Sandy

Little Calumet River Basin Development Commission

6100 Southport Road Portage, Indiana 46368 (219)763-0696
Fax (219)762-1653

John Mroczkowski

9

MEETING NOTICE

THERE WILL BE A MEETING OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION AT 6:00 P.M. THURSDAY, SEPTEMBER 2, 1999 AT THE COMMISSION OFFICE 6100 SOUTHPORT ROAD PORTAGE, IN

WORK STUDY SESSION - 5:00 P.M.

AGENDA

1. Call to Order by Chairman Emerson Delaney
2. Pledge of Allegiance
3. Recognition of Visitors and Guests
4. Approval of Minutes of August 5, 1999 6e/5n — 1-4
5. Chairman's Report — 5
   - Committee structure
   - Report on meeting held July 16th to discuss Lake Erie Land Company proposal for land enhancement — 6-8
     - Consideration of proposal
6. Executive Director's Report — 9
   - Wicker Park Manor flood insurance issue

pull letter on commitment for Erie Lake - @ request

+ Bernie Man for Izaak Walton
Howard Anderson
+ Tim Zaun

7. Standing Committees

A. Land Acquisition/Management Committee – Chuck Agnew, Chairman
- Appraisals, offers, acquisitions, recommended actions
- COE Real Estate meeting held on 8/24/99
- Project mitigation report –
  - COE letter regarding July 15th meeting with COE/IDNR 10-11
- Other issues

B. Project Engineering Committee – Bob Huffman, Chairman
- Recommended actions
- Technical review meeting held in COE's office August 10th
- COE letter declining the GSD request for cost share on the telemetry system 12
- Other issues

C. Legislative Committee – Arlene Colvin, Chairperson
- Report on committee meeting held August 25th
  - Request to State Budget Committee
- Other issues

D. Recreational Development Committee – George Carlson, Chairman
- Letter sent to COE requesting bridge and trail completion 13
- Other Issues

E. Marina Development Committee – Bill Tanke, Chairman
- Marina committee meeting scheduled on September 20th with Mayor-elect Doug Olson
- COE technical meeting with IDEM/IDNR re: dredging
- Approval of marina claim 14
- Other issues

F. Finance/Policy Committee – Arlene Colvin, Chairperson
- Financial status report 15
- Approval of claims for August 1999 16-18
- Other issues

G. Minority Contracting Committee – Marion Williams, Chairman

8. Other Business
9. Statements to the Board from the Floor
10. Set date for next meeting; adjournment

MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION
HELD AT 6:00 P.M. THURSDAY, AUGUST 5, 1999
AT THE COMMISSION OFFICE
6100 SOUTHPORT ROAD
PORTAGE, INDIANA

Chairman Emerson Delaney called the meeting to order at 6:05 p.m. Nine (9) Commissioners were present. Pledge of Allegiance was recited. Quorum was declared and guests were recognized.

Development Commissioners:
Emerson Delaney
Charles Agnew
William Tanke
George Carlson
Robert Huffman
Steve Davis
Arlene Colvin
John DeMeo
Curtis Vosti

Visitors:
Charles Olson-Interstate Env.
Jomary Crary – Div. Water, IDNR
Denis Buksa, Munster IN
David Hendrix – The Times
Jim Flora – R.W. Armstrong Co.

Staff:
Dan Gardner
Sandy Mordus
Lou Casale
Jim Pokrajac
Judy Vamos

The minutes of the July 1st, 1999 meeting were approved by a motion from Chuck Agnew; motion was seconded by Bob Huffman; motion passed unanimously.

Chairman's Report – Chairman Emerson Delaney referred to the work study session held on July 13th in regard to the proposal received from Lake Erie Land Company (LEL) for environmental enhancement of Commission lands. This proposal was received in response from a RFP the Commission had advertised. The purpose of the meeting was to discuss points in the proposal and also review maintenance costs and ask questions of LEL. Committee Chairman John DeMeo thought the meeting went very well. Jim Pokrajac added that it is a good opportunity to address long term maintenance. Chuck Agnew added that he was glad to see the handicapped park included in the proposal. Arlene Colvin was glad to be able to hear some questions answered first hand so the Commission can make an informed decision. George Carlson inquired how the Commission would proceed from here. Emerson Delaney stated that LEL has been very responsive in providing us with any information we've requested and they are still putting together some more information for us that we will be receiving in a day or so. Attorney Lou Casale stated those negotiations are proceeding. We probably will have to have at least one more meeting before any action is taken. Bob Huffman thought the meeting was very informative and useful. Steve Davis stated that he was glad that the Commission lands can serve this purpose and be used in this manner. Curt Vosti voiced his opinion in that this is a fantastic opportunity for a recreational

/

benefit to the public. It is something we can take down State to show the legislators that we can help ourselves. John DeMeo added that we will try to get questions answered and something in place before LEL meets with IDNR in Indianapolis. We are working toward a date of August 19th for a potential meeting down state. A date of Monday August 16th at 5:00 was set for the Commission to meet again. That date is not confirmed at this time. A public notice will go out if the meeting is needed and is scheduled. Bill Tanke added that he would like for staff to mail out the additional information that LEL is putting together prior to the August 16th meeting so that the Board members have an opportunity to review it.

Executive Director's Report – Executive Director Dan Gardner referred to a letter in the packet from Mayor King stating the withdrawal of a city request for the 179 acres of Commission land in lieu of actual dollar value for city easements they gave the Commission for project purposes. The letter further states that those monies ($262,000) can be paid to Gary Parks & Recreation Department for further use in the development of Gleason Park driving range. It has been determined that none of these easements are in the empowerment zone.

Mr. Gardner then referred to a letter received from Gary Sanitary District regarding cost of operating and maintaining the pump stations. Dan has written a response to Luci Horton, Director of GSD in which the detail of costs was provided.

Land Acquisition Committee – Committee Chairman Chuck Agnew stated that there were no motions to be made. Mr. Agnew stated that several support letters were received from environmentalists Emryn Artunian, the Dunes Calumet Audubon Society, Save the Dunes Council, and the Griffith Izaak Walton League to expedite our acquisition; lands are being lost to private development.

Mr. Agnew also stated that we have received official letters from the COE to proceed with acquisition for Stage V-2 and Stage V-3.

Project Engineering Committee – Committee Chairman Bob Huffman reported that we have received a letter from in IN Dunes National Lakeshore regarding the review of COE turf and landscaping specs. Mr. Huffman also reported that engineering review of Stage IV Phase 1 North and the West Reach pump stations is completed. A revised construction schedule is included in packet.

Legislative Committee – Committee Chairperson Arlene Colvin referred to the newspaper article in the packet stating House approval of $9.4 million of Federal funds earmarked for the flood control project. She also referred to a letter received from Congressman Pete Visclosky's office expressing his concern of lack of State dollars to match the Federal appropriations he has been securing for the project. Arlene stated that she was at the State Budget Agency's office recently and she discovered that there were more requests than actual dollars available in the Special Build IN Fund. We need to contact our legislators and move quickly. Mr. Gardner added that he has received the construction schedule from Imad and he will have the COE write a letter stating their concern about meeting the construction schedule. Dan will be meeting with the Legislative Committee soon to plan a strategy.

Recreational Development Committee – Committee Chairman George Carlson reported that the cut has been made in the channel between the river and the lake at Carlson-OxBow Park. It is about 80% complete. He also referred to the letter from the North Township Trustee's Office and the Town of Highland in regards to the Commission putting in a pedestrian bridge over the river and finishing the trail west of Indianapolis Blvd. from the river, south past Tri-State Coach Lines. Discussion ensued on whether it was feasible to take this portion of Stage V Phase 2 and request the COE to bid it separately. There has been some grant money (1999 Transportation Enhancement money) allotted for this project to be given to Hammond and Highland for completion of their trail. Our trail will tie theirs together. The Commission is obligated to put a connecting bridge in that area. Curt Vosti added that the Mayor of Hammond is supportive of constructing this portion of work now. Before he takes any action on behalf of the City, he will wait and see what the Commission and the COE decide. A motion was made by Curt Vosti to write a letter to the COE and ask them to take this portion out of sequence and build that section now thus being able to take advantage of the grant money and complete the trail link-up system; motion seconded by George Carlson; motion passed unanimously. Bill Tanke expressed concern that it may be cost prohibitive to do this now; Emerson Delaney said the COE should be able to calculate those costs and provide them to us in order that we may evaluate that consideration.

Marina Committee – Committee Chairman Bill Tanke referred to the letters in the agenda packet concerning the dredging of Burns Waterway. It appears that there are FY2000 funds available but the COE needs to secure 401 water quality certification from the State before dredging can begin.

Mr. Tanke also reported that we have closed out the marina construction account that was opened when construction of Phase 2 of the Portage Public Marina began. Since we did not anticipate any need for that account, the $11,700 was transferred into a note earning a higher interest rate.

Finance Committee – Committee Chairperson Arlene Colvin presented the financial status report and claims for approval. She made a motion to accept the financial report and approve the July claims; motion seconded by George Carlson; motion passed unanimously.

Minority Contracting Committee – In Committee Chairman Marion Williams' absence, Mr. Gardner reported that there is really not much new to report at this time. Once new contracts are let, we will begin monitoring the monthly reports to ensure that the 40% minority participation is fulfilled.

Other Business – Bob Huffman inquired about the vacancy that still remains on the Board. It would be beneficial to the Commission to have a full 11-member Board. Mr. Gardner stated that he has had conversation with people from the Town of Highland and they are interested in that position being filled by a Highland resident. They have contacted Representative Dan Stevenson to that effect. Staff will check with the town to see if they have sent a request letter to the Governor.

Chuck Agnew referred to the COE monthly publication, The Chicago Breeze. Several Board members, as well as staff, took offense to how an article was written concerning our project. All members felt that staff should convey our dissatisfaction with the article, either verbally or in a letter. Mr. Tanke made a motion to inform the COE that we wish to review any articles (concerning us) before they are published; motion seconded by Chuck Agnew; motion passed unanimously.

Mr. Gardner took this opportunity to thank Jomary Crary (and Ken Smith) from the Div. of Water, IDNR, for their help at the mitigation meeting that was held in Indianapolis on July 16. At the conclusion of that meeting, it was determined that the Commission has about ±100 acres over the required acreage we need to mitigate.

Statements to the Board – There were none.

There being no further business, the next regular Commission meeting was scheduled for **6:00 p.m. Thursday, September 2, 1999. Please keep the date of August 16, 1999 at 5:00 open if a special interim meeting is needed. A notice will be forthcoming.**

Little Calumet River Basin Development Commission

6100 Southport Road Portage, Indiana 46368 (219)763-0696
Fax (219)762-1653

LCRBDC OFFICERS AND COMMITTEE MEMBERS FOR 1999

CHAIRMAN – EMERSON DELANEY
VICE CHAIRMAN – WILLIAM TANKE
TREASURER – ARLENE COLVIN
SECRETARY – JOHN DEMEO

LAND ACQUISITION
Charles Agnew, Chairman
Arlene Colvin
John DeMeo
Curtis Vosti
Marion Williams

ENGINEERING
Robert Huffman, Chairman
Charles Agnew
Marion Williams

LEGISLATIVE
Arlene Colvin, Chairperson
George Carlson
William Tanke
Curtis Vosti

FINANCE
Arlene Colvin, Chairperson
John DeMeo
William Tanke
Chuck Agnew

MARINA
William Tanke, Chairman
Charles Agnew
Steve Davis
John DeMeo
Marion Williams

RECREATION
George Carlson, Chairman
Steve Davis
Robert Huffman
Curtis Vosti

MINORITY CONTRACTING
Marion Williams, Chairman
Arlene Colvin
Steve Davis
Robert Huffman

THE TIMES
TUESDAY, AUGUST 17, 1999

Lake Erie irons out details of wetlands project

■ Agreement with Little Calumet River Basin Development board would include 844 acres in Lake County.

BY DAVID HENDRIX
Times Correspondent

PORTAGE – The Little Calumet River Basin Development Commission and a representative of Lake Erie Land Co. spent more than 2-1/2 hours Monday night settling and clarifying several legal details of an agreement for the company to restore and enhance about 844 acres of wetlands that are part of the federally and state-funded riverfront levee and flood control project.

"This is a very unique arrangement. I don't know that it's ever been done before," commission attorney Louis Casale said.

As part of the project, the company has agreed to restore 261 acres and enhance another 583 acres of wetlands in Lake County that are part of the flood control project. Right now, most of this land is unusable, said Dan Gardner, executive director of the commission.

These restoration costs would otherwise have to be passed on to local taxpayers by way of establishing a conservancy district. The savings to the taxpayers are expected to amount to several million dollars over the life of the 50-year agreement, Gardner said.

The commission had earlier announced that a vote on the proposal would have to be held in time for a scheduled Aug. 19 meeting to present it before state environmental officials. But that meeting was canceled, project manager Don Ewald said. This resulted in no vote being cast after the extended discussion Monday.

For the first five years, the company will cover all costs for the restoration work. After the initial five-year period is over, the commission will have to maintain a fund to cover the future costs of maintaining these wetlands, according to the agreement. This funding will come from the license fee the company will pay for the property, $43,630 a year over the life of the 50-year agreement, plus a few other incentives. A clause added Monday night made possible an adjustment for future rates of inflation.

On the 583 acres slated for enhancement, the proposal calls for the construction of a variety of recreational facilities, including two visitor centers, a handicapped-accessible park in Lake Station, a possible new golf course in Gary, canoe launches, walking trails and fishing piers. These venues would be managed by outside parties, not by Lake Erie, Ewald said.

The commission indicated that exact plans for the recreational ventures may change over the course of time. Some of them may be dropped or substituted.

"We don't know what the future's going to hold, or what the recreational needs might be," commission member Curt Vosti said.

It would likely be several years before construction begins on the recreational attractions, but Ewald said he hopes work can begin on the wetlands restoration by the spring of 2000.

Post-Tribune

Gary PT 8.18.99

Little Calumet River Basin officials check details of environmental plan

By Tim Zorn
Staff Writer

PORTAGE — One of Northwest Indiana's largest development companies wants to transform about 850 acres of Little Calumet River floodlands in Gary and Lake Station.

Lake Erie Land Co. would create recreation areas and money-making wetlands on the land, some of which is now used for farming.

If successful, the project would make money for the company, relieve an environmental headache for several industries and restore some of the area's original look.

"It makes ecological sense. It makes public policy sense," according to Dan Gardner, executive director of the Little Calumet River Basin Development Commission.

It also would encourage economic development in Gary, Lake Erie Land official Don Ewoldt said.

But members of the Little Calumet commission, which owns the area Lake Erie Land wants to use, want to make sure they know what they're getting into before they sign a 50-year agreement.

The Portage-based commission spent more than three hours Monday night trying to hammer out final wording on a proposed pact.

Commission members originally anticipated approving the agreement Monday but agreed later to put off final consideration until their regular meeting on Sept. 2 — or a special meeting before that, if necessary.

The commission is considering a five-year option and a 50-year licensing agreement with Lake Erie Land, the NiSource subsidiary that also owns the Coffee Creek and Sand Creek developments in Chesterton.

Lake Erie Land has proposed creating and improving wetlands along the Little Calumet River from Cline Avenue to Clay Street.

The company then would sell wetlands-mitigation credits.

Its main customers would be industries that might be ordered to replace pollution-damaged wetlands along the Grand Calumet River in northern Lake County.

In the $10.3-million project, Lake Erie also would build fishing, hiking and canoeing areas and two visitor centers along the Little Calumet River.

In addition, it would install ground water pumps to improve drainage in the Black Oak and Marshalltown areas of Gary.

The Little Calumet commission is the local sponsor of the U.S. Army Corps of Engineers' flood-control project now under construction along the river.

The commission would continue to own the land used by Lake Erie, but its income would rise.

Lake Erie would pay the commission $43,630 a year while planning the project's details.

If Lake Erie determined the project would work, it would sign a 50-year licensing agreement. Then it would pay the commission $43,630 a year, plus $750 for each wetland-mitigation credit sold and up to 3 percent of the company's revenue from the project.

THE TIMES

Complete proposal on riverfront development in works for state

■ Chesterton company wants to develop land along Little Calumet levee project.

BY DAVID HENDRIX
Times Correspondent

PORTAGE – The Little Calumet Riverbasin Development Commission and the Lake Erie Land Co. of Chesterton have begun talks on a roughly $12 million land improvement project along the path of riverfront levee work in Lake County.

Lake Erie officials turned in a proposal – in an incomplete form, with no architectural drawings or precise cost estimates – to the commission at its meeting last month.

At the commission's August meeting Thursday night, it was announced that most of the details, including some minor environmental and land acquisition-related issues, were resolved at an informal workshop session July 13.

The commission hopes to have the fully-completed proposal ready to present for state approval by Aug. 19.

At least one more workshop between Lake Erie officials and the three-member committee assigned to review the proposal will be between now and then, Executive Director Dan Gardner said. The project is expected to consist of two visitor centers at the far east and far west ends of the flood control project, a handicapped-accessible park in Lake Station, canoe launches, fishing piers and wetlands restoration work.

The company plans to finance the project itself, with no tax money involved, in exchange for a five-year contract to manage the developed property and lease it to companies that would operate the attractions.

Under the proposal, the roughly 844 acres of affected property would remain publicly-owned land.

"It's part of our long-term vision to enhance Northwest Indiana, in both recreation and flood control," Chairman Emerson Delaney said.

"I feel the potential is enormous," commission member Curt Vosti said. "And the added benefit is that we'll have an income stream to help us keep providing those benefits."

A cut of the profits earned from any money-making ventures that would go to the commission is another one of the matters under negotiation.

In other business, the commission reviewed a request from North Township Trustee Greg Cvitkovich to speed up work on a hiking and biking trail that will be part of the finished project, so that it can join up with existing trails in Hammond and Highland.

Commission member George Carlson, chairman of the recreation committee, said the Army Corps of Engineers would have to be consulted to make this possible, because that would take some of the work "out of sequence" from its normal schedule.

The work on the trails in that area isn't scheduled until 2003, according to the Little Calumet project's timeline.

8

Terror of the '90 flood still haunts Wicker Park Manor

■ Living in a flood plain means higher costs for homeowners, who wonder if it could happen again.

By Marcia Sweet
Correspondent

HIGHLAND — One rainy night in 1990 forever changed Charlotte Sills' life.

The rain washed away a river bank and the Little Calumet River banks spilled into the streets — and homes — of the Wicker Park Manor subdivision on the town's north side.

Sills and her neighbors evacuated to higher ground. When they returned the next day, they saw only the rooftops of 230 houses peeking above the murky water.

Officials sealed off the neighborhood and worked to fix the breach in the river. Sills returned to her home two weeks later.

What she saw broke her heart.

Her family had lost everything.

"This has been the most horrible thing I have ever gone through," Sills said. "I wouldn't wish this on anyone. If it ever happens again, I'd just walk away. It's not worth it."

That fear of the Little Calumet River flooding Wicker Park Manor also haunts state and federal agencies.

The neighborhood retains its designation in a flood plain, despite flood-prevention projects by the town, the Army Corps of Engineers and the Indiana Department of Natural Resources.

That means residents continue to pay $500 to $600 a year for flood insurance — in addition to their homeowners' insurance.

Federal Emergency Management Agency, which has authority to remove or designate areas as flood plain, is awaiting information from the town about work done, soil tests, drainage and other technical

FEMA civil engineer Ken Hinterlong hopes the matter can be resolved soon, but the agency does not want to make a rash decision.

"We have to be certain that the specifications are met to remove this area (from the flood plain map)," he said. "As soon as we get the needed data, we will review it."

The Town Council hired Christopher Burke Inc., an Indianapolis-based engineering firm, to review FEMA's request and to bring conclusion to the process.

"I don't blame FEMA for not taking this lightly," Highland Public Works Director John Bach said. "This is a very serious situation."

Bach does not want to see residents pocketing the cost of flood insurance if their homes remain at risk.

"I think that the whole issue is someone has got to sign on the dotted line and say that barring a 200-year storm, this area will not flood again," Bach said. "And that's a big responsibility."

If there's more the town could do for the neighborhood, he wants to know.

"We need some closure," he said.

Bach said communication on the project tends to come in spurts, then grind to a halt.

Sills is one of the Wicker Park Manor residents who still call and write for answers. She and other residents said they were told their subdivision would be cleared from the flood plain map within two or three years of the flood.

Nine years later, she complains about not even getting a response to her inquiries.

"If I call one agency, I'm referred to another one," Sills said. "Call someone else, (and) it's more of the same until I'm running around in circles."

Government agencies worked to protect Wicker Park Manor in the wake of the flood.

U.S. Rep. Pete Visclosky, D-Indiana, secured money for a levee, which the Army Corps of Engineers built. The DNR built a tie-back wall and took soil borings and land elevations. Indiana Department of Transportation had Indianapolis Boulevard raised so it could serve as a secondary barrier to flood waters.

"The idea was to get them protected and then to get them off of the flood plain map," said Jim Hebenstreit of the Department of Natural Resources.

"This has turned out to be a very involved project. The sad thing about Wicker Park Manor was that this was just an accident waiting to happen. You could just see it coming. You had a community that was totally surrounded by higher elevated land."

Christopher Burke Inc. already has contacted FEMA about the flood plain designation, Hinterlong said. Once FEMA has the information it needs, a decision could come in [illegible] 90 days, he said.

But after nine years of waiting, Sills has lost faith in the system. She does not believe the area will flood again, so she does not want flood insurance any longer.

But if it does, she is prepared to move.

"A flood is a terrible thing to go through," she said. "I don't want to do it twice."

Post-Tribune

Wednesday, August 18, 1999

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO, ILLINOIS 60606-7206

REPLY TO
ATTENTION OF:

3 August 1999

Environmental and
Social Analysis Branch

Mr. Dan Gardner
Executive Director
Little Calumet River Basin Development Commission
6100 Southport Road
Portage, IN 46368

Dear Mr. Gardner,

This letter provides a summary of conclusions that resulted from the 15 July 1999 meeting at the IN-DNR offices in Indianapolis to discuss mitigation for the Little Calumet River, Indiana, Local Flood Protection and Recreation Project. The minutes of the meeting, included with this letter as an attachment, provide additional detail. The accompanying Table 2B in that attachment is a further revision of the Table 2 that appears in the Project Conceptual Mitigation Plan of August 1998, and is the basis of the mitigation plan for which we are now seeking signed agreement. In addition to such an agreement, we request documentation that the IN-DNR is willing to act as guarantor for management of the Hobart Marsh portion of the project mitigation. A draft letter outlining this request, dated 2 April 1999, has already been submitted to IN-DNR staff for review.

Out of concern for the desire of IN-DNR Division of Fish and Wildlife for additional forested wetland restoration, the question was asked during that meeting if some of the wet/wet-mesic prairie restoration could be exchanged for wet savanna. It was noted that Table 2A (Attachment) proposed more wet/wet-mesic prairie and less wet savanna than needed.

USACE stated that the areas surrounding the proposed mitigation sites currently hold wet savanna, that the areas currently holding wet savanna have hydrology and soil types that are similar to those of the proposed mitigation area, and that the entire area probably held wet savanna prior to European settlement. The conclusion was that most of the area is almost certainly capable of supporting wet savanna now. USFWS and IN-DNR Division of Nature Preserves agreed. Therefore, it was decided to take 125 acres from the wet/wet-mesic prairie restoration column and place them under the DFW Restoration column, which gives the 342 acres of deciduous forested wetland restoration requested by the IN-DNR (Attachment, Table 2B).

This leaves 71 acres of wet/wet-mesic prairie restoration. It was agreed among all present to replace the 58 acres of scrub/shrub and emergent wetland restoration with an equal number of wet/wet-mesic prairie acres at Hobart Marsh, which satisfies the 58-acre scrub/shrub and emergent wetland mitigation requirement with an additional 13 acres to compensate for not mitigating in kind.

Since over half of the total mitigation will occur away from the project area, 115 acres of enhancement will be performed in the project area to compensate (Attachment, Table 2B). You can find locations and descriptions of the enhancement areas in the August 1998 Conceptual Mitigation Plan.

Thank you for attending the July 15th meeting, for the comments that you offered there, and for your long-standing participation in this mitigation process. If you have any questions or if you need any additional information before you can provide us with your agreement for this project, please contact Greg Moore of my staff at 312/353-6400 extension 2019.

Sincerely,

Philip R. Bernstein
Chief, Planning Division

CF: Mr. John Bacone
Ms. JoMary Crary
Mr. Bill Maudlin
Mr. Marty Maupin
Ms. Elizabeth McCloskey
Mr. Ken Smith

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO, ILLINOIS 60606-7206

REPLY TO
ATTENTION OF:

August 12, 1999

Programs and Project Management Division
Project Management Branch

Mr. Dan Gardner, Executive Director
Little Calumet River Basin
Development Commission
6100 Southport Rd.
Portage, Indiana 46368

Dear Mr. Gardner;

Thank you for your letter of June 18, 1999, regarding the request for cost sharing on the telemetry system to monitor pumps' status from a remote control station for the various Gary Sanitary District pump stations. We have reviewed closely our regulations and consulted our Headquarter on the subject. Regulation related to the operation of pump stations is contained in Code of Federal Regulations (CFR), Part 208, Flood Control Regulations referenced in EM 1110-2-3102, General Principles of Pump Station Design and Layout. This regulations requires operators to be present for pump operation in flood event situations.

Some remote instrumentation capability is already included in the subject pump stations. Local interests could add remote telemetry capability to this. In the West Reach of this project it was agreed that the telemetry system will be provided by the locals. The project has provided remote system for obtaining water levels for the river through the flood warning gaging network. Addition of requested telemetry system on similar Corps of Engineers projects is the responsibility of the local interests.

We have been reminded lately by our Congressional Representative that due to the budget constraints he will not pursue any additional funding increase for projects that are outside the original scope and design of the Little Calumet River project. The subject telemetry system was not within the authorized original scope of this project.

If you have any additional questions please contact Jan Plachta at (312) 353-6400, extension 1801, or the undersigned at extension 1809.

Sincerely,

Jan S. Plachta

for Imad Samara
Project Manager

CF: Congressman Peter J. Visclosky
Jim Flora, Armstrong & Assoc.

Little Calumet River Basin Development Commission

6100 Southport Road Portage, Indiana 46368 (219)763-0696
Fax (219)762-1653

August 17, 1999

Mr. Imad Samara
U.S. Army Corps of Engineers
111 N. Canal Street
Chicago, Illinois 60606-7206

Dear Imad:

At the direction of the Commission Board members at the meeting of August 5th and mentioned in the discussion at the technical review meeting on August 10th, this letter is to serve as a request to remove a portion of the Stage V Phase 2 contract to be bid separately. The portion we request to be removed would be the installation of the pedestrian bridge over the Little Calumet River, the trail along the west side of Tri-State Coach Lines, and the culvert and closure structure over the ditch west of Tri-State that will tie into the existing trail between Woodmar Country Club and Wicker Park. This accelerated schedule is the result of an $800,000 Transportation Enhancement Grant awarded to the town of Highland for construction of the trail linking the existing Hammond and Highland trails.

Enclosed for your information are letters from the North Township Trustee and Highland Parks & Recreation dated July 27, 1999 that request we accelerate those recreational features to allow the tie in of the Hammond trail segment, Wicker Park trail segment, and the Highland trail segment. Their current schedule is projected to have their plans completed by August 2000; be advertised by November 2000; and construction start in the spring of 2001. By accelerating the recreational features, it will allow the continuity of these trails approximately 2 years sooner.

Please identify the additional cost that it would take to pursue this. We would appreciate your consideration to address this concern and we look forward to working with you to facilitate this. If you have any questions, please call me.

Sincerely,

Dan Gardner

Dan Gardner
Executive Director

sjm
encl.
cc: Jan Plachta, COE
Tom Deja, COE
Alex Brown, Highland Parks & Rec
Greg Cvitkovich, North Township Trustee
Emerson Delaney, LCRBDC Chairman
George Carlson, LCRBDC Recreation Chair
Curt Vosti, LCRBDC member

LITTLE CALUMET RIVER BASIN
DEVELOPMENT COMMISSION
MARINA REVENUE BOND CLAIM
SEPTEMBER 2, 1999

Marina Sinking Account #185018027630

02-99	**NBD BANK**	**$28,643.84**

Bank One

LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION
FINANCIAL STATEMENT
JANUARY 1, 1999 - JULY 31, 1999

CASH POSITION - JANUARY 1, 1999			
CHECKING ACCOUNT			
LAND ACQUISITION		51,373.91	
GENERAL FUND		109,925.65	
TAX FUND		0.00	
INVESTMENTS		1,137,500.00	
ESCROW ACCOUNT INTEREST		4,245.98	
			1,303,045.54
RECEIPTS - JANUARY 1, 1999 - JULY 31, 1999			
LEASE RENTS		37,108.52	
INTEREST INCOME		16,104.35	
LAND ACQUISITION		353,123.70	
ESCROW ACCOUNT INTEREST		4,886.86	
MISC. INCOME		188.00	
KRBC REIMBURSEMENT RE: TELEPHONE CHARGE		1,264.17	
TOTAL RECEIPTS			412,675.60
DISBURSEMENTS - JANUARY 1, 1999 - JULY 31, 1999			
ADMINISTRATIVE			
1998 EXPENSES PAID IN 1999	59,886.95		
PER DIEM		8,200.00	
LEGAL SERVICES		3,047.31	
NIRPC		55,954.86	
TRAVEL & MILEAGE		1,696.77	
PRINTING & ADVERTISING		3,278.56	
BONDS & INSURANCE		5,841.63	
TELEPHONE EXPENSE		4,956.27	
MEETING EXPENSE		2,560.39	
LAND ACQUISITION			
LEGAL SERVICES		42,519.14	
APPRAISAL SERVICES		49,725.00	
ENGINEERING SERVICES		18,575.50	
LAND PURCHASE CONTRACTUAL		1,722.00	
FACILITIES/PROJECT MAINTENANCE SERVICES		19,802.68	
OPERATIONS SERVICES		0.00	
LAND MANGEMENT SERVICES		78,097.84	
SURVEYING SERVICES		54,033.98	
ECONOMIC/MARKETING SOURCES		3,164.99	
PROPERTY & STRUCTURE COSTS		11,663.12	
MOVING ALLOCATION		0.00	
TAXES		2,268.84	
LAND PURCHASE CONTRACTUAL		0.00	
PROPERTY & STRUCTURES INSURANCE		20,699.00	
UTILITY RELOCATION SERVICES		6,059.89	
LAND CAPITAL IMPROVEMENT		19,397.80	
STRUCTURAL CAPITAL IMPROVEMENTS		2,195.75	
ESCROW ACCOUNT NBD BANK		0.00	
TOTAL DISBURSEMENTS			415,461.32
CASH POSITION - JULY 31, 1999			
CHECKING ACCOUNT			
LAND ACQUISITION		85,364.59	
GENERAL FUND		71,536.37	
TAX FUND		0.00	
INVESTMENTS		1,137,500.00	
ESCROW ACCOUNT INTEREST		9,132.84	
			1,303,533.80

LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION

MONTHLY BUDGET REPORT, AUGUST 1999

	1999 BUDGET	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	6 MONTH ALLOCATED TOTAL	UNALLOCATED BUDGETED BALANCE
5801 PER DIEM EXPENSES	16,000.00	50.00	0.00	0.00	0.00	0.00	4,150.00	4,200.00	11,800.00
5811 LEGAL EXPENSES	8,500.00	647.33	395.33	283.33	500.33	283.33	283.33	2,392.98	6,107.02
5812 NIRPC SERVICES	125,000.00	18,196.34	0.00	9,976.77	9,251.37	10,091.22	8,831.71	56,347.41	68,652.59
5821 TRAVEL/MILEAGE	14,000.00	24.64	26.22	0.00	24.64	0.00	576.24	651.74	13,348.26
5822 PRINTING/ADVERTISING	5,000.00	0.00	319.00	149.22	185.98	0.00	34.42	688.62	4,311.38
5823 BONDS/INSURANCE	7,500.00	276.00	0.00	0.00	0.00	5,565.63	0.00	5,841.63	1,658.37
5824 TELEPHONE EXPENSES	7,000.00	519.16	192.98	651.82	540.17	309.54	198.15	2,411.82	4,588.18
5825 MEETING EXPENSES	8,000.00	0.00	0.00	378.09	108.79	301.57	0.00	788.45	7,211.55
5838 LEGAL SERVICES	125,000.00	4,540.71	7,126.58	7,589.02	5,864.39	5,620.96	6,948.71	37,690.37	87,309.63
5840 PROFESSIONAL SSERVICES	500,000.00	31,930.55	46,077.30	33,336.46	41,709.50	43,359.40	22,463.78	218,876.99	281,123.01
5860 PROJECT LAND PURCHASE EXP.	1,307,081.00	33,700.00	19,297.84	2,019.50	124.00	50.00	2,631.00	57,822.34	1,249,258.66
5881 PROPERTY/STRUCTURE INS.	25,000.00	0.00	563.00	0.00	18,244.00	0.00	1,892.00	20,699.00	4,301.00
5882 UTILITY RELOCATION EXP.	200,000.00	105.00	0.00	3,464.89	157.50	210.00	420.00	4,357.39	195,642.61
5883 PROJECT LAND CAP. IMPROV.	250,000.00	60.00	0.00	0.00	0.00	1,800.00	4,795.00	6,655.00	243,345.00
5884 STRUCTURES CAP. IMPROV.	25,000.00	270.00	0.00	0.00	0.00	0.00	0.00	270.00	24,730.00
	2,623,081.00	90,319.73	73,998.25	57,849.10	76,710.67	67,591.65	53,224.34	419,693.74	2,203,387.26

16

	1999 BUDGET	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	12 MONTH ALLOCATED TOTAL	UNALLOCATED BUDGETED BALANCE
5801 PER DIEM EXPENSES	16,000.00	0.00	0.00	0.00	0.00	0.00	0.00	4,200.00	11,800.00
5811 LEGAL EXPENSES	8,500.00	283.33	283.33	0.00	0.00	0.00	0.00	2,392.98	6,107.02
5812 NIRPC SERVICES	125,000.00	8,840.27	8,692.44	0.00	0.00	0.00	0.00	56,347.41	68,652.59
5821 TRAVEL/MILEAGE	14,000.00	0.00	22.40	0.00	0.00	0.00	0.00	651.74	13,348.26
5822 PRINTING/ADVERTISING	5,000.00	56.83	55.63	0.00	0.00	0.00	0.00	688.62	4,311.38
5823 BONDS/INSURANCE	7,500.00	0.00	0.00	0.00	0.00	0.00	0.00	5,841.63	1,658.37
5824 TELEPHONE EXPENSES	7,000.00	857.44	477.96	0.00	0.00	0.00	0.00	2,411.82	4,588.18
5825 MEETING EXPENSES	8,000.00	423.30	0.00	0.00	0.00	0.00	0.00	788.45	7,211.55
5838 LEGAL SERVICES	125,000.00	5,864.70	8,271.75	0.00	0.00	0.00	0.00	37,690.37	87,309.63
5840 PROFESSIONAL SSERVICES	500,000.00	32,737.57	54,611.71	0.00	0.00	0.00	0.00	218,876.99	281,123.01
5860 PROJECT LAND PURCHASE EXP.	1,307,081.00	8,880.00	1,390.00	0.00	0.00	0.00	0.00	57,822.34	1,249,258.66
5881 PROPERTY/STRUCTURE INS.	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00	20,699.00	4,301.00
5882 UTILITY RELOCATION EXP.	200000	210.00	1,837.50	0.00	0.00	0.00	0.00	4,357.39	195,642.61
5883 PROJECT LAND CAP. IMPROV.	250000	0.00	0.00	0.00	0.00	0.00	0.00	6,655.00	243,345.00
5884 STRUCTURES CAP. IMPROV.	25000	0.00	0.00	0.00	0.00	0.00	0.00	270.00	24,730.00
	2,623,081.00	58,153.44	75,642.72	0.00	0.00	0.00	0.00	419,693.74	2,203,387.26

CLAIMS PAYABLE FOR AUGUST 1999

ACCT	VENDOR NAME	AMOUNT	EXPLANATION OF CLAIM
5811	LOUIS CASALE	283.33	RETAINER FEE BILLED THROUGH 8/24/99
5812	NIRPC	8,521.94	SERVICES PERFORMED JULY 1999
5812	UNITED PARCEL SERVICE	28.25	OVERNIGHT MAIL
5812	UNITED PARCEL SERVICE	142.25	OVERNIGHT MAIL TO COMMISSIONERS
5821	SANDY MORDUS	22.40	MILEAGE 7/7/99-8/24/99
5822	JUDY VAMOS	55.63	REIMBURSEMENT
5824	GTE NORTH	70.11	MODEM TELEPHONE SERVICE 7/28/99-8/28/99
5824	GTE NORTH	129.05	BILLING PERIOD 8/16/99-9/16/99(TOTAL BILL 259.13 KRBC 130.08)
5824	MCI	278.80	BILLING PERIOD 7/15/99-8/15/99(TOTAL BILL 297.88,KRBC 19.08)
5838	LOUIS CASALE	8,271.75	LAND ACQUISITION/LEGAL SERVICES 7/28/99-8/24/99
5841	JANET O'TOOLE & ASSOC	8,800.00	APPRAISAL SERVICE FOR DC-719,715,739-742,744-747,751-758, 786,763 & 765
5841	ASSOCIATED PROPERTY COUNSELORS LT	5,500.00	APPRAISAL SERVICES ON LEL MARKET ANALYSIS
5842	J. F. NEW & ASSOCIATES INC	2,350.00	WETLAND PERMIT APPLICATION & MITIGATION DESIGN
5842	J. F. NEW & ASSOCIATES INC	1,200.00	PERMIT APPLICATION & MITIGATION DESIGN
5842	D P MARTIN DESIGN	5,843.90	PARTIAL COST INCURRED IN DESIGNING ARCHITECTURAL SERVICES FOR GLEASON PARK STAGE II-3B
5842	R. W. ARMSTRONG	8,772.50	ENGINEERING SERVICES FOR PERIOD ENDING 8/13/99
5843	LAKE COUNTY RECORDER	425.00	TITLE WORK FOR STAGE IV-1, BURR ST BETTERMENT LEVEE
5843	MAXI MILIAN TITLE CORPORATION	250.00	TITLE WORK FOR DC-818
5844	JUDITH VAMOS	1,727.25	LAND ACQUISITION/MGMT SERVICES 7/16/99-7/31/99
5844	JUDITH VAMOS	2,119.25	LAND ACQUISITION/MGMT SERVICES 8/1/99-8/15/99
5844	JAMES POKRAJAC	3,572.00	LAND MANAGEMENT/ENG SERVICES 7/16/99-7/31/99
5844	JAMES POKRAJAC	199.08	JULY MILEAGE
5844	JAMES POKRAJAC	3,306.00	LAND MANAGEMENT/ENG SERVICES 81/99-8/15/99
5847	G. L. ENGINEERING	907.50	SURVEY COSTS INCURRED AT WIND BLDG IN STAGE IV-1
5847	COLE ASSOCIATES INC	1,550.00	PROFESSIONAL SERVICES RE:WOLVERINE REVISIONS INV#056020
5847	COLE ASSOCIATES INC	540.00	SURVEY COSTS INCURRED IN STAGE IV-1(PARTIAL BILLING)
5847	COLE ASSOCIATES INC	3,588.77	SURVEY COSTS INCURRED AT STAGE II-3B(PARTIAL BILLING)
5847	COLE ASSOCIATES INC	9.32	SURVEY COSTS INCURRED IN STAGE IV-1(PARTIAL BILLING)
5847	COLE ASSOCIATES INC	1,273.64	SURVEY COSTS INCURRED IN ERR(PARTIAL BILLING)
5847	COLE ASSOCIATES INC	800.00	SURVEY COSTS INCRRED IN ERR(PARTIAL BILLING)
5847	COLE ASSOCIATES INC	1,877.50	SURVEY COSTS INCURRED IN STAGE VI(PARTIAL BILLING)
5861	F. JEFFRIES, D. JEFFRIES,& J. HOVANEC	1,390.00	ADDITIONAL COSTS INCURRED RE: DC-818
5882	R. W. ARMSTRONG	1,837.50	UTILITY RELOCATION SERVICES FOR PERIOD ENDING 8/13/99
	TOTAL	**75,642.72**	

INVOICE

NORTHWESTERN INDIANA
REGIONAL PLANNING COMMISSION
6100 Southport Road
Portage, IN 46368
219-763-6060 Fax 219-762-1653

INVOICE NO: 7/7

DATE: 08/02/99

To: LITTLE CALUMET RIVER BASIN
DEVELOPMENT COMMISSION
For: Services performed JULY 1999

Contract code: P-LCRBDC

Internal code: P219

DESCRIPTION	AMOUNT
Salaries and fringe benefits	6,950.00
Accounting services	500.00
Room rental	580.00
Postage	161.28
Copying charges @ $5.00/month plus $.06 per copy 2834 copies	175.04
Fax machine / Long distance @ $5.00 plus current charges	12.98
Graphics, printing and clerical time at $23.00/hr; 3.50 hours	80.50
Petty Cash	62.14
Other	
TOTAL	**$ 8,521.94**

PROJECT ENGINEERING
MONTHLY STATUS REPORT
Thursday, September 2,1999

STATUS (Stage II Phase 1) Harrison to Broadway – North Levee:

1. Project completed on July 10, 1992.
   Dyer Construction – Contract price $365,524

STATUS (Stage II Phase II) Grant to Harrison – South Levee:

1. Project completed on December 1, 1993.
   Dyer/Ellas Construction – Contract price $1,220,386

STATUS (Stage II Phase 3A) Georgia to Martin Luther King – South Levee:

1. Project completed on January 13, 1995.
   Ramirez & Marsch Construction – Contract price $2,275,023

Landscaping Contract (This contract includes all completed levee segments – installing, planting zones, seeding, and landscaping):

1. Dyer Construction – Contract price $1,292,066
   Project completed June 11, 1999

STATUS (Stage II Phase 3B) Harrison to Georgia – South Levee:

1. Rausch Construction started on 11/20/95. (Construction is approx. 98% complete)
   - Currently $3,280,112.42 has been spent on this project.
2. Broadway pumps station remains to be inspected.
   A. Final testing and turnover to Gary Sanitary District is pending. Waiting on contractor response to complete testing. (Still waiting to schedule operational test)
3. Survey work has been completed to re-route recreation trail off of existing levee North of IUN to cross at 32nd Avenue.(Refer to Recreation report)
   - **A letter was sent to the COE on August 5th indicating the informal value estimate needs to be approved by the COE. Then we will make offer to city of Gary.** /
4. **The COE sent a final punch list to Rausch Construction on August 25th requesting these items be ready for final inspection no later than September 24th.** 2-4

STATUS (Stage II Phase 3C2) Grant to Harrison:

1. The overall project is 98% complete, and the final scheduled completion is for the end of **September** 1999.
   - The final inspection was made by the COE on July 15th and eleven (11) items remain to be completed on the punch list.
   - Currently, $3,680,554 has been spent on this project.
2. The operational test for the Grant Street pumping station was held on November 19th, 1998, with LCRBDC, COE, GSD, and the City of Gary.

A. The tests were completed and the pump station was found to be satisfactory as per COE plans and specs with the exception of minor punch list items. (These are currently being completed.)

B. A letter was sent to the COE on December 17th, 1998, requesting a list of information and materials needed to turn over the pump station to GSD.

- Turnover process is still ongoing as of **August 26th** and was part of the discussion at our coordination meeting held with the GSD on May 19th.

STATUS (Stage II Phase 4) Broadway to MLK Drive – North Levee:

1. All structural levee work completed. All grading and backfilling have been completed.
   A. Project is approx. 98% completed and the anticipated overall completion is for September of 1999.
   B. Current money spent to date is $4,175,000
2. This portion of levee construction has been completed.
   A. The pump station has been completed and is ready to be tested. (The meter has been installed as of December 9th, 1998, which will begin the 30 month payback agreement to NIPSCO by the GSD.)
      - Contractor and COE still coordinating to schedule the pump test.
3. **The COE sent a final punch list to Rausch Construction on August 25th requesting that these items be ready for final inspection no later than September 24th.** 5-7

STATUS (STAGE III) Chase to Grant Street:

1. Project completed on May 6th, 1994.
   Kiewit Construction – Contract price $6,564,520.
2. We received a letter from the COE on March 17th, 1999, including design recommendations, and requesting our comments and review for the STAGE III DRAINAGE REMEDIATION PLAN.
   - We submitted sets for review to the Gary Sanitary District and the Lake Erie Land company on April 6. We are awaiting their response and will have a coordination meeting for drainage in the entire Grant Street area with Gary, GSD, COE, and LCRBDC upon receipt. **(Ongoing)**

STATUS (Stage IV Phase 1) Cline to Burr: This area was modified to include the drainage system from Colfax to Burr on June 21st, 1995.

1. The COE has agreed to release this project in (2) segments.
   A. IV-1 (North) The drainage system from Colfax to Burr Street North of the Norfolk Southern RR.
      - The current schedule is to advertise on 9/15/99; award on 11/15/99; and construction start **in January, 2000.**
   B. IV-1 (South) The remainder of the IV-1 project not included as part of IV-1 (North), primarily all of the construction South of the N.S. RR.
      - The current schedule is to advertise on 4/20/00; award 7/24/00; and construction start on 8/21/00.
2. **The comments for engineering review from the Gary Sanitary District were sent to the COE on August 5th.** 8

3. A field coordination meeting was held on July 16th with the COE, NIPSCO, Ameritech, Lake County Highway, and the LCRBDC to review the relocation of utilities to serve the WIND facility.
   - **Utility re-location is ongoing with Ameritech and NIPSCO.**
4. The COE wrote a letter to INDOT on Jan. 22nd (We got a copy on Feb. 25th) suggesting coordination for our work limits extending onto an already created mitigation area.
   - It has been agreed that the staging area will be west of the EJ&E RR and south of I80/94 instead of the Sumar property at 29th & Colfax.
   - **A right-of-entry was submitted to INDOT to review on August 13th requesting review and comments (Ongoing)**
   - **We received a letter from INDOT on August 26th (dated August 19th) indicating that this area will be used for mitigation and that we should pursue another location.** 9-10
5. The COE sent the final drawings for design for the WIND radio property to their engineer for comments on May 11th.
   - **The survey has been completed, the legals are finished, and the appraisal process has started.**

STATUS (Stage IV Phase 2A) Burr to Clark – Lake Etta:

1. Dyer Construction-95% complete.
   A. Currently, $3,174,000 has been spent on this project.
2. The North Burr Street stormwater pumping station has been completed.
   A. The operational test was held on March 2, 1999. The follow-up inspection was held on March 30, 1999.
   B. We received a letter from the COE on May 3rd (dated April 28th) that the pump station training was performed on April 22nd with the designated reps of the GSD.
   C. The LCRBDC met with the COE, Dyer Construction (general contractor), and Austgen Electric (pump station sub-contractor) on May 3rd and accepted part of the spare parts.
      - We are awaiting the remaining of the spare parts to complete the checklist. (Ongoing)
      - GSD will not accept responsibility for any pump station until all issues are resolved and turnovers completed. (Refer to Land Management Report)

STATUS (Stage IV Phase 2B) Clark to Chase

1. 100% of levee construction has been completed, and the projected overall completion is for the fall of 1999.
   - Although pre-loading was done, settlement caused a break in the joint from the headwall to the gatewell in the closure structure west of Chase Street. This will be allowed to further settle until mid-summer, upon which the repair will be made.
     - Ayres & Associates have prepared the engineering repair and made recommendations to the COE. (A/E liability is pending with the COE).
     - The fourth survey by the A/E was done during the week of July 19th to determine if settling is done.
   - **Paving of recreational trail access ramps will be done this fall.**

STATUS (Betterment Levee) EJ&E to Burr Street (North of NIPSCO R/W), across RR, then north of railroad R/W eastward ½ way to Clark, thence south.

1. COE projects levee installation along the east R/W line of the EJ&E RR across the NIPSCO north R/W line, then extending levee east from the EJ&E RR along the north side of the NIPSCO R/W, thence east to Burr Street, thence north across the Norfolk Southern RR, then East (north of the RR right-of-way) ½ way between Burr and Clark, then back south over the RR, and then going back approx. 1400' south.
   A. It has been verbally agreed that this will be broken up into (2) segments as follows: (refer to the Land Acquisition report)
      - Phase 1 will include levee and ditch work from the E.J. & E R.R to Colfax Ave., including a one-year option on the work on the E.J. & E. R/W and the Colfax Road raise.
      - The current construction schedule for Phase 1 would be to advertise on 12/1/99; award contract on 3/1/00; and start construction on 4/1/00.
      - Phase 2 will include the remainder not included as part of Phase 1, primarily from Colfax to the area ½ between Burr and Clark.
      - The current construction schedule for Phase 2 would be to advertise on 4/15/00; award the contract on 7/15/00; and construction start on 8/15/00.
2. The COE sent a letter to Marathon on Feb. 19th requesting information on cost and design for lowering their 6" pipeline west of Arbogast and north of the NIPSCO R/W.
   A. We received a modified cost estimate from Marathon pipeline for a cost of $183,543 without contingencies on May 12th.
      - Our review to Lou shows COE concurrence for this cost and the relocation for an agreement with Marathon.
   B. NIPSCO submitted a cost estimate for gas facilities adjustments from the EJ&E through Colfax as part of the Phase 1 construction in the amount of $120,197.
      - The cost estimate was reviewed and approved by the COE.
      - Currently, we are coordinating with NIPSCO to see if we would be required to compensate them for their relocation on a public right-of-way.

STATUS Cline to EJ&E RR – Local Project:

1. No protection at this time from Cline Ave. to Arbogast. (Locally protection will be provided).
2. **Clearing and grubbing in this area have been completed. The levee construction will begin in mid-September and be completed by mid-October.**
3. We have to get an easement agreement with the developer to allow them to build on our 30' strip of land south of the NIPSCO R/W.
   - **The license agreement was sent to Kortenhoven on September 2nd to sign. This will allow him to start levee construction before the middle of September.** //
   - **Griffith has agreed to assume all responsibility for maintenance and inspections.**

STATUS (Stage V Phase 1) Wicker Park Manor:

1. Project completed on September 14, 1995.
   Dyer Construction – Contract price $998,630

2. As per a conversation with Phillips Pipeline on 9/30/96, consideration is being given to do a directional bore or both 8" lines, rather than do 2 "up and overs" for both levees (This has been ongoing with the COE since November of 1996)
   A. The COE indicated in their response for Stage V – Phase 2, that this was not economically feasible. We still contend this should be done as an item of safety.
   B. See Status (Stage V Phase 2)
      Item #4 for update on directional drilling.

STATUS (Stage V Phase 2):

1. At the July 23rd, 1998 Real Estate meeting, the current schedule shows a January 1st, 2001 contract award date. (This will be reviewed by the Commission.)
2. We received "final" real estate drawings from the COE on July 13th, requesting us to proceed with the acquisition. (See Land Acquisition Report)
   - **We submitted engineering drawings for final review to Hammond, Highland, Munster, and the North Township Trustee on July 27th for informational purposes.**

STATUS (Stage V Phase 3) Woodmar Country Club:

1. At the **July 27, 1999** Real Estate meeting, the current schedule shows a July 1st, **2001** contract award date.
   - We feel this date is non-realistic. With the funding available, and with appraisals and agreements required for the right of entry, a 2003 date would be more realistic.
2. We received "final" real estate drawings from the COE on July 13th, requesting us to proceed with acquisition (See Land Acquisition Report).
   - We have not received final engineering drawings from the COE to present to Woodmar for their review and comments. Acquisition cannot begin until we receive drawings.

STAGE VI:

1. Had meeting on 1/18/96 with Super 8, Holiday Inn, and Motel 6 with the COE attending regarding levee impact to the properties and how we will proceed.
2. **The survey work to field determine project coordinates has been completed and was sent to the COE on August 23rd. Final engineering and real estate layouts can now be completed.** 12

Status (Stage VII) Northcote to Columbia:

1. We received a letter from the COE on March 15th, 1999, requesting our review and comments for their A/E scope of work.
   A. A letter was sent to the COE on April 30th with comments regarding the A/E scope Of work and indicating that stages VII and VIII will probably not be done for another six to seven years.
   B. The A/E award was given Rust Engineering.

STATUS (Stage VIII) Columbia to the Illinois State Line):

1. We received a letter from the COE on March 15th, 1999 requesting our review and comments for their A/E scope of work.

A. A letter was sent to the COE on April 30th with comments regarding the A/E scope of work and indicating that Stages VII and VIII will probably not be done for another six to seven years.
B. The A/E award was given to S.E.H. (Short, Elliot & Henderson Inc.)

East Reach Remediation Area – North of I-80/94, MLK to I-65:

1. **The DNR permit is in the final stages of review and should be completed in time to start construction by 9/16/99.**
2. Project went out for bids on April 8th, 1999, and the bid opening **was done on** May 25th, 1999, excluding the roadway from Central Avenue to the I-65 sluice gate (This will be put on a one-year option)
   - Bids were received for the East Reach and the sole bid was 138% over the COE cost estimate. **The COE re-evaluated this construction cost estimate, found an error, re-estimated, and now it is within 15% of the bid.**
   - It is currently projected to award the contract on 8/11/99 and to start construction on 9/16/99.

West Reach:

1. **Pump stations:**
   - The four (4) pump stations that are included in this scope are Baring, Walnut, S. Kennedy, and Hohman/Munster.
2. **We received a letter from the COE on August 12th declining the request from the Gary Sanitary District to cost share the installation of telemetry to the 4 stations based upon federal regulations.** 13
3. **A letter was sent to the Hammond Sanitary District on August 26th suggesting they pursue damage to one of the pipes serving the south Kennedy pump station by INDOT.** 14-15

General:

1. **A technical review meeting was held with the COE in Chicago on August 10th. (This will be held quarterly).**
   - **Fourteen (14) issues were discussed and noted from the minutes of the meeting.** 16-19
2. **We received a letter from the COE on August 3rd regarding the July 15th meeting with the IDNR in Indianapolis. It addressed concerns with the Hobart Marsh area.** 20-21
3. A letter was written to Lou Casale on June 17th requesting information regarding Commission cost for utility re-locates on a public right-of-way. We would like to see if there is a way that the LCRBDC could avoid these costs with any agreements already in place with municipalities.
   A. We are currently coordinating with NIPSCO to get legal documentation regarding reimbursement on public right-of-ways.

Little Calumet River Basin Development Commissio

6100 Southport Road Portage, Indiana 46368 (219)763-069
Fax (219)762-165

August 5, 1999

Mr. Imad Samara
U.S. Army Corps of Engineers
111 N. Canal Street
Chicago, Illinois 60606-7206

Dear Imad:

Enclosed is a copy of the ramp schematic at 33rd and Broadway that includes the location survey showing the right-of-way for Broadway (State Road 53), walkways, property ownerships, levee locations, existing recreational trails, and property lines. Currently, we are in the process of doing an informal value estimate for the real estate required to install this ramp from the existing levee down to the west right-of-way line of Broadway. Upon review and approval of this informal value estimate by the COE, we will submit a permanent levee easement agreement to the city of Gary to obtain the property necessary to construction this ramp.

Will you please make arrangements to provide the necessary layout and design to extend the recreational trail from the base of this ramp south along the west side of Broadway to 33rd Avenue, crossing at the stoplight at 33rd Avenue to the east side of Broadway, then north along the east side of Broadway to the existing stoned recreational trail at the line of protection south of the Little Calumet River.

Upon receipt of your design proposal, we will then submit this design for review and approval to INDOT to get their approval to install a recreational trail on the S.R. 53 right-of-way.

Any questions regarding this request may be directed to me at the above number.

Sincerely,

James E. Pokrajac

James E. Pokrajac, Agent
Land Management/
Engineering

encl.
cc: Emmett Clancy
Jan Plachta
Tom Deja
Lou Casale

/

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO, ILLINOIS 60606-7206

RECD AUG 26 1999

REPLY TO
ATTENTION OF:

AUG 25 1999

Construction-Operations Division
Calumet Area Office (1180-1-1q)

SUBJECT: Contract No. DACW23-95-C-0071
Stage II - Phase 3B; Levee Construction
Little Calumet River, Indiana
Preliminary Punchlist

Mr. William Rausch
Rausch Construction Co., Inc.
2717 South 13th Avenue
Broadview, Illinois 60153-4715

Dear Mr. Rausch:

As a result of inspection, observation, and review of the contract requirements by my staff, the following items remain to be addressed under the subject contract:

1. Levee Section 15-S - Many significant size rocks exist on the surface of the west end. Also noted were significant bare spots on the levee. Need to remove/dispose of the rocks and reseed areas.

2. Structure 15-1 - The hatch cover is stuck and grab post is out of plumb. Correct the binding problem in the cover and plumb the grab post.

3. Levee 13-S - Bare area on the flat area south of levee near Sta. 25+00. Reseed bare area.

4. Levee 11-S - Furnish and install backfill material at sidewalk east of the wall in the vicinity of Sta. 32+65.

5. Structure 13-1 - East flap gate not hanging correctly and several grating fasteners are missing. Correct gate and replace missing fasteners.

6. Electrical - Final shop drawings for layout of electric panel and sleeving of electric cables in the pump pit have not been submitted.

7. Mechanical - Submittal for trash rake has not been received, and the trash rake must also be furnished.

8. Structure 13.2 - Pump testing has not been accomplished. Schedule pump testing as soon as possible.

9. Grease fittings on various sluice gate operators are plugged and not accepting grease. Make grease fittings functional or replace them. Secondly, per Section 15050, subparagraph 2.4.3.1, provide a means of lubricating the threaded portion of the gate stem in the stand or in the stem cover.

10. Gateway 13-3 - Sluice gate dial gauge and plastic cover for vertical sight were destroyed and access hatch is stuck. Repair/Replace gauge and plastic cover and correct the binding problem of the access hatch cover.

11. Structure 13-2 13-3, 15-1 - Need flush mounted locking device for hatch covers.

12. Structure 11-1 - Listing of pile cut-offs was not submitted.

13. Miscellaneous other items:

a. Submission of "As-Built" drawings.
b. Installation of Recreation Trail signs.
c. Respond to RFP FC-71.42 for additional signs and bollards.
d. Resolution of pending payroll problems.
e. Install staff gauges at gatewell 13-2.
f. Submit O&M Manuals for gates, pumps, operators, etc.
g. Submit list of manufacturer's spare parts list and/or bulletins for pumps and furnish the spare parts required under Section 11310 subparagraph 2.6.25.4 and Section 16415 subparagraph 2.1.24 of the contract specifications.
h. Submit Certificate of Warranty for sluice gates including stems, operating stands, portable operators and for all pumps.
i. Submit five (5) copies of installation and erection instructions for pumps as required by Section 11310, subparagraph 2.6.22.
j. Provide a field training course for operating and maintenance staff members. Field training shall cover all of the items contained in the operating and maintenance manuals.

It is requested that you address these items immediately. Following completion of these items, we will schedule a final inspection with representatives of the District office and the Little Calumet River Basin Development Commission. Any items identified during the final inspection shall also be addressed immediately after the final inspection. It is in the interest of all involved parties to close out this contract as soon as possible. I am requesting that you take the actions necessary to complete the items listed above, so we can schedule the joint final inspection no later than September 24, 1999.

If you have any questions concerning this matter, please contact Mr. Ven Garces at (219) 923-1763/4.

Sincerely,

Thomas A. Deja, P.E.
Authorized Representative
of the Contracting Officer

Copies Furnished:
CELRC-CO-C (D. Albert)
CELRC-CO-S (E. Karwatka)
CELRC-CO-S (V. Garces)
CELRC-CO-S (Misc. Corr. - Closing File)
CELRC-CO-S (Closing File)
CELRC-CT (Closing File)
CELRC-PP-PM (I. Samara)
LCRBDC (J. Pokrajac) ✓

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO, ILLINOIS 60606-7206

REPLY TO
ATTENTION OF:

AUG 25 1999

Construction-Operations Division
Calumet Area Office (1180-1-1q)

SUBJECT: Contract No. DACW23-95-C-0076
Stage II - Phase 4; Levee Construction
Little Calumet River, Indiana
Preliminary Punchlist

Mr. William Rausch
Rausch Construction Co., Inc.
2717 South 13th Avenue
Broadview, Illinois 60153-4715

Dear Mr. Rausch:

As a result of inspection, observation, and review of the contract requirements by my staff, the following items remain to be addressed under the subject contract:

1. Levee 12-N - Access road 12N-1 - Topsoil between interlocking blocks is low and additional topsoil is needed to bring it to grade. Reseeding of bare areas is also required.

2. Levee 16-S - Turn-Around at 16-S, Sta. 13+00 to Sta. 14+00 is only 15 feet at crest. This is short of the required 20 feet.

3. Levee 14-N

   a. At four (4) different sections of the fence, the distance from the ground surface to the bottom tension wire ranges from 6" to 12". This exceeds the requirements of 3" on level surface and 6" over irregular ground.
   b. There are two (2) bent line posts in the fencing approximately located at Sta. 10+00 and 17+00.
   c. At 14-N, Sta. 23+00, approximately 20 feet of old fence with fabric missing and damaged posts need replacement. Refer to Dwg. C-9.

4. Pump Station

   a. Lift handle is missing on aluminum access hatch.
   b. All three (3) handrails at northwest corner of access walkway are rusting.
   c. Test pumps.

5

5. Electric cables in pump pit are not sleeved as required.

6. Gatewells - Grease fittings on various sluice gate operators are plugged and not accepting grease. Make grease fittings functional or replace. Secondly, per Section 15050, subparagraph 2.4.3.1, provide a means of lubricating the threaded portion of the gate stem in the stand or in the stem cover.

7. Deep River - Reseed area around Big Lake and bare areas along the edge of the small ponds.

8. Georgia Street - Remove safety sign north of I-80/94.

9. Miscellaneous other items.

   a. Provide "As-Built" drawings.
   b. Furnish cross-sections and quantities of earthwork items.
   c. Provide final shop drawing of electric panel.
   d. Resolve reimbursement to City of Hobart for road repair.
   e. Resolve payroll problems.
   f. Install staff gauges at 84" gatewell and gatewells at 14N 19+04 and 15S 62+92.
   g. Complete the O&M Manuals for gates, pumps, operators, etc. Refer to our comments found on various transmittals.
   h. Submit list of manufacturer's spare parts requiring resubmittal for the pumps and furnish the spare parts required under Section 11310 subparagraph 2.6.25.4, Section 15050 subparagraphs 2.4.2.2, 2.4.4.3 and 2.4.4.4, and Section 16415 subparagraph 2.1.23.2 of the contract specifications.
   i. Submit Certificate of Warranty for sluice gates including stems, and operating stands, and for all pumps.
   j. Submit five (5) copies of installation and erection instructions for pumps as required by Section 11310, subparagraph 2.6.22.
   k. Provide a field training course for operating and maintenance staff members. Field training shall cover all of the items contained in the operating and maintenance manuals.

It is requested that you address these items immediately. Following completion of these items, we will schedule a final inspection with representatives of the District office and the Little Calumet River Basin Development Commission. Any items identified during the final inspection shall also be addressed immediately after the final inspection. It is in the interest of all involved parties to close out this contract as soon as possible. I am requesting that you take the actions necessary to complete the items listed above, so we can schedule the joint final inspection no later than September 24, 1999.

If you have any questions concerning this matter, shall be directed to Mr. Ven Garces at (219) 923-1763/4.

Sincerely,

Thomas A. Deja, P.E.
Authorized Representative
of the Contracting Officer

Enclosure

Copies Furnished:
CELRC-CO-S (D. Albert)
CELRC-CO-S (E. Karwatka)
CELRC-CO-S (V. Garces)
CELRC-CO-S (Closing File)
CELRC-CO-C (Closing File)
CELRC-CT (Closing File)
CELRC-PP-PM (I. Samara)
LCRBDC (J. Pokrajac)

Little Calumet River Basin Development Commission

6100 Southport Road Portage, Indiana 46368 (219)763-0696
Fax (219)762-1653

August 5, 1999

Mr. Imad Samara
U.S. Army Corps of Engineers
111 N. Canal Street
Chicago, Illinois 60606-7206

Dear Imad:

Enclosed is a copy of the letter and comments from the Gary Sanitary District regarding their review of the contract documents for Stage IV Phase 1 North. Please review these comments and incorporate them into your final plans and specifications as necessary.

As a matter of timeliness, will you please inform the Gary Sanitary District as to your response to each individual comment and copy us for our record.

If you have any questions, please contact me.

Sincerely,

James E. Pokrajac

James E. Pokrajac, Agent
Land Management/
Engineering

/sjm
encl.
cc: Luci Horton
Paul Vogel
Jim Meyer
Jim Flora
Jan Plachta

INDIANA DEPARTMENT OF TRANSPORTATION
LaPORTE DISTRICT
P.O. Box 429
LaPorte, IN 46352
(219)362-6125 *FAX: (219) 325-3937*
An Equal Opportunity Employer ● http://www.state.in.us/dot

FRANK O'BANNON, Governor
CRISTINE M. KLIKA, Commissioner

August 19, 1999

Mr. Jim Pokrajac
Little Calumet River Basin
Development Corporation
6160 Southport Road
Portage, Indiana 46368

Re: SE Quadrant I-80/94 and SR 912
LCRBDC Levee Project

Dear Mr. Pokrajac:

The area which you have inquired about was purchased as wetlands and or wetlands mitigation. Your use of this land will effect either existing wetlands or our mitigation site. We have discussed this with our environmental section, and they replied as follows:

> "If the Corps of Engineer and or the Little Calumet River Basin Development Commission use the area for "staging" or levees it will probably effect either existing wetlands or our mitigation site. The Corps of Engineers should be responsible for replacing any wetlands or constructed mitigation site damaged or destroyed as a part of their use of the area for a levee or staging area. If they have not done wetland delineations on the staging area either the Little Calumet River Basin Development Commission or the Corps of Engineers should. This must be resolved before any damage to wetlands or mitigation sites may take place. The Commission and both Corps Districts must agree in writing to this before the construction is started. The Detroit Corps, Mr. John Konik and Mr. Steve Cecil or INDOT have spoken about this and Mr. Konik indicated it was their (Corps) problem."

We have already performed mitigation work in this area. Because of the mitigation work that has been acted upon, we feel that your staging area should be located elsewhere, not within our wetland area at the I-80/94 and SR 912 project.

Only when the two Corps have agreed and we receive a written agreement, will we proceed with the permit to construct the levee on State wetlands area. The agreement must state that INDOT is not responsible for replacing any wetland effected by the levee project. We still feel permission can be accomplished by permit as in the past.

Should you have any further questions on this matter, you may contact Mr. Michael McGuire at the LaPorte District Office or Mr. Robert Buskirk at our environment section in Indianapolis.

Sincerely,

William C. Proud
District Director
LaPorte District

DCA/CGP/MDM/pcw

Encl.
cc: Bob Buskirk, Rm. N848
file

LUCAS, HOLCOMB & MEDREA
ATTORNEYS AT LAW

JAMES A. HOLCOMB
JOHN O. STILES
DANIEL A. MEDREA*
ROBERT F. PETERS
STEPHEN R. PLACE
NICK KATICH
LOUIS M. CASALE
MARY LINDA CASEY
MARK S. LUCAS
JOSEPH M. SKOZEN
DAVID E. WOODWARD

DAVID A. BULS
DAVID M. BLASKOVICH**
STEPHANIE SHAPPELL CASEY

*DENOTES ALSO MEMBER OF THE BARS OF ILLINOIS AND FLORIDA
**MEMBER OF ILLINOIS BAR

EASTON COURT
300 EAST 90TH DRIVE
MERRILLVILLE, INDIANA 46410

TELEPHONE (219) 769-3561
24-HR FAX (219) 756-7409

OF COUNSEL:
ROBERT J. ADDISON

ROBERT A. LUCAS
1922-1999

JOSEPH L. SKOZEN
1915-1997

August 23, 1999

Richard J. Kortenhoven
KORTENHOVEN BUILDERS, INC.
8271 Alexander
Schererville, IN 46375

Dear Mr. Kortenhoven:

Enclosed please find a proposed license for development of the levee on property owned by the Little Calumet River Basin Development Commission. Please review and if in order, sign and notarize, returning a signed and notarized copy to me for countersignature by the Commission. I will return a fully signed copy to you upon receipt of same.

Please contact me if there are any questions regarding this matter.

Sincerely,

Louis M. Casale
Attorney, Telephone Ext.132

LMC/amo

Enclosures

cc: Jim Pokrajac

Little Calumet River Basin Development Commission

6100 Southport Road Portage, Indiana 46368 (219)763-0696
Fax (219)762-1653

August 23, 1999

Mr. Imad Samara
U.S. Army Corps of Engineers
111 N. Canal Street
Chicago, Illinois 60606-7206

Dear Imad:

Enclosed are two (2) sets of the project coordinates, as done by Cole Associates for the Stage VI construction from Kennedy Avenue to Cline Avenue. These coordinates may be used to complete the engineering and real estate drawings. These coordinates were tied in with points provided by the Corps.

If you have any questions regarding this information or need any further information, please contact me.

Sincerely,

James E. Pokrajac

James E. Pokrajac, Agent
Land Management/
Engineering

/sjm
encl.
cc: Emmett Clancy
Jan Plachta
Gregg Heinzman, COLE

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO, ILLINOIS 60606-7206

REPLY TO
ATTENTION OF:

August 12, 1999

Programs and Project Management Division
Project Management Branch

Mr. Dan Gardner, Executive Director
Little Calumet River Basin
Development Commission
6100 Southport Rd.
Portage, Indiana 46368

Dear Mr. Gardner;

Thank you for your letter of June 18, 1999, regarding the request for cost sharing on the telemetry system to monitor pumps' status from a remote control station for the various Gary Sanitary District pump stations. We have reviewed closely our regulations and consulted our Headquarter on the subject. Regulation related to the operation of pump stations is contained in Code of Federal Regulations (CFR), Part 208, Flood Control Regulations referenced in EM 1110-2-3102, General Principles of Pump Station Design and Layout. This regulations requires operators to be present for pump operation in flood event situations.

Some remote instrumentation capability is already included in the subject pump stations. Local interests could add remote telemetry capability to this. In the West Reach of this project it was agreed that the telemetry system will be provided by the locals. The project has provided remote system for obtaining water levels for the river through the flood warning gaging network. Addition of requested telemetry system on similar Corps of Engineers projects is the responsibility of the local interests.

We have been reminded lately by our Congressional Representative that due to the budget constraints he will not pursue any additional funding increase for projects that are outside the original scope and design of the Little Calumet River project. The subject telemetry system was not within the authorized original scope of this project.

If you have any additional questions please contact Jan Plachta at (312) 353-6400, extension 1801, or the undersigned at extension 1809.

Sincerely,

Jan S. Plachta

for Imad Samara
Project Manager

CF: Congressman Peter J. Visclosky
Jim Flora, Armstrong & Assoc.

August 26, 1999

Dr. Michael Unger, Director
Hammond Sanitary District
5143 Columbia Avenue
Hammond, IN 46320

Re: South Kennedy Avenue Pump Station

Dear Dr. Unger:

We are contacting you in our capacity as the Little Calumet River Basin Development Commission's engineering consultant. In reviewing the Corps' design information for rehabilitating the South Kennedy Avenue Pump Station, the following two items of concern have been identified:

1. In evaluating the integrity of the discharge pipes from the pump station's discharge box to the Little Calumet River, it was discovered that a piling installed for overpass construction by INDOT pierced the edge of the 48" discharge pipe. It was also discovered that the downstream portion of the 24" discharge pipe contained debris which made complete televising of this pipe impossible and impedes discharge through this pipe. Construction Operations Division - Calumet Area Office of the Corps will be in contact with Rick Sutton so that the Sanitary District may pursue resolution of these two problems.

2. Another issue is the capacity of the discharge pipes at various Little Calumet River flood elevations. The attached Corps of Engineers' "Memorandum for File" explains the issue. In reviewing this memorandum, particularly paragraph 10, it should be noted that the anticipated river elevation for the 200-year flood event is 598.4 feet after the levee project is complete. Please determine whether the operational sequence proposed in item 10 is acceptable to the Sanitary District and, if changes are necessary, your recommendation for same.

If you have any questions, please call.

Very truly yours,

R. W. ARMSTRONG & ASSOCIATES, INC.

James J. Flora, Jr., P.E.
Vice President

JJF:kf
911939
Enclosure

cc: Dan Gardner, LCRBDC
Jim Pokrajac, LCRBDC
Rick Sutton, HSD
Imad Samara, COE
Tom Deja, COE

Little Calumet River Flood Control Project status review meeting was held on August 10, 1999 at 9:30 a.m. at the Engineering division Conference Room. Attendees at the meeting were:

Dan Gardner	LCRBDC
Jim Pokrajac	LCRBDC
Jim Flora	Consultant – LCRBDC
Imad Samara	PP-PM
Joe Schmidt	ED-D
Jim Mazanec	ED-HII
Utpal Bhattacharya	ED-G
Ulmer Patel	ED-DG
Leslie Bush	DC-G
Huma Nisar	ED-DC
Jan Plachta	PP-PM
Greg Moore	PD-S
Bill White	RE
Emmett Clancy	RE-A
Tom Meehan	RE-A

Imad Samara, the Project Manager opening the meeting stated that this is our regular monthly status review meeting and the first one with the project Local Sponsor (LDRBDC) representatives in attendance. Local Sponsor will be represented at every third meeting. Next meeting with the LCRBDC is scheduled for November 9, 1999. It was agreed to review items submitted by the Local Sponsor first.

1. Addition of grease fittings to sluice gate stem covers. Jim Pokrajac mailed a letter on this subject to Imad Samara on May 25, 1999. Retrofitting of existing installation will be expensive and difficult to accomplish. Joe Schmidt added that the grease fittings will be installed on all future contracts which include the East Reach, West Reach, Burr Street, and IV-1. The existing sluice gates will not have grease fittings installed as part of their contract. It will be done as a modification on the East Reach Remediation as part of the project.

2. Paving of access ramps. This has been requested in Jim Pokrajac's letter dated December 17, 1998. This is of concern with recreational trail ramps only. Imad stated that this is currently being implemented.West of Broadway and II-2C-2 re-alignment is being pursued.

3. Turf seeding. Jim Pokrajac wrote a letter on May 24, 1999 requesting response to previous turf establishments concerns. One of the issues was whether we would plant a moweable turf or native grass. If we planted native grasses, could we do a controlled burn adjacent to I-80/94 or in residential areas. The LCRBDC felt that burning adjacent to the expressway could be hazardous, blinding the drivers' vision. There is also strong objection to burning from local communities, especially Griffith; fire may get out of control. Greg Moore stated that burning is preferable because it helps in the germination process. We definitely will have to burn at mitigation areas. Greg will discuss our project with a specialized contractor who does this type of work. This contractor agreed to come to visit us, to discuss this project and propose a solution. INDOT should be included. Dan Gardner remarked that during his latest visit at the

IN Dept. of Environmental Management, there was also concern whether burning along interstate is allowed. If burning will not be allowed, what are the options? Greg said that we still could use the same spec. We would have to plant something that is acceptable to management technique.

4. Maintaining of rip-rap. Plant growth and sediment is a problem. Jim Pokrajac said that this has been noted during the September 17, 1998 field inspection. Imad observed that it is an O&M item, do we have to kill weeds every April and do we have to remove & replace rip-rap every 10 years? Jim Pokrajac and Jim Flora requested that the Corps study this problem and prepare a recommendation. Imad also added that we should start the process of turning over some of the levees. The Local Sponsor said they would not accept any segments until the inspections are completed and everything meets the plans and specifications requirements.

5. City of Gary/Gary Sanitary District issues.
   a. Pump Stations operation. Jim Pokrajac stated that Gary Sanitary District (GSD) will not take the pump houses over unless they have all the items that have been asked for. Before the contractor is relieved of his responsibility, he has to submit as-builts, guarantees, warranties, provide training, manuals, etc. Operational tests for Broadway and Ironwood pump stations have not been completed. This could be a big issue if landside flooding occurs. Imad said that we will have to arrange a meeting on just the O&M issues, how we will turn the project over? By December 1999, everything east of Burr Street will be completed.
   b. East Reach Pump Station Operation. Jim flora in a letter dated June 7, 1999 to the COE questioned who has the responsibility of operating and maintaining the station during a flood event. Imad to coordinate with Tom Deja to review contractor responsibility in their specifications.
   c. 32nd and Broadway Outfall. In a letter to Imad dated June 9, 1999, R.W. Armstrong, the LCRBDC consultant, asked the Corps to provide necessary documentation that the combined sewer outfall is legally permitted at this location. Imad answered that Jim Mazanec had a response and this will be provided to the local sponsor. Linda Sorn, our Environmental Engineering Section Chief, is aware of the memo and an answer will be prepared. Some coordination with IDEM will be needed.
   d. Interior drainage west of Grant Street (Stage III Drainage Remediation). The Corps has a commitment to solve drainage problems in this area and is awaiting GSD and Local Sponsor comments. Coordination meeting has been recommended with Greeley and Hansen to solve this issue. The re-design of the pumps and increasing their capacity would be a betterment. The local sponsor will coordinate a meeting.
   e. Impact of levee on GSD sewer system, 42nd and Johnson pump station, nuisance ponding, a 1000 gpm minimum facility is proposed. There will be a separate contract to install a "manhole pump station" for the East Reach remediation, which could be included in the demolition contract. Also discussed was WRDA authorization for the $10 million facility project in the area.

6. Utility Coordination and Relocation. Numerous correspondences are available on the subject from the Corps to the Local Sponsor and vice versa. Who pays for what? It is not that simple. Pokrajac said that we should consider every utility re-locate on an individual basis. If the utility has an agreement with the municipality, we might have some leverage. Imad discussed a letter that has been prepared for LCRBDC on this subject. Needed is a monthly status report for the relocation of utilities. These reports prepared previously by R.W. Armstrong were very useful,

informative, and a great source for future reference. Consensus was that we should continue with these reports. However, with recent and current contracts, the A/E has done all the utility coordination and should do the status reports as part of their scope of work in order not to have R.W. Armstrong duplicate their efforts. Jim flora requested the Corps produce the utility format used a few years ago by Captain Tom Chapman that could be used for upcoming Stage VII and Stage VIII A/E contracts. Jim Flora will work with Jan Plachta to prepare a tentative format of a status report. Emmett Clancy and Tom Meehan joined the meeting. Emmett distributed a proposed procedure for handling of utility relocations. Attendees reviewed the list and there was a consensus that this list will be reviewed and modified accordingly.

7. Security issue at Wicker Park has been resolved. There was no discussion on this subject.

8. Overflow section. Armoring. Should the overflow be protected? Imad has a memo on this. LCRBDC expressed concern (again) that if the overflow is not armored, the flow could erode that section of levee and that instead of just a calculated volume of water, the entire river could flow into that area which would flood properties adjacent to the designed overflow area.

9. A-Frame gate design. Tom Deja and Ed Karwatka from the Calumet Area Office participated at this point through the speakerphone. How can we guarantee that every contract has the same gate. All connections have to be coped. Gates to be hot dipped galvanized, the size of pipe and schedule are standard. Width to be specified per site 16' or 18'. Latest changes as submitted by Jim Pokrajac are FINAL.

10. Discussion followed on the sketch prepared by Jim Flora on the concrete bottom of the "NS" ditch. Joe Schmidt will talk to Joe Jacobazzi on who will do this project modification – A/E or our office. There are no major technical issues on IV-1 North. Nothing is holding up the project other than real estate and easement agreements. Staging area for IV-1 North and South will be located on INDOT property west of the EJ&E RR and north of Black Oak Road. Jim Pokrajac currently pursuing easement agreement. Sumar property appraisal was approved by Bill White, excluding the original staging area on this property. A new offer will be submitted and the condemnation process can start.

11. Stage IV-1 South. Ongoing coordination for utility relocation. Robert Lopez has replaced our point of contact at WIND, Bob Jeffers. Jim Pokrajac recommended that a letter mailed to Bob Jeffers on May 11, 1999 concerning our design in the proximity to WIND facilities be resent to Robert Lopez. We need concurrence from them that the design is acceptable to WIND. David Orrison from the Norfolk Southern accepted our design for the cutoff wall. He is waiting for our details for the steel sheet pile wall. They will be ready by the end of this month upon approval of design, agreements with the Norfolk Southern may then proceed.

12. Kennedy Avenue pump station. Discussion followed on the video inspection of the discharge lines. Contractor was not successful in inspecting condition of the smaller 18" line. An INDOT pile has damaged the bigger 48' line that reduced capacity of the line. Hammond Sanitary district (HSD) also has the video on this damage and will come up with an acceptable decision on how to fix the pipe. Hammond requested that the current capacity would not be reduced. HSD will have to be taken on board for this discussion. 100% plans and specifications for pump station rehabilitation project will be ready in September 1999.

13. Stages VII and VIII. Government estimate for Scope of Work has been completed. Award negotiations are in progress. Stage VII (Rust Engineering) is very close. Stage VIII (Short Elliott Hendrickson, Inc.) very far apart. Jim Pokrajac requested that a copy of the final scope of work be mailed to him. Stage VII could be awarded this fiscal year. (Refer to Item #6 regarding utility coordination and reports).

14. Discussion on time limits for submission of comments. Imad mailed a letter on this subject to LCRBDC dated August 6, 1999. What is the procedure? At what point are they final? Jim Pokrajac said that the real estate acquisition process should not begin until after the 100% BCOE review has been completed. This review also includes the real estate drawings as part of the review process. These are critical issues because we have restrictions on project costs. When is real estate final? When engineering is good enough to call it final? There is no simple answer to this problem. We want to contain costs.

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO, ILLINOIS 60606-7206

REPLY TO
ATTENTION OF:

3 August 1999

Environmental and
Social Analysis Branch

Mr. Dan Gardner
Executive Director
Little Calumet River Basin Development Commission
6100 Southport Road
Portage, IN 46368

Dear Mr. Gardner,

This letter provides a summary of conclusions that resulted from the 15 July 1999 meeting at the IN-DNR offices in Indianapolis to discuss mitigation for the Little Calumet River, Indiana, Local Flood Protection and Recreation Project. The minutes of the meeting, included with this letter as an attachment, provide additional detail. The accompanying Table 2B in that attachment is a further revision of the Table 2 that appears in the Project Conceptual Mitigation Plan of August 1998, and is the basis of the mitigation plan for which we are now seeking signed agreement. In addition to such an agreement, we request documentation that the IN-DNR is willing to act as guarantor for management of the Hobart Marsh portion of the project mitigation. A draft letter outlining this request, dated 2 April 1999, has already been submitted to IN-DNR staff for review.

Out of concern for the desire of IN-DNR Division of Fish and Wildlife for additional forested wetland restoration, the question was asked during that meeting if some of the wet/wet-mesic prairie restoration could be exchanged for wet savanna. It was noted that Table 2A (Attachment) proposed more wet/wet-mesic prairie and less wet savanna than needed.

USACE stated that the areas surrounding the proposed mitigation sites currently hold wet savanna, that the areas currently holding wet savanna have hydrology and soil types that are similar to those of the proposed mitigation area, and that the entire area probably held wet savanna prior to European settlement. The conclusion was that most of the area is almost certainly capable of supporting wet savanna now. USFWS and IN-DNR Division of Nature Preserves agreed. Therefore, it was decided to take 125 acres from the wet/wet-mesic prairie restoration column and place them under the DFW Restoration column, which gives the 342 acres of deciduous forested wetland restoration requested by the IN-DNR (Attachment, Table 2B).

This leaves 71 acres of wet/wet-mesic prairie restoration. It was agreed among all present to replace the 58 acres of scrub/shrub and emergent wetland restoration with an equal number of wet/wet-mesic prairie acres at Hobart Marsh, which satisfies the 58-acre scrub/shrub and emergent wetland mitigation requirement with an additional 13 acres to compensate for not mitigating in kind.

Since over half of the total mitigation will occur away from the project area, 115 acres of enhancement will be performed in the project area to compensate (Attachment, Table 2B). You can find locations and descriptions of the enhancement areas in the August 1998 Conceptual Mitigation Plan.

Thank you for attending the July 15th meeting, for the comments that you offered there, and for your long-standing participation in this mitigation process. If you have any questions or if you need any additional information before you can provide us with your agreement for this project, please contact Greg Moore of my staff at 312/353-6400 extension 2019.

Sincerely,

Philip R. Bernstein
Chief, Planning Division

CF: Mr. John Bacone
Ms. JoMary Crary
Mr. Bill Maudlin
Mr. Marty Maupin
Ms. Elizabeth McCloskey
Mr. Ken Smith

This spreadsheet shows how money grows based on the 2% of gross sales and $750 for each credit sold. The amount earned at the end of 50 years is $23,367,658.73

Assume all 800 credits (acres) are sold in the first year.
Assume each credit is sold on an average of $31,250.
(Based on a $10,000 per credit low and $50,000 per credit high).
Maintenance on the wetlands is $75 per acre x 800 acres annually which equals $60,000.
(The $75 per acre figure is based on the J.F. New Company, environmental consultant's, contract guaranteed figures for maintenance.)

Formula:

Year 1 thru 5 (LEL assumes maintenance cost on the wetlands)
(Number of credits x an average sale price x 2% equals a principal plus $750 for each credit sold equals a new principal x 8% annual interest = new principal)

Year 6 thru 50 (LCRBDC assumes maintenance cost on the wetlands)
(New principal now deduct maintenance cost x 8% interest = new principal)
(New principal deduct maintenance cost x 8% interest = new principal)
(New principal deduct maintenance cost x 8% interest = new principal)
(And so on.....

Year 11	$1,994,001.92						
	-$60,000.00	maint.		-$60,000.00	maint.	-$60,000.00	maint.
	$1,934,661.92			$3,118,144.67		$5,483,932.15	
	$154,772.95	interest		$249,451.57	interest	$438,714.57	interest
Year 12	$2,089,434.88		Year 21	$3,367,596.24		Year 30	$5,922,646.72
	-$60,000.00	maint.		-$60,000.00	maint.	-$60,000.00	maint.
	$2,029,434.88			$3,307,596.24		$5,862,646.72	
	$162,354.79	interest		$264,607.70	interest	$469,011.74	interest
Year 13	$2,191,789.67		Year 22	$3,572,203.94		Year 31	$6,331,658.46
	-$60,000.00	maint.		-$60,000.00	maint.	-$60,000.00	maint.
	$2,131,789.67			$3,512,203.94		$6,271,658.46	
	$170,543.17	interest		$280,976.32	interest	$501,732.68	interest
Year 14	$2,302,332.84		Year 23	$3,793,180.26		Year 32	$6,773,391.14
	-$60,000.00	maint.		-$60,000.00	maint.	-$60,000.00	maint.
	$2,242,332.84			$3,733,180.26		$6,713,391.14	
	$179,386.63	interest		$298,654.42	interest	$537,071.29	interest

	43	
	.00	maint.
	62.43	
	,236.99	interest
	5,699.42	
	60,000.00	maint.
	$7,705,699.42	
	$616,455.95	interest
Year 35	$8,322,155.38	
	-$60,000.00	maint.
	$8,262,155.38	
	$660,972.43	interest
Year 36	$8,923,127.81	
	-$60,000.00	maint.
	$8,863,127.81	
	$709,050.22	interest
Year 37	$9,572,178.03	
	-$60,000.00	maint.
	$9,512,178.03	
	$760,974.24	interest
Year 38	$10,273,152.27	
	-$60,000.00	maint.
	$10,213,152.27	
	$817,052.18	interest
Year 39	$11,030,204.45	
	-$60,000.00	maint.
	$10,970,204.45	
	$877,616.36	interest
Year 40	$11,847,820.81	
	-$60,000.00	maint.
	$11,787,820.81	
	$943,025.66	interest
Year 41	$12,730,846.48	
	-$60,000.00	maint.
	$12,670,846.48	
	$1,013,667.72	interest
Year 42	$13,684,514.19	
	-$60,000.00	maint.
	$13,624,514.19	
	$1,089,961.14	interest
Year 43	$14,714,475.33	
	-$60,000.00	maint.
	$14,654,475.33	
	$1,172,358.03	interest
Year 44	$15,826,833.36	
	-$60,000.00	maint.
	$15,766,833.36	
	$1,261,346.67	interest
Year 45	$17,028,180.02	
	-$60,000.00	maint.
	$16,968,180.02	
	$1,357,454.40	interest
Year 46	$18,325,634.43	
	-$60,000.00	maint.
	$18,265,634.43	
	$1,461,250.75	interest
Year 47	$19,726,885.18	
	-$60,000.00	maint.
	$19,666,885.18	
	$1,573,350.81	interest
Year 48	$21,240,236.00	
	-$60,000.00	maint.
	$21,180,236.00	
	$1,694,418.88	interest
Year 49	$22,874,654.87	
	-$60,000.00	maint.
	$22,814,654.87	
	$1,825,172.39	interest
Year 50	$24,639,827.26	

This spreadsheet shows how money grows at 8%.

The Lake Erie Land Company's offer is $43,630 annually for use of LCRBDC lands.
The present annual income from farm leases for LCRBDC is $19,575.

The difference is $24,055.

If the difference is invested (or saved) at 8% annually, the total income at the end of 50 years totals $12,805,504.55

Formula:
1st year (difference invested at 8% = principal)
2nd year (principal invested at 8% add another difference = new principal)
3rd year (new principal invested at 8% add another difference = new principal)
4th year (new principal invested at 8% add another difference = new principal)
5th year (and so on.....

		$14,117.26	Interest
		$190,583.03	
	Add	$24,055.00	
Year 7		$214,638.03	
		$17,171.04	Interest
		$231,809.08	
	Add	$24,055.00	
Year 8		$255,864.08	
		$20,469.13	Interest
		$276,333.20	
	Add	$24,055.00	
Year 9		$300,388.20	
		$24,031.06	Interest
		$324,419.26	
	Add	$24,055.00	
Year 10		$348,474.26	
		$27,877.94	Interest
		$376,352.20	
	Add	$24,055.00	
Year 11		$400,407.20	
		$32,032.58	Interest
		$432,439.78	
	Add	$24,055.00	
Year 12		$456,494.78	
		$36,519.58	Interest
		$493,014.36	
	Add	$24,055.00	
		$4,860,801.54	

Year 18		$900,865.61	
		$72,069.25	Interest
		$972,934.86	
	Add	$24,055.00	
Year 19		$996,989.86	
		$79,759.19	Interest
		$1,076,749.05	
	Add	$24,055.00	
Year 20		$1,100,804.05	
		$88,064.32	Interest
		$1,188,868.38	
	Add	$24,055.00	
Year 21		$1,212,923.38	
		$97,033.87	Interest
		$1,309,957.25	
	Add	$24,055.00	
Year 22		$1,334,012.25	
		$106,720.98	Interest
		$1,440,733.22	
	Add	$24,055.00	
Year 23		$1,464,788.22	
		$117,183.06	Interest
		$1,581,971.28	
	Add	$24,055.00	
Year 24		$1,606,026.28	
		$128,482.10	Interest
		$1,734,508.39	
	Add	$24,055.00	

	Add	$24,055.00	
Year 30		$2,725,027.64	
		$218,002.21	Interest
		$2,943,029.85	
	Add	$24,055.00	
Year 31		$2,967,084.85	
		$237,366.79	Interest
		$3,204,451.64	
	Add	$24,055.00	
Year 32		$3,228,506.64	
		$258,280.53	Interest
		$3,486,787.17	
	Add	$24,055.00	
Year 33		$3,510,842.17	
		$280,867.37	Interest
		$3,791,709.55	
	Add	$24,055.00	
Year 34		$3,815,764.55	
		$305,261.16	Interest
		$4,121,025.71	
	Add	$24,055.00	
Year 35		$4,145,080.71	
		$331,606.46	Interest
		$4,476,687.17	
	Add	$24,055.00	
Year 36		$4,500,742.17	
		$360,059.37	Interest
		$4,860,801.54	
	Add	$24,055.00	

Year 46		$10,[illegible]	
		$805,219.[illegible]	
		$10,870,458.16	
	Add	$24,055.00	
Year 47		$10,894,513.16	
		$871,561.05	Interest
		$11,766,074.21	
	Add	$24,055.00	
Year 48		$11,790,129.21	
		$943,210.34	Interest
		$12,733,339.55	
	Add	$24,055.00	
Year 49		$12,757,394.55	

Year 37

Year 38

Year

Y

LEL offer	$43,630.00
Current income	$19,575.00
Difference	$24,055.00

Invested @ 5%	$24,055.00	
Year 1	$1,202.75	Interest
	$25,257.75	
Add	$24,055.00	
Year 2	$49,312.75	
	$2,465.64	Interest
Add	$24,055.00	
Year 3	$75,833.39	
	$3,791.67	Interest
	$79,625.06	
Add	$24,055.00	
Year 4	$103,680.06	
	$5,184.00	Interest
	$108,864.06	
Add	$24,055.00	
Year 5	$132,919.06	
	$6,645.95	Interest
	$139,565.01	
Add	$24,055.00	
Year 6	$163,620.01	
	$8,181.00	Interest
	$171,801.01	
Add	$24,055.00	
Year 7	$195,856.01	
	$9,792.80	Interest
	$205,648.81	
Add	$24,055.00	
Year 8	$229,703.81	
	$11,485.19	Interest
	$241,189.00	
Add	$24,055.00	
Year 9	$265,244.00	
	$13,262.20	Interest
	$278,506.20	
Add	$24,055.00	
Year 10	$302,561.20	
	$15,128.06	Interest
	$317,689.27	
Add	$24,055.00	
Year 11	$341,744.27	
	$17,087.21	Interest
	$358,831.48	
Add	$24,055.00	
Year 12	$382,886.48	
	$19,144.32	Interest
	$402,030.80	
Add	$24,055.00	
	$2,420,609.88	

Year 13	$426,085.80	
	$21,304.29	Interest
	$447,390.09	
Add	$24,055.00	
Year 14	$471,445.09	
	$23,572.25	Interest
	$495,017.35	
Add	$24,055.00	
Year 15	$519,072.35	
	$25,953.62	Interest
	$545,025.96	
Add	$24,055.00	
Year 16	$569,080.96	
	$28,454.05	Interest
	$597,535.01	
Add	$24,055.00	
Year 17	$621,590.01	
	$31,079.50	Interest
	$652,669.51	
Add	$24,055.00	
Year 18	$676,724.51	
	$33,836.23	Interest
	$710,560.74	
Add	$24,055.00	
Year 19	$734,615.74	
	$36,730.79	Interest
	$771,346.53	
Add	$24,055.00	
Year 20	$795,401.53	
	$39,770.08	Interest
	$835,171.60	
Add	$24,055.00	
Year 21	$859,226.60	
	$42,961.33	Interest
	$902,187.93	
Add	$24,055.00	
Year 22	$926,242.93	
	$46,312.15	Interest
	$972,555.08	
Add	$24,055.00	
Year 23	$996,610.08	
	$49,830.50	Interest
	$1,046,440.58	
Add	$24,055.00	
Year 24	$1,070,495.58	
	$53,524.78	Interest
	$1,124,020.36	
Add	$24,055.00	

Year 25	$1,148,075.36	
	$57,403.77	Interest
	$1,205,479.13	
Add	$24,055.00	
Year 26	$1,229,534.13	
	$61,476.71	Interest
	$1,291,010.84	
Add	$24,055.00	
Year 27	$1,315,065.84	
	$65,753.29	Interest
	$1,380,819.13	
	$24,055.00	
Year 28	$1,404,874.13	
	$70,243.71	Interest
	$1,475,117.83	
Add	$24,055.00	
Year 29	$1,499,172.83	
	$74,958.64	Interest
	$1,574,131.48	
Add	$24,055.00	
Year 30	$1,598,186.48	
	$79,909.32	Interest
	$1,678,095.80	
Add	$24,055.00	
Year 31	$1,702,150.80	
	$85,107.54	Interest
	$1,787,258.34	
Add	$24,055.00	
Year 32	$1,811,313.34	
	$90,565.67	Interest
	$1,901,879.01	
Add	$24,055.00	
Year 33	$1,925,934.01	
	$96,296.70	Interest
	$2,022,230.71	
Add	$24,055.00	
Year 34	$2,046,285.71	
	$102,314.29	Interest
	$2,148,599.99	
Add	$24,055.00	
Year 35	$2,172,654.99	
	$108,632.75	Interest
	$2,281,287.74	
Add	$24,055.00	
Year 36	$2,305,342.74	
	$115,267.14	Interest
	$2,420,609.88	
Add	$24,055.00	

This spreadsheet shows how money grows at 5%.

The Lake Erie Land Company's offer is $43,630 annually for use of LCRBDC lands.
The present annual income from farm leases for the LCRBDC is $19,575.

The difference is $24,055.

If the difference is invested (or saved) at 5% annually, the total income at the end of 50 years totals $4,821,263.37

Formula:

1st year (difference invested at 5% = principal)
2nd year (principal invested at 5% add another difference = new principal)
3rd year (new principal invested at 5% add another difference = new principal)
4th year (new principal invested at 5% add another difference = new principal)
5th year (and so on.....

Year 37

$2,444,664

.88
22,233.24 Interest
$2,566,898.12
Add $24,055.00
$2,590,953.12
$129,547.66 Interest
$2,720,500.78
Add $24,055.00
$2,744,555.78
$137,227.79 Interest
$2,881,783.57
Add $24,055.00
$2,905,838.57
$145,291.93 Interest
$3,051,130.50
Add $24,055.00

Year 39

Year 40

Year 50
$4,797,208.37
Add $24,055.00
$4,821,263.37

LICENSE AGREEMENT

THIS AGREEMENT made this _____ day of _____, 1999 by and between the Little Calumet River Basin Development Commission, hereinafter referred to as the "COMMISSION," and Lake Erie Land Company, an Indiana Corporation, hereinafter referred to as the "LICENSEE."

WHEREAS, the COMMISSION is the owner of a certain parcel of real estate, as evidenced by the drawing attached hereto and marked Exhibit "A," hereinafter referred to as the "PROPERTY"; and,

WHEREAS, the LICENSEE desires to design, construct and market to third parties for farming and mitigation purposes, at LICENSEE's expense, the PROPERTY, all in conformance with the COMMISSION and the United States Army Corps of Engineer's Little Calumet River Flood Control and Recreation Project; and,

WHEREAS, the COMMISSION is willing to provide such licenses to the LICENSEE as is necessary to accomplish the above described projects.

NOW THEREFORE, for the good and valuable consideration as set out in the mutual promises and covenants hereinafter set forth, the parties agree as follows:

A. GRANT OF LICENSE

1) The COMMISSION does hereby grant, permit and license to the LICENSEE the right to design, develop, construct, and market the PROPERTY to third party entities for mitigation and farming purposes in return for the consideration as set out herein.

2) Said license shall be for the use of the PROPERTY of the COMMISSION which is described in Exhibit "A" attached hereto.

Commi

3) The initial term of the license and this Agreement shall be for a period of fifty (50) years with five (5) consecutive ten (10) year options to renew thereafter, which options are exercisable by the LICENSEE by written notice, sent via certified mail to the COMMISSION at least one hundred and eighty (180) days prior to the expiration of each term, except that the COMMISSION may terminate this Agreement and License upon the terms and conditions set out herein.

licensee

4) The PROPERTY will remain available for periodic flood storage as specified by the United States Army Corps of Engineers Flood Control and Recreation Project for the Little Calumet River Basin Development Commission and the design and development of mitigation shall conform with said Flood Control Project.

5) The LICENSEE may assign the License granted herein to such third party entities acceptable to USEPA, IDEM, the COMMISSION and the regulated industries for the purpose of creating wetland mitigation to satisfy legal settlements.

6) The LICENSEE shall provide its design/development plans to the COMMISSION for its comments and approval prior to their implementation.

7) To the extent possible and feasible, passive recreation features and public access consistent with wetland mitigation will be incorporated into any plan developed by LICENSEE.

8) The final plan for the wetland creation and the management plan for the site will coordinate and facilitate continued drainage of the areas outside of the levees.

B. <u>CONSIDERATION</u>

1) As consideration for the benefits hereby received by the LICENSEE, the LICENSEE shall pay the COMMISSION during the term of this agreement, the sum of Forty Five

Thousand Four Hundred Sixty Dollars ($45,460.00) per annum commencing on the date of execution of this Agreement and thereafter annually during the term hereof.

2) As additional consideration, the LICENSEE shall pay the COMMISSION two percent (2%) of the first $25,000,000.00 and three percent (3%) of any amount in excess of $25,000,000.00 of the gross mitigation revenues derived from the PROPERTY and developments, and projects and licenses thereon, plus $750.00 per acre of mitigation credits sold. Said payment shall be made to the COMMISSION by the LICENSEE one (1) year from the date of execution of this Agreement and annually thereafter during the term hereof. LICENSEE shall provide receipts and summary certified by a duly authorized officer showing gross mitigation revenue. Any revenues other than mitigation revenues shall be divided as agreed by both parties.

3) The LICENSEE, or its assignee, shall be solely responsible for the funding of the design, development, and marketing of the PROPERTY during the term of this Agreement. In addition, the LICENSEE shall obtain all necessary permits and/or zoning required at its sole cost.

4) Late Penalty. If any payment is more than thirty (30) days past due, the LICENSEE agrees to pay a default charge of five percent (5%) of the past due amount to reimburse COMMISSION for additional administrative and collection expenses. In addition, LICENSEE agrees to pay interest on any past due amounts from the date such amounts become due at a rate of one and one-half percent (1.5%) per month but not to exceed the maximum charges allowable under applicable state law. All rights and remedies of the COMMISSION herein enumerated shall be cumulative, and none shall exclude any other remedies allowed at law or in equity.

C. MECHANIC'S LIEN.

LICENSEE shall, at its cost and expense, cause any mechanic's lien or other lien or charge filed against the PROPERTY in connection with any work performed for or on behalf

of the LICENSEE or with materials being furnished to or on behalf of LICENSEE to be canceled or discharged of record within ninety (90) days after written notice thereof from COMMISSION to LICENSEE.

D. RELATIONSHIP OF THE PARTIES.

Nothing contained herein shall be deemed or construed by the parties hereto, nor by and third party, as creating the relationship of principal and agent, or of a joint venture, between the parties hereto.

E. DEFAULT BY LICENSEE.

If LICENSEE shall default in the payment of the rent agreed upon or any installment thereof, or if default shall be made in any of the terms, conditions and covenants herein agreed upon to be kept, observed, and performed by LICENSEE, if the license interest shall be levied on under execution, or if any assignment of LICENSEE's property shall be made for the benefit of creditors and any such default or other situation shall remain uncured for thirty (30) days following receipt of notice from the COMMISSION to LICENSEE of such default, then the COMMISSION may, at its option, after fifteen (15) days notice to terminate to LICENSEE, terminate this Agreement.

Upon such termination, the COMMISSION, at it's sole option, shall have the right to exercise any one or more of the following remedies:

1) To declare the entire amount of consideration hereunder immediately due and payable.

2) To sue for, and recover, all consideration and other payments accrued, or thereafter accruing, with respect to the PROPERTY.

3) To pursue any other remedy of law or in equity. All such remedies shall be cumulative and not exclusive and may be exercised concurrently or cumulatively.

LICENSEE shall pay to the COMMISSION all costs and expenses, including attorney's fees, incurred by the COMMISSION in exercising any of its rights or remedies hereunder or enforcing any of the terms, conditions or provisions hereof.

F. COMMISSION'S RIGHT TO TERMINATE WITHOUT CAUSE.

The Parties to this Agreement understand and agree that the PREMISES is public property to be used for the purposes as set out in the applicable laws and regulations of the State of Indiana and the United States of America and the Local Cooperation Agreement between the United States Army Corps of Engineers and the COMMISSION. In the event the COMMISSION, or its assignee or successor determines that this Agreement should be terminated without cause, it may do so provided it serves LICENSEE written notice of said intent to terminate at least one (1) year prior to the intended date of termination. Within thirty (30) days after sending notice of intent to terminate, LICENSEE may, at its option, request a hearing at a public meeting of the COMMISSION to object to said intended termination. Prior to the conclusion thereof the COMMISSION may either affirm, modify or rescind its intent to terminate, which action shall be final.

LICENSEE shall have ninety (90) days after date of termination to vacate the PROPERTY at its sole cost. After termination without cause, the Parties shall have no further obligations under this agreement.

In the event of termination without cause, the COMMISSION shall pay the LICENSEE the appraised value of the improvements, or depreciated cost, whichever is higher, made by the LICENSEE to the PROPERTY as determined by an appraisal made by a licensed real estate appraiser approved by the COMMISSION and LICENSEE. All such improvements on the PROPERTY shall remain after termination.

G. NOTICES.

Any notice or demand from COMMISSION to LICENSEE shall be in writing and

shall be mailed by registered or certified mail addressed, if to LICENSEE, to the following address: 1010 Sand Creek Drive South, Chesterton, IN 46304. If to COMMISSION, to the following address: 6100 Southport Road, Portage, IN 46368, Attention: Executive Director.

H. ASSIGNMENT AND SUBLETTING.

1) Assignment. LICENSEE may sublet the Licensed Premises or any part thereof and/or assign this License, as provided herein, with the prior written consent of COMMISSION which shall not be unreasonably withheld.

2) LICENSEE Remains Liable. In the event LICENSEE assigns or sublicenses, either with or without COMMISSION's consent, LICENSEE shall nevertheless be jointly and severally liable under all of the covenants and conditions of this License. The COMMISSION shall be permitted to enforce the provisions of this Agreement directly against LICENSEE and/or any assignee or sub-LICENSEE without proceeding in any way against any other person.

I. TAXES AND ASSESSMENTS.

1) Taxes Billed to COMMISSION. LICENSEE shall pay all real estate taxes and assessments levied against the Licensed Premises and the improvements related thereto installed by LICENSEE.

2) Personal Property Taxes. LICENSEE shall pay taxes on its personal property situated on the Licensed Premises.

J. SURRENDER AND HOLDING OVER.

LICENSEE shall, upon expiration of the term hereby created, or upon earlier termination hereof for any reason, quit and surrender the said premises in good order, condition and repair, reasonable wear and tear excepted. If the Licenced Premises are not

surrendered on the last day of the term hereby created or on the earlier termination thereof, LICENSEE shall indemnify COMMISSION against loss or liability resulting from delay by LICENSEE in so surrendering the premises, including, without limitation, claims made by any succeeding LICENSEE founded on such delay. LICENSEE shall promptly surrender all keys for the Licensed premises at the place then fixed for payment of license fees and shall inform COMMISSION of combinations on any locks and safes on the Licensed premises.

If LICENSEE shall hold over after the term of this License, LICENSEE shall become a LICENSEE month-to-month basis at a license fee of 150% of the fee, in 1999 dollars adjusted for inflation, LICENSEE was paying at expiration of License per month, payable in advance on the first day of each month, upon all the terms, covenants and conditions herein specified. Nothing contained herein waives the COMMISSION's right to sue LICENSEE for breach, damages and/or ejectment.

K. INDEMNITY AND INSURANCE.

1) Indemnity. LICENSEE, or its assignee, covenants and agrees that it will protect and save and keep the COMMISSION forever harmless and indemnified against and from any claims, suits, penalty, loss, cost, expense, damage or charges imposed for any violation of any laws or ordinances, or otherwise arising as the result of this Agreement, whether occasioned by the neglect of LICENSEE or those holding under LICENSEE, and that LICENSEE will at all times protect, indemnify and save and keep harmless the COMMISSION against and from any and all suits, claims, loss, cost, damage or expense (including, but not limited to, attorney fees), arising out of or from any accident or other occurrences on or about the licensed premises, causing injury to any person or property whomsoever or whatsoever and will protect, indemnify and save and keep harmless the COMMISSION against and from any and all loss, cost, damage or expense (including, but not limited to, attorney fees) arising out of any failure of LICENSEE in any respect to comply with and perform all the requirements and provisions of this License or otherwise arising as the result of this Agreement.

2) Insurance by LICENSEE. LICENSEE, at its sole cost and expense, shall maintain at all times during the term of this License public liability insurance in respect of the Licensed Premises and the conduct or operation of its business therein with COMMISSION and naming the COMMISSION as additional named insured, with limits of not less than One Million Dollars ($1,000,000.00) for bodily injury or death to any number of persons in any one occurrence, and One Million Dollars ($1,000,000.00) for property damage, which sums shall be increased every five (5) years by the amount of increase in the Consumer Price Index. LICENSEE shall promptly deliver to COMMISSION and any additional named insured such fully paid-for policies or certificates of such policies issued by duly authorized agents of the carriers in question, at least ten (10) days before the Commencement Date. LICENSEE shall procure and pay for renewals of such insurance from time to time before the expiration thereof, and LICENSEE shall deliver to COMMISSION and any additional named insured such renewal policy at least thirty (30) days before the expiration of any existing policy. All such policies shall be issued by companies satisfactory to COMMISSION and all such policies shall contain a provision whereby the same cannot be canceled or modified unless COMMISSION and any additional named insured are given at least ten (10) days prior written notice of such cancellation or modification, including, without limitation, any cancellation resulting from the nonpayment of premium.

L. GOVERNMENTAL REGULATIONS AND PERMITS.

LICENSEE and its assignees, sublicensees and successors shall, at LICENSEE'S cost and expense, comply with all of the requirements of county, municipal, state, federal and other applicable governmental authorities, now in force, or which may hereinafter be in force, pertaining to operation of its facilities, and shall faithfully observe all municipal and county ordinances and state and federal statutes now in force or which may hereinafter be in force, and shall obtain all permits required for the project. The COMMISSION will cooperate with the LICENSEE in obtaining necessary permits.

M. NEGLECT OF PREMISES.

LICENSEE agrees not to commit waste on the premises herein licensed and to deliver possession of the premises to the COMMISSION at the termination of this Agreement in substantially as good a condition as at the commencement thereof, damages from natural elements, normal depreciation and decay, excepted.

N. ADDITIONAL COVENANTS.

1) Amendments. This License may be amended only in writing and signed by both parties.

2) LICENSEE Accepts Premises. LICENSEE has examined premises and accepts same fully as represented to them for the use and purposes as stated herein.

3) Indiana Law Governs. This License shall be construed under and in accordance with the laws of the State of Indiana.

4) Entire Agreement. This License constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreement and undertakings of the parties.

5) Waiver of Breach. The waiver by COMMISSION of a breach of any provision of this License by LICENSEE shall not operate or be construed as a waiver of any subsequent breach by the LICENSEE.

6) Universal Nouns and Pronouns. Wherever necessary and where the context admits, the singular term and the related pronoun include the plural and the masculine shall include the feminine and neuter and vice versa.

7) Attorney's Fees. If either party shall be found, by a court of competent jurisdiction,

to be in breach or default of its obligations hereunder, that party shall pay all reasonable attorney fees and court costs incurred by the other party.

8) License Inures to Benefit of Assignees. This License and all the covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns, respectively, of the parties hereto, provided, however, that no assignment by, from, through or under LICENSEE not in strict compliance with the provisions hereof shall vest in the assignee any right, title or interest whatever in this License or in the Licensed Premises.

9) Headings. The paragraph headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this License nor in any way affect this License.

10) Damage To Improvements. The LICENSEE shall, at its sole cost and expense, immediately repair any damage it causes to the flood control structures and/or any improvements made upon the premises for the Little Calumet River Flood Control Project. Said repairs shall be made subject to the approval of the COMMISSION and the United States Army Corps of Engineers.

11) LICENSEE shall comply with all permits, regulations, ordinances and statutes pertaining to the land uses allowed by this License including, but not limited to, any necessary approvals by the United States Army Corp of Engineers. Any necessary permits shall be obtained at the sole cost of the LICENSEE. In the event LICENSEE is unable to obtain any necessary permit or approval either Party hereto may terminate this contract on 180 days written notice to the other Party.

12) Wetland Maintenance. For purposes of this Agreement the term "Wetland Maintenance" shall be defined as exotic species removal and prescribed burning. LICENSEE shall maintain the wetlands at its cost for five (5) years after the area is completed and accepted for sale as wetland mitigation credits. After said initial five (5) year period, the COMMISSION shall annually set aside an amount sufficient to pay for wetland maintenance from interest income derived from the additional consideration derived pursuant to Article B (2) herein. In the event that the interest income received from the additional consideration derived pursuant to Article B (2) herein is insufficient to fund the wetland maintenance in any given year or years during this Agreement, the LICENSEE shall fund the additional amount necessary to perform the wetland mitigation for said year or years.

13) The LICENSEE's proposal, hereinafter referred to as the "PROPOSAL," are attached hereto, marked Exhibit "B" and made a part of this Agreement; however, this Agreement shall supercede any provisions in the PROPOSAL which are in conflict herewith.

14) As additional consideration hereto, the LICENSEE shall construct the improvements, at its sole cost, in the time periods, as adjusted relative to the date of Option exercise, and amounts as provided in the PROPOSAL. The design of the improvements shall be agreed upon by the Parties hereto.

15) The COMMISSION may, at its discretion, elect that it be paid cash in lieu of such portions of the recreation development outlined in the PROPOSAL as it chooses. In the event of an election by the COMMISSION to accept cash in lieu of recreation development, the LICENSEE shall pay to the COMMISSION the amount allotted for the eliminated recreation development. Said cash in lieu of recreational development shall be paid to the COMMISSION in installments as agreed to by the Parties during

the time period when the eliminated recreation development would have been constructed pursuant to the PROPOSAL.

16) The Parties to this Agreement shall meet at least annually, at a time and place agreed upon, to discuss the implementation of this Agreement and the project budget, progress and for planning and coordination.

17) The COMMISSION shall, during the term of this Agreement, be allowed access to the property as needed to fulfill its obligations as Local Sponsor for the Little Calumet River Flood Control and Recreation project.

IN WITNESS WHEREOF the parties have executed this Agreement this _____ day of _____, 19____.

THE LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION

By:_____
Emerson Delaney, Chairman

STATE OF INDIANA)
) SS:
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared and acknowledged the execution of the foregoing instrument on this _____ day of _____, 19____.

Witness my hand and seal the said last day.

My Commission expires:

_____

_____

_____, Notary Public

LAKE ERIE LAND COMPANY

By:_____
Jerry Mobley, President

STATE OF INDIANA)
) SS:
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared and acknowledged the execution of the foregoing instrument on this _____ day of _____, 19____.

Witness my hand and seal the said last day.

My Commission expires:

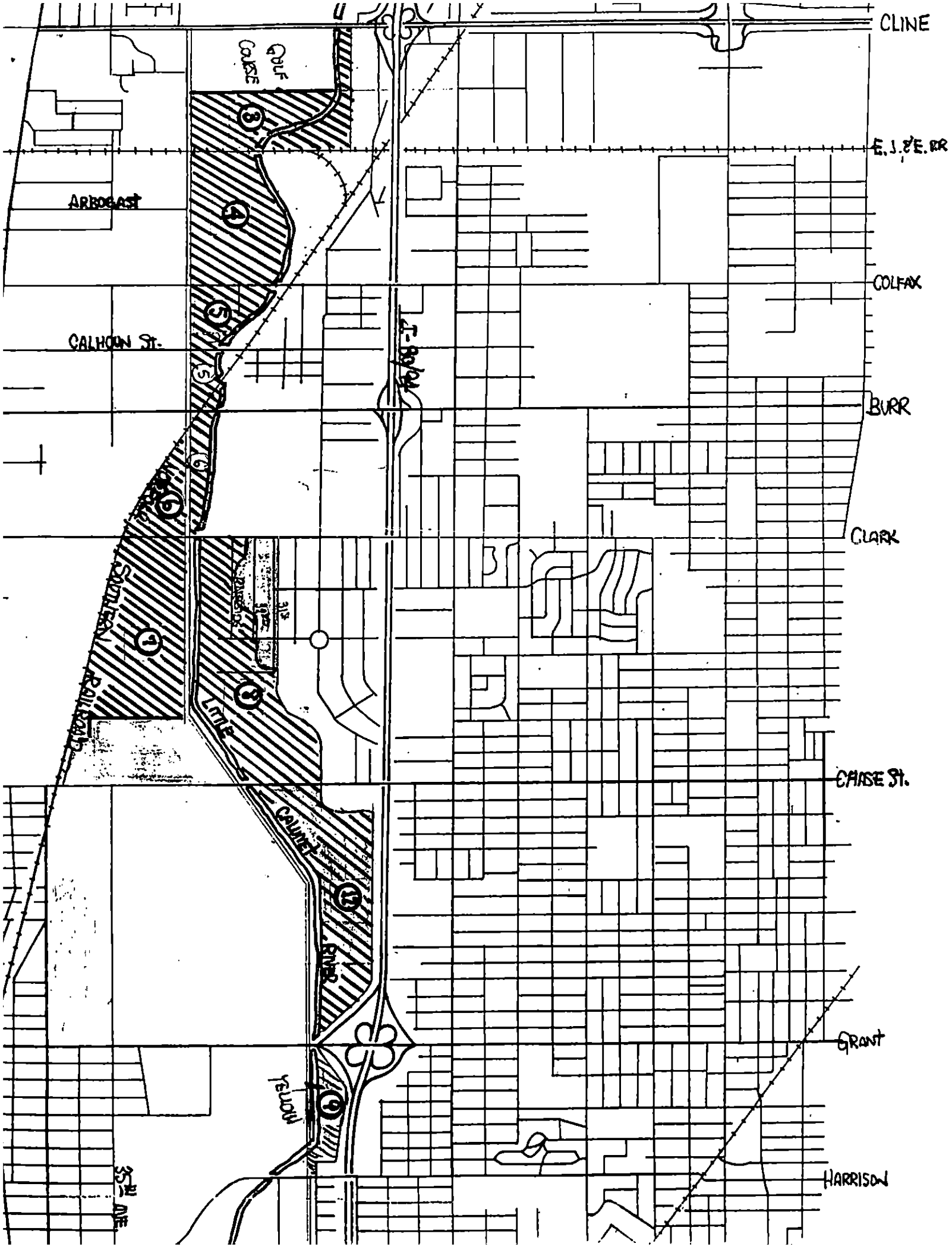
_____

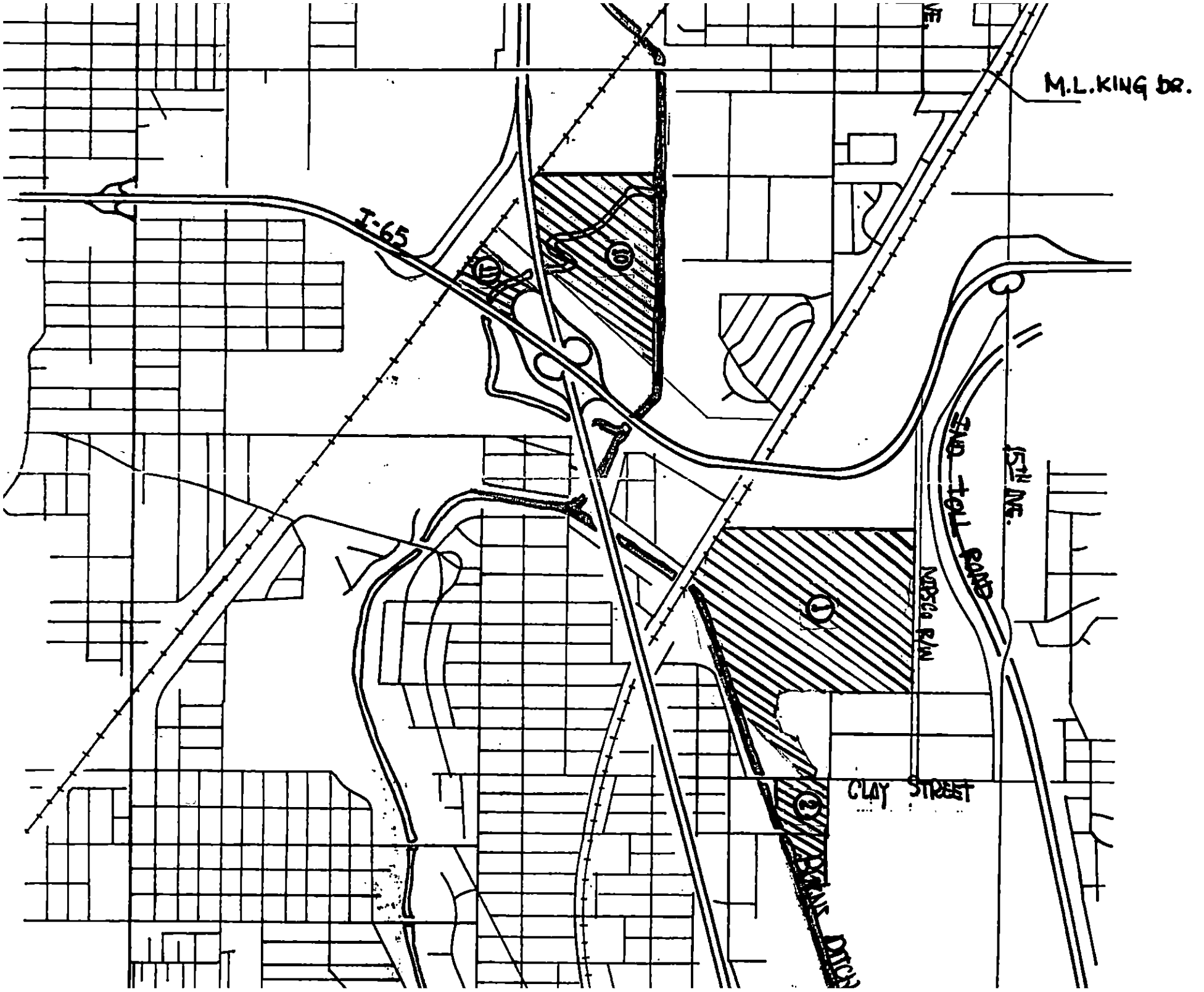
_____

_____, Notary Public

REGION	SCRUB AREA	TILLABLE	TOTAL	*NON USEABLE PROPERTY
1	90	89	179	-
2	5	30	35	-
3	85	-	85	-
4	66	-	66	15
5	33	-	33	11
6	38	-	38	20
7	37	90	127	115
8	101	-	101	36
9	26	-	26	-
SUBTOTAL	481	209	690	197
POTENTIAL ACQUISITIONS				
10	-	86	86	-
11	19	-	19	-
12	113	-	113	15
SUBTOTAL	132	86	218	15
GRAND TOTAL	613	295	908	212

*THIS AREA IS EXCLUDED FROM THE GRAND TOTAL AND REPRESENTS PUBLIC R/W'S, CORPS MITIGATION AREAS, LEVEE EASEMENTS, AND NON-DEVELOPABLE LAND.


CLINE
GOLF COURSE
E.J.&E. RR
ARBOGAST
COLFAX
CALHOUN ST.
I-80/94
BURR
CLARK
SOUTHERN RAILROAD
LITTLE CALUMET RIVER
CHASE ST.
GRANT
YELLOW
HARRISON


M.L. KING DR.
I-65
1
2
3
4
5
6
EAD TOLL ROAD
NIPSCO R/W
57TH AVE.
CLAY STREET
BOGAN DITCH

AN ANALYSIS OF THE AGREEMENT BETWEEN THE LAKE ERIE LAND COMPANY AND THE LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION

PREPARED FOR

The Little Calumet River Basin
Development Commission
6100 Southport Road
Portage, Indiana 46368

PREPARED BY

Associated Property Counselors, Ltd.
3027 Ridge Road
Lansing, Illinois 60438

AS OF

August 3, 1999

ASSOCIATED PROPERTY COUNSELORS, LTD.

Real Estate Appraisers and Consultants

55 West Monroe, 32nd Floor
Chicago, Illinois 60604
Phone: 312-332-1788
Fax: 800-474-1075

3027 Ridge Road
Lansing, Illinois 60438
Phone: 708-895-6767
Fax: 708-895-3834

August 15, 1999

Mr. Daniel Gardner
Executive Director
Little Calumet River Basin
Development Commission
6100 Southport Road
Portage, Indiana 46368

RE: Lake Erie Land Company Proposal

Dear Mr. Gardner:

At your request, we completed an analysis of the above referenced document.

The following report communicates our conclusions. As required by the Uniform Standards of Professional Appraisal Practice, all data associated with the formulation of these conclusions is retained in our file.

If you have any questions, please contact our office.

Respectfully submitted,

Dale J Kleszynski, MAI, SRA
President

DJK/sn

ASSOCIATED PROPERTY COUNSELORS, LTD.

Real Estate Appraisers and Consultants

55 West Monroe, 32nd Floor
Chicago, Illinois 60604
Phone: 312-332-1788
Fax: 800-474-1075

3027 Ridge Road
Lansing, Illinois 60438
Phone: 708-895-6767
Fax: 708-895-3834

August 15, 1999

Report To:
The Little Calumet River Basin Development Commission

From:
Dale J. Kleszynski, MAI SRA
President
Associated Property Counselors, Ltd.

Re: Lake Erie Land Company Proposal

Summary of Facts

The Little Calumet River Basin Development Commission owns 856 acres of land that is separated and at various locations in the overall project area. Lake Erie Land Company wishes to obtain a license to improve the site for the purpose of creating a wetland mitigation bank.

The agreement calls for Lake Erie Land Company to operate the project under the terms mandated by the Commission and they are to cooperate with the Commission throughout the development process. We assume that this cooperation extends to the Commissions relationship with the Army Corps of Engineers. As part of this development, Lake Erie Land Company will construct wetlands, recreational facilities and visitor centers in the licensed area. The project is to be completed in 5 to 6 years.

The document is divided into two parts, the first of which is an option to license the land. This part of the agreement allows Lake Erie Land Company to option 856 acres of land for a period of 5 years. The option may be terminated as outlined in the agreement. During this period the Commission will be paid $43,630 annually. The minimum period for the option agreement is 2 years. The Commission will grant Lake Erie Land Company the right to access and improve the property as agreed. Lake Erie Land Company is responsible for any damages. The option may not be assigned and the Commission may not terminate the relationship during the option period. Lake Erie Land Company has reserved the right to terminate the agreement based on the discovery of utilities. The term utilities is not defined.

The second part of the agreement is the actual license. During the license period the Lake Erie Land Company will construct, manage and market wetland credits to third parties for a period of 50 years. The use of the property is limited to a wetland mitigation bank and there will be public applications incorporated into the development of the property. The estimated cost to improve the site as a wetland mitigation bank and recreational use is reported to be $13,500,000. This is equal to $15,771 per acre of licensed land.

Compensation includes a payment of $43,630 annually for the term of the agreement. This fixed annual payment is an annuity to the Commission that will extend for 50 years. Additional compensation includes a payment equal to 2 percent of gross revenues. The term gross revenue is taken to mean income derived from the sale of the wetland credits and any income produced as fees generated by the recreational facilities. Expenses will not be deducted in the calculation of money to be paid to the Commission. Gross revenues paid as a percent of income will be placed in a trust fund and it will produce interest. Expected income from this interest is calculated at $60,000 annually..

In addition to the above percentage income, Lake Erie Land Company will pay the Commission $750 for every acre of wetland credit sold. The agreement has language related to late fees and rights of termination. These are legal issues that should be discussed with counsel. At the most recent Commission meeting Lake Erie Land Company reported that the $750 per acre payment, as part of the sale of wetland credits, is to be deposited in a trust fund that will produce interest. This interest bearing trust fund is expected to produce $60,000 annually. Total interest income from both sources is estimated at $120,000 per year.

Lake Erie Land Company will have all responsibility for the wetland maintenance for the term of 5 years. The Commission will be responsible for the maintenance of the balance of the project. After 5 years, the Commission will assume responsibility for the maintenance of wetland areas. It is expected that the interest income, estimated at $120,000 annually, will be sufficient to support the maintenance of the wetland areas. The annual cost to maintain the wetland areas is estimated to be $35.00 per acre of land. It should be noted that the annual rent payment of $43,630 is not tied to the expected interest income.

Highest and Best Use of the Site

The following tests must be passed in determining Highest and Best Use:

The use must be legal, probable and not speculative or conjectural. There must be a profitable demand for such use, and it must return the highest net return to the land for the longest period of time.

In the instance of the subject property, use of the site as part of the overall Commission Project is legal because law sanctions the land acquisition and project. The use of the land as part of the overall Commission Project is considered probable and not speculative because the development is underway and funded with public money. The intended use of the site as a wetland mitigation bank is considered economically viable. We found an identifiable demand for the credits and competitive developments are being completed where physically possible. The price of the credits, estimated at $20,000 to $50,000 per acre of land, exceeds the price paid for land in this area and the estimated cost of improvements. Based on our research, we conclude that there is an economic demand for the intended use and the market is strong for the sale of wetland mitigation credits. We conclude that the intended use as a wetland mitigation bank is the Highest and Best Use of the subject site.

Discussion of Land Lease Terms

Lease terms for any property are dictated by the quality of the investment and the demand for the use to which the property will be put. In this matter, the investment property is raw land that cannot be sold for wetlands credit without substantial improvement. The basis for setting the fixed rent at $43,630 is typical of agricultural land that is leased in this market. The term, at 50 years, is short when compared to non-agricultural land leases in the market. The inclusion of overage rent that is paid from the proceeds of wetland credit sales is also typical of contracts that involve income producing real estate. As a general suggestion, we recommend that the fixed rent be adjusted every 5 years based on an agreed upon index. If this cannot be accomplished, the quality of the agreement is not severely damaged.

In addition to examining the agreement to determine if it reflects market rates and terms, an economic examination of the lease is necessary to support the conclusion. To accomplish this, we tested the fixed and overage rent that the property will produce against the estimated value of the land today, before Lake Erie Land Company's improvements are complete. When the estimated land value of $3,000 per acre is considered, the fixed rent provides a return of approximately 2 percent to the subject site. If the combined interest income is applied in the analysis, the expected return on the property is calculated at 6.4 percent. We also examined the investment performance of the land by comparing the combined income from the lease and interest with the estimated acquisition cost of the subject site. Based on this comparison, the property return is approximately 13 percent. We find that the combined rental payment and interest income is strong. When the financial benefits produced by the license are joined with the intangible recreational benefits produced by the Lake Erie Land Company improvements ($13,500,000), the subject produces a greater return. We, therefore, conclude that the rates and terms of the subject lease are economically sound and based on market activity.

Competitive Facilities and Pricing of Credits

As part of the due diligence associated with evaluating the proposed agreement we examined the market for competitive sites in the vicinity of the subject. We found few projects that are similar to the subject. We further found no wetland mitigation banks in Indiana or Illinois that are similar to the subject in size or scope. To the best of our knowledge, the subject wetland mitigation bank will be the largest in the region and possibly the largest in the country. As of this report, we are unaware of any proposed wetland mitigation banks that are to be developed in this area. We also believe that the subject location is unique because the physical characteristics of the site allow a project of this type to be developed. We find that there are limited tracts of land in this area that can be used to develop a 850-acre wetland bank.

The pricing of wetland credits is influenced by demand and the quality of wetland areas that can be developed. Prices for low quality sites are reported at under $20,000 per acre. Very high quality wetland credits are sold at approximately $50,000 per acre. The reported price structure for the subject, at $30,000 to $50,000 per acre, reflects market activity and we consider this price range to be achievable in this market. We caution the reader, however, that we have not been supplied with any independent reports explaining the potential quality of the wetlands that are to be developed on the subject site. We, therefore, reserve the right to amend this report after reviewing formal reports by qualified experts.

Income Projections and Internal Rates of Return

Lastly, and as part of our economic analysis, we attempted to calculate the internal rate of return that this agreement will produce for the Commission and the taxpayers of Indiana. To calculate the performance of the agreement we estimate that the cost of the land used in this project is approximately $1,000,000. We also estimate that the current value of the subject land is approximately $2,600,000. The latter is based on a recent appraisal prepared for the Commission by Associated Property Counselors, Ltd. In our initial test, we assume that the value of the land will remain constant over the holding period and that the Commission will receive only the contract rent of $43,630 annually. With these assumptions, the property will produce an Internal Rate of Return of 5.10 percent. This investment performance is below expected real estate returns for investment grade properties.

In a second investment test, we applied the contract rent and projected interest as the net income the property will produce over the life of the license. After deducting an expense of $35.00 per acre to pay for wetland bank maintenance, the net income for the real estate is estimated at $133,000 annually. If we assume that the land value will remain constant over the 50-year investment period, the Internal Rate of Return for the property is calculated at 13.34 percent. We found this rate of return to be typical of lower grade investment properties available in the market today.

Because the Lake Erie Land Company will improve the property by spending $13,500,000, the site value is likely to be greater than the present estimate of $2,600,000. Any increase in land value or periodic income will enhance the investment profile of the property beyond the calculated 13.34 percent. We conclude, therefore, that the proposed agreement passes the test of financial feasibility, while reflecting the risks associated with the subject development.

Conclusions

Based on the provided proposal and the discussions at the August 3, 1999 meeting, we conclude that the license agreement is a positive contract that allows the Commission to achieve an appropriate investment return. Although we did not have reports or documents used by the Lake Erie Land Company in formulating their proposal, we find that the calculated returns reflect of the risks associated with the project. As a matter of policy, however, we suggest that the Commission seek legal and accounting counsel in this matter. We also advise the Commission that our conclusions are based, in part, on the information provided. We therefore reserve the right to amend our opinion if additional information is made available or the proposal is adjusted through negotiations.

We conclude that the Commission has limited property or investment risk from this agreement because the real estate will be substantially improved by Lake Erie Land Company's investment of $13,500,000. Since the Commission will have input during the development phase, they are able to exercise control over the final character of the land expending additional money on the site. The annual rent of $43,630 and the improvement of the site are identified as tangible benefits associated with the agreement. Additional income, in the form of interest, is a risk-controlled benefit that increases the return associated with the license agreement. We find that the estimated returns provided by this agreement are typical of risk found in the real estate ventures. We do, however, urge the Commission to negotiate a periodic adjustment in the fixed rent because a successful negotiation in this area will increase the investment profile of the property.

As a last analysis, we examined the value of the income this agreement is capable of producing over the holding period. We assume that the fixed rent of $43,630 will be deposited in an account that produces a low risk interest rate of at least 4 percent annually. At the end of the 50-year term the value of the deposits and interest will be $6,661,000. If we assume that the Commission will receive and deposit all income available from this agreement, (estimated at $133,000 annually after expenses) the value of the agreement is equal to $20,305,000 at the end of the license period.

Beyond the financial benefits, this agreement allows the Commission to create intangible benefits in this area. These benefits include, but are not limited to, the improvement of 856 acres of land that are not likely to have a substantial influx of money after the current Commission project is complete. If completed as discussed, the improvement of this land will also provide recreational benefits and view amenities that improve the community and the lives of the people who elect to use the facilities. Lastly, the improved site will provide a needed wetland mitigation bank in Northwest Indiana.

If you have any questions, please call my office.

ASSUMPTIONS AND LIMITING CONDITIONS

1. This is a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(D) of the Uniform Standards of Professional Appraisal Practice for a Restricted Appraisal Report. As such, it does not include discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

2. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.

3. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.

4. Responsible ownership and competent property management are assumed unless otherwise stated in this report.

5. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.

6. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.

7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.

9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in this appraisal report.

10. It is assumed that all required licenses, certificates of occupancy, or other legislative or administrative authority from any local, state, or national governmental, or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.

ASSUMPTIONS AND LIMITING CONDITIONS

11. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.

12. It is assumed that the utilization of the land and improvements are within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.

13. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.

14. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans With Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.

15. Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.

16. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

17. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.

ASSUMPTIONS AND LIMITING CONDITIONS

18. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- no one provided significant professional assistance to the person signing this report.

Respectfully submitted,

Dale J. Kleszynski, MAI, SRA
President

STATEMENT OF QUALIFICATIONS
DALE J. KLESZYNSKI, MAI, SRA

PROFESSIONAL DESIGNATIONS AND CERTIFICATION

Member of the Appraisal Institute - MAI #6747
Senior Residential Appraiser - SRA
Illinois State Certified Real Estate Appraiser- License No. 153-000213
Indiana Certified General Appraiser - License No. CG49300022
Michigan State Certified Appraiser - License No. 12-01-004591

APPRAISAL EXPERIENCE AND PROJECTS

Since 1979, various types of real estate, including:

- Office and commercial buildings
- Assisted living facilities
- Apartment structures and complexes
  - Including Low Income Housing Tax Credit complexes
- Industrial and warehouse buildings
- Single family and condominium residential properties
- Vacant land:
  - Residential, multi-family, commercial, and industrial
- Special purpose properties
  - Including bulk petroleum storage facilities, steel fabricating plants, hotels, soccer arenas, golf courses, motels, and chemical processing facilities, restaurants, bank facilities and ice arenas
- Eminent Domain Projects
  - McCormick Place expansion
    - Various properties including the R.R. Donnelley and Sons facility
  - Extension of Interstate 355 in Cook and Will Counties
    - Various properties including residential, agricultural, commercial, industrial and residential subdivisions
  - City of Hammond v. Great Lakes Marina
  - Palwaukee Airport expansion
  - Lansing Municipal Airport expansion
  - Little Calumet River and Levee and Flood Abatement Project
  - Various road and municipal projects
- Qualified witness in Illinois, Indiana, and New York.
- Various zoning and municipal projects
  - Adult Use Impact Study - County of Cook
  - Adult Use Impact Study - Village of Lansing
  - Impact Study for Group Home Zoning
- Appraisal and consulting assignments completed in Arizona, Arkansas, California, Colorado, Florida, Illinois, Indiana, Kansas, Maryland, Michigan, Minnesota, New Jersey, Pennsylvania, and Texas.

STATEMENT OF QUALIFICATIONS
DALE J. KLESZYNSKI, MAI, SRA

SERVICE OFFICES

President - Chicago Chapter of the Appraisal Institute (1991-1992)
Regional Representative - Appraisal Institute (1991-Present)
Division of Faculty - Appraisal Institute (1989, 1990)
Regional Chairman - Ethics Administration (1991)
Assistant Regional Representative - Review and Counseling (1990)
National Board of Directors - Appraisal Institute (1991-1998)
Vice Chairman - General Appraisal Board (1997)
Chairman - General Appraisal Board (1998)
Executive Committee - Appraisal Institute (1998)
National Nominating Committee (1999)
General Appraisal Council

PROFESSIONAL EXPERIENCE

President and Chief Appraiser, Associated Property Counselors, Ltd.
Staff Appraiser, Abacus Realty Appraisers, Inc., Chicago
Staff Appraiser, Property Assessment Advisors, Chicago
Staff Appraiser, Central Appraisal Company, Chicago
Mortgage Loan Officer, First Calumet City Savings and Loan, Calumet City, Illinois

QUALIFIED INSTRUCTOR/COURSE DEVELOPMENT FOR THE APPRAISAL INSTITUTE

Course 110 - Appraisal Principles
Course 120 - Appraisal Procedures
Course 310 - Basic Income Capitalization
Course 320 - General Applications
Course 410 - Standards of Professional Practice - Part A
Course 420 - Standards of Professional Practice - Part B
Course 510 - Advanced Income Capitalization
Course 520 - Highest and Best Use and Market Analysis
Course 530 - Advanced Sales Comparison and Cost Approaches
Course 550 - Advanced Applications
Course 700 - Introduction to Litigation
Course 710 - Introduction to Eminent Domain
Course 720 - Advanced Practice in Eminent Domain
Various Seminars

STATEMENT OF QUALIFICATIONS
DALE J. KLESZYNSKI, MAI, SRA

EDUCATIONAL CREDITS

Loyola University of Chicago, Bachelor of Arts, 1971

Society of Real Estate Appraisers
Course 101, Course 201 (Instructor - 1989 and 1990)

American Institute of Real Estate Appraisers:
Courses 1-A, 1-B, VII, VIII, Standards and Professional Practice, Course II - (Parts 1 and 2), 1981 through 1983 Real Estate Principles, 1988

R-2 Narrative Report Writing Seminar, 1982

American Savings and Loan Institute:
Lending I and II, Real Estate Law I and II, 1980

Boeckh Cost Manual Seminar - Residential and Industrial

Federal Housing Authority Appraisal Seminar

Various seminars sponsored by the Society of Real Estate Appraisers and the American Institute of Real Estate Appraisers, and Appraisal Institute

I am currently certified under the Appraisal Institute Continuing Education Program

I am currently certified under the Continuing Education Requirements of the State of Illinois

I am currently certified under the Continuing Education Requirements of the State of Indiana

COURSE AND SEMINAR DEVELOPMENT

Course 700 - Introduction to Litigation - Development Team
Course 710 - Eminent Domain - Part A - Development Team
Course 720 - Eminent Domain - Part B - Development Team
Individual seminars for the Cook County State's Attorney

A representative list of clients follows.

PARTIAL LIST OF CLIENTS REPRESENTED

Bank/Lending Agencies

American National Bank
Bank of Homewood
Bank One
East Side Bank
FCA Mortgage
First Chicago Bank
First of America
Fleet Mortgage
Harris Bank
Heritage Standard Bank
Highland Community Bank
LaSalle Bank
LaSalle National Bank
LaSalle Talman Mortgage Corp.
Mercantile National Bank
NBD Bank
Pinnacle Bank
Prairie Bank
Security Pacific Bank
St. Paul Bank for Savings
U.S. Bank
Wells Fargo Bank

Government Agencies

Cook County State's Attorneys Office
DuPage County State's Attorneys Office
DuPage County Assessor's Office
Federal Home Loan Bank Board
Federal Savings and Loan Insurance
Little Calumet River Basin Development
Federal Aviation Administration
Lansing Municipal Airport
Resolution Trust Corporation
Department of Justice

Corporations

AT&T Capital Corporation
Allis Chalmers
Allstate Insurance Company
The Alter Group
Associates Relocation
Bee Chemical
Broadacre Management
Clark Oil Company
R.R. Donnelley Corporation
Fleet Services Corporation
Gallagher & Henry
Great Lakes Marina
Hartz Construction
McDonald's
Merrill Lynch Relocation
The Pritzker Foundation
Sherwin Williams
Southwick Properties, Inc.
Taco Bell
U.S. Steel Corporation
USA Muffler
The Weglarz Group
The Archdiocese of Chicago

Municipal Clients

City of Calumet City
Village of Bradley
Village of Flossmoor
Homewood - Flossmoor Park District
Village of Oak Lawn
Village of Lansing
Village of Rosemont
Village of Orland Park
Green Hill Library District
Village of Riverdale

Professional Law Firms

Ancel, Glink, Diamond, Cope & Bush, P.C.
Burke and Ryan
Field, Golan & Swiger
Foran, Nasharr & O'Toole
Hinshaw and Culbertson
Klein, Thorpe & Jenkins, Ltd.
Earl Neal and Associates
Smith and DeBonis
Sosin and Lawler
Ungaretti and Harris
Foran and Schultz
McBride, Baker & Coles

Personal and case references available upon request.

WORK STUDY SESSION
LAND ACQUISITION / MANAGEMENT COMMITTEE

2 September 1999
Chuck Agnew Chairman

1.) There are no condemnations or increased offers.

2.) Update: The Corps sent a letter to Jim Flora indicating that the O & M for the four Gary East Reach Pump Stations is outside the construction contractor's scope of work. The Corps states that according to the Local Cooperative Agreement (LCA) between the Corps and LCRBDC, the responsibility is LCRBDC's.

The Corps and the LCRBDC have not signed off for the pump stations as yet. The pump stations are currently not active, however, in the event of a flood emergency LCRBDC believes responsibility should be with the Corps or the contractor. Discussion?

3.) Discussion regarding the Lake Erie Land Contract.

WORK STUDY SESSION
ENGINEERING COMMITTEE
SEPTEMBER 2, 1999

Bob Huffman, Committee Chairman

1. Final inspections for Stage II Phase 3B and Stage II Phase 4 are scheduled with the LCRBDC for early October. After those inspections, and that punch list is completed, the COE will be asking us to accept O&M responsibilities.

2. We received a letter from the COE on August 12th declining the request from the gary Sanitary District to cost share the installation of telemetry to the 4 East Reach pump stations based upon Federal regulations.

3. We received final engineering drawings for Stage V Phase 3 (Woodmar Country Club) on September 2nd, and have previously received final real estate drawings, with the directive to proceed.

4. A technical review meeting was held with the COE in Chicago on August 10th and 14 issues were discussed (informational).

Sandy Mordus
From: Samara, Imad LRC [Imad.Samara@lrc02.usace.army.mil]
Sent: Thursday, September 02, 1999 11:09 AM
To: Massar, Carol E LRC; 'Sandy Mordus'
Cc: 'Mark Lopez'
Subject: FW: Dedication of the Little Cal Project

Sandy Please print this out for Dan. We discussed this the last time when Dan and I meet with Mark. I think it is time we start talking about it. As you can see there is a date below that the congressman would like to have this dedication. I would suggest a meeting on this sometime on the week of 13th. Let me know.

Imad

-----Original Message-----

From: Lopez, Mark [mailto:Mark.Lopez@mail.house.gov]
Sent: Thursday, September 02, 1999 10:41 AM
To: Samara, Imad LRC
Subject: RE: Dedication of the Little Cal Project

Imad: I do not think Saturday will work for us. At this time, my boss' Saturday is filled up. I believe we should be able to get people/media/politicians to attend on that Friday, but we could look at another date if Carol feels this date will not work, I do respect her opinion. I am unsure as to the location, we probably should touch base with Dan Gardner, but if I recollect correctly we felt Burr street was a good location because visually, the CoE and Little Cal River Basin Development would be able to point out to reporters some of the results all of your guys hard work. Also, I am not sure you the contractor's were off hand, but may be able to get donations, will look into that sometime in the next week or so. thanks mark

> ---

From: Samara, Imad LRC[SMTP:Imad.Samara@lrc02.usace.army.mil]
Sent: Thursday, August 26, 1999 12:13 PM
To: Massar, Carol E LRC; Lopez, Mark
Subject: RE: Dedication of the Little Cal Project

Mark here is the thoughts of our PA, Public Affairs, Office regarding the dedication date. I'm sure you have meet Carol Massar, she will be helping us
(helping is an understatement) with this dedication.
Imad

-----Original Appointment-----

From: Massar, Carol E LRC
Sent: Thursday, August 26, 1999 9:01 AM
To: Samara, Imad LRC
Subject: Tentative: Dedication of the Little Cal Project
When: Friday, November 12, 1999 12:00 AM to Saturday, November 13, 1999
12:00 AM (GMT-06:00) Central Time (US & Canada).
Where: Some Place on levee site in Gary

Imad - PA would prefer a Saturday 13th time for a couple of reasons -

Friday is day after a federal holiday and many people may take that day off to make it a long weekend; more citizens are likely to come on a Saturday, which is good unless you see this primarily as a media event

Although it's hard to imagine sleet storms and blowing snow now, they can't be ruled out for Nov 12 or 13. We should be careful to pick a spot on the levee close to a public building that could be used for "Plan B" - an inside ceremony. Would look to you for suggestions

Any chance you could get one of the contractors (who should all be invited) to furnish refreshments?

LAND ACQUISITION REPORT
Thursday, September 2, 1999

STATUS (Stage II Phase I) – Harrison to Broadway – North Levee:

1. Project completed July 10, 1992.
   Dyer Construction – Contract price $365,524

STATUS (Stage II Phase II) – Grant to Harrison – North Levee:

1. Project completed December 1, 1993
   Dyer/Ellas Construction – Contract price $1,220,386

STATUS (Stage II, Phase 3A (8A) – Georgia to Martin Luther King – South Levee:

1. Project completed January 13, 1995.
   Ramirez & Marsch Construction – Contract price $2,275,023

STATUS (Stage II, Phase 3B) – Harrison to Georgia – South Levee:

1. Project currently 98% complete. (Minor pump station testing and final turnover of the Broadway pump station to GSD to be scheduled this fall.
2. Additional land will be required to extend a recreation trail off of the existing levee north of IUN to allow recreation trail users to cross Broadway at the light at 33rd Avenue.
   - **Informal value estimate has been completed; the agreement with the City of Gary will be submitted.**

STATUS (Stage II, Phase 3C2) – Grant to Harrison:

1. The re-location of the recreation trail due to the crossing at Grant St. would require agreements with the Steel City Truck Stop and the city of Gary to be able to cross Grant St. at the light at 32nd Ave.
   - We received a letter from Gas City on July 21st requesting consider a different route due to increased crime potential. (Refer to Recreation Report)
   - **We are considering moving the trail further east (nearer Gilroy Stadium) and coming south off the existing levee to 32nd Avenue.**

STATUS (Stage II, Phase 4) – Broadway to MLK Drive – North Levee:

1. A letter was sent to the Norfolk Southern Corporation on February 22nd, 1999, enclosing the easement agreements and the offer for these easements.
   - A follow-up letter was sent to the N.S. R.R. on March 26th, 1999, requesting a response to our previously submitted letter. (Ongoing)

STATUS (Stage III) – Chase to Grant:

1. Project completed on May 6, 1994.
   Kiewit Construction – Contract price $6,564,520

STATUS (Stage IV – Phase 1) – Cline to Burr:

1. As per the August 24 Real Estate meeting, the revised schedule for IV-1 (North) would be to advertise on Sept. 15th; award the contract on Nov. 15th; and have construction start approx. end of April 15, 2000.
2. The most recent schedule with the COE for Stage IV Phase 1 (South) would be to advertise on April 20,2000; award contract on July 24, 2000; and have a construction start by August 21, 2000 with a one year scheduled completion.
3. **The survey for the WIND property is complete and the appraisal process has started.**
4. The legal description for the Wolverine easement was modified to eliminate the staging area on the Sumar property.
   - **The appraisal for the Sumar property has been revised to eliminate the staging area, and the modified offer was sent to Sumar.**
5. The new staging area will be located west of the EJ&E RR and north of Black Oak Road on properties currently owned by INDOT. The legals have been completed and we have forwarded easement agreements for approval.
   - **We received a letter from INDOT on August 26th dated August 19th, indicating that this area will be used for mitigation and that we should pursue another location.** 1-2
   - **As per a conference call with the COE on August 26th, it was agreed we would continue to pursue this agreement as the staging area for IV-1 South.**
   - **As per a field visit with the COE on August 27th, we mutually agreed to enter into a rental agreement for the property east of Gerry Street and north of the Norfolk Southern RR as the staging area for IV-1 North.**
6. The Wolverine agreements **have been** sent to Fred Hipshear to be subordinated with existing property owners for signatures.

STATUS (Stage IV – Phase 2A) – Lake Etta – Burr to Clark:

1. All construction is currently completed. Pump test is scheduled for mid-April. (Refer to Engineering Report)

STATUS (Stage IV – Phase 2B) – Clark to Chase:

1. Construction currently **95%** complete. Projected completion in late fall, 1999. (Refer to Engineering Report)

STATUS (Stage V – Phase 1) – Wicker Park Manor:

1. Project completed September 14, 1995
   Dyer Construction – Contract price $998,630

STATUS (Stage V – Phase 2) – Indianapolis to Kennedy – North Levee:

1. We received "final" real estate drawings from the COE on July 13th, requesting us to proceed with acquisition.
   - We submitted engineering drawings for informational purposes to Hammond, Highland, Munster and the North Township Trustee on July 27th .

STATUS (Stage V – Phase 3) – Northcote to Indianapolis – (Woodmar Country Club):

1. We received "final" real estate drawings from the COE on July 13th, requesting us to proceed with the acquisition; however, we have not received final engineering drawings from the COE to present to Woodmar for their review and comment.

STATUS (Stage VI) – Kennedy to Cline:

1. At our October 15th Real Estate meeting, the COE indicated Stage VI will be divided into 2 phases.
   - Stage VI P1 (north of the river all construction and south of the river Kennedy to Grace)
   - Stage VI P2 (south of the river Grace to Cline and the north Grace St. pump station)
   - **The survey work has now been completed to field determine project coordinate points and was sent to the COE on August 23rd. Final real estate drawings can be modified as necessary to incorporate engineering requirements as needed.**

3

Burr St. (Betterment) levee – Arbogast to Burr:

1. The current schedule as per our **August 24, 1999** Real Estate meeting for Burr St. – Stage 1, indicates we would advertise by December 1999 and award contract by March 2000.
2. The current schedule for Burr S. Stage 2 (East of Colfax and all remaining work eastward) indicates advertising on April 15, 2000; contract award July 15, 2000; and construction start on August 15, 2000 – with approx. one year to complete.
   - The intent (if possible) would be to combine Phase 1 and Phase 2 into one contract to save money.
3. **Betterment Levee (Phase 1)**
   A. **An agreement has been submitted to the Griffith developer (Kortenhoven) by the LCRBDC along with a legal description to allow the Griffith levee west of the EJ&E RR to be built on a 30' strip of land we own south of the NIPSCO R/W.**
4. **Betterment Levee (Phase 2)**
   A. **The survey work, and legal descriptions for the easements near 37th Avenue were submitted on August 27th and the appraisal process may begin.**

EAST REACH REMEDIATION AREA – (NORTH OF I-80/94, MLK TO I-65):

1. **The schedule with the COE (as of August 24th, 1999) indicates the bid opening was held on May 25th; the award for contract is completed; and construction start is projected for October 16, 1999 with an anticipated one year completion.**
   The bid came in at $1,731,645.40 from Dyer Construction, which was the only submittal.

GENERAL:

1. Crediting
   A. We received a letter from representative Peter Visclosky on April 1st, 1999 stating that he will see inclusion of language in the fiscal year 2000 energy and water appropriations bill to allow credit on flowage easements in the East Reach Remediation Area.
      - Dan and Lou will pursue an addition to the LCRBDC legislation that will approve credit for INDOT projects caused by the LCRBDC such as the Grant St. interchange, Indianapolis Blvd. raising of the bridge, and the Georgia Street culverts. (ongoing)

INDIANA DEPARTMENT OF TRANSPORTATION
LaPORTE DISTRICT
P.O. Box 429
LaPorte, IN 46352
(219)362-6125 *FAX: (219) 325-3937*
An Equal Opportunity Employer ● http://www.state.in.us/dot

FRANK O'BANNON, Governor
CRISTINE M. KLIKA, Commissioner

August 19, 1999

Mr. Jim Pokrajac
Little Calumet River Basin
Development Corporation
6160 Southport Road
Portage, Indiana 46368

Re: SE Quadrant I-80/94 and SR 912
LCRBDC Levee Project

Dear Mr. Pokrajac:

The area which you have inquired about was purchased as wetlands and or wetlands mitigation. Your use of this land will effect either existing wetlands or our mitigation site. We have discussed this with our environmental section, and they replied as follows:

> "If the Corps of Engineer and or the Little Calumet River Basin Development Commission use the area for "staging" or levees it will probably effect either existing wetlands or our mitigation site. The Corps of Engineers should be responsible for replacing any wetlands or constructed mitigation site damaged or destroyed as a part of their use of the area for a levee or staging area. If they have not done wetland delineations on the staging area either the Little Calumet River Basin Development Commission or the Corps of Engineers should. This must be resolved before any damage to wetlands or mitigation sites may take place. The Commission and both Corps Districts must agree in writing to this before the construction is started. The Detroit Corps, Mr. John Konik and Mr. Steve Cecil or INDOT have spoken about this and Mr. Konik indicated it was their (Corps) problem."

We have already performed mitigation work in this area. Because of the mitigation work that has been acted upon, we feel that your staging area should be located elsewhere, not within our wetland area at the I-80/94 and SR 912 project.

Only when the two Corps have agreed and we receive a written agreement, will we proceed with the permit to construct the levee on State wetlands area. The agreement must state that INDOT is not responsible for replacing any wetland effected by the levee project. We still feel permission can be accomplished by permit as in the past.

/

Should you have any further questions on this matter, you may contact Mr. Michael McGuire at the LaPorte District Office or Mr. Robert Buskirk at our environment section in Indianapolis.

Sincerely,

William C. Proud
District Director
LaPorte District

DCA/CGP/MDM/pcw

Encl.
cc: Bob Buskirk, Rm. N848
file

Little Calumet River Basin Development Commission

6100 Southport Road Portage, Indiana 46368 (219)763-0690
Fax (219)762-1653

August 23, 1999

Mr. Imad Samara
U.S. Army Corps of Engineers
111 N. Canal Street
Chicago, Illinois 60606-7206

Dear Imad:

Enclosed are two (2) sets of the project coordinates, as done by Cole Associates for the Stage VI construction from Kennedy Avenue to Cline Avenue. These coordinates may be used to complete the engineering and real estate drawings. These coordinates were tied in with points provided by the Corps.

If you have any questions regarding this information or need any further information, please contact me.

Sincerely,

James E. Pokrajac

James E. Pokrajac, Agent
Land Management/
Engineering

/sjm
encl.
cc: Emmett Clancy
Jan Plachta
Gregg Heinzman, COLE

LAND MANAGEMENT REPORT
Thursday, September 2, 1999

NON-PROJECT LAND MANAGEMENT

A. Handicapped-Accessible Park

1. The handicapped-accessible park is located on the 42 acres east of Clay and north of Burns Ditch. Farmer Gary Dunlap currently has a lease to farm the acreage.

- **Approx. 10 acres of the 42 acres adjacent to the north bank of Burns Ditch is heavily wooded and is approx. 8-10 feet higher than the north 32 acres. This will be the location for the park. (See Recreation report).**

B. Chase Street to Grant Street land management issues

1. We received a letter from the COE on March 17, 1999 requesting local review for drainage remediation.
   - Engineering review for drainage remediation plan from COE is ongoing (See Stage III of Engineering Report)
2. Potential exists for drainage improvements to this area with a joint venture between LEL, City of Gary, GSD, COE and LCRBDC.
   - **A meeting will be scheduled with all the above parties once the agreement with LEL is completed.**

PROJECT RELATED LAND MANAGEMENT

A. O&M (Project manual review/accepting completed segments)

1. The COE has requested since August 28, 1997 that we complete our project manual review and then start to accept completed levee segments (distributed condensed O&M Manual) (ongoing)

B. Gary Sanitary District pump agreements

1. The LCRBDC has agreed with the GSD that the four (4) east reach pump stations will hereby be referred to as follows:
   - Ironwood stormwater pumping station – (Stage II-4)
   - Broadway stormwater pumping station – (Stage II-3B)
   - Grant St. stormwater pumping station – (Stage II-3C-2)
   - North Burr St. stormwater pumping station – (Stage IV-2A)
2. Refer to each stage/phase of these stations for current status in the Engineering Report.
   - A meeting was held with the COE, LCRBDC, and the Gary Sanitary District on May 19th regarding engineering review concerns, pump station and maintenance turnover, hydrology design and criteria, and the Marshalltown levee. It was suggested at the meeting that the COE extend the contract (issue an addendum) to make the contractor responsible for the pump station until GSD will accept the O&M and emergency response.

- **The COE sent Jim Flora a letter on August 6th indicating the O&M of these stations is outside of the contractors' scope of work and as per the LCA, it is the responsibility of the local sponsor.** 1-2

3. **A follow-up letter to our letter of June 7th was sent to the COE on August 13th regarding the interim operation of the 4 east reach pump stations.** 3
   - **The COE contractors have not fulfilled their contractural obligations for any of the 4 stations and as per the specifications, they are obligated to do so.**
4. A letter was sent to the COE on June 9th regarding GSD concerns for combined sewer overflow impact. GSD requested documentation that IDEM and the U.S. EPA agreed with this mode of operation. (Waiting for response)
5. **We received a letter from the COE on August 12th declining the request from the Gary Sanitary District to cost share the installation of telemetry to the 4 stations based upon Federal regulations.** 4

C. WLTH Radio Tower (north of I-80/94, east of Martin Luther King Drive)

1. The WLTH owners are concerned about increased flooding more than was anticipated. They have additional engineering studies and will be working with us as acquisition proceeds.

D. Mitigation (entire project area)

1. LCRBDC still has concerns about the official COE mitigation plan which does not explain the exact procedure for acquisition in the Hobart Marsh area. (Ongoing)
   - **We received a letter from the COE on August 3rd regarding the July 15th meeting in Indianapolis with the IDNR.** 5-6

E. Emergency Management

1. The COE submitted to LCRBDC some mapping for comments on May 24th showing locations of all closures, sluice gates, sandbagging, etc.
   - We will break this down by community, to show what each community would need to do during a flood event. (Ongoing)

F. Landscaping

1. A letter was sent to the COE on June 3rd accepting the landscaping project as per plans and specs, but re-stating the ongoing problem with the finished condition of the landscaping (needs more time to establish).
   - **A meeting will be held with the COE to determine the best way to improve the condition of the installed native grasses and to kill an abundant weed growth.**
2. We sent a letter to the COE on July 21st enclosing a letter from the IN Dunes National Lakeshore indicating that the specs are generally good but there are still some concerns.

G. Gary Parks & Recreation – Driving Range

1. A meeting was held with the Gary Parks & Rec Dept. on May 18th to coordinate the current status and inform the following contractors that their proposals for Martin Design, Porter Lakes Engineering, and J.F. New were approved by the Board on May 6th.
2. **We received a letter from J.F. New on August 17th indicating additional acres of impact to wetlands due to expansion of their proposal.** 7-8
   - **This letter included several items of recommendation that might aid in the permitting process.**

H. Lake Erie Land Company – Wetland banking

1. **Had coordination meeting with the Commissioners, the LCRBDC Committee, media, LEL to publicly review the proposal submitted by the Lake Erie Land Company for approx. 850 acres of our land on August 16th.**
2. **Authorization was given to Cole Associates on August 23rd to calculate actual acreages that could be used for wetland banking excluding public right-of-ways, utility easements, and levee installations.** 9
   - **The figures for developable acreage were re-calculated by an outside source and the new total of <u>all</u> lands increased from 844 to 905 acres.** 10-12
3. **We received a letter from James Holcomb (attorney for Gas City) indicating a potential to develop additional lands in Gary in a cooperative agreement.** 13

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO, ILLINOIS 60606-7206

REPLY TO
ATTENTION OF:

August 6, 1999

Programs and Project
Management Branch

Mr. James J. Flora, Jr., P.E.
Vice President
R.W. Armstrong & Associates, Inc.
8300 Broadway Avenue
Merrillville, Indiana 46410

Dear Mr. Flora:

I'm writing this letter in response to your letter dated March 9, 1999, regarding the operation of the pump stations that the COE has built on the Little Calumet River Flood Control and Recreation project. This topic was also discussed in the May 19th meeting. You, the Little Calumet River Basin Development Commission (LCRBDC), and the Gary Sanitary District (GSD) attended this meeting. We do understand your concern regarding an interim measure for the operation and maintenance of the pump stations that you mentioned in your letter, and we agree that some action needs to be taken. As to your suggestion that we let our construction contractor maintain and operate these pumps, this work would be outside of the contract scope of work, and the contractor qualification to perform this task has not been evaluated under the terms of these contracts. This all means that we would have to let another contract for this work. The operation and maintenance of this project is the responsibility of the local sponsor as stated in the LCA. If a contract would have to be awarded for this work, it would be the responsibility of the LCRBDC. In regard to a plan for the operation and maintenance of these pumps, this plan is included in the interim operation and maintenance manual for this project. We are still awaiting your final comments so that our office can finalize the manual.

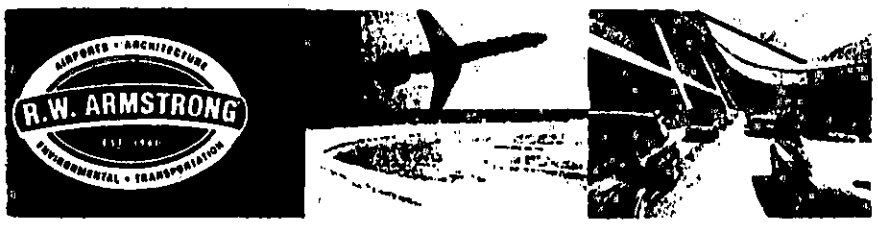
When we finalized the plans for all these projects, including the pump station, we did perform all the coordination necessary with local utility owners and the city and other municipalities. We are required to complete the coordination before we award these contracts. The contractors of these pump stations completed these jobs in accordance with the plans and specification that these contracts were awarded under. At the same time, we did get your concurrence and the right of entry to let these contracts for construction. We will perform all the corrections that Gary Sanitary District requested, where the contractor has not performed in accordance with the specification. But, other requests by GSD that are outside of the scope of the contractor's contract will be

incorporated in a later contract. The Chicago District is working on evaluating these requests and we will respond to them within the next few weeks.

I would like to discuss the matters mentioned in this letter further with you and the LCRBDC. I would like to include this topic on the agenda for the August 10th meeting. If you have any questions, please contact me at (312) 353-6400 ext. 1809.

Sincerely,

Imad N. Samara
Project Manager



August 13, 1999

Mr. Imad Samara
Programs & Project Management Division
Project Management Branch
Corps of Engineers
111 North Canal Street
Chicago, IL 60606-7206

Re: Little Calumet River Levee
East Reach Pump Stations

Dear Mr. Samara:

This letter is to follow-up on your letter of August 6, 1999 and our meeting of August 10, 1999 in your offices. As you acknowledged at the August 10, 1999 meeting, none of the contractors for the east reach pump stations have fully completed their contract work at the pump stations and are therefore contractually obligated to operate the pump stations, as required, under your direction. You also indicated that you would confer with the Construction Operation Division - Calumet Area Office to confirm these contractual obligations.

To facilitate completion and takeover of these pump stations, we suggest that a checklist of outstanding items be developed by the Corps for each pump station. This checklist should contain outstanding original contract items as well as additional items requested/required by Gary Sanitary District. This checklist should indicate an anticipated completion date for each item along with a date you request that the LCRBDC or the GSD take over operation of each pump station.

If you have any questions, please call.

Very truly yours,

R. W. ARMSTRONG & ASSOCIATES, INC.

James J. Flora, Jr.

James J. Flora, Jr., P.E.
Vice President

JJF:kf
911939
cc: Dan Gardner, LCRBDC
√ Jim Pokrajac, LCRBDC
Tom Deja, COE
Jan Plachta, COE

P. 219.738.2258 F. 219.738.2259
8300 BROADWAY MERRILLVILLE, IN 46410-6251
WEB SITE: www.rwarmstrong.com

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO, ILLINOIS 60606-7208

REPLY TO
ATTENTION OF:

August 12, 1999

Programs and Project Management Division
Project Management Branch

Mr. Dan Gardner, Executive Director
Little Calumet River Basin
Development Commission
6100 Southport Rd.
Portage, Indiana 46368

Dear Mr. Gardner;

Thank you for your letter of June 18, 1999, regarding the request for cost sharing on the telemetry system to monitor pumps' status from a remote control station for the various Gary Sanitary District pump stations. We have reviewed closely our regulations and consulted our Headquarter on the subject. Regulation related to the operation of pump stations is contained in Code of Federal Regulations (CFR), Part 208, Flood Control Regulations referenced in EM 1110-2-3102, General Principles of Pump Station Design and Layout. This regulations requires operators to be present for pump operation in flood event situations.

Some remote instrumentation capability is already included in the subject pump stations. Local interests could add remote telemetry capability to this. In the West Reach of this project it was agreed that the telemetry system will be provided by the locals. The project has provided remote system for obtaining water levels for the river through the flood warning gaging network. Addition of requested telemetry system on similar Corps of Engineers projects is the responsibility of the local interests.

We have been reminded lately by our Congressional Representative that due to the budget constraints he will not pursue any additional funding increase for projects that are outside the original scope and design of the Little Calumet River project. The subject telemetry system was not within the authorized original scope of this project.

If you have any additional questions please contact Jan Plachta at (312) 353-6400, extension 1801, or the undersigned at extension 1809.

Sincerely,

for Imad Samara
Project Manager

CF: Congressman Peter J. Visclosky
Jim Flora, Armstrong & Assoc.

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO, ILLINOIS 60606-7206

REPLY TO
ATTENTION OF:

3 August 1999

Environmental and
Social Analysis Branch

Mr. Dan Gardner
Executive Director
Little Calumet River Basin Development Commission
6100 Southport Road
Portage, IN 46368

Dear Mr. Gardner,

This letter provides a summary of conclusions that resulted from the 15 July 1999 meeting at the IN-DNR offices in Indianapolis to discuss mitigation for the Little Calumet River, Indiana, Local Flood Protection and Recreation Project. The minutes of the meeting, included with this letter as an attachment, provide additional detail. The accompanying Table 2B in that attachment is a further revision of the Table 2 that appears in the Project Conceptual Mitigation Plan of August 1998, and is the basis of the mitigation plan for which we are now seeking signed agreement. In addition to such an agreement, we request documentation that the IN-DNR is willing to act as guarantor for management of the Hobart Marsh portion of the project mitigation. A draft letter outlining this request, dated 2 April 1999, has already been submitted to IN-DNR staff for review.

Out of concern for the desire of IN-DNR Division of Fish and Wildlife for additional forested wetland restoration, the question was asked during that meeting if some of the wet/wet-mesic prairie restoration could be exchanged for wet savanna. It was noted that Table 2A (Attachment) proposed more wet/wet-mesic prairie and less wet savanna than needed.

USACE stated that the areas surrounding the proposed mitigation sites currently hold wet savanna, that the areas currently holding wet savanna have hydrology and soil types that are similar to those of the proposed mitigation area, and that the entire area probably held wet savanna prior to European settlement. The conclusion was that most of the area is almost certainly capable of supporting wet savanna now. USFWS and IN-DNR Division of Nature Preserves agreed. Therefore, it was decided to take 125 acres from the wet/wet-mesic prairie restoration column and place them under the DFW Restoration column, which gives the 342 acres of deciduous forested wetland restoration requested by the IN-DNR (Attachment, Table 2B).

This leaves 71 acres of wet/wet-mesic prairie restoration. It was agreed among all present to replace the 58 acres of scrub/shrub and emergent wetland restoration with an equal number of wet/wet-mesic prairie acres at Hobart Marsh, which satisfies the 58-acre scrub/shrub and emergent wetland mitigation requirement with an additional 13 acres to compensate for not mitigating in kind.

Since over half of the total mitigation will occur away from the project area, 115 acres of enhancement will be performed in the project area to compensate (Attachment, Table 2B). You can find locations and descriptions of the enhancement areas in the August 1998 Conceptual Mitigation Plan.

Thank you for attending the July 15th meeting, for the comments that you offered there, and for your long-standing participation in this mitigation process. If you have any questions or if you need any additional information before you can provide us with your agreement for this project, please contact Greg Moore of my staff at 312/353-6400 extension 2019.

Sincerely,

Philip R. Bernstein
Chief, Planning Division

CF: Mr. John Bacone
Ms. JoMary Crary
Mr. Bill Maudlin
Mr. Marty Maupin
Ms. Elizabeth McCloskey
Mr. Ken Smith

J. F. New & Associates, Inc.

708 Roosevelt Road • P.O. Box 243 • Walkerton, IN 46574
Phone: 219-586-3400 • Fax: 219-586-3446
Web: www.jfnew.com • E-Mail: info@jfnew.com

August 17, 1999

Greg Martin
Martin Design Partnership
65 North River Lane
Suite 201
Geneva, Illinois 60134

RE: Site Plan- North Gleason Park Driving Range

Dear Greg,

We have had a chance to review the grading plan you prepared for the proposed driving range for Gleason Park Golf Course. Our review focused primarily on environmental permitting issues related to the design. We have some concerns that we would like to address at this time and some suggestions which may aid in obtaining the required permits.

The permitting feasibility study we wrote in September 1998 made several assumptions. At that time, only the eastern 30 acres of this site was to be developed. We assumed that there would be ample room on the property to do wetland mitigation (enhancement) at a minimum of a 3:1 ratio for the approximately 7 acres of projected impacts. Since that time the project was expanded to include construction of three practice holes utilizing the west 20 acres. This expansion means that additional wetland acreage will be impacted and some area that we originally identified as potential mitigation will not be available for that use.

It appears from the recently completed grading plan that nearly the entire property will be re-graded, impacting approximately 30 acres of wetland. Some area between fairways and tees and greens has reserved for wetland, however I believe we need to minimize the filled areas even more to allow for as much on-site wetland enhancement as we can. The Corps of Engineers has jurisdiction over the mechanical redistribution of soils within wetlands and other waters of the U.S. Part of the Individual permit process with the Corps requires that we show avoidance and minimization of wetland impacts on this site before we propose off-site mitigation. Therefore wetland impacts must be reduced significantly, and even then additional off-site mitigation will probably be necessary to obtain a permit for this project. Additionally, as we mentioned in the feasibility study, an alternatives analysis may be required by the Corps to identify any alternative upland sites for this project which would have less wetland impact than this site. The Corps will take into consideration economic, engineering and logistical factors in analyzing alternatives.

The following is a summary of our recommendations which may aid in obtaining permits.

1. Reduce grading activities to that which is absolutely necessary for the project. For example if raised tees, greens, and driving range practice tees are a necessity, then minimize fairway size and use all areas not absolutely necessary for play to create wetland mitigation.

2. Avoid the use of drainage pipes. Instead use drainage swales, either vegetated or rock filled. Direct them to small, deep storm detention basins which overflow into the mitigation wetlands. Vegetated swales and gravel trenches function to filter sediment and other pollutants from storm water while deep basins allow sediment and pollutants remaining in the storm water to settle out or be dissipated before reaching the wetlands. These are issues that IDEM will be especially concerned about in their Section 401 water quality review.

3. Select grasses that use low inputs of pesticides, fertilizers and water. Spike rush could be used in wetter areas adjacent to fairways as an alternative to grasses. Spike rush is a very fine leaved, short, rush which looks much like fine leaved fescue but tolerates waterlogged soil conditions. It can be sown from seed and is very fast to establish.

4. Prepare a management plan for the area which includes integrated pest management to reduce chemical inputs into the aquatic system.

5. To aid with the IDNR Construction-in-a-Floodway permit avoid cutting trees in the floodway. Find places to plant more trees on this site or adjacent sites in the floodway.

We would be happy to assist with development of the above suggestions. I will mark up the grading plan in an effort to gain any extra wetland area possible and will get that to you by early next week. I would recommend holding off on the pre-application meeting with the regulators before these issues have been addressed. Do not hesitate to call to discuss this matter further.

Sincerely,
J.F. New & Associates

Martha Wilczynski
Project Manager

cc. John Lowe
Fred Ware
Greg Reising
Dan Gardner
JFNA #98-01-10x-01

Little Calumet River Basin Development Commission

6100 Southport Road Portage, Indiana 46368 (219)763-0696
Fax (219)762-1653

August 23, 1999

Mr. Gregg L. Heinzman PE
Engineering Manager
COLE Associates, Inc.
7011 Indianapolis Blvd.
Hammond, Indiana 46324

Re: Cole Reference #H99-051

Dear Gregg:

Enclosed please find a copy of the fully executed agreement between Cole Associates and the Development Commission for engineering services for the calculation of Lake Erie Land Areas. This work will be done for a cost not to exceed $900 as per your proposal.

Upon receiving this signed copy, please consider this as your notice to proceed. If you have any questions, please call me.

Sincerely,

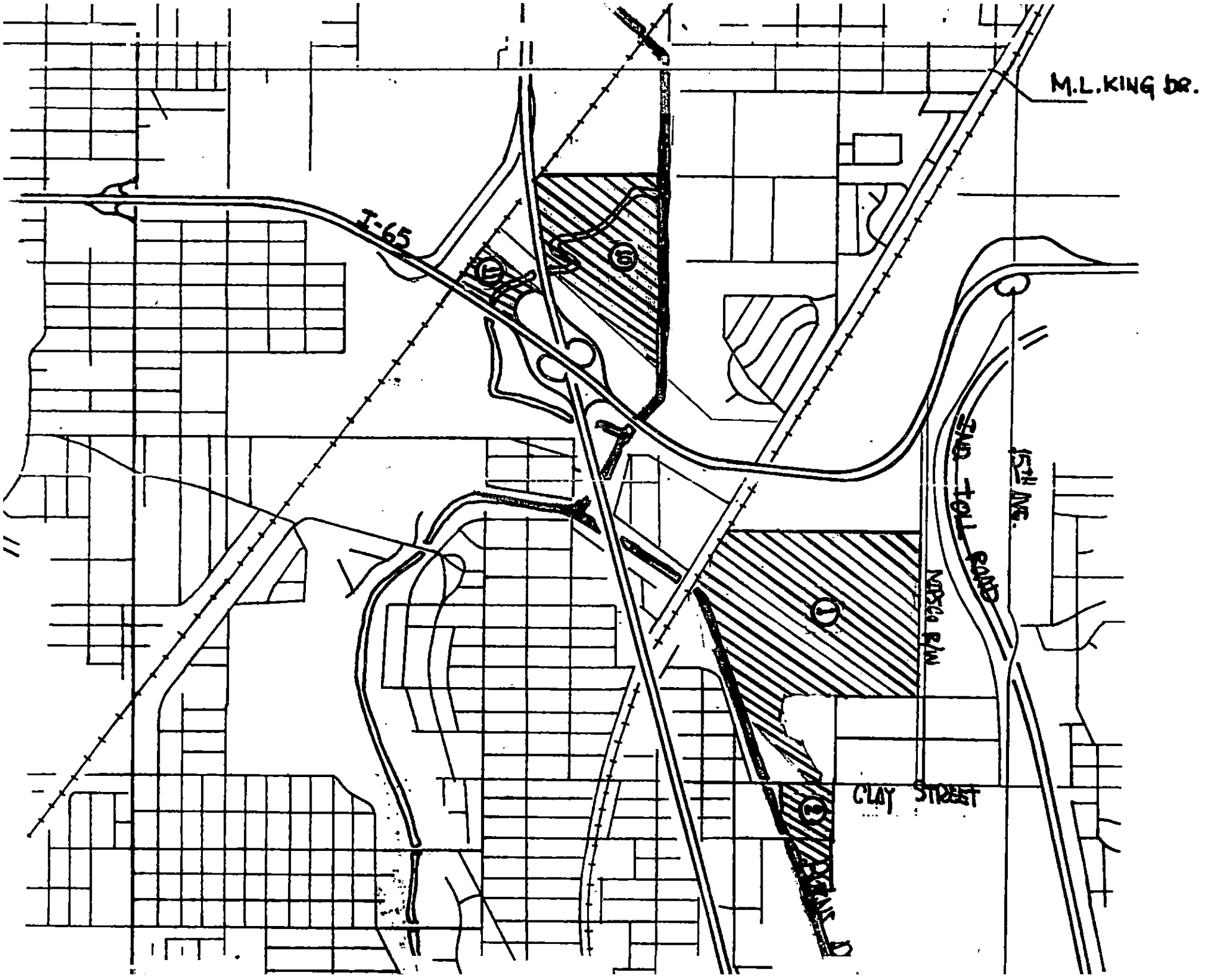
James E. Pokrajac

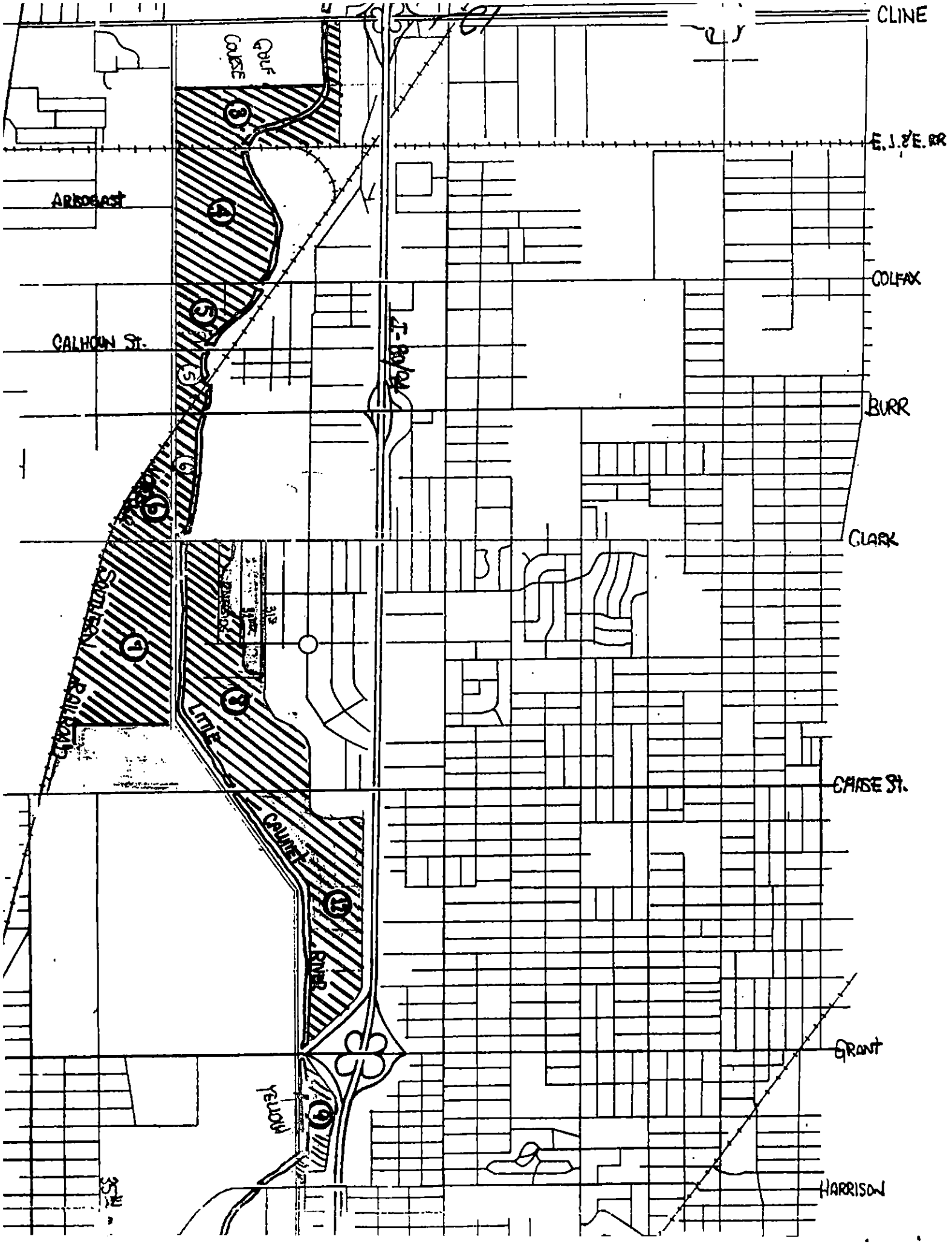
James E. Pokrajac, Agent
Land Management/Engineering

/sjm
encl.

REGION	LITTLE CAL AREA	COLE AREA	COLE ORANGE AREA
1	179	179	
2	32	32	10
3	70	85	
4	63	66	15
5	32	33	11
6	41	38	20
7	156	127	115
8	100	101	36
9	24	26	
SUBTOTAL	697	687	
10	52	86	
11	10	19	
12	85	113	15
SUBTOTAL	147	218	
GRAND TOTAL	844	905	

ALL AREAS ARE IN ACRES;
REGION 1 IS PER DEED


M.L. KING DR.
I-65
2nd toll road
15th AVE.
NORFOLK R/W
CLAY STREET
BRIDGE


CLINE
GOLF COURSE
E.J.&E.RR
ARBOGAST
COLFAX
CALHOUN ST.
BURR
CLARK
CHASE ST.
GRANT
HARRISON
YELLOW
CALUMET
RIVER
LITTLE
SOUTHERN RAILROAD

LUCAS, HOLCOMB & MEDREA
ATTORNEYS AT LAW

JAMES A. HOLCOMB
JOHN O. STILES
DANIEL A. MEDREA*
ROBERT F. PETERS
STEPHEN R. PLACE
NICK KATICH
LOUIS M. CASALE
MARY LINDA CASEY
MARK S. LUCAS
JOSEPH M. SKOZEN
DAVID E. WOODWARD

DAVID A. BULS
DAVID M. BLASKOVICH**
STEPHANIE SHAPPELL CASEY

*DENOTES ALSO MEMBER OF THE BARS OF ILLINOIS AND FLORIDA
**MEMBER OF ILLINOIS BAR

EASTON COURT
300 EAST 90TH DRIVE
MERRILLVILLE, INDIANA 46410

TELEPHONE (219) 769-3561
24-HR FAX (219) 756-7409

OF COUNSEL:
ROBERT J. ADDISON

ROBERT A. LUCAS
1922-1999

JOSEPH L. SKOZEN
1915-1997

August 26, 1999

Mr. Dan Gardner
The River Basin Commission
6100 S. Port Road
Portage, IN 46368

Dear Dan:

The last time we talked you indicated your agency had a lot of open space land that possibly could be used in cooperation with the City of Gary's Park Department and county owed lots along the Calumet River Basin. The Indiana Natural Resources Foundation and the Natural Resources Commission may also be able to help. You were going to give me a map showing those sites or at least a list of them. If you could send that to me I would appreciate it. I'll get it out to the other parties involved and see if there can be some cooperative efforts that are beneficial to all.

Sincerely,

LUCAS, HOLCOMB & MEDREA

James A. Holcomb
Telephone Ext. 108

JAH:jc

LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION
ATTENDANCE ROSTER

NAME OF MEETING: LCRBDC DATE: 9-2-99

LOCATION: 6100 Southport Rd, Portage CHAIRMAN: Emerson Delaney

PLEASE SIGN IN

	NAME (PLEASE PRINT)	ORGANIZATION, ADDRESS, PHONE NUMBER
1	JIM FLORA	R.W. ARMSTRONG
2	DON EWOLDT	LAKE ERIE LAND
3	GW HODGES	PORTAGE PORT AUTHORITY
4	E. J. BANAS	—
5	Carolyn Marsh	
6	CLIFF FLEMING	LEL
7	DENIS J. BUKSA	MUNSTER, IN
8	HERB READ	IZAAK WALTON LEAGUE PORTER CO. CHAPTER
9	HOWARD ANDERSON	" "
10	Tim Zorn	Post Tribune
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

RESULTS OF 27 JULY 1999 REAL ESTATE MEETING

LITTLE CALUMET RIVER FLOOD PROJECT/ARMY CORPS OF ENGINEERS

In attendance:

LCRBDC:
Dan Gardner
Lou Casale
Sandy Mordus
Jim Pokrajac
Angie Ogrentz
Judy Vamos

COE:
Imad Samara
Emmett Clancy
Tom Meehan

1. EAST REACH REMEDIATION

a. Status of the DNR permit - Sandy reported that she has spoken with the permit-handling administrator and LCRBDC needs to publish the official notice one more time. Dan thought the requirements were filled but the state still needs some COE Geo-Tech information. Sandy has referred the INDNR to the COE. Imad reported he had spoken with JoMary Crary from the INDNR and she sees no problems. The COE is anticipating the award of a contract about 8/26/99 (90 days from the bid notice).

Imad reported that there are problems with the 902 limits for the flood project. Congress has expanded the project costs to $176 million, but Congressman Pete Visclosky said he'll support only this increase. He does not want to go back to Congress again and ask for more money.

Imad still owes the LCRBDC a letter explaining how Dyer Construction was 38% over the COE construction cost, then the COE Cost Estimator redid the bid figures to find that Dyer was actually within the 25% allowable overage.
(ACTION: Imad/COE and Sandy/LCRBDC)

b. WLTH Radio Tower update - Judy reported that the landowner is complaining that more than the usual amount of water is flooding the tower area. Imad remembered that Frank had written a letter waiving the appraisal in favor of flood-proofing the tower. He will look for the letter and fax it Judy so Jim can continue working with WLTH engineers to plan flood-proofing measures.
(ACTION: Imad/COE and Jim/LCRBDC

2. BURR BETTERMENT LEVEE

a. Acquisitions remaining - Private land is acquired. Easements from Town of Griffith and City of Gary are also acquired.

b. The railroad appraisals are complete and approved but offers are not presented as yet. COE has changed engineering on two easements and Dale will need to do addendums. Lou thinks that NIPSCo and Marathon Pipeline may be difficult to deal with on the subject of "who pays for utility relocations." COE and LCRBDC need to make a decision fast.
(ACTION: Lou and the LCRBDC)

c. Status of DNR permit - Sand reported that everything seems to be going well. She will check on the Burr Street permit at the same time she follows-up on the ERR permit.
(ACTION: Sandy/LCRBDC)

3.) STAGE IV-1

a. Status of DC 546 - Judy reported that appraisal was being re-written with the removal of the staging area. Imad directed her to send the completed appraisal to Bill White, head of COE Real Estate, and he will review the addendum for expediency.
(ACTION: Bill White/COE and Judy/LCRBDC)

b. Status of Wolverine Pipeline corridor appraisal - Judy reported that Dale Kleszynski has completed the 22 lot appraisal. Judy is holding it to send to the new Chicago appraiser reviewer for approval instead of sending it to the Louisville District. Imad directed her to send it to Bill White for his review in the interests of time.
(ACTION: Judy/LCRBDC)

c. Current schedule for IV-1 North and IV-1 South - Imad announced that Burr Betterment Levee is now "on-hold" for about five months so the IV-1 North right-of-entry is top priority. COE headquarters is reviewing the LCA to a LPP and Washington needs to approve the changes. Bill and Dan should write a letter to HQ specifying that LCRBDC is in concurrence with the plan and schedule.
(ACTION: Dan /LCRBDC and Bill/COE)

4. CREDITING

a. Borrow sites approved - Emmett reported that the Deep River, Clark to Chase, and Smith Realty borrow sites are all approved. The $1,225,000 mass crediting for the early DNR properties is also almost complete. Tom is finishing up the documentation.
(ACTION: Tom/COE)

b. New amounts for Informal Value Estimates (in-house appraisals) - Emmett reported that COE regulations have changed. The new ruling raises the limits of Informal Value Estimates from $2,500 to $5,000. Judy can now complete more appraisals in-house instead of outsourcing them to contractors, a cost-savings for LCRBDC.
(ACTION: Judy/LCRBDC)

c. Update on the new dbase tracking computer program - A meeting will be held after today's real estate meeting between COE and LCRBDC to discuss a new dbase tracking program. Bob Wichlinski, President of On-Site Services, will explain his ideas about a new software program. Discussion at the meeting will include the cost of the software and the party responsible for the program. COE initially thinks that LCRBDC could pay for the program and submit the cost for crediting. COE would have to advertise for a contract, greatly lengthening the process.
(ACTION: COE and LCRBDC)

5. MITIGATION

a. Dan and Imad attended a meeting with INDNR representatives on 15 July to discuss the COE Mitigation Plan. DNR will respond in writing to the LCRBDC after their review. After looking at the ratios once again DNR now believes that some wooded, forested wetlands can be restored and the plan now loses 40 acres and has a surplus of 100 acres. There are still questions about the "third party acquiring partner" for the Hobart Marsh Areas. Dan reported that after the meeting a COE official mentioned that the third party acquisition contractor would probably be the Shirley Hines Foundation, Corrland, Nature Conservancy, or Lake County Parks & Recreation which has expressed an interest.
(ACTION: COE and LCRBDC)

6. UTILITY RELOCATIONS

a. Tom distributed a list of his ideas concerning of utility relocation responsibility. Discussion. Judy will send Tom the previous procedure as distributed by Mike Muryn in 1995. Tom, Mike, and Bill White will develop a "sequence procedure" to iron-out the current stalemate. COE would also like to see Jim Flora's monthly utility reports again. Jim Flora is to attend the technical review meeting on 8/10 with Jim Pokrajac and Dan..
(ACTION: COE and LCRBDC)

7. COE APPRAISER POSITION

a. Emmett reported that Chris Borton from Washington State has accepted the appraiser reviewer position at the Chicago District. He will begin on 23 August and Judy will send appraisals to Chicago instead of Louisville from then on.

b. Judy reported that she has had problems with the Louisville appraiser reviewer overstepping his authority. By regulation only an appraiser can change a land value and the Louisville reviewer has been "re-writing" the appraisals to a different land value. Emmett suggested that Judy finish any outstanding appraisal work totaling less than $5,000 and Emmett will review them. He also suggested she send any new appraisals to Chicago after 23 August.

8. OTHER ITEMS

a. Jim reported that Northwestern Indiana Regional Planning is planning a bike trail that travels the flood project's Stage V-2 area. All the trails will connect to form one continuous trail across Lake County except for the bridge which crosses the Little Calumet River at Indianapolis Boulevard. NIRPC has asked the LCRBDC to take the bridge out of project sequence and construct it now to complete the trail. Dan will write a letter to the COE. Imad said that cost will be the problem. COE will review and report at the next meeting. (ACTION: Dan/LCRBDC)

b. Jim reported that LCRBDC has received a letter from Gas City requesting an elimination of the recreation trail on the east and south sides of their parking lot. Gas City is concerned that a trail in those locations would encourage increased criminal activity, a current problem at the truck stop. Gas City is requesting to move the trail farther east. Imad is concerned about the cost. He wants to meet with Gas City representatives to coordinate ideas.
(ACTION: Imad/COE)

c. Discussion was held about what constitutes a "final' set of drawings and how many times should they be sent to landowners asking for their project suggestions. It was agreed to discuss this further at the upcoming technical review meeting on 8/10..

d. Discussion was hold concerning the 8 July letter about scheduling and the LCRBDC budget. Dan will once again try to talk or write to the state legislators about LCRBDC funding for the next three years. He expects a battle since LCRBDC is not a line item in the budget. He also mentioned that the COE Mitigation Plan is not on the project schedule and should be for funding purposes.
(ACTION: Dan/LCRBDC)

NEXT MEETING: Wednesday, 25 August 1999, 9:30 AM, Lou's office.

Little Calumet River Basin Development Commission

TO: LCRBDC Commission members

FROM: Lou Casale

RE: Revised License Agreement for LEL

DATE: August 30, 1999

Enclosed is the revised License Agreement and Option to License Real Estate. The changes discussed at the August 16th meeting have been incorporated into these documents.

Please review and if you have any questions, please call me to discuss. This is the final agreement for consideration at Thursday's meeting.

Lou Casale, Attorney
219/769-3561 Ext. 132

Dan Gardner
219/763-0696

/encl.

RECREATION REPORT

Thursday, September 2,1999

GENERAL STATEMENT:
Currently, the joint recreation venture with the Army Corps is completed; 85% of the completed east reach levees have stoned trails completed; the remainder of east reach trails should be completed by the fall of 2001.

RECREATION - PHASE 1. (This contract includes recreational facilities for Lake Etta, Gleason Park, Stage III (trails), and the OxBow area in Hammond.

A. OXBOW (Hammond)

1. October 28th, 1998 was the date that this facility was turned over to the City of Hammond.

B. GLEASON PARK (Gary Parks & Recreation)

1. October 28th, 1998 was the date this facility was turned over to the Gary Parks and Recreation Department.

C. LAKE ETTA (Lake County Parks)

1. October 27th, 1998 was the date that this facility was turned over to the Lake County Parks Department.

D. CHASE STREET TRAIL (City of Gary)

1. October 27th, 1998 was the date that this facility was turned over to the City of Gary.

RECREATION - GENERAL

A. We have requested a recreation (project-type) map from the COE showing all recreation features, including trails, fishing piers, observation decks, and all out support facilities.(Ongoing)

1. **A letter was sent to the COE on July 22nd enclosing the final marked up revisions for both of project map and the recreational features maps.**
   - **The COE has completed the latest project map and both the east and west recreation feature maps.**
   - **Our request for copies was submitted on August 10th. We will distribute these to all Commissioners upon receipt.**

B. Lake Station – Handicapped Accessible Park (Refer to Land Management Report)

1. It has been discussed with the Lake Erie Land Company the possibility of using them to develop this park in return for considerations of land use for wetland banking. (Agreement is ongoing and in process of review)

C. We received a letter from the COE on April 12 regarding recreational trail re-alignment from the existing levee north of IUN and west of Broadway indicating that they will forward real estate information to us.

1. **A letter was sent to the COE on August 5th indicating the informal value estimate needs to be approved by the COE. We will then make offer to city of Gary.**

D. We sent a letter to Gas City on July 1st requesting their comments on the relocation of the recreation trail adjacent to their truck stop.

1. We received a letter from Gas City of July 21st requesting we consider a different route due to increased crime potential.

- **The COE has requested a conference call to discuss this with Gas City.**

E. We received a copy of a press release on July 13th announcing the 1999 Transportation Enhancement grants, which includes $800,000 to complete the Highland/Wicker Park/Erie Lackawanna trail systems.

1. The current schedule is projected to have plans completed by August 2000; be bid out by November 2000; and construction to start in the spring of 2001.
2. **We discussed this issue with the COE at our August 10th Technical Review meeting and sent a letter to the COE on August 17th requesting this portion of Stage V Phase 2 be pulled out of the project and be bid separately.**
3. **We will present several alternatives to the Commission at the September 2nd meeting to evaluate our options.**

2

Little Calumet River Basin Development Commissic

6100 Southport Road Portage, Indiana 46368 (219)763-06
Fax (219)762-16

August 5, 1999

Mr. Imad Samara
U.S. Army Corps of Engineers
111 N. Canal Street
Chicago, Illinois 60606-7206

Dear Imad:

Enclosed is a copy of the ramp schematic at 33rd and Broadway that includes the location survey showing the right-of-way for Broadway (State Road 53), walkways, property ownerships, levee locations, existing recreational trails, and property lines. Currently, we are in the process of doing an informal value estimate for the real estate required to install this ramp from the existing levee down to the west right-of-way line of Broadway. Upon review and approval of this informal value estimate by the COE, we will submit a permanent levee easement agreement to the city of Gary to obtain the property necessary to construction this ramp.

Will you please make arrangements to provide the necessary layout and design to extend the recreational trail from the base of this ramp south along the west side of Broadway to 33rd Avenue, crossing at the stoplight at 33rd Avenue to the east side of Broadway, then north along the east side of Broadway to the existing stoned recreational trail at the line of protection south of the Little Calumet River.

Upon receipt of your design proposal, we will then submit this design for review and approval to INDOT to get their approval to install a recreational trail on the S.R. 53 right-of-way.

Any questions regarding this request may be directed to me at the above number.

Sincerely,

James E. Pokrajac

James E. Pokrajac, Agent
Land Management/
Engineering

encl.
cc: Emmett Clancy
Jan Plachta
Tom Deja
Lou Casale

Little Calumet River Basin Development Commission

6100 Southport Road Portage, Indiana 46368 (219)763-0696
Fax (219)762-1653

August 17, 1999

Mr. Imad Samara
U.S. Army Corps of Engineers
111 N. Canal Street
Chicago, Illinois 60606-7206

Dear Imad:

At the direction of the Commission Board members at the meeting of August 5th and mentioned in the discussion at the technical review meeting on August 10th, this letter is to serve as a request to remove a portion of the Stage V Phase 2 contract to be bid separately. The portion we request to be removed would be the installation of the pedestrian bridge over the Little Calumet River, the trail along the west side of Tri-State Coach Lines, and the culvert and closure structure over the ditch west of Tri-State that will tie into the existing trail between Woodmar Country Club and Wicker Park. This accelerated schedule is the result of an $800,000 Transportation Enhancement Grant awarded to the town of Highland for construction of the trail linking the existing Hammond and Highland trails.

Enclosed for your information are letters from the North Township Trustee and Highland Parks & Recreation dated July 27, 1999 that request we accelerate those recreational features to allow the tie in of the Hammond trail segment, Wicker Park trail segment, and the Highland trail segment. Their current schedule is projected to have their plans completed by August 2000; be advertised by November 2000; and construction start in the spring of 2001. By accelerating the recreational features, it will allow the continuity of these trails approximately 2 years sooner.

Please identify the additional cost that it would take to pursue this. We would appreciate your consideration to address this concern and we look forward to working with you to facilitate this. If you have any questions, please call me.

Sincerely,

Dan Gardner

Dan Gardner
Executive Director

sjm
encl.
cc: Jan Plachta, COE
Tom Deja, COE
Alex Brown, Highland Parks & Rec
Greg Cvitkovich, North Township Trustee
Emerson Delaney, LCRBDC Chairman
George Carlson, LCRBDC Recreation Chair
Curt Vosti, LCRBDC member

CONSIDERATIONS FOR REMOVING RECREATION FEATURES FROM STAGE V PHASE 2 AND STAGE V PHASE 3 TO ALLOW INTER-CONNECTION OF PROPOSED LOCAL TRAIL SYSTEMS

Following are the 3 options for consideration:

1. To remove the pedestrian bridge from the Stage V Phase 3 contract. To remove all sheet piling, concrete I-wall, and concrete trail from the Stage V Phase 2 contract. Also, to remove from the V-2 contract the concrete control structure and culvert connecting the west side of Tri-State with the existing recreational trail between Woodmar and Wicker.

2. Remove pedestrian bridge from the Stage V Phase 3 contract. Pursue only real estate easements necessary from Tri-State to install a temporary trail and a temporary culvert with stone to connect the south end of the bridge with the trail between Woodmar and Wicker.

3. If the COE evaluates removing these items from their respective contracts and the cost if prohibitive, we will not remove any of these items from their respective contracts based upon COE recommendations and Commissioners' review. We could also pursue with the local communities any other at-grade options to see if their trails could temporarily be inter-connected.

Sandy

OFFICE OF THE GOVERNOR

INDIANAPOLIS, INDIANA 46204-2797

FRANK O'BANNON
GOVERNOR

September 1, 1999

Mr. John M. Mroczkowski
2924 Franklin Avenue
Highland, IN 46322-1636

Dear John:

It is my pleasure to appoint you as a member of the Little Calumet River Basin Development Commission. Your appointment is effective immediately. You will serve for the remainder of a term, which will expire December 31, 1999.

Thank you for your willingness to serve the citizens of the State of Indiana. It will be with the assistance of talented Hoosiers like yourself that we will reach our goal of making Indiana government responsive to the challenges which confront our great state.

Best wishes. I look forward to working with you in the years ahead.

Sincerely,

Frank O'Bannon

Frank O'Bannon

FOB/rdr
Enclosures

POST TRIBUNE
THURSDAY, SEPTEMBER 2, 1999

Little Calumet, Lake Erie deal may be sealed tonight

By Tim Zorn
Staff Writer

PORTAGE — A 50-year agreement allowing a development company to create money-making wetlands and public recreation areas along the Little Calumet River in Lake County could be approved tonight.

Several Little Calumet River Basin Development Commission members contacted Wednesday said they favor the deal with Lake Erie Land Co.

"Lake Erie has a track record of doing it and doing it right," commission Chairman Emerson Delaney said. "It's vacant land that's just going to sit there (if the proposal isn't approved)."

The commission will consider the agreement when it meets at 6 p.m. at the Northwest Indiana Regional Planning Commission office, 6100 Southport Road.

If the 907-acre proposal is approved and also receives the blessings of federal and state environmental agencies, it could be one of the biggest wetland "banking" projects in the country.

Lake Erie would restore and preserve wetlands on commission-owned land between Cline Avenue and Clay Street, and then sell wetlands credits.

Its main customers probably would be companies ordered to compensate for pollution-damaged wetlands along the Grand Calumet River.

In addition, Lake Erie would build fishing, hiking and canoeing areas along the river, as well as two visitor centers.

"It's a concept that is unique, at least in its size, in the United States," Dan Gardner, Little Calumet commission director, said.

One commission member voiced reservations Wednesday about the agreement, as did two environmentalists who aren't commission members.

William Tanke, a Little Calumet commission member and former Porter County surveyor, said he wants more assurance about the project's long-term maintenance.

Environmentalist Charlotte Read of Chesterton said she is troubled by the proposal to use publicly owned lands for the wetland bank.

Charles Siar, president of the Indiana division of the Izaak Walton League, said his organization generally opposes wetland-banking proposals.

The commission does not know yet how the U.S. Army Corps of Engineers, the Indiana Department of Natural Resources and the Indiana Department of Environmental Management think about the latest proposal.

Lake Erie proposes to develop the project and then turn the long-term maintenance over to another entity. That entity might be The Nature Conservancy or the Lake County Park Department.

LEL offer	$43,630.00
Current income	$19,575.00
Difference	$24,055.00

Invested @ 5%	$24,055.00	
Year 1	$1,202.75	Interest
	$25,257.75	
Add	$24,055.00	
Year 2	$49,312.75	
	$2,465.64	Interest
Add	$24,055.00	
Year 3	$75,833.39	
	$3,791.67	Interest
	$79,625.06	
Add	$24,055.00	
Year 4	$103,680.06	
	$5,184.00	Interest
	$108,864.06	
Add	$24,055.00	
Year 5	$132,919.06	
	$6,645.95	Interest
	$139,565.01	
Add	$24,055.00	
Year 6	$163,620.01	
	$8,181.00	Interest
	$171,801.01	
Add	$24,055.00	
Year 7	$195,856.01	
	$9,792.80	Interest
	$205,648.81	
Add	$24,055.00	
Year 8	$229,703.81	
	$11,485.19	Interest
	$241,189.00	
Add	$24,055.00	
Year 9	$265,244.00	
	$13,262.20	Interest
	$278,506.20	
Add	$24,055.00	
Year 10	$302,561.20	
	$15,128.06	Interest
	$317,689.27	
Add	$24,055.00	
Year 11	$341,744.27	
	$17,087.21	Interest
	$358,831.48	
Add	$24,055.00	
Year 12	$382,886.48	
	$19,144.32	Interest
	$402,030.80	
Add	$24,055.00	
	$2,420,609.88	

Year 13	$426,085.80	
	$21,304.29	Interest
	$447,390.09	
Add	$24,055.00	
Year 14	$471,445.09	
	$23,572.25	Interest
	$495,017.35	
Add	$24,055.00	
Year 15	$519,072.35	
	$25,953.62	Interest
	$545,025.96	
Add	$24,055.00	
Year 16	$569,080.96	
	$28,454.05	Interest
	$597,535.01	
Add	$24,055.00	
Year 17	$621,590.01	
	$31,079.50	Interest
	$652,669.51	
Add	$24,055.00	
Year 18	$676,724.51	
	$33,836.23	Interest
	$710,560.74	
Add	$24,055.00	
Year 19	$734,615.74	
	$36,730.79	Interest
	$771,346.53	
Add	$24,055.00	
Year 20	$795,401.53	
	$39,770.08	Interest
	$835,171.60	
Add	$24,055.00	
Year 21	$859,226.60	
	$42,961.33	Interest
	$902,187.93	
Add	$24,055.00	
Year 22	$926,242.93	
	$46,312.15	Interest
	$972,555.08	
Add	$24,055.00	
Year 23	$996,610.08	
	$49,830.50	Interest
	$1,046,440.58	
Add	$24,055.00	
Year 24	$1,070,495.58	
	$53,524.78	Interest
	$1,124,020.36	
Add	$24,055.00	

Year 25	$1,148,075.36	
	$57,403.77	Interest
	$1,205,479.13	
Add	$24,055.00	
Year 26	$1,229,534.13	
	$61,476.71	Interest
	$1,291,010.84	
Add	$24,055.00	
Year 27	$1,315,065.84	
	$65,753.29	Interest
	$1,380,819.13	
	$24,055.00	
Year 28	$1,404,874.13	
	$70,243.71	Interest
	$1,475,117.83	
Add	$24,055.00	
Year 29	$1,499,172.83	
	$74,958.64	Interest
	$1,574,131.48	
Add	$24,055.00	
Year 30	$1,598,186.48	
	$79,909.32	Interest
	$1,678,095.80	
Add	$24,055.00	
Year 31	$1,702,150.80	
	$85,107.54	Interest
	$1,787,258.34	
Add	$24,055.00	
Year 32	$1,811,313.34	
	$90,565.67	Interest
	$1,901,879.01	
Add	$24,055.00	
Year 33	$1,925,934.01	
	$96,296.70	Interest
	$2,022,230.71	
Add	$24,055.00	
Year 34	$2,046,285.71	
	$102,314.29	Interest
	$2,148,599.99	
Add	$24,055.00	
Year 35	$2,172,654.99	
	$108,632.75	Interest
	$2,281,287.74	
Add	$24,055.00	
Year 36	$2,305,342.74	
	$115,267.14	Interest
	$2,420,609.88	
Add	$24,055.00	

Year 37	$4,884,856.54		
	$390,788.52	Interest	
	$5,275,645.07		
Add	$24,055.00		
Year 38	$5,299,700.07		
	$423,976.01	Interest	
	$5,723,676.07		
Add	$24,055.00		
Year 39	$5,747,731.07		
	$459,818.49	Interest	
	$6,207,549.56		
Add	$24,055.00		
Year 40	$6,231,604.56		
	$498,528.36	Interest	
	$6,730,132.92		
Add	$24,055.00		
Year 41	$6,754,187.92		
	$540,335.03	Interest	
	$7,294,522.96		
Add	$24,055.00		
Year 42	$7,318,577.96		
	$585,486.24	Interest	
	$7,904,064.19		
Add	$24,055.00		
Year 43	$7,928,119.19		
	$634,249.54	Interest	
	$8,562,368.73		
Add	$24,055.00		
Year 44	$8,586,423.73		
	$686,913.90	Interest	
	$9,273,337.63		
Add	$24,055.00		
Year 45	$9,297,392.63		
	$743,791.41	Interest	
	$10,041,184.04		
Add	$24,055.00		
Year 46	$10,065,239.04		
	$805,219.12	Interest	
	$10,870,458.16		
Add	$24,055.00		
Year 47	$10,894,513.16		
	$871,561.05	Interest	
	$11,766,074.21		
Add	$24,055.00		
Year 48	$11,790,129.21		
	$943,210.34	Interest	
	$12,733,339.55		
Add	$24,055.00		
Year 49	$12,757,394.55		
	$12,781,449.55		
Add	$24,055.00		
Year 50	$12,805,504.55		

LEL offer	$43,630.00
Current income	$19,575.00
Difference	$24,055.00

Invested @ 8%		$24,055.00	
Year 1		$1,924.40	Interest
		$25,979.40	
	Add	$24,055.00	
Year 2		$50,034.40	
		$4,002.75	Interest
	Add	$24,055.00	
Year 3		$78,092.15	
		$6,247.37	Interest
		$84,339.52	
	Add	$24,055.00	
Year 4		$108,394.52	
		$8,671.56	Interest
		$117,066.09	
	Add	$24,055.00	
Year 5		$141,121.09	
		$11,289.69	Interest
		$152,410.77	
	Add	$24,055.00	
Year 6		$176,465.77	
		$14,117.26	Interest
		$190,583.03	
	Add	$24,055.00	
Year 7		$214,638.03	
		$17,171.04	Interest
		$231,809.08	
	Add	$24,055.00	
Year 8		$255,864.08	
		$20,469.13	Interest
		$276,333.20	
	Add	$24,055.00	
Year 9		$300,388.20	
		$24,031.06	Interest
		$324,419.26	
	Add	$24,055.00	
Year 10		$348,474.26	
		$27,877.94	Interest
		$376,352.20	
	Add	$24,055.00	
Year 11		$400,407.20	
		$32,032.58	Interest
		$432,439.78	
	Add	$24,055.00	
Year 12		$456,494.78	
		$36,519.58	Interest
		$493,014.36	
	Add	$24,055.00	
		$4,860,801.54	

Year 13		$517,069.36	
		$41,365.55	Interest
		$558,434.91	
	Add	$24,055.00	
Year 14		$582,489.91	
		$46,599.19	Interest
		$629,089.10	
	Add	$24,055.00	
Year 15		$653,144.10	
		$52,251.53	Interest
		$705,395.63	
	Add	$24,055.00	
Year 16		$729,450.63	
		$58,356.05	Interest
		$787,806.68	
	Add	$24,055.00	
Year 17		$811,861.68	
		$64,948.93	Interest
		$876,810.61	
	Add	$24,055.00	
Year 18		$900,865.61	
		$72,069.25	Interest
		$972,934.86	
	Add	$24,055.00	
Year 19		$996,989.86	
		$79,759.19	Interest
		$1,076,749.05	
	Add	$24,055.00	
Year 20		$1,100,804.05	
		$88,064.32	Interest
		$1,188,868.38	
	Add	$24,055.00	
Year 21		$1,212,923.38	
		$97,033.87	Interest
		$1,309,957.25	
	Add	$24,055.00	
Year 22		$1,334,012.25	
		$106,720.98	Interest
		$1,440,733.22	
	Add	$24,055.00	
Year 23		$1,464,788.22	
		$117,183.06	Interest
		$1,581,971.28	
	Add	$24,055.00	
Year 24		$1,606,026.28	
		$128,482.10	Interest
		$1,734,508.39	
	Add	$24,055.00	

Year 25		$1,758,563.39	
		$140,685.07	Interest
		$1,899,248.46	
	Add	$24,055.00	
Year 26		$1,923,303.46	
		$153,864.28	Interest
		$2,077,167.73	
	Add	$24,055.00	
Year 27		$2,101,222.73	
		$168,097.82	Interest
		$2,269,320.55	
		$24,055.00	
Year 28		$2,293,375.55	
		$183,470.04	Interest
		$2,476,845.60	
	Add	$24,055.00	
Year 29		$2,500,900.60	
		$200,072.05	Interest
		$2,700,972.64	
	Add	$24,055.00	
Year 30		$2,725,027.64	
		$218,002.21	Interest
		$2,943,029.85	
	Add	$24,055.00	
Year 31		$2,967,084.85	
		$237,366.79	Interest
		$3,204,451.64	
	Add	$24,055.00	
Year 32		$3,228,506.64	
		$258,280.53	Interest
		$3,486,787.17	
	Add	$24,055.00	
Year 33		$3,510,842.17	
		$280,867.37	Interest
		$3,791,709.55	
	Add	$24,055.00	
Year 34		$3,815,764.55	
		$305,261.16	Interest
		$4,121,025.71	
	Add	$24,055.00	
Year 35		$4,145,080.71	
		$331,606.46	Interest
		$4,476,687.17	
	Add	$24,055.00	
Year 36		$4,500,742.17	
		$360,059.37	Interest
		$4,860,801.54	
	Add	$24,055.00	

Year 33	$7,250,462.43	
	-$60,000.00	maint.
	$7,190,462.43	
	$575,236.99	interest
Year 34	$7,765,699.42	
	-$60,000.00	maint.
	$7,705,699.42	
	$616,455.95	interest
Year 35	$8,322,155.38	
	-$60,000.00	maint.
	$8,262,155.38	
	$660,972.43	interest
Year 36	$8,923,127.81	
	-$60,000.00	maint.
	$8,863,127.81	
	$709,050.22	interest
Year 37	$9,572,178.03	
	-$60,000.00	maint.
	$9,512,178.03	
	$760,974.24	interest
Year 38	$10,273,152.27	
	-$60,000.00	maint.
	$10,213,152.27	
	$817,052.18	interest
Year 39	$11,030,204.45	
	-$60,000.00	maint.
	$10,970,204.45	
	$877,616.36	interest
Year 40	$11,847,820.81	
	-$60,000.00	maint.
	$11,787,820.81	
	$943,025.66	interest
Year 41	$12,730,846.48	
	-$60,000.00	maint.
	$12,670,846.48	
	$1,013,667.72	interest
Year 42	$13,684,514.19	
	-$60,000.00	maint.
	$13,624,514.19	
	$1,089,961.14	interest
Year 43	$14,714,475.33	
	-$60,000.00	maint.
	$14,654,475.33	
	$1,172,358.03	interest
Year 44	$15,826,833.36	
	-$60,000.00	maint.
	$15,766,833.36	
	$1,261,346.67	interest
Year 45	$17,028,180.02	
	-$60,000.00	maint.
	$16,968,180.02	
	$1,357,454.40	interest
Year 46	$18,325,634.43	
	-$60,000.00	maint.
	$18,265,634.43	
	$1,461,250.75	interest
Year 47	$19,726,885.18	
	-$60,000.00	maint.
	$19,666,885.18	
	$1,573,350.81	interest
Year 48	$21,240,236.00	
	-$60,000.00	maint.
	$21,180,236.00	
	$1,694,418.88	interest
Year 49	$22,874,654.87	
	-$60,000.00	maint.
	$22,814,654.87	
	$1,825,172.39	interest
Year 50	$24,639,827.26	