPA in Chicago.

By November, Hiltner said, the 50-acre site should be excavated, graded, capped and fitted with drains and monitoring wells. Grass and flowers may be planted. The area already is fenced.

The EPA is spending about \$3 million for the work, with the Indiana Department of Environmental Management chipping in \$2.1 million, Hiltner said.

"The land won't be usable," said Arthur Carter, the state agency's project manager for Lake Sandy Jo. "Nothing will be built on it, ever."

This summer or fall, depending on how engineering negotiations go with the Gary-Hobart Water

Corp., water lines will begin to be installed to provide water to about 75 homes near the dump bounded by Interstate 94, 25th Avenue, and Wright and Jennings streets.

Dug out decades ago for sand and gravel for construction projects, the pit filled with water from underground aquifers. Waste haulers and dumpers filled it from 1971 to 1980 with toxic materials that earned the site a spot on the government's Superfund list of hazardous waste sites. The EPA and IDEM teamed up in 1984 to clean the site. But it took time to acquire money and gain approval of contracts for cleanup work.

Meanwhile, many residents took to drinking bottled water.

By next year they may have Lake Michigan water via Gary-Hobart. Indiana Attorney General Linley E. Pearson approved a

\$1.5 million contract Wednesday between the state and the EPA to pay for water line installation and taxes the utility will realize from new customers.

The water project had been delayed while the environmental agencies sought a waiver of the tax liability from the Internal Revenue Service, which last October turned them down.

Hiltner said the EPA was granted \$500,000 to pay the tax earlier this year.

"We still have some negotiating to do with Gary-Hobart, but we hope to be started this summer," she said, adding the talks with the utility mainly concern engineering work.

After the cleanup work is finished, the state will monitor the site for 30 years or until authorities are certain there are no more problems, Carter and Hiltner said.

LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION

FOR MARCH MEETING

MONTHLY BUDGET REPORT

BUDGET CODE	BUDGET CATEGORY	BUDGET AMOUNT	AMOUNT PAID PREVIOUSLY	UNPAID BALANCE	AMOUNT READY FOR PAYMENT	PROJECTED BALANCE
119	PER DIEM EXPENSES	16000.00	0.00	16000.00	0.00	16000.00
311	LEGAL SERVICES	7500.00	343.33	7156.67	283.33	6873.34
312	NIRPC SERVICES	94000.00	0.00	94000.00	8286.46	85713.54
323	TRAVEL MILEAGE	6000.00	0.00	6000.00	0.00	6000.00
331	PRINTING ADVERTISING	2500.00	0.00	2500.00	0.00	2500.00
341	BONDS INSURANCE	7500.00	0.00	7500.00	305.00	7195.00
361	EMERGENCY MAINTENANCE COSTS	3500.00	0.00	3500.00	106.97	3393.03
399	MEETING EXPENSES	3000.00	821.12	2178.88	46.65	2132.23
411	LEGAL SERVICES	50000.00	1512.00	48488.00	1260.00	47228.00
412	PROFESSIONAL SERVICES	100000.00	16213.64	83786.36	2450.56	81335.80
413	LAND PURCHASE COSTS	3607916.00	1082.14	3606833.86	31585.00	3575248.86
414	LAND CAPITAL IMPROVEMENTS	150000.00	90.00	149910.00	0.00	149910.00
415	BURNS WATERWAY BREAKWATER	0.00	0.00	0.00	0.00	0.00
416	STRUCTURES CAPITAL IMPROVEMENT	40000.00	0.00	40000.00	0.00	40000.00
417	PROPERTY/STRUCTURES INSURANCE	25000.00	0.00	25000.00	0.00	25000.00
		4112916.00	20062.23	4092853.77	44323.97	4048529.80

CLAIMS READY FOR PAYMENT

BUDGET CODE	VENDOR NAME	AMOUNT	EXPLANATION OF CLAIM
311	LOUIS M. CASALE	283.33	ATTORNEY RETAINER FOR FEBRUARY 1989
312	NIRPC	4433.61	FOR SERVICES PERFORMED DURING JANUARY 1989
312	NIRPC	3852.85	FOR SERVICES PERFORMED DURING DECEMBER 1988
341	HARLEY SNYDER	305.00	PUBLIC OFFICIAL BOND RENEWAL FOR ARLENE COLVIN
361	DON EWEN	106.97	REFUND ON PUMP EXPENSES
399	COUNTRY LOUNGE	46.65	FINANCE MEETING EXPENSE INCURRED ON 1/30/89
411	LOUIS M. CASALE	1260.00	LEGAL SERVICES FOR LAND ACQUISITION 1-26 TO 2/24/89
412	NIMETZ TRUCKING	300.00	COST INCURRED RE: PUMP EXPENSE ON FARMLAND
412	COLE ASSOCIATES, INC.	1099.96	ENGINEERING SERVICES INCURRED ON PORTAGE MARINA 7/21-9/30/89
412	COLE ASSOCIATES, INC.	81.28	ENGINEERING SERVICES INCURRED ON PORTAGE MARINA 12/1/88
412	CHICAGO TITLE INSURANCE	285.00	TITLE WORK INCURRED ON DC 141 & DC 188-189
412	NIPSCO	253.92	JANUARY 16-FEBRUARY 13 UTILITY BILL FOR PUMPING EXPENSES
412	STATE BUILD. COMMISSION	44.40	REMAINING BALANCE DUE RE: PERMIT APPLICATION
412	ZAJDEL ELECTRIC SALES	386.00	EXPENSES INCURRED ON PUMP REPAIR @ LCRBDC PROPERTY
413	SONNIE MARY EDWARDS	31000.00	LAND PURCHASE COST INCURRED ON DC67
413	EDWIN PERRY	360.00	LAND PURCHASE COST INCURRED ON DC181
413	ROOSEVELT JOHNSON	225.00	LAND PURCHASE COST INCURRED ON DC141
		44323.97	

PLEASE SIGN

Date: March 3

	NAME (please print)	Organization and/or Address	
1	Pete Zak	South Shore Marine Inc	1
2	Mary Jane Zak	" " " "	2
3	Edi Bauer	Lake County Parks Dept.	3
4	Garbi Weyer	Post-Pulver	4
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Chairman: John De Meco

Location: 8149 Kennedy
Highland

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755-48